



Invesco Strategic MPF Scheme Reports and Financial Statements

For the year ended 31 March 2020

Invesco Strategic MPF Scheme

Contents

Scheme Report	01
Manager's Report	05
Investment Report	07
Independent Auditor's Report to the Trustee	77
Financial Statements	
Scheme	80
MPF Conservative Fund	84
Guaranteed Fund	88
Global Bond Fund	92
RMB Bond Fund	96
Capital Stable Fund	100
Balanced Fund	104
Growth Fund	108
Hong Kong and China Equity Fund	112
Asian Equity Fund	116
Invesco Hang Seng Index Tracking Fund	120
Age 65 Plus Fund	124
Core Accumulation Fund	128
Notes to the Financial Statements	132

Invesco Strategic MPF Scheme

Scheme Report

FOR THE YEAR ENDED 31 MARCH 2020

Invesco Strategic MPF Scheme (the “Scheme”) is established under the Trust Deed dated 31 January 2000, as amended, and is registered with the Mandatory Provident Fund Schemes Authority of Hong Kong (the “MPFA”). The Scheme is specially designed to meet the requirements under the Mandatory Provident Fund Schemes Ordinance of Hong Kong.

The implementation date of Mandatory Provident Fund Schemes Ordinance was 1 December 2000 and the Scheme started its operations on the same date.

Operating Parties

The particulars of key service providers involved in the Scheme are:

Sponsor & Investment Manager:	Invesco Hong Kong Limited 41/F, Champion Tower Three Garden Road, Central Hong Kong INVESSCall Member Hotline : 2842 7878 INVESNet : www.invesco.com.hk/mpf
Trustee, Custodian & Administrator:	Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong
Legal Adviser:	Deacons 5/F, Alexandra House 18 Chater Road, Central Hong Kong
Guarantor:	Principal Insurance Company (Hong Kong) Limited 30/F, Millennium City 6 392 Kwun Tong Road, Kwun Tong Kowloon Hong Kong
Banker:	Citibank, N.A. 50/F, Champion Tower Three Garden Road, Central Hong Kong
Auditor:	PricewaterhouseCoopers 22/F, Prince's Building, 10 Chater Road Hong Kong

Invesco Strategic MPF Scheme

Scheme Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Operating Parties (Continued)

The Investment Manager is Invesco Hong Kong Limited, which was established in Hong Kong in 1972. The Investment Manager specialises in investment research and fund management in the Far East with offices and related companies in Hong Kong, Taiwan, Singapore, Japan and Australia.

Invesco Hong Kong Limited is an indirect wholly owned subsidiary of Invesco Ltd. (together with its members, "the Group"), which is listed on the New York Stock Exchange. It is one of the largest independent fund management firms in the world, with around US\$1,053.4 billion (2019: US\$954.8billion) under management worldwide as at 31 March 2020. Through the extensive network of information resources and economic and investment research of the Group, Invesco Hong Kong Limited can tap into the expertise of more than 750 investment professionals throughout the Group operating in more than 20 countries.

Bank Consortium Trust Company Limited is an approved trustee registered under section 20 of the Hong Kong Mandatory Provident Fund Schemes Ordinance. As the provider of administration, custodian and trusteeship services, the Trustee also acts as the Administrator of the Scheme. The directors of the Bank Consortium Trust Company Limited during the year were:

Mr. Tan Stephen	Executive Director Asia Financial Holdings Limited 16/F, Worldwide House 19 Des Voeux Road Central Hong Kong
Ms. Ko Sog Yee Karen (Alternate Director to Mr. Tan Stephen)	Chief Operating Officer & Senior Executive Vice President Asia Financial Holdings Limited 16/F, Worldwide House 19 Des Voeux Road Central Hong Kong
Mr. Lau Wai Man	Executive Director & Deputy Chief Executive Chong Hing Bank Limited 26/F, Chong Hing Bank Centre 24 Des Voeux Road Central Hong Kong
Mr. Wong Hon Hing	Vice Chairman Dah Sing Bank, Limited 36/F, Everbright Centre 108 Gloucester Road, Wanchai Hong Kong
Mr. Lau Shing Tat, Eddie (Alternate Director to Mr. Wong Hon Hing) (Ceased/Resigned on 31 January 2020)	Senior Executive Director & Head of Commercial Banking Division Dah Sing Bank, Limited 35/F, Everbright Centre 108 Gloucester Road, Wanchai Hong Kong

Invesco Strategic MPF Scheme

Scheme Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Operating Parties (Continued)

Mr. Kwok Sek-chi, David	Deputy Chairman, Managing Director & Chief Executive Shanghai Commercial Bank Limited 7/F, Shanghai Commercial Bank Tower 12 Queen's Road Central Hong Kong
Mr. Li Yiu Ki (Alternate Director to Mr. Kwok Sek-chi, David)	Head of MPF Services Centre Department Shanghai Commercial Bank Limited 28/F, Landmark East 100 How Ming Street Kwun Tong, Kowloon Hong Kong
Mr. Wang Frank John	Authorised Representative OCBC Wing Hang Bank Limited 4/F, 161 Queen's Road Central Hong Kong
Mr. Woo Lap Hoi	Director & Chief Executive Officer CMB Wing Lung Insurance Brokers Limited 1/F, CMB Wing Lung Bank Building 45 Des Voeux Road Central Hong Kong
Ms. Lau Ka Shi, Betsy	Managing Director & CEO Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong
Mr. Leckie Stuart Hamilton, OBE, JP (Independent Director)	Chairman Stirling Finance Limited 2207 Tower 2, Lippo Centre 89 Queensway Hong Kong
Mr. Tam Po Chiu (Independent Director)	c/o Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong

Scheme Report (Continued) **FOR THE YEAR ENDED 31 MARCH 2020**

Operating Parties (Continued)

Scheme members can obtain further information about the Scheme and its operations from the Sponsor and Investment Manager, Invesco Hong Kong Limited, or the Trustee and Administrator, Bank Consortium Trust Company Limited at the addresses, hotline and website shown on page 1.

Financial Development of the Scheme

The total contributions received and receivable including transfers in, and benefits paid and payable including transfers out and forfeitures during the year were HK\$2,133,943,561 (2019: HK\$2,019,168,879) and HK\$1,144,113,995 (2019: HK\$1,131,397,356) respectively. The net asset value of the Scheme as of 31 March 2020 was HK\$19,824,622,458 (2019: HK\$21,139,809,390).

Changes to the Governing Rules

Set out below is a brief summary of the key amendments to the governing rules/ the offering document of the Scheme and its constituent funds ("Brochure") of the Master Trust:

- (1) Introduction of tax deductible voluntary contributions.
- (2) Enhancement of disclosure to include disclosure on risks associated with investment in debt securities issued within Mainland China traded on the China Interbank Bond Market.
- (3) Update on communication channels in which the constituent fund's issue and realisation prices and notices relating to suspension of calculation of net asset value are published.
- (4) Amendment to the Trust Deed to permit the Trustee to refuse applications to make flexible voluntary contribution from new or existing members.
- (5) Enhancement to include disclosure on the Automatic Exchange of Financial Account Information.
- (6) With effect from 31 March 2020, the Prospectus (as amended) has been renamed to an MPF Scheme Brochure ("Brochure"), the previous issued addenda to the Prospectus have been consolidated into the relevant parts of the Brochure, the contents of the Prospectus have been rearranged in the Brochure to comply with the requirements in Part G (Presentation of Information and Risk Disclosure in the Offering Document of a Registered Scheme) of the Code on Disclosure for MPF Investment Funds, and various editorial amendments (e.g. re-labelling of titles and change of referencing) have been made to the Brochure to reflect the preceding changes.

For the details, please refer to the relevant parts of the Brochure.

Manager's Report

FOR THE YEAR ENDED 31 MARCH 2020

Performance Review

Market performance summary of global equity markets: Global financial markets enjoyed strong performance in 2019 as most economies remained on a solid footing thanks to supportive policies and a phase-one trade agreement was reached between China and the US. The outbreak of COVID-19 in early 2020 changed the entire picture. The global market was in great dislocation with sharp sell-off in equities and falling treasury yields. As the virus spread beyond China into the US and Europe, risk is rising that a global recession is looming ahead due to unprecedented containment measures. Government across countries announced a slew of stimulus measures including policy rate cuts and fiscal policy support to stabilize economic outlook and aid businesses, particularly small and medium enterprises that are mostly affected by the virus.

US equities: The longest-ever bull market in US history ended abruptly in the first quarter of 2020 with the S&P 500 recorded its biggest quarterly decline since 2008. With markets close to breaking under the weight of the coronavirus, the US government and the Federal Reserve (Fed) intervened to help restore calm.

European equities: European equities fell sharply in early 2020 following a strong run in 2019 as news emerged that the spread of the COVID-19 virus was accelerating across the western hemisphere. Investors were spooked by fears of an impending global recession as national governments began implementing extreme measures to contain the spread of the virus.

Japanese equities: Similar to other markets, Japan ended the reporting period on acceptance that COVID-19 will tip the economy into recession. Stimulus packages were announced. The Bank of Japan stated "it will strive to provide ample liquidity and ensure stability in financial markets through appropriate market operation".

China and Hong Kong equities: China / HK equities retreated in the first quarter 2020 but outperformed other regions as it is ahead of curves in terms of epidemic control. A renewal in economic activity was seen following an easing of the prior lockdown. In addition, interest rates were reduced while the government confirmed a further increase in policy support.

Asia Pacific (ex Japan, Hong Kong and China) equities: Asian equity markets weakened in early 2020 as investor sentiment was negative across asset classes amid the widening spread of COVID-19. Concerns grew about the outlook for global growth with an alarming rise of infections outside of China, especially the US and Europe. Supply chains were impacted as the number of industrial shutdowns increased and social distancing continued to reduce consumer demand.

Global bonds: The impact of the coronavirus was magnified by OPEC action that dramatically impacted the price of oil, which wreaked havoc in the global bond market. US treasury yields fell to historical low levels following Fed's decision to slash the interest rates.

Manager's Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Portfolio Strategy and Market outlook

Portfolio strategy: Current market prices are reflecting the near-term effects of the coronavirus and the oil price war that has begun between OPEC members. Without a doubt the effect of the coronavirus on near-term growth and corporate earnings is going to be terrible. That said, it is important to remember that this effect is one of disruptions, not damage. The financial system is intact. Global production capacity is likewise in good shape. As recovery comes through, we believe we will see increased spending on information technology hardware and software. We will see increased spending on health care. We are likely to see a release of pent-up consumer demand for some discretionary goods and services. We believe the current market condition has thrown up opportunities to buy strong franchises at extraordinarily attractive prices.

US equities: Despite recent deteriorating in economic data including unemployment and retail sales, growth will eventually recover once the COVID-19 situation is under control. The government's relief measures should help support businesses and the economy.

European equities: European equities will not be immune to the impact of COVID-19 that has led to a sharp market sell-off. Growth will slow substantially in the first half and recovery will depend on when economic activities can be back to normal. We believe the sharp decline has created numerous new opportunities across many sectors for active managers like ourselves to buy great businesses at attractive prices.

Japanese equities: As we experienced during the SARS episode, pent-up demand is expected to boost economic and corporate activity afterwards, and such an epidemic itself should not change the macro trend. We assume the Japanese economy to get back on the original path of gradual recovery after some disruptions. We broadly maintain our long-term scenario that labour and capacity shortage combined with companies' cash hoard will continue to support the Capex cycle and foster innovation and productivity improvement.

China and Hong Kong equities: We believe Chinese equities will likely continue to outperform as it is ahead of the curve in both virus containment and business resumption. We believe economic growth will recover as activities return to normal from 2Q onwards. That said, we see the improving outlook in China is complicated by the deterioration in the rest of the world. We believe policy support will be the key to maintain investor confidence and stabilize growth outlook amid rising external uncertainty.

Asia Pacific (ex Japan, Hong Kong and China) equities: We believe there remain uncertainties regarding the COVID-19 situation as different Asian countries are at different points of the infection curve. Countries that have contained the virus, mostly North Asian ones, will be first to resume production and see an early recovery. Growth prospect will be however more challenging in countries with constraints on resources.

Global bonds: We believe the recent dislocation has opened opportunities for investors seeking attractive entry points in fixed income. While an economic recession seems almost assured at this point, bonds won't suffer equally. The Fed's support will not be able to prevent genuinely distressed credits and companies from going bankrupt. We still favor looking higher in the quality spectrum for some of the best potential reward at this point in the cycle.

Invesco Hong Kong Limited
Hong Kong, 14 September 2020

Invesco Strategic MPF Scheme

Investment Report

FOR THE YEAR ENDED 31 MARCH 2020

Invesco Strategic MPF Scheme (the "Scheme") offers twelve constituent funds with different investment policies. The MPF Conservative Fund, Age 65 Plus Fund and Core Accumulation Fund are constituent funds required under the Mandatory Provident Fund Schemes (General) Regulation. The other constituent funds of the Scheme are Guaranteed Fund, Global Bond Fund, RMB Bond Fund, Capital Stable Fund, Balanced Fund, Growth Fund, Hong Kong and China Equity Fund, Asian Equity Fund and Invesco Hang Seng Index Tracking Fund. The respective investment policies are set out below. There was no change in the investment policy of the constituent funds during the year.

Investment Policies

MPF Conservative Fund: To invest in HK dollar deposits, HK dollar denominated money market instruments as well as short-dated fixed interest securities.

Guaranteed Fund: To invest in an Approved Pooled Investment Fund ("APIF") guaranteed by Principal Insurance Company (Hong Kong) Limited (the "Guarantor"), which invests in two or more APIFs and/or approved Index-Tracking Collective Investment Schemes (the "ITCIS"). The underlying investments will consist of around 25% to 90% in debt securities, 10% to 55% in equity securities both denominated in HK dollars, US dollars or other currencies and up to 20% in cash and short term investments.

Global Bond Fund: To invest around 50% to 90% of its net asset value in global bonds and around 10% to 50% of its net asset value in HK dollar denominated bonds (through investment in an APIF).

RMB Bond Fund: To invest in an APIF (the APIF is denominated in HKD only and not in RMB) which will primarily invest in Renminbi ("RMB") denominated debt instruments and RMB denominated money market instruments in accordance with the following target ranges of asset allocation:

By Asset Class	Min%	Max%**
Debt instruments	70%	100%
Cash and money market instruments	0%	30%
By Currency	Min%	Max%**
RMB denominated instruments	70%	100%
Non-RMB denominated instruments	0%	30%

**Investors should note that the above ranges of asset allocation is for indication only and long term allocations may vary with changing market conditions.

The APIF will invest at least 70% of its net asset value in RMB denominated bonds issued outside Mainland China, with a primary focus on RMB denominated bonds issued in Hong Kong. It may also invest in other RMB denominated debt instruments which include but are not limited to convertible bonds, fixed rate and floating rate debt instruments, issued by governmental and supranational bodies, local authorities, national public bodies and corporations worldwide.

The RMB denominated money market instruments of the APIF include but are not limited to commercial papers, certificates of deposit and bank deposits.

The APIF will not invest in securities issued within Mainland China through any Qualified Foreign Institutional Investor (QFII) quota.

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Investment Policies (Continued)

RMB Bond Fund (Continued):

The APIF may invest up to 30% of its net asset value in non-RMB denominated bonds, money market instruments, cash and cash equivalents. These non-RMB denominated holdings will be primarily denominated in HK dollar or US dollar but may also be denominated in other currencies in the Asia Pacific region. ♦

- ♦ The Investment Manager believes that the non-RMB currency exposure of the APIF will mitigate risks arising from the RMB exchange rate fluctuations and provide flexibility to achieve steady growth over the long term in various market conditions. Such exposure may also help to reduce the cost of hedging in order to provide the effective currency exposure as required under the Schedule 1 to the MPF General Regulation.

Capital Stable Fund: To invest around 70% of its net asset value in global bonds and 30% of its net asset value in global equities (through investment in two or more APIFs). Equity investment will be made on a global basis with an emphasis on the Hong Kong market. Fixed income investments will be made on a global basis.

Balanced Fund: To invest around 30% of its net asset value in global bonds and 70% of its net asset value in global equities (through investment in two or more APIFs). Equity investment will be made on a global basis with an emphasis on the Hong Kong market. Fixed income investments will be made on a global basis.

Growth Fund: To invest up to 100% of its net asset value in global equities (through investment in an APIF). Equity investments will be made on a global basis with an emphasis on the Hong Kong market.

Hong Kong and China Equity Fund: To invest up to 100% of its net asset value in Hong Kong and China-related securities, which are listed on Hong Kong or other stock exchanges (through investment in an APIF). China-related securities are defined as securities listed on the Hong Kong Stock Exchange or other exchanges, of issuers generating a substantial portion of their revenues and/or profits in the People's Republic of China (including, but not limited to, China A-Shares). The APIF will normally invest up to 100% of its net asset value in Hong Kong and China-related securities. Up to 10% of its net asset value may be invested in Hong Kong and China-related securities listed on a stock exchange that is not an approved stock exchange as defined in the MPF General Regulation.

Asian Equity Fund: To invest up to 100% of its net asset value in Asian (excluding Hong Kong and Japanese) equities (through investment in an APIF).

Invesco Hang Seng Index Tracking Fund: To invest directly in a single approved index-tracking collective investment scheme, namely, TraHK[^]. Invesco Hang Seng Index Tracking Fund may hold cash and bank deposits for ancillary purposes.

TraHK's investment objective is to provide investment results that closely correspond to the performance of the Hang Seng Index of Hong Kong. The manager of TraHK (State Street Global Advisors Asia Limited) seeks to achieve the investment objective of TraHK by investing all, or substantially all, of TraHK's assets in the shares in the constituent companies of the Hang Seng Index in substantially the same weightings as they appear in the Hang Seng Index.

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Investment Policies (Continued)

Invesco Hang Seng Index Tracking Fund (Continued):

The Hang Seng Index measures the performance of largest and most liquid companies listed on the Main Board of the Stock Exchange of Hong Kong Limited and is compiled by adopting free float adjusted market capitalisation weighted methodology. Details of the index methodology and further information in relation to the Hang Seng Index are available at www.hsi.com.hk. As for other important news of the Hang Seng Index, Hang Seng Indexes Company Limited will also make announcements through press releases and at www.hsi.com.hk. Please also refer to the "Further Information on the Hang Seng Index" section of the Brochure for further information on the Hang Seng Index including the disclaimer of the index provider.

^TraHK is an Index-Tracking Collective Investment Scheme approved by the MPFA (the "ITCIS").

The above details are in summary form only and must be read in conjunction with the detailed information contained in the current brochure.

Age 65 Plus Fund:

Investment Structure

To feed into an APIF, the Invesco Pooled Investment Fund - Age 65 Plus Fund, that invests in two other APIFs (the "Underlying APIFs"), which in turn invest directly in a portfolio of global equities, and a portfolio of global fixed income securities, as well as cash and money market instruments as allowed under the MPF General Regulation.

Asset Allocation

Through the two Underlying APIFs, the APIF invested by the Age 65 Plus Fund targets to invest 20% of its net asset value in higher risk assets (such as global equities), with the remainder investing in lower risk assets (such as global bonds, cash and money market instruments). The asset allocation to higher risk assets may vary between 15% and 25% due to differing price movements of various equity and bond markets. Subject to the above, the investment manager of the APIF invested by the Age 65 Plus Fund has discretion as to the asset allocation of the APIF.

Geographical Allocation

There is no prescribed allocation for investments in any specific countries or currencies.

Investment strategy of Underlying APIFs

The Underlying APIFs adopt an active investment strategy. The Underlying APIFs seek to achieve returns above that of the respective reference indexes through active management of portfolios with reference to the constituents / credit rating, sectors, and geographic allocation of the reference indexes. In other words, the constituents of the portfolios may not be identical to the reference indexes in terms of security selection and weighting and the Underlying APIFs may selectively react to the movement of dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize cost for the purpose of DIS asset rebalancing.

Hong Kong Dollar Currency Exposure

The Age 65 Plus Fund will maintain an effective currency exposure to Hong Kong dollars of not less than 30% through investments in the Underlying APIFs.

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Investment Policies (Continued)

Core Accumulation Fund:

Investment Structure

To feed into an APIF, the Invesco Pooled Investment Fund - Core Accumulation Fund, that invests in two other APIFs (the "Underlying APIFs"), which in turn invest directly in a portfolio of global equities, and a portfolio of global fixed income securities, as well as cash and money market instruments as allowed under the MPF General Regulation.

Asset Allocation

Through the two Underlying APIFs, the APIF invested by the Core Accumulation Fund targets to invest 60% of its net asset value in higher risk assets (such as global equities), with the remainder investing in lower risk assets (such as global bonds, cash and money market instruments). The asset allocation to higher risk assets may vary between 55% and 65% due to differing price movements of various equity and bond markets. Subject to the above, the investment manager of the APIF invested by the Core Accumulation Fund has discretion as to the asset allocation of the APIF.

Geographical Allocation

There is no prescribed allocation for investments in any specific countries or currencies.

Investment strategy of Underlying APIFs

The Underlying APIFs adopt an active investment strategy. The Underlying APIFs seek to achieve returns above that of the constituent index for equity securities and the constituent index for fixed income securities under the Reference Portfolio ("**reference indexes**") through active management of portfolios with reference to the constituents / credit rating, sectors, and geographic allocation of the reference indexes. In other words, the constituents of the portfolios may not be identical to the reference indexes in terms of security selection and weighting and the Underlying APIFs may selectively react to the movement of dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize cost for the purpose of DIS asset rebalancing.

Hong Kong Dollar Currency Exposure

The Core Accumulation Fund will maintain an effective currency exposure to Hong Kong dollars of not less than 30% through investments in the Underlying APIFs.

Commentary By Trustee

The Trustee of the Scheme confirmed that:

- (a) Based on the information received from the Investment Manager of the Scheme during the year, to the best of the knowledge and belief of the Trustee, the investment objectives and policies for each constituent fund of the Scheme were complied with; and
- (b) Contents of the Manager's Report contained thereunder are acknowledged and endorsed by the Trustee.

Set out below are the information for helping scheme members to review performance of their MPF investments.

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
MPF Conservative Fund				
- Class A	1.47	0.65	0.53	0.94
- Class H	1.48	0.65	0.53	0.94
<i>Launch date: 29/01/2001 - Class A</i> <i>Launch date: 12/02/2001 - Class H</i>				
Performance Target				
- Class A	0.09	0.04	0.02	0.41
- Class H	0.09	0.04	0.02	0.40
Deviation from the performance target				
- Class A	1.38	0.61	0.51	0.53
- Class H	1.39	0.61	0.51	0.54
Trustee's commentary				
According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to elevated HIBOR levels amid tightening in liquidity condition and continued normalization in HIBOR/LIBOR spreads.				
*Benchmark: MPF Prescribed Savings Rate				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Guaranteed Fund				
- Class G	(0.83)	(0.11)	1.39	1.07
<i>Launch date: 29/01/2001</i>				
Performance Target	-	-	-	-
Deviation from the performance target	-	-	-	-
Trustee's commentary				
Performance target for Guaranteed Fund is not applicable as the effect of the guarantee may not be affected by the net of fee performance of the fund. Members investing in the Guaranteed Fund may be provided with a guarantee of capital and a prescribed rate of return when a qualifying event occurs. Accordingly, fund performance of the Guaranteed Fund is monitored on the basis of whether it is able to achieve the prescribed guaranteed return in that regard.				
Due to different features of guaranteed funds, direct comparison of the performance of guaranteed funds may also not be meaningful.				
*No benchmark				

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Global Bond Fund				
- Class A	3.14	1.33	1.92	2.62
- Class H	3.26	1.46	2.05	2.75
<i>Launch date: 05/03/2003</i>				
Performance Target				
- Class A	3.97	2.79	2.73	3.83
- Class H	3.97	2.79	2.73	3.83
Deviation from the performance target				
- Class A	(0.83)	(1.46)	(0.81)	(1.21)
- Class H	(0.71)	(1.33)	(0.68)	(1.08)
Trustee's commentary				
According to the Investment Manager, the deviation of the 1-year performance in respect to the financial period ended in 31 March 2020 was mainly due to the effect of fees and hedging and overweight to credit.				
*Benchmark: 70% Barclays Capital Global Aggregate + 30% Markit iBoxx ALBI Hong Kong				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
RMB Bond Fund				
- Class A	(1.89)	(0.19)	-	(0.59)
- Class H	(1.77)	(0.07)	-	(0.47)
<i>Launch date: 05/03/2013 - Class A</i>				
<i>Launch date: 06/03/2013 - Class H</i>				
Performance Target				
- Class A	(1.48)	1.82	-	1.52
- Class H	(1.48)	1.82	-	1.50
Deviation from the performance target				
- Class A	(0.41)	(2.01)	-	(2.11)
- Class H	(0.29)	(1.89)	-	(1.97)
Trustee's commentary				
According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to the relatively shorter duration position.				
*Benchmark: Markit iBoxx ALBI China Offshore Non-Government Investment Grade				

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Capital Stable Fund				
- Class A	(2.95)	1.18	2.64	3.58
- Class H	(2.83)	1.30	2.76	3.77
<i>Launch date: 29/01/2001 - Class A</i> <i>Launch date: 12/02/2001 - Class H</i>				
Performance Target				
- Class A	(1.32)	2.78	3.59	5.03
- Class H	(1.32)	2.78	3.59	5.15
Deviation from the performance target				
- Class A	(1.63)	(1.60)	(0.95)	(1.45)
- Class H	(1.51)	(1.48)	(0.83)	(1.38)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to unfavorable security selection across the European, Japanese and North American equities along with overweighting HKD bonds. Asset Allocation contributed positively to return as underweighting Europe and overweighting fixed income help to reduce impact from volatile market but magnitude was still not significant to offset.</p> <p>*Benchmark: 10.5% FTSE MPF HK + 3.9% FTSE MPF Asia Pacific ex JP ex HK + 6% FTSE MPF Europe + 3.6% FTSE MPF Japan + 6% FTSE MPF NA + 49% Barclays Capital Global Aggregate + 21% Markit iBoxx ALBI Hong Kong</p>				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Balanced Fund				
- Class A	(11.48)	0.57	3.23	3.61
- Class H	(11.37)	0.69	3.35	3.90
<i>Launch date: 29/01/2001 - Class A</i> <i>Launch date: 12/02/2001 - Class H</i>				
Performance Target				
- Class A	(8.41)	2.48	4.46	5.42
- Class H	(8.41)	2.48	4.46	5.69
Deviation from the performance target				
- Class A	(3.07)	(1.91)	(1.23)	(1.81)
- Class H	(2.96)	(1.79)	(1.11)	(1.79)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to unfavorable security selection across the European, Japanese and North American equities. Asset Allocation contributed positively to return as underweighting Europe and overweighting global bonds with cash help offset some of the market impact from adverse market movement during the review period.</p> <p>*Benchmark: 24.5% FTSE MPF HK + 9.1% FTSE MPF Asia Pacific ex JP ex HK + 14% FTSE MPF Europe + 8.4% FTSE MPF Japan + 14% FTSE MPF NA + 21% Barclays Capital Global Aggregate + 9% Markit iBoxx ALBI Hong Kong</p>				

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Growth Fund				
- Class A	(17.27)	(0.09)	3.43	3.56
- Class H	(17.17)	0.03	3.55	3.77
<i>Launch date: 28/12/2000 - Class A</i> <i>Launch date: 12/02/2001 - Class H</i>				
Performance Target				
- Class A	(13.73)	2.03	4.90	5.61
- Class H	(13.73)	2.03	4.90	5.80
Deviation from the performance target				
- Class A	(3.54)	(2.12)	(1.47)	(2.05)
- Class H	(3.44)	(2.00)	(1.35)	(2.03)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to unfavorable security selection across the European, Japanese and North American equities. Contribution from asset allocation was mediocre as overweighting North America and Hong Kong were offset by underweighting Japan as market was experiencing a volatile and negative period.</p> <p>*Benchmark: 35% FTSE MPF HK + 13% FTSE MPF Asia Pacific ex JP ex HK+ 20% FTSE MPF Europe + 12% FTSE MPF Japan + 20% FTSE MPF NA</p>				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Hong Kong and China Equity Fund				
- Class A	(14.97)	1.30	3.01	8.42
- Class H	(14.86)	1.42	3.13	8.37
<i>Launch date: 05/03/2003 - Class A</i> <i>Launch date: 03/03/2003 - Class H</i>				
Performance Target				
- Class A	(14.75)	2.11	4.27	10.42
- Class H	(14.75)	2.11	4.27	10.42
Deviation from the performance target				
- Class A	(0.22)	(0.81)	(1.26)	(2.00)
- Class H	(0.11)	(0.69)	(1.14)	(2.05)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to fee accrual, where the fund was ahead of the performance target before fees and slightly behind after fees are taken into consideration. Sector allocation was the main contributor to relative performance, including preference towards consumer and technology sectors.</p> <p>*Benchmark: FTSE MPF HK</p>				

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Asian Equity Fund				
- Class A	(17.15)	(1.63)	1.82	(0.44)
- Class H	(17.05)	(1.52)	1.94	(0.51)
<i>Launch date: 28/09/2007 - Class A</i> <i>Launch date: 03/10/2007 - Class H</i>				
Performance Target				
- Class A	(18.34)	(0.64)	2.34	0.92
- Class H	(18.34)	(0.64)	2.34	0.71
Deviation from the performance target				
- Class A	1.19	(0.99)	(0.52)	(1.36)
- Class H	1.29	(0.88)	(0.40)	(1.22)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly helped by favorable country allocation, including underweight in Australia and India which proved to be the more volatile markets during the review period. Contribution at sector level was most notable from the fund's underweight in financials.</p>				
*Benchmark: FTSE MPF Asia Pacific ex JP ex HK hedged				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Invesco Hang Seng Index Tracking Fund				
- Class A	(16.54)	1.48	-	1.53
- Class H	(16.50)	1.53	-	1.58
<i>Launch date: 31/07/2014</i>				
Performance Target				
- Class A	(15.86)	2.43	-	2.49
- Class H	(15.86)	2.43	-	2.49
Deviation from the performance target				
- Class A	(0.68)	(0.95)	-	(0.96)
- Class H	(0.64)	(0.90)	-	(0.91)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020. The constituent fund invests in the Tracker Fund of Hong Kong. Trailing returns during the last one year was mainly attributable to fees and ancillary cash for funding purpose.</p>				
*Benchmark: Hang Seng Index				

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Age 65 Plus Fund				
- Class A	4.32	-	-	3.14
- Class H	4.32	-	-	3.14
<i>Launch date: 01/04/2017</i>				
Performance Target				
- Class A	4.96	-	-	4.36
- Class H	4.96	-	-	4.36
Deviation from the performance target				
- Class A	(0.64)	-	-	(1.22)
- Class H	(0.64)	-	-	(1.22)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to unfavorable security selection across both equities and fixed income portion. Asset Allocation contributed positively to return as underweighting equities and overweighting fixed income help to cushion a volatile market during the review period.</p> <p>The 1-year performance of the fund was well above the market median 3.69% and was in 1st Quartile, as measured by the MorningStar HK MPF DIS category.</p> <p>*Benchmark: 77% FTSE MPF World Government Bond Index + 20% FTSE MPF All-World Index + 3% MPF Prescribed Savings Rate</p>				
	Annualized return (in terms of %)			
	Last 1 year	Last 5 years	Last 10 years	Since Launch
Core Accumulation Fund				
- Class A	(4.61)	-	-	1.66
- Class H	(4.61)	-	-	1.66
<i>Launch date: 01/04/2017</i>				
Performance Target				
- Class A	(3.62)	-	-	3.12
- Class H	(3.62)	-	-	3.12
Deviation from the performance target				
- Class A	(0.99)	-	-	(1.46)
- Class H	(0.99)	-	-	(1.46)
Trustee's commentary				
<p>According to the Investment Manager, the deviation of the 1-year performance in respect of the financial period ended 31 March 2020 was mainly due to unfavorable security selection across both equities and fixed income portion. Asset Allocation contributed positively to return as overweighting equities and fixed income help to cushion a volatile market during the review period.</p> <p>The 1-year performance of the fund was slightly above the market median -4.64% and ranked 2nd Quartile, as measured by the MorningStar HK MPF DIS category.</p> <p>*Benchmark: 37% FTSE MPF World Government Bond Index + 60% FTSE MPF All-World Index + 3% MPF Prescribed Savings Rate</p>				

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

B. Supporting information in relation to Trustee's assessment framework for deriving its commentary and Trustee's action, if any, to address its concerns raised in its commentary in Section A

Fund performance is monitored by the Trustee on a regular basis and which involves a Board committee composed of members with experience in investment, including Board members. In the event of underperformance of fund(s), the Trustee would routinely (and with the involvement of the Board committee, as appropriate) follow up with relevant sponsor/fund manager to ensure that appropriate action(s) are taken to enhance investment returns.

Trustee's performance monitoring mechanism operates in such a way so that for any of the constituent funds, if its 1-year performance is below the benchmark/target and the market median, no immediate action would be required unless the underperformance persists.

Trustee also monitors performance of appointed investment managers from perspectives other than fund performance. Other factors such as compliance cultures and experience/investment philosophy of the investment managers for delivering sustainable performance to scheme members on a long-term basis are also taken into account.

Set out below is a high-level summary of actions/measures of the Investment Manager/Sponsor/Trustee in response to the underperformance issues of some of the relevant funds for the financial period ended 31 March 2020.

- (a) For the Balanced Fund, Capital Stable Fund and Growth Fund (which are mixed asset strategy funds adopting a building block approach), the underperformance was mainly attributed to the inferior performance of the Invesco Pooled Investment Fund - Europe Fund (one of the building blocks of the said three funds) and therefore it was proposed to introduce an additional manager with growth oriented strategy to that Europe Fund to supplement the existing value styled strategy (which might fall out of favor in the current investment markets).
- (b) For the Asia Equity Fund, its investment objective and policy was proposed to be changed from "*excluding Hong Kong and Japanese*" equities to "*excluding Japanese*" equities only.
- (c) For the Hong Kong and China Equity Fund, the investment team will aim to build a more focused portfolio with clearer stock positioning and sector preference; and also consider better utilizing the 10% other security limits on conviction ideas outside Hong Kong (with more ADR choosing to secondarily list on the Hong Kong Stock Exchange).
- (d) For the Global Bond Fund, slight adjustments to the asset allocation between the two underlying funds (HKD Bond vs International Bonds) were implemented. In addition, risk management process have also been upgraded with a closer integration of the in-house EMEA risk management team into the portfolio management process.
- (e) For RMB Bond Fund, pending the change to its investment objective and policy to allow investments in RMB denominated bonds issued within Mainland China effective from July 2021, the investment team will, among other actions, continue to look for opportunities to gradually lengthen duration in both primary and secondary market.

Items (a) and (b) will take effect from November and December 2020 respectively.

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Investment Income and Performance

For the year ended 31 March 2018

	Net income/(loss) excluding capital appreciation/(depreciation) HK\$	Net appreciation/(depreciation) of investments - realised and unrealised HK\$
MPF Conservative Fund	4,637,754	2,791,182
Guaranteed Fund	(14,308,050)	20,330,958
Global Bond Fund	(8,966,043)	45,309,085
RMB Bond Fund	(1,955,277)	16,707,480
Capital Stable Fund	(18,253,188)	177,435,366
Balanced Fund	(28,825,976)	450,002,782
Growth Fund	(48,623,558)	914,836,338
Hong Kong and China Equity Fund	(48,229,279)	1,223,637,688
Asian Equity Fund	(12,801,723)	196,654,441
Invesco Hang Seng Index Tracking Fund	6,213,959	52,677,016
Age 65 Plus Fund	(200,189)	947,481
Core Accumulation Fund	(1,011,052)	10,938,152

For the year ended 31 March 2019

	Net income/(loss) excluding capital appreciation/(depreciation) HK\$	Net appreciation/(depreciation) of investments - realised and unrealised HK\$
MPF Conservative Fund	20,979,339	8,275,015
Guaranteed Fund	(14,887,104)	24,731,535
Global Bond Fund	(10,058,124)	1,991,332
RMB Bond Fund	(2,539,635)	1,571,509
Capital Stable Fund	(18,658,570)	(10,647,533)
Balanced Fund	(29,054,591)	(41,769,098)
Growth Fund	(48,918,299)	(91,305,946)
Hong Kong and China Equity Fund	(46,567,130)	(49,255,992)
Asian Equity Fund	(12,719,971)	(51,064,501)
Invesco Hang Seng Index Tracking Fund	(8,705,246)	(8,563,242)
Age 65 Plus Fund	(456,057)	2,238,164
Core Accumulation Fund	(2,099,839)	4,491,185

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Investment Income and Performance (Continued)

For the year ended 31 March 2020

	Net income/(loss) excluding capital appreciation/(depreciation) HK\$	Net appreciation/(depreciation) of investments - realised and unrealised HK\$
MPF Conservative Fund	34,421,401	4,460,836
Guaranteed Fund	(16,157,279)	6,384,142
Global Bond Fund	(11,646,366)	43,126,710
RMB Bond Fund	(2,747,482)	(1,991,277)
Capital Stable Fund	(19,563,752)	(34,189,483)
Balanced Fund	(29,640,826)	(296,035,166)
Growth Fund	(49,496,463)	(776,516,225)
Hong Kong and China Equity Fund	(47,274,324)	(655,992,926)
Asian Equity Fund	(13,542,164)	(211,179,667)
Invesco Hang Seng Index Tracking Fund	11,418,328	(95,186,173)
Age 65 Plus Fund	(905,869)	4,507,335
Core Accumulation Fund	(3,311,661)	(32,494,158)

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Breakdown of Income derived from Investments

For the year ended 31 March 2018

	Interest on bonds	Interest on certificate of deposits	Bank interest	Dividend income	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
MPF Conservative Fund	-	2,081,916	16,200,293	-	18,282,209
Guaranteed Fund	-	-	-	-	-
Global Bond Fund	-	-	165	-	165
RMB Bond Fund	-	-	4	-	4
Capital Stable Fund	-	-	113	-	113
Balanced Fund	-	-	171	-	171
Growth Fund	-	-	35	-	35
Hong Kong and China Equity Fund	-	-	58	-	58
Asian Equity Fund	-	-	131	-	131
Invesco Hang Seng Index Tracking Fund	-	-	6	8,584,095	8,584,101
Age 65 Plus Fund	-	-	1	-	1
Core Accumulation Fund	-	-	2	-	2

For the year ended 31 March 2019

	Interest on bonds	Interest on certificate of deposits	Bank interest	Dividend income	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
MPF Conservative Fund	-	3,697,131	33,976,417	-	37,673,548
Guaranteed Fund	-	-	-	-	-
Global Bond Fund	-	-	180	-	180
RMB Bond Fund	-	-	5	-	5
Capital Stable Fund	-	-	150	-	150
Balanced Fund	-	-	224	-	224
Growth Fund	-	-	27	-	27
Hong Kong and China Equity Fund	-	-	50	-	50
Asian Equity Fund	-	-	191	-	191
Invesco Hang Seng Index Tracking Fund	-	-	13	11,859,720	11,859,733
Age 65 Plus Fund	-	-	1	-	1
Core Accumulation Fund	-	-	4	-	4

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Breakdown of Income derived from Investments (Continued)

For the year ended 31 March 2020

	Interest on bonds	Interest on certificate of deposits	Bank interest	Dividend income	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
MPF Conservative Fund	-	10,160,261	42,688,838	-	52,849,099
Guaranteed Fund	-	-	-	-	-
Global Bond Fund	-	-	101	-	101
RMB Bond Fund	-	-	4	-	4
Capital Stable Fund	-	-	58	-	58
Balanced Fund	-	-	84	-	84
Growth Fund	-	-	29	-	29
Hong Kong and China Equity Fund	-	-	50	-	50
Asian Equity Fund	-	-	96	-	96
Invesco Hang Seng Index Tracking Fund	-	-	12	15,390,675	15,390,687
Age 65 Plus Fund	-	-	2	-	2
Core Accumulation Fund	-	-	5	-	5

Distribution to Constituent Funds

The distribution of the contributions to the Scheme's constituent funds was as follows:

As at 31 March 2018	Net asset value	% of the total investment of the Scheme
	HK\$	(%)
MPF Conservative Fund	2,236,533,320	10.86
Guaranteed Fund	1,018,742,152	4.94
Global Bond Fund	957,776,509	4.65
RMB Bond Fund	234,343,932	1.14
Capital Stable Fund	1,801,459,264	8.74
Balanced Fund	2,855,263,765	13.86
Growth Fund	4,836,798,062	23.47
Hong Kong and China Equity Fund	4,797,239,077	23.28
Asian Equity Fund	1,277,262,098	6.20
Invesco Hang Seng Index Tracking Fund	311,902,711	1.51
Age 65 Plus Fund	46,307,245	0.22
Core Accumulation Fund	233,074,621	1.13

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Distribution to Constituent Funds (Continued)

The distribution of the contributions to the Scheme's constituent funds was as follows (Continued):

As at 31 March 2019	Net asset value	% of the total investment of the Scheme
	HK\$	(%)
MPF Conservative Fund	2,597,905,343	12.35
Guaranteed Fund	1,058,247,963	5.03
Global Bond Fund	1,011,903,739	4.81
RMB Bond Fund	254,455,108	1.22
Capital Stable Fund	1,793,091,238	8.52
Balanced Fund	2,791,811,280	13.27
Growth Fund	4,727,370,673	22.47
Hong Kong and China Equity Fund	4,702,466,209	22.36
Asian Equity Fund	1,248,049,493	5.93
Invesco Hang Seng Index Tracking Fund	409,970,941	1.95
Age 65 Plus Fund	82,757,447	0.39
Core Accumulation Fund	357,336,089	1.70

As at 31 March 2020	Net asset value	% of the total investment of the Scheme
	HK\$	(%)
MPF Conservative Fund	2,694,746,945	13.69
Guaranteed Fund	1,102,869,565	5.60
Global Bond Fund	1,191,159,174	6.05
RMB Bond Fund	263,618,000	1.34
Capital Stable Fund	1,750,905,978	8.90
Balanced Fund	2,473,821,263	12.57
Growth Fund	3,928,290,515	19.96
Hong Kong and China Equity Fund	4,025,520,680	20.45
Asian Equity Fund	1,071,749,082	5.44
Invesco Hang Seng Index Tracking Fund	492,120,680	2.50
Age 65 Plus Fund	162,244,440	0.82
Core Accumulation Fund	528,289,951	2.68

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Performance Record

As at 31 March 2018

	Net asset value per unit			Total net asset value	Total investments
	Class A	Class G	Class H		
	HK\$	HK\$	HK\$	HK\$	HK\$
MPF Conservative Fund	11.6436	-	11.6411	2,236,533,320	1,538,547,892
Guaranteed Fund	-	12.2593	-	1,018,742,152	1,019,984,641
Global Bond Fund	15.2233	-	15.5246	957,776,509	944,445,326
RMB Bond Fund	9.8219	-	9.8828	234,343,932	234,519,406
Capital Stable Fund	20.5868	-	21.2377	1,801,459,264	1,790,530,266
Balanced Fund	22.8703	-	24.0601	2,855,263,765	2,836,784,630
Growth Fund	24.4397	-	25.2488	4,836,798,062	4,841,487,996
Hong Kong and China Equity Fund	47.7845	-	47.2885	4,797,239,077	4,801,921,986
Asian Equity Fund	12.0429	-	11.8982	1,277,262,098	1,259,768,109
Invesco Hang Seng Index Tracking Fund	13.1514	-	13.1744	311,902,711	312,071,200
Age 65 Plus Fund	10.3224	-	10.3224	46,307,245	46,366,789
Core Accumulation Fund	10.9668	-	10.9668	233,074,621	233,275,107

As at 31 March 2019

	Net asset value per unit			Total net asset value	Total investments
	Class A	Class G	Class H		
	HK\$	HK\$	HK\$	HK\$	HK\$
MPF Conservative Fund	11.7847	-	11.7822	2,597,905,343	1,940,439,526
Guaranteed Fund	-	12.3698	-	1,058,247,963	1,059,520,103
Global Bond Fund	15.0760	-	15.3937	1,011,903,739	993,436,658
RMB Bond Fund	9.7763	-	9.8490	254,455,108	254,698,398
Capital Stable Fund	20.2397	-	20.9048	1,793,091,238	1,787,641,096
Balanced Fund	22.2915	-	23.4782	2,791,811,280	2,782,795,165
Growth Fund	23.7154	-	24.5296	4,727,370,673	4,731,978,684
Hong Kong and China Equity Fund	46.7969	-	46.3671	4,702,466,209	4,706,977,252
Asian Equity Fund	11.4269	-	11.3034	1,248,049,493	1,233,185,441

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Performance Record (Continued)

As at 31 March 2019 (Continued)

	Net asset value per unit			Total net asset value	Total investments
	Class A	Class G	Class H		
	HK\$	HK\$	HK\$	HK\$	HK\$
Invesco Hang Seng Index Tracking Fund	13.0571	-	13.0863	409,970,941	410,438,700
Age 65 Plus Fund	10.5170	-	10.5170	82,757,447	82,571,398
Core Accumulation Fund	11.0145	-	11.0145	357,336,089	357,385,597

As at 31 March 2020

	Net asset value per unit			Total net asset value	Total investments
	Class A	Class G	Class H		
	HK\$	HK\$	HK\$	HK\$	HK\$
MPF Conservative Fund	11.9585	-	11.9560	2,694,746,945	1,824,364,328
Guaranteed Fund	-	12.2669	-	1,102,869,565	1,104,365,287
Global Bond Fund	15.5496	-	15.8963	1,191,159,174	1,190,988,375
RMB Bond Fund	9.5917	-	9.6744	263,618,000	263,879,264
Capital Stable Fund	19.6429	-	20.3122	1,750,905,978	1,751,707,562
Balanced Fund	19.7327	-	20.8080	2,473,821,263	2,474,891,033
Growth Fund	19.6201	-	20.3172	3,928,290,515	3,932,400,498
Hong Kong and China Equity Fund	39.7927	-	39.4752	4,025,520,680	4,029,592,353
Asian Equity Fund	9.4675	-	9.3757	1,071,749,082	1,071,611,509
Invesco Hang Seng Index Tracking Fund	10.8974	-	10.9272	492,120,680	494,863,650
Age 65 Plus Fund	10.9711	-	10.9711	162,244,440	162,157,184
Core Accumulation Fund	10.5070	-	10.5070	528,289,951	528,519,926

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(A) MPF Conservative Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.3412	11.3394	0.01
Class H	11.3389	11.3371	0.01

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.4014 ¹	11.3403	0.54
Class H	11.3988 ¹	11.3381	0.54

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.4650	11.4022	0.53
Class H	11.4624	11.3996	0.53

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.5142	11.4650	0.46
Class H	11.5116	11.4624	0.46

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.5765	11.5144	0.54
Class H	11.5739	11.5118	0.54

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.5870	11.5769	0.07
Class H	11.5844	11.5743	0.07

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(A) MPF Conservative Fund (Continued)

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.6002	11.5848	0.13
Class H	11.5977	11.5823	0.13

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.6436	11.6005	0.37
Class H	11.6411	11.5980	0.37

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.7841 ²	11.6442	1.21
Class H	11.7816 ²	11.6417	1.21

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.9585	11.7849	1.47
Class H	11.9560	11.7824	1.48

¹The issue price is calculated by reference to the net asset value per unit as at the close of business on the last dealing day during the year ended 2012.

²The issue price is calculated by reference to the net asset value per unit as at the close of business on the last dealing day during the year ended 2019.

(B) Guaranteed Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	11.4827	10.5334	5.43

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(B) Guaranteed Fund (Continued)

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	11.6004	10.9673	2.51

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	11.9490	11.4137	3.37

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.0605	11.4920	-0.46

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.3447	11.8888	3.86

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.4728	11.8292	-1.35

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.3816	11.9528	0.06

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.5032	12.1862	0.68

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(B) Guaranteed Fund (Continued)

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.3772	11.8642	0.90

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class G	12.9328	11.7577	-0.83

(C) Global Bond Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	13.6880	12.7440	3.85
Class H	13.8346	12.8744	3.97

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	14.1594	13.3093	4.56
Class H	14.3254	13.4593	4.68

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	14.4982	13.9194	1.95
Class H	14.6911	14.0929	2.08

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	14.4004	13.7606	0.74
Class H	14.6001	13.9547	0.86

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(C) Global Bond Fund (Continued)

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	14.6534	14.3198	1.54
Class H	14.8808	14.5348	1.66

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	14.8848	14.1860	2.29
Class H	15.1452	14.4211	2.41

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	15.3887	14.3000	-2.08
Class H	15.6644	14.5620	-1.97

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	15.3359	14.5806	4.44
Class H	15.6301	14.8528	4.56

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	15.2434	14.4557	-0.97
Class H	15.5464	14.7536	-0.84

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.2997	14.9565	3.14
Class H	16.6618	15.2729	3.26

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(D) RMB Bond Fund

Performance Record for the period from 4 March 2013 (date of commencement) to 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.0000	9.9381	-0.60
Class H	10.0000	9.9386	-0.59

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.0006	9.7790	-1.61
Class H	10.0031	9.7842	-1.49

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.9132	9.6256	-0.98
Class H	9.9313	9.6485	-0.86

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.8545	9.1400	-3.00
Class H	9.8817	9.1725	-2.87

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.4287	9.0061	-3.54
Class H	9.4644	9.0486	-3.41

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.8303	9.0502	8.39
Class H	9.8911	9.0959	8.51

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(D) RMB Bond Fund (Continued)

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.8479	9.4105	-0.46
Class H	9.9095	9.4759	-0.34

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.8140	9.4692	-1.89
Class H	9.8875	9.5447	-1.77

(E) Capital Stable Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.3296	14.5727	6.44
Class H	16.6993	14.8955	6.57

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.6474	15.2295	1.96
Class H	17.0390	15.5913	2.08

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	17.3625	15.8874	5.05
Class H	17.8011	16.2766	5.17

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(E) Capital Stable Fund (Continued)

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	18.0035	16.6915	4.01
Class H	18.4829	17.1210	4.13

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	18.6069	17.9862	3.19
Class H	19.1142	18.4672	3.32

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	19.0764	17.2450	-1.84
Class H	19.6120	17.7451	-1.72

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	19.0603	17.9859	2.96
Class H	19.6277	18.5276	3.08

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	21.1020	18.7217	9.96
Class H	21.7646	19.2913	10.09

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	20.7194	19.0789	-1.69
Class H	21.3756	19.6992	-1.57

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(E) Capital Stable Fund (Continued)

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	21.1665	18.6503	-2.95
Class H	21.8825	19.2852	-2.83

(F) Balanced Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	15.7743	13.1858	9.58
Class H	16.4540	13.7426	9.72

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.2580	13.1652	-2.22
Class H	16.9633	13.7433	-2.10

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.8587	14.0045	8.90
Class H	17.6263	14.6304	9.03

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	18.3154	16.0719	8.50
Class H	19.1746	16.8118	8.63

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	19.2928	17.9941	5.44
Class H	20.2097	18.8519	5.57

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(F) Balanced Fund (Continued)

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	20.4184	16.3401	-7.23
Class H	21.4051	17.1460	-7.12

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	19.6382	17.4600	9.75
Class H	20.6352	18.3298	9.89

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	24.1510	19.4783	17.14
Class H	25.4026	20.4683	17.28

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	23.3782	20.1178	-2.53
Class H	24.5980	21.1821	-2.42

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	23.6895	18.1203	-11.48
Class H	24.9744	19.1073	-11.37

(G) Growth Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	15.8505	12.3651	12.52
Class H	16.2366	12.6547	12.66

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(G) Growth Fund (Continued)

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.3549	12.0042	-5.74
Class H	16.7571	12.3053	-5.63

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	16.5690	12.8570	10.53
Class H	17.0146	13.1904	10.67

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	18.6159	15.6143	12.20
Class H	19.1399	16.0400	12.34

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	19.8796	17.9934	6.99
Class H	20.4511	18.5131	7.11

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	21.4074	15.6724	-10.75
Class H	22.0389	16.1499	-10.65

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	20.2970	16.9580	14.61
Class H	20.9443	17.4824	14.75

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(G) Growth Fund (Continued)

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	26.2663	20.0269	21.22
Class H	27.1304	20.6671	21.37

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	25.3314	20.8126	-2.96
Class H	26.1762	21.5204	-2.85

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	25.4834	17.4882	-17.27
Class H	26.3831	18.1092	-17.17

(H) Hong Kong and China Equity Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	36.2331	26.1451	13.85
Class H	35.5409	25.6309	13.99

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	35.0902	22.5532	-14.53
Class H	34.4373	22.1464	-14.43

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	33.9686	25.6822	10.87
Class H	33.4093	25.2394	11.01

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(H) Hong Kong and China Equity Fund (Continued)

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	34.7630	28.6737	0.50
Class H	34.2250	28.2150	0.61

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	37.3020	31.3406	16.30
Class H	36.7819	30.8712	16.43

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	43.7780	27.5783	-15.02
Class H	43.1714	27.2223	-14.91

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	37.4461	30.4122	15.75
Class H	37.0118	30.0296	15.89

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	52.5378	36.8782	30.23
Class H	51.9816	36.4530	30.39

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	50.2657	38.7987	-2.07
Class H	49.7553	38.4229	-1.95

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(H) Hong Kong and China Equity Fund (Continued)

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	48.6179	36.4835	-14.97
Class H	48.2173	36.1910	-14.86

(I) Asian Equity Fund

Performance Record for the year ended 31 March 2011

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.3773	6.8783	18.61
Class H	9.1871	6.7324	18.74

Performance Record for the year ended 31 March 2012

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.7736	7.3664	-7.09
Class H	9.5765	7.2216	-6.98

Performance Record for the year ended 31 March 2013

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.6018	7.6813	9.40
Class H	9.4296	7.5366	9.53

Performance Record for the year ended 31 March 2014

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	9.9671	8.6008	2.43
Class H	9.7904	8.4497	2.56

Performance Record for the year ended 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.5288	9.4248	5.29
Class H	10.3592	9.2767	5.42

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(I) Asian Equity Fund (Continued)

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.6371	8.8271	-5.65
Class H	10.4741	8.6989	-5.54

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.5036	9.1157	6.34
Class H	10.3587	8.9923	6.45

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	12.5311	10.3307	16.78
Class H	12.3781	10.1950	16.91

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	12.3596	10.1758	-5.12
Class H	12.2136	10.0602	-5.00

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	12.6645	8.5606	-17.15
Class H	12.5390	8.4776	-17.05

(J) Invesco Hang Seng Index Tracking Fund

Performance Record for the period from 31 July 2014 (date of commencement) to 31 March 2015

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.2430	9.2131	1.89
Class H	10.2436	9.2148	1.95

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(J) Invesco Hang Seng Index Tracking Fund (Continued)

Performance Record for the year ended 31 March 2016

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.5782	7.6591	-14.22
Class H	11.5826	7.6653	-14.18

Performance Record for the year ended 31 March 2017

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.5124	8.2621	19.03
Class H	10.5253	8.2696	19.07

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	14.4803	10.2086	27.20
Class H	14.5041	10.2214	27.26

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	13.8549	11.0749	-0.72
Class H	13.8800	11.0971	-0.67

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	13.5443	10.0540	-16.54
Class H	13.5748	10.0813	-16.50

(K) Age 65 Plus Fund

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.3976	9.9790	3.22
Class H	10.3976	9.9790	3.22

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

(K) Age 65 Plus Fund (Continued)

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	10.5163 ²	10.0203	1.89
Class H	10.5163 ²	10.0203	1.89

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.3163	10.5045	4.32
Class H	11.3163	10.5045	4.32

²The issue price is calculated by reference to the net asset value per unit as at the close of business on the last dealing day during the year ended 2019.

(L) Core Accumulation Fund

Performance Record for the year ended 31 March 2018

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.4396	9.9972	9.67
Class H	11.4396	9.9972	9.67

Performance Record for the year ended 31 March 2019

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	11.1791	9.9760	0.43
Class H	11.1791	9.9760	0.43

Performance Record for the year ended 31 March 2020

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return (%)
Class A	12.1356	9.6425	-4.61
Class H	12.1356	9.6425	-4.61

Note: The net annualized investment return of each class is calculated by reference to the difference between the net asset value per unit of the class at the year end date and that of the beginning of the year (except that for the first year where the initial offer price is used*), divided by the latter to obtain the return in percentage.

* For Age 65 Plus Fund and Core Accumulation Fund, the initial offer price was HK\$10.00 on 1 April 2017, Invesco Hang Seng Index Tracking Fund, the initial offer price was HK\$10.00 on 31 July 2014, RMB Bond Fund, the initial offer price was HK\$10.00 on 4 March 2013.

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Fund Expense Ratio (Unaudited)

Constituent Fund Name	Fund Expense Ratio Class A (%)	Fund Expense Ratio Class H (%)	Fund Expense Ratio Class G (%)	Transaction Costs (HK\$)
MPF Conservative Fund	0.69	0.69	-	-
Guaranteed Fund	-	-	2.47	-
Global Bond Fund	1.25	1.13	-	-
RMB Bond Fund	1.26	1.14	-	-
Capital Stable Fund	1.27	1.15	-	-
Balanced Fund	1.28	1.16	-	-
Growth Fund	1.28	1.16	-	-
Hong Kong and China Equity Fund	1.27	1.15	-	-
Asian Equity Fund	1.33	1.21	-	-
Invesco Hang Seng Index Tracking Fund	0.96	0.91	-	90,377
Age 65 Plus Fund	0.85	0.83	-	-
Core Accumulation Fund	0.82	0.83	-	-

Note :

Pursuant to letter dated 1 November 2019 ("Issue Date of the Circular Letter") from the Mandatory Provident Fund Schemes Authority (the "MPFA") in relation to the calculation of fund expense ratio, an amendment was made on the treatment of listed real estate investment trusts (REITs) for the purposes of Fund Expense Ratio calculation. Further to the consideration of the views of the Hong Kong Trustees' Association (the "HKTA") and the MPFA, the fees and charges of a listed REIT need not be regarded as "underlying fund costs" of a constituent fund. The amendment was effective for the financial periods ending on or after the Issue Date of the Circular Letter.

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Schedule of Investments as at 31 March 2020

Listed/quoted investments Denominated in HK Dollars	Nominal value HK\$	Fair value HK\$	% of net assets
Money market instruments			
Agricultural Bank of China Hong Kong 0% 24/04/2020	26,000,000	25,980,760	0.96
Agricultural Bank of China Hong Kong 2.14% 13/05/2020	25,000,000	24,997,625	0.93
Agricultural Bank of China Hong Kong 2.22% 26/05/2020	35,000,000	35,001,050	1.30
Agricultural Bank of China Hong Kong 2.35% 18/12/2020	45,000,000	45,245,475	1.68
Bank of China (Hong Kong) Ltd 2% 08/04/2020	30,000,000	29,999,700	1.11
Bank of China (Hong Kong) Ltd 2.15% 21/05/2020	27,000,000	26,997,570	1.00
Bank of China (Hong Kong) Ltd 2.24% 12/06/2020	30,000,000	30,004,950	1.11
Bank of China (Hong Kong) Ltd 2.19% 21/08/2020	26,000,000	26,024,700	0.97
China Development Bank 2.10% 03/11/2020	30,000,000	30,097,800	1.12
DBS Bank Hong Kong Ltd 0% 18/05/2020	40,000,000	39,926,800	1.48
Dah Sing Bank Ltd 2.18% 18/05/2020	30,000,000	29,999,700	1.11
Dah Sing Bank Ltd 2.23% 24/09/2020	43,000,000	43,092,450	1.60
Hong Kong T-Bills 0% 15/04/2020	20,000,000	19,995,600	0.74
Hong Kong T-Bills 0% 22/04/2020	25,000,000	24,991,875	0.93
Hong Kong & Shanghai Banking Corp 1.95% 09/04/2020	33,000,000	33,000,165	1.22
Hong Kong & Shanghai Banking Corp 2.05% 12/08/2020	33,000,000	33,020,180	1.23
Industrial & Commercial Bank of China (Asia) Ltd 2% 30/09/2020	40,000,000	39,969,390	1.48
KDB Asia Ltd 2% 12/05/2020	8,000,000	7,998,440	0.30
KDB Asia Ltd 0% 28/09/2020	42,000,000	41,770,680	1.55
KDB Asia Ltd 0% 05/10/2020	41,000,000	40,768,350	1.51
Fixed deposits			
China Construction Bank (Asia) Corp Deposit 2.45% 02/04/2020	22,528,740	22,528,740	0.84
China Construction Bank (Asia) Corp Deposit 2.28% 10/08/2020	20,000,000	20,000,000	0.74
China Construction Bank (Asia) Corp Deposit 2.13% 27/08/2020	60,425,043	60,425,043	2.24
CMB Wing Lung Bank Ltd Deposit 2.10% 26/08/2020	35,233,781	35,233,781	1.31
CMB Wing Lung Bank Ltd Deposit 2.12% 28/08/2020	30,000,000	30,000,000	1.11
Bank of East Asia Ltd Deposit 2.41% 09/04/2020	7,044,110	7,044,110	0.26
Bank of East Asia Ltd Deposit 2.40% 15/04/2020	21,180,496	21,180,496	0.79
Bank of East Asia Ltd Deposit 2.35% 17/04/2020	31,031,820	31,031,820	1.15
Bank of East Asia Ltd Deposit 2.34% 24/04/2020	30,730,048	30,730,048	1.14
Bank of East Asia Ltd Deposit 2.46% 08/07/2020	41,185,214	41,185,214	1.53
Bank of East Asia Ltd Deposit 2.40% 21/07/2020	20,717,717	20,717,717	0.77
Bank of East Asia Ltd Deposit 2.29% 21/08/2020	31,049,556	31,049,556	1.15
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.45% 14/04/2020	31,978,366	31,978,366	1.19
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.30% 24/04/2020	30,481,066	30,481,066	1.13

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Schedule of Investments as at 31 March 2020

Listed/quoted investments Denominated in HK Dollars	Nominal value HK\$	Fair value HK\$	% of net assets
Fixed deposits (Continued)			
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.25% 04/05/2020	35,578,887	35,578,887	1.32
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.05% 04/09/2020	62,425,082	62,425,082	2.32
OCBC Wing Hang Bank Ltd Deposit 2.35% 03/04/2020	46,946,341	46,946,341	1.74
OCBC Wing Hang Bank Ltd Deposit 2.30% 23/04/2020	50,000,000	50,000,000	1.86
OCBC Wing Hang Bank Ltd Deposit 2.50% 08/07/2020	20,801,177	20,801,177	0.77
OCBC Wing Hang Bank Ltd Deposit 2.22% 21/08/2020	51,976,822	51,976,822	1.93
Public Bank (Hong Kong) Ltd Deposit 2.50% 06/04/2020	27,166,882	27,166,882	1.01
Public Bank (Hong Kong) Ltd Deposit 2.10% 09/09/2020	65,000,000	65,000,000	2.41
Public Bank (Hong Kong) Ltd Deposit 2.10% 18/09/2020	46,058,843	46,058,843	1.71
Sumitomo Mitsui Banking Corp Deposit 2.36% 14/04/2020	46,428,502	46,428,502	1.72
Sumitomo Mitsui Banking Corp Deposit 2.29% 22/04/2020	52,601,812	52,601,812	1.95
Sumitomo Mitsui Banking Corp Deposit 1.24% 16/06/2020	20,243,698	20,243,698	0.75
Sumitomo Mitsui Banking Corp Deposit 2.47% 19/06/2020	41,691,391	41,691,391	1.55
Sumitomo Mitsui Banking Corp Deposit 2.16% 27/08/2020	30,659,380	30,659,380	1.14
UOB Hong Kong Deposit 2.40% 14/04/2020	52,492,221	52,492,221	1.95
UOB Hong Kong Deposit 2.37% 15/04/2020	36,108,445	36,108,445	1.34
UOB Hong Kong Deposit 2.32% 24/04/2020	42,248,144	42,248,144	1.57
UOB Hong Kong Deposit 2.35% 15/05/2020	26,201,099	26,201,099	0.97
UOB Hong Kong Deposit 1.27% 16/06/2020	27,266,385	27,266,385	1.01
Total portfolio		1,824,364,328	67.70
Cash and other net assets		870,382,617	32.30
Net assets attributable to members		2,694,746,945	100.00
Total portfolio at cost		1,822,297,059	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Schedule of Investments as at 31 March 2020 (Continued)

Listed/quoted investments Denominated in HK Dollars	% of Holding as at 31.3.2020	% of Holding as at 31.3.2019
Money market instruments	23.33	24.14
Fixed deposits	<u>44.37</u>	<u>50.55</u>
	<u>67.70</u>	<u>74.69</u>

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Money market instruments				
Agricultural Bank of China Hong Kong 0% 23/04/2019	72,000,000	-	72,000,000	-
Agricultural Bank of China Hong Kong 0% 05/06/2019	50,000,000	-	50,000,000	-
Agricultural Bank of China Hong Kong 0% 27/11/2019	25,000,000	-	25,000,000	-
Agricultural Bank of China Hong Kong 1.75% 26/03/2020	40,000,000	-	40,000,000	-
Agricultural Bank of China Hong Kong 0% 24/04/2020	-	26,000,000	-	26,000,000
Agricultural Bank of China Hong Kong 2.14% 13/05/2020	-	25,000,000	-	25,000,000
Agricultural Bank of China Hong Kong 2.22% 26/05/2020	-	35,000,000	-	35,000,000
Agricultural Bank of China Hong Kong 2.35% 18/12/2020	-	45,000,000	-	45,000,000
Bank of China (Hong Kong) Ltd 0% 09/07/2019	43,000,000	-	43,000,000	-
Bank of China (Hong Kong) Ltd 2.48% 14/08/2019	50,000,000	-	50,000,000	-
Bank of China (Hong Kong) Ltd 2.60% 10/10/2019	25,000,000	-	25,000,000	-
Bank of China (Hong Kong) Ltd 0% 15/01/2020	-	42,000,000	42,000,000	-
Bank of China (Hong Kong) Ltd 2.40% 23/01/2020	27,000,000	-	27,000,000	-
Bank of China (Hong Kong) Ltd 2.40% 25/02/2020	-	50,000,000	50,000,000	-
Bank of China (Hong Kong) Ltd 2% 08/04/2020	-	30,000,000	-	30,000,000
Bank of China (Hong Kong) Ltd 2.15% 21/05/2020	-	27,000,000	-	27,000,000
Bank of China (Hong Kong) Ltd 2.24% 12/06/2020	-	30,000,000	-	30,000,000
Bank of China (Hong Kong) Ltd 2.19% 21/08/2020	-	26,000,000	-	26,000,000
China Development Bank HK 0% 02/05/2019	50,000,000	-	50,000,000	-
China Development Bank HK 0% 17/05/2019	40,000,000	-	40,000,000	-
China Development Bank HK 2.38% 31/05/2019	30,000,000	-	30,000,000	-
China Development Bank HK 0% 26/09/2019	36,000,000	-	36,000,000	-
China Development Bank HK 2.10% 29/01/2020	-	35,000,000	35,000,000	-
China Development Bank HK 2.20% 31/01/2020	-	30,000,000	30,000,000	-
China Development Bank HK 2.10% 03/11/2020	-	30,000,000	-	30,000,000
Dah Sing Bank Ltd 2.55% 06/09/2019	23,000,000	-	23,000,000	-
Dah Sing Bank Ltd 2.18% 18/05/2020	-	30,000,000	-	30,000,000
Dah Sing Bank Ltd 2.23% 24/09/2020	-	43,000,000	-	43,000,000

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Money market instruments (Continued)				
DBS Bank Hong Kong Ltd 1.65% 02/05/2019	40,000,000	-	40,000,000	-
DBS Bank Hong Kong Ltd 0% 24/05/2019	40,000,000	-	40,000,000	-
DBS Bank Hong Kong Ltd 2% 15/11/2019	-	35,000,000	35,000,000	-
DBS Bank Hong Kong Ltd 2.24% 28/02/2020	-	28,000,000	28,000,000	-
DBS Bank Hong Kong Ltd 0% 18/05/2020	-	40,000,000	-	40,000,000
Hong Kong T-Bills 0% 07/08/2019	-	65,000,000	65,000,000	-
Hong Kong T-Bills 0% 14/08/2019	-	65,000,000	65,000,000	-
Hong Kong T-Bills 0% 21/08/2019	-	32,000,000	32,000,000	-
Hong Kong T-Bills 0% 28/08/2019	-	32,000,000	32,000,000	-
Hong Kong T-Bills 0% 04/09/2019	-	65,000,000	65,000,000	-
Hong Kong T-Bills 0% 18/09/2019	-	40,000,000	40,000,000	-
Hong Kong T-Bills 0% 25/09/2019	-	50,000,000	50,000,000	-
Hong Kong T-Bills 0% 09/10/2019	-	53,000,000	53,000,000	-
Hong Kong T-Bills 0% 16/10/2019	-	53,000,000	53,000,000	-
Hong Kong T-Bills 0% 30/10/2019	-	27,000,000	27,000,000	-
Hong Kong T-Bills 0% 06/11/2019	-	27,000,000	27,000,000	-
Hong Kong T-Bills 0% 13/11/2019	-	29,000,000	29,000,000	-
Hong Kong T-Bills 0% 11/12/2019	-	32,000,000	32,000,000	-
Hong Kong T-Bills 0% 12/02/2020	-	25,000,000	25,000,000	-
Hong Kong T-Bills 0% 26/02/2020	-	30,000,000	30,000,000	-
Hong Kong T-Bills 0% 04/03/2020	-	24,000,000	24,000,000	-
Hong Kong T-Bills 0% 11/03/2020	-	25,000,000	25,000,000	-
Hong Kong T-Bills 0% 18/03/2020	-	30,000,000	30,000,000	-
Hong Kong T-Bills 0% 25/03/2020	-	25,000,000	25,000,000	-
Hong Kong T-Bills 0% 15/04/2020	-	20,000,000	-	20,000,000
Hong Kong T-Bills 0% 22/04/2020	-	25,000,000	-	25,000,000
Hong Kong & Shanghai Banking Corp 1.74% 04/10/2019	22,000,000	-	22,000,000	-
Hong Kong & Shanghai Banking Corp 2.13% 03/02/2020	-	30,000,000	30,000,000	-
Hong Kong & Shanghai Banking Corp 1.95% 09/04/2020	-	33,000,000	-	33,000,000
Hong Kong & Shanghai Banking Corp 2.05% 12/08/2020	-	33,000,000	-	33,000,000
Industrial & Commercial Bank of China (Asia) Ltd 2% 30/09/2020	-	40,000,000	-	40,000,000
KDB Asia Ltd 2% 12/05/2020	-	8,000,000	-	8,000,000
KDB Asia Ltd 0% 28/09/2020	-	42,000,000	-	42,000,000
KDB Asia Ltd 0% 05/10/2020	-	41,000,000	-	41,000,000
Shinhan Bank Hong Kong 0% 29/04/2019	15,000,000	-	15,000,000	-

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed Deposit				
Bank of Communications Co Ltd Deposit 1.70% 29/04/2019	41,811,881	-	41,811,881	-
Bank of Communications Co Ltd Deposit 1.55% 20/05/2019	41,599,530	-	41,599,530	-
China Construction Bank (Asia) Corp Deposit 1.72% 28/06/2019	22,156,793	-	22,156,793	-
China Construction Bank (Asia) Corp Deposit 2.45% 30/09/2019	-	22,252,809	22,252,809	-
China Construction Bank (Asia) Corp Deposit 2.30% 27/11/2019	-	30,000,000	30,000,000	-
China Construction Bank (Asia) Corp Deposit 2.45% 30/12/2019	-	40,000,000	40,000,000	-
China Construction Bank (Asia) Corp Deposit 2.35% 02/01/2020	-	22,393,215	22,393,215	-
China Construction Bank (Asia) Corp Deposit 2.48% 27/02/2020	-	40,173,918	40,173,918	-
China Construction Bank (Asia) Corp Deposit 2.48% 30/03/2020	-	40,496,712	40,496,712	-
China Construction Bank (Asia) Corp Deposit 2.45% 02/04/2020	-	22,528,740	-	22,528,740
China Construction Bank (Asia) Corp Deposit 2.28% 10/08/2020	-	20,000,000	-	20,000,000
China Construction Bank (Asia) Corp Deposit 2.13% 27/08/2020	-	60,425,043	-	60,425,043
CMB Wing Lung Bank Ltd Deposit 1.74% 14/06/2019	45,801,403	-	45,801,403	-
CMB Wing Lung Bank Ltd Deposit 1.98% 28/06/2019	45,392,702	-	45,392,702	-
CMB Wing Lung Bank Ltd Deposit 1.93% 02/07/2019	30,020,260	-	30,020,260	-
CMB Wing Lung Bank Ltd Deposit 2.05% 17/07/2019	-	30,000,000	30,000,000	-
CMB Wing Lung Bank Ltd Deposit 2.15% 29/07/2019	66,656,747	-	66,656,747	-
CMB Wing Lung Bank Ltd Deposit 2.15% 29/07/2019	-	26,000,000	26,000,000	-
CMB Wing Lung Bank Ltd Deposit 2.35% 16/09/2019	-	20,002,277	20,002,277	-
CMB Wing Lung Bank Ltd Deposit 2.65% 26/02/2020	-	35,000,000	35,000,000	-
CMB Wing Lung Bank Ltd Deposit 2.10% 26/08/2020	-	35,233,781	-	35,233,781
CMB Wing Lung Bank Ltd Deposit 2.12% 28/08/2020	-	30,000,000	-	30,000,000
Dah Sing Bank Ltd Deposit 1.90% 24/07/2019	-	30,095,411	30,095,411	-
Dah Sing Bank Ltd Deposit 2.55% 21/02/2020	-	30,000,000	30,000,000	-
Bank of East Asia Ltd Deposit 1.87% 24/04/2019	30,096,312	-	30,096,312	-
Bank of East Asia Ltd Deposit 1.70% 11/06/2019	30,492,356	-	30,492,356	-
Bank of East Asia Ltd Deposit 1.75% 18/06/2019	30,453,533	-	30,453,533	-

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed Deposit (Continued)				
Bank of East Asia Ltd Deposit 1.84% 26/06/2019	15,769,843	-	15,769,843	-
Bank of East Asia Ltd Deposit 2.05% 18/07/2019	20,275,502	-	20,275,502	-
Bank of East Asia Ltd Deposit 1.92% 24/07/2019	-	30,238,169	30,238,169	-
Bank of East Asia Ltd Deposit 2.04% 06/08/2019	-	30,000,000	30,000,000	-
Bank of East Asia Ltd Deposit 1.85% 13/08/2019	40,744,763	-	40,744,763	-
Bank of East Asia Ltd Deposit 2% 21/08/2019	-	30,496,676	30,496,676	-
Bank of East Asia Ltd Deposit 2.20% 11/09/2019	-	40,623,014	40,623,014	-
Bank of East Asia Ltd Deposit 2.45% 18/09/2019	-	30,587,862	30,587,862	-
Bank of East Asia Ltd Deposit 2.17% 24/10/2019	-	30,382,915	30,382,915	-
Bank of East Asia Ltd Deposit 2.23% 06/11/2019	-	30,159,288	30,159,288	-
Bank of East Asia Ltd Deposit 2.20% 13/11/2019	-	41,120,619	41,120,619	-
Bank of East Asia Ltd Deposit 2.30% 21/11/2019	-	30,650,412	30,650,412	-
Bank of East Asia Ltd Deposit 2.53% 08/01/2020	-	40,848,277	40,848,277	-
Bank of East Asia Ltd Deposit 2.50% 09/01/2020	-	70,000,000	70,000,000	-
Bank of East Asia Ltd Deposit 2.53% 14/01/2020	-	21,000,000	21,000,000	-
Bank of East Asia Ltd Deposit 2.50% 17/01/2020	-	30,776,753	30,776,753	-
Bank of East Asia Ltd Deposit 2.25% 21/01/2020	-	20,481,618	20,481,618	-
Bank of East Asia Ltd Deposit 2.35% 24/01/2020	-	30,549,097	30,549,097	-
Bank of East Asia Ltd Deposit 2.50% 06/02/2020	-	30,328,808	30,328,808	-
Bank of East Asia Ltd Deposit 2.65% 18/02/2020	-	41,348,641	41,348,641	-
Bank of East Asia Ltd Deposit 2.85% 21/02/2020	-	30,828,101	30,828,101	-
Bank of East Asia Ltd Deposit 2.41% 09/04/2020	-	7,044,110	-	7,044,110
Bank of East Asia Ltd Deposit 2.40% 15/04/2020	-	21,180,496	-	21,180,496
Bank of East Asia Ltd Deposit 2.35% 17/04/2020	-	31,031,820	-	31,031,820
Bank of East Asia Ltd Deposit 2.34% 24/04/2020	-	30,730,048	-	30,730,048
Bank of East Asia Ltd Deposit 2.46% 08/07/2020	-	41,185,214	-	41,185,214
Bank of East Asia Ltd Deposit 2.40% 21/07/2020	-	20,717,717	-	20,717,717

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed Deposit (Continued)				
Bank of East Asia Ltd Deposit 2.29% 21/08/2020	-	31,049,556	-	31,049,556
Industrial & Commercial Bank of China (Asia) Ltd Deposit 1.90% 27/05/2019	46,239,179	-	46,239,179	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 1.80% 25/06/2019	25,000,000	-	25,000,000	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 1.80% 27/06/2019	54,861,317	-	54,861,317	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 1.90% 11/07/2019	-	31,445,909	31,445,909	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2% 24/07/2019	-	30,000,000	30,000,000	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.20% 30/07/2019	-	35,000,000	35,000,000	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.10% 27/08/2019	-	61,458,214	61,458,214	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.50% 25/09/2019	-	25,113,425	25,113,425	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.50% 27/09/2019	-	65,904,384	65,904,384	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.40% 11/09/2019	-	31,594,868	31,594,868	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.10% 24/10/2019	-	30,149,589	30,149,589	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.10% 30/10/2019	-	35,191,973	35,191,973	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.35% 27/11/2019	-	61,783,521	61,783,521	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.35% 27/12/2019	-	65,520,506	65,520,506	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.35% 27/12/2019	-	25,271,674	25,271,674	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.35% 13/01/2020	-	31,785,996	31,785,996	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.25% 24/01/2020	-	30,309,175	30,309,175	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.25% 30/01/2020	-	35,378,249	35,378,249	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.75% 04/03/2020	-	62,000,000	62,000,000	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.50% 27/03/2020	-	65,904,384	65,904,384	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.50% 27/03/2020	-	25,422,992	25,422,992	-
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.45% 14/04/2020	-	31,978,366	-	31,978,366
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.30% 24/04/2020	-	30,481,066	-	30,481,066
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.25% 04/05/2020	-	35,578,887	-	35,578,887
Industrial & Commercial Bank of China (Asia) Ltd Deposit 2.05% 04/09/2020	-	62,425,082	-	62,425,082

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed Deposit (Continued)				
OCBC Wang Hang Bank Ltd Deposit 1.80% 25/06/2019	20,440,777	-	20,440,777	-
OCBC Wang Hang Bank Ltd Deposit 1.85% 03/07/2019	46,143,705	-	46,143,705	-
OCBC Wang Hang Bank Ltd Deposit 1.85% 10/07/2019	25,000,000	-	25,000,000	-
OCBC Wang Hang Bank Ltd Deposit 2.05% 06/08/2019	-	62,837,241	62,837,241	-
OCBC Wang Hang Bank Ltd Deposit 2% 21/08/2019	-	51,102,460	51,102,460	-
OCBC Wang Hang Bank Ltd Deposit 2.45% 25/09/2019	-	20,533,517	20,533,517	-
OCBC Wang Hang Bank Ltd Deposit 2.40% 03/10/2019	-	46,389,278	46,389,278	-
OCBC Wang Hang Bank Ltd Deposit 2.50% 10/10/2019	-	25,140,651	25,140,651	-
OCBC Wang Hang Bank Ltd Deposit 2.20% 06/11/2019	-	63,161,929	63,161,929	-
OCBC Wang Hang Bank Ltd Deposit 2.25% 21/11/2019	-	51,976,822	51,976,822	-
OCBC Wang Hang Bank Ltd Deposit 2.35% 03/01/2020	-	46,669,902	46,669,902	-
OCBC Wang Hang Bank Ltd Deposit 2.37% 08/01/2020	-	20,660,319	20,660,319	-
OCBC Wang Hang Bank Ltd Deposit 2.40% 10/01/2020	-	25,299,071	25,299,071	-
OCBC Wang Hang Bank Ltd Deposit 2.30% 06/02/2020	-	63,512,175	63,512,175	-
OCBC Wang Hang Bank Ltd Deposit 2.50% 21/02/2020	-	51,651,348	51,651,348	-
OCBC Wang Hang Bank Ltd Deposit 2.35% 03/04/2020	-	46,946,341	-	46,946,341
OCBC Wang Hang Bank Ltd Deposit 2.30% 23/04/2020	-	50,000,000	-	50,000,000
OCBC Wang Hang Bank Ltd Deposit 2.50% 08/07/2020	-	20,801,177	-	20,801,177
OCBC Wang Hang Bank Ltd Deposit 2.22% 21/08/2020	-	51,976,822	-	51,976,822
Public Bank (Hong Kong) Ltd Deposit 1.75% 06/05/2019	30,545,608	-	30,545,608	-
Public Bank (Hong Kong) Ltd Deposit 1.75% 16/05/2019	20,353,032	-	20,353,032	-
Public Bank (Hong Kong) Ltd Deposit 1.70% 18/06/2019	30,184,932	-	30,184,932	-
Public Bank (Hong Kong) Ltd Deposit 2.10% 06/08/2019	-	30,678,879	30,678,879	-
Public Bank (Hong Kong) Ltd Deposit 2.05% 16/08/2019	-	20,441,833	20,441,833	-
Public Bank (Hong Kong) Ltd Deposit 1.95% 09/09/2019	72,000,127	-	72,000,127	-
Public Bank (Hong Kong) Ltd Deposit 2.30% 18/09/2019	-	30,314,272	30,314,272	-

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed deposits (Continued)				
Public Bank (Hong Kong) Ltd Deposit 2.20% 06/11/2019	-	30,841,267	30,841,267	-
Public Bank (Hong Kong) Ltd Deposit 2.40% 18/11/2019	-	20,547,458	20,547,458	-
Public Bank (Hong Kong) Ltd Deposit 2.40% 09/12/2019	-	72,715,591	72,715,591	-
Public Bank (Hong Kong) Ltd Deposit 2.40% 18/12/2019	-	45,490,012	45,490,012	-
Public Bank (Hong Kong) Ltd Deposit 2.40% 06/01/2020	-	27,000,000	27,000,000	-
Public Bank (Hong Kong) Ltd Deposit 2.40% 06/02/2020	-	31,012,288	31,012,288	-
Public Bank (Hong Kong) Ltd Deposit 2.55% 18/02/2020	-	20,674,458	20,674,458	-
Public Bank (Hong Kong) Ltd Deposit 2.60% 09/03/2020	-	73,150,689	73,150,689	-
Public Bank (Hong Kong) Ltd Deposit 2.60% 18/03/2020	-	45,762,204	45,762,204	-
Public Bank (Hong Kong) Ltd Deposit 2.50% 06/04/2020	-	27,166,882	-	27,166,882
Public Bank (Hong Kong) Ltd Deposit 2.10% 09/09/2020	-	65,000,000	-	65,000,000
Public Bank (Hong Kong) Ltd Deposit 2.10% 18/09/2020	-	46,058,843	-	46,058,843
Shanghai Commercial Bank Ltd Deposit 1.75% 23/04/2019	46,447,792	-	46,447,792	-
Shanghai Commercial Bank Ltd Deposit 1.65% 17/05/2019	50,519,164	-	50,519,164	-
Shanghai Commercial Bank Ltd Deposit 1.95% 23/07/2019	-	46,652,671	46,652,671	-
Shanghai Commercial Bank Ltd Deposit 2.20% 25/07/2019	30,830,613	-	30,830,613	-
Shanghai Commercial Bank Ltd Deposit 2.20% 29/07/2019	25,000,000	-	25,000,000	-
Shanghai Commercial Bank Ltd Deposit 2.30% 19/08/2019	-	50,731,552	50,731,552	-
Shanghai Commercial Bank Ltd Deposit 2.30% 20/08/2019	-	35,000,000	35,000,000	-
Shanghai Commercial Bank Ltd Deposit 2.30% 30/08/2019	-	30,000,000	30,000,000	-
Shanghai Commercial Bank Ltd Deposit 2.15% 25/10/2019	-	31,168,820	31,168,820	-
Shanghai Commercial Bank Ltd Deposit 2.15% 29/10/2019	-	25,274,247	25,274,247	-
Shanghai Commercial Bank Ltd Deposit 2.25% 19/11/2019	-	51,032,050	51,032,050	-
Shanghai Commercial Bank Ltd Deposit 2.25% 20/11/2019	-	35,202,904	35,202,904	-
Shanghai Commercial Bank Ltd Deposit 2.40% 02/12/2019	-	30,173,918	30,173,918	-
Shanghai Commercial Bank Ltd Deposit 2.35% 29/01/2020	-	31,337,730	31,337,730	-

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed deposits (Continued)				
Shanghai Commercial Bank Ltd Deposit 2.35% 29/01/2020	-	25,411,212	25,411,212	-
Shanghai Commercial Bank Ltd Deposit 2.15% 23/01/2020	-	46,879,480	46,879,480	-
Shanghai Commercial Bank Ltd Deposit 2.60% 13/03/2020	-	25,000,000	25,000,000	-
Sumitomo Mitsui Banking Corp Deposit 1.85% 19/06/2019	41,003,990	-	41,003,990	-
Sumitomo Mitsui Banking Corp Deposit 2.31% 22/07/2019	51,419,600	-	51,419,600	-
Sumitomo Mitsui Banking Corp Deposit 2.20% 12/08/2019	20,000,000	-	20,000,000	-
Sumitomo Mitsui Banking Corp Deposit 1.95% 06/09/2019	32,986,764	-	32,986,764	-
Sumitomo Mitsui Banking Corp Deposit 2.19% 10/09/2019	-	61,722,594	61,722,594	-
Sumitomo Mitsui Banking Corp Deposit 2.44% 16/09/2019	-	10,000,000	10,000,000	-
Sumitomo Mitsui Banking Corp Deposit 2.44% 19/09/2019	-	41,195,192	41,195,192	-
Sumitomo Mitsui Banking Corp Deposit 2% 27/09/2019	25,151,416	-	25,151,416	-
Sumitomo Mitsui Banking Corp Deposit 2.32% 12/11/2019	-	20,219,397	20,219,397	-
Sumitomo Mitsui Banking Corp Deposit 2.33% 06/12/2019	-	33,311,029	33,311,029	-
Sumitomo Mitsui Banking Corp Deposit 2.32% 10/12/2019	-	46,063,302	46,063,302	-
Sumitomo Mitsui Banking Corp Deposit 2.33% 16/12/2019	-	10,062,838	10,062,838	-
Sumitomo Mitsui Banking Corp Deposit 2.35% 19/12/2019	-	41,448,548	41,448,548	-
Sumitomo Mitsui Banking Corp Deposit 2.31% 27/12/2019	-	25,404,997	25,404,997	-
Sumitomo Mitsui Banking Corp Deposit 2.25% 22/01/2020	-	52,011,869	52,011,869	-
Sumitomo Mitsui Banking Corp Deposit 2.36% 12/02/2020	-	20,337,634	20,337,634	-
Sumitomo Mitsui Banking Corp Deposit 2.44% 16/03/2020	-	20,121,294	20,121,294	-
Sumitomo Mitsui Banking Corp Deposit 2.36% 14/04/2020	-	46,428,502	-	46,428,502
Sumitomo Mitsui Banking Corp Deposit 2.29% 22/04/2020	-	52,601,812	-	52,601,812
Sumitomo Mitsui Banking Corp Deposit 1.24% 16/06/2020	-	20,243,697	-	20,243,697
Sumitomo Mitsui Banking Corp Deposit 2.47% 19/06/2020	-	41,691,391	-	41,691,391
Sumitomo Mitsui Banking Corp Deposit 2.16% 27/08/2020	-	30,659,380	-	30,659,380
UOB Hong Kong Deposit 1.74% 14/05/2019	35,450,193	-	35,450,193	-

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

MPF Conservative Fund - Movement of Portfolio Investments (Continued)

Listed/quoted investments Denominated in HK Dollars	Nominal value at 31.3.2019 HK\$	Additions HK\$	Disposals HK\$	Nominal value at 31.3.2020 HK\$
Fixed deposits (Continued)				
UOB Hong Kong Deposit 1.77% 11/07/2019	-	51,587,568	51,587,568	-
UOB Hong Kong Deposit 2.40% 15/07/2019	10,000,000	-	10,000,000	-
UOB Hong Kong Deposit 2.35% 24/07/2019	41,283,523	-	41,283,523	-
UOB Hong Kong Deposit 2.25% 30/07/2019	71,491,829	-	71,491,829	-
UOB Hong Kong Deposit 2.10% 15/08/2019	-	25,797,163	25,797,163	-
UOB Hong Kong Deposit 2.59% 11/10/2019	-	51,832,729	51,832,729	-
UOB Hong Kong Deposit 2.31% 24/10/2019	-	41,764,617	41,764,617	-
UOB Hong Kong Deposit 2.31% 30/10/2019	-	57,289,501	57,289,501	-
UOB Hong Kong Deposit 2.29% 15/11/2019	-	25,933,711	25,933,711	-
UOB Hong Kong Deposit 2.39% 13/01/2020	-	52,171,104	52,171,104	-
UOB Hong Kong Deposit 2.42% 15/01/2020	-	27,000,000	27,000,000	-
UOB Hong Kong Deposit 2.12% 15/01/2020	-	35,726,630	35,726,630	-
UOB Hong Kong Deposit 2.27% 24/01/2020	-	42,007,790	42,007,790	-
UOB Hong Kong Deposit 2.31% 30/01/2020	-	57,623,067	57,623,067	-
UOB Hong Kong Deposit 2.40% 14/04/2020	-	52,492,221	-	52,492,221
UOB Hong Kong Deposit 2.37% 15/04/2020	-	36,108,445	-	36,108,445
UOB Hong Kong Deposit 2.32% 24/04/2020	-	42,248,144	-	42,248,144
UOB Hong Kong Deposit 2.35% 15/05/2020	-	26,201,099	-	26,201,099
UOB Hong Kong Deposit 1.27% 16/06/2020	-	27,266,385	-	27,266,385

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Guaranteed Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Principal Guaranteed Umbrella Fund - Principal Long Term Guaranteed Fund	49,639,819	1,104,365,287	100.14
Total portfolio		<u>1,104,365,287</u>	<u>100.14</u>
Cash and other net liabilities		<u>(1,495,722)</u>	<u>(0.14)</u>
Net assets attributable to members		<u><u>1,102,869,565</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>982,624,527</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Guaranteed Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Principal Guaranteed Umbrella Fund -				
Principal Long Term Guaranteed Fund	47,924,343	8,547,956	(6,832,480)	49,639,819

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Global Bond Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund	49,980,628	1,190,988,375	99.99
MPF Bond Fund - Class B			
Total portfolio		<u>1,190,988,375</u>	<u>99.99</u>
Cash and other net assets		<u>170,799</u>	<u>0.01</u>
Net assets attributable to members		<u><u>1,191,159,174</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>1,029,853,413</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Global Bond Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
MPF Bond Fund - Class B	43,519,102	18,473,553	(12,012,027)	49,980,628

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

RMB Bond Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund	23,380,471	262,927,429	99.74
RMB Bond Fund - Class B			
Derivatives			
Forward foreign exchange contracts		951,835	0.36
Total portfolio		263,879,264	100.10
Cash and other net liabilities		(261,264)	(0.10)
Net assets attributable to members		263,618,000	100.00
Total portfolio at cost		260,613,127	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

RMB Bond Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
RMB Bond Fund - Class B	22,132,483	10,687,757	(9,439,769)	23,380,471

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Capital Stable Fund - Schedule of Investments as at 31 March 2020

Quoted investments	Holding Units	Fair value HK\$	% of net assets
Funds			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund	18,450,503	462,262,592	26.40
Global Equities Fund - Class B			
Invesco Pooled Investment Fund	54,112,425	1,289,444,970	73.64
MPF Bond Fund - Class B			
Total portfolio		<u>1,751,707,562</u>	<u>100.04</u>
Cash and other net liabilities		<u>(801,584)</u>	<u>(0.04)</u>
Net assets attributable to members		<u><u>1,750,905,978</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>1,581,695,598</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Capital Stable Fund - Movement of Portfolio Investments

Quoted investments	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Funds				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Global Equities Fund - Class B	19,126,248	3,791,386	(4,467,131)	18,450,503
Invesco Pooled Investment Fund				
MPF Bond Fund - Class B	53,220,405	10,888,697	(9,996,677)	54,112,425

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Balanced Fund - Schedule of Investments as at 31 March 2020

Quoted investments	Holding Units	Fair value HK\$	% of net assets
Funds			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund	66,489,166	1,665,832,874	67.34
Global Equities Fund - Class B			
Invesco Pooled Investment Fund			
MPF Bond Fund - Class B	33,952,669	809,058,159	32.70
Total portfolio		<u>2,474,891,033</u>	<u>100.04</u>
Cash and other net liabilities		<u>(1,069,770)</u>	<u>(0.04)</u>
Net assets attributable to members		<u><u>2,473,821,263</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>2,203,298,939</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Balanced Fund - Movement of Portfolio Investments

Quoted investments	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Funds				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Global Equities Fund - Class B	69,186,760	9,518,910	(12,216,504)	66,489,166
Invesco Pooled Investment Fund				
MPF Bond Fund - Class B	31,144,585	8,130,250	(5,322,166)	33,952,669

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Growth Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund			
Global Equities Fund - Class B	156,955,740	3,932,400,498	100.10
Total portfolio		<u>3,932,400,498</u>	<u>100.10</u>
Cash and other net liabilities		<u>(4,109,983)</u>	<u>(0.10)</u>
Net assets attributable to members		<u><u>3,928,290,515</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>3,414,494,412</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Growth Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Global Equities Fund - Class B	158,019,164	23,701,588	(24,765,012)	156,955,740

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Hong Kong and China Equity Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund			
Hong Kong and China Fund - Class B	85,418,686	4,029,592,353	100.10
Total portfolio		<u>4,029,592,353</u>	<u>100.10</u>
Cash and other net liabilities		<u>(4,071,673)</u>	<u>(0.10)</u>
Net assets attributable to members		<u><u>4,025,520,680</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>3,825,517,441</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Hong Kong and China Equity Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Hong Kong and China Fund - Class B	85,795,425	23,091,712	(23,468,451)	85,418,686

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Asian Equity Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund			
Asia Fund - Class B	27,344,424	1,035,030,188	96.57
Derivatives			
Forward foreign exchange contracts		36,581,321	3.42
Total portfolio		1,071,611,509	99.99
Cash and other net assets		137,573	0.01
Net assets attributable to members		1,071,749,082	100.00
Total portfolio at cost		1,016,773,275	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Asian Equity Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Asia Fund - Class B	25,871,064	4,909,051	(3,435,691)	27,344,424

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Invesco Hang Seng Index Tracking Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Tracker Fund of Hong Kong	20,749,000	494,863,650	100.56
Total portfolio		494,863,650	100.56
Cash and other net liabilities		(2,742,970)	(0.56)
Net assets attributable to members		492,120,680	100.00
Total portfolio at cost		557,276,039	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Invesco Hang Seng Index Tracking Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Tracker Fund of Hong Kong	13,960,500	9,400,500	(2,612,000)	20,749,000

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Age 65 Plus Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund			
Age 65 Plus Fund - Class B	14,350,193	162,157,184	99.95
Total portfolio		162,157,184	99.95
Cash and other net assets		87,256	0.05
Net assets attributable to members		162,244,440	100.00
Total portfolio at cost		157,746,253	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Age 65 Plus Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Age 65 Plus Fund - Class B	7,678,989	12,581,064	(5,909,860)	14,350,193

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Core Accumulation Fund - Schedule of Investments as at 31 March 2020

Quoted investment	Holding Units	Fair value HK\$	% of net assets
Fund			
Domiciled or incorporated in Hong Kong			
Invesco Pooled Investment Fund			
Core Accumulation Fund - Class B	49,158,700	528,519,926	100.04
Total portfolio		<u>528,519,926</u>	<u>100.04</u>
Cash and other net liabilities		<u>(229,975)</u>	<u>(0.04)</u>
Net assets attributable to members		<u><u>528,289,951</u></u>	<u><u>100.00</u></u>
Total portfolio at cost		<u><u>553,429,278</u></u>	

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

Invesco Strategic MPF Scheme

Investment Report (Continued) FOR THE YEAR ENDED 31 MARCH 2020

Core Accumulation Fund - Movement of Portfolio Investments

Quoted investment	Holding at 31.3.2019 Units	Additions Units	Disposals Units	Holding at 31.3.2020 Units
Fund				
Domiciled or incorporated in Hong Kong				
Invesco Pooled Investment Fund				
Core Accumulation Fund - Class B	31,934,520	29,626,924	(12,402,744)	49,158,700

Independent Auditor's Report to the Trustee of Invesco Strategic MPF Scheme

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Invesco Strategic MPF Scheme (the "Scheme") and each of its constituent funds, MPF Conservative Fund, Guaranteed Fund, Global Bond Fund, RMB Bond Fund, Capital Stable Fund, Balanced Fund, Growth Fund, Hong Kong and China Equity Fund, Asian Equity Fund, Invesco Hang Seng Index Tracking Fund, Age 65 Plus Fund and Core Accumulation Fund (each a "constituent fund" of the Scheme and together the "constituent funds") set out on pages 80 to 191, which comprise:

- the statement of net assets available for benefits of the Scheme and the statement of net assets of each of its constituent funds as at 31 March 2020;
- the statement of comprehensive income of each of the constituent funds for the year then ended;
- the statement of changes in net assets available for benefits of the Scheme and the statement of changes in net assets attributable to members/statement of changes in equity of each of its constituent funds for the year then ended;
- the statement of cash flows of the Scheme and each of its constituent funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Scheme and each of its constituent funds as at 31 March 2020, and of their 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 ("HKSAs") 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Scheme and each of its constituent funds 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.

Independent Auditor's Report to the Trustee of Invesco Strategic MPF Scheme (Continued)

Other Information

The Trustee is responsible for the other information. The other information comprises all of 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.

Responsibilities of the Trustee for the Financial Statements

The Trustee is 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 Trustee determines 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 Trustee is responsible for assessing the Scheme's and each of its constituent funds' 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 Trustee either intends to liquidate the Scheme and its constituent funds or to cease operations, or has no realistic alternative but to do so.

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

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. We report our opinion solely to you, as a body, 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 and each of its constituent funds have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

Invesco Strategic MPF Scheme

Independent Auditor's Report to the Trustee of Invesco Strategic MPF Scheme (Continued)

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

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism 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 and its constituent funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of 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 and its constituent funds' 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 and its constituent funds 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 Trustee 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.

Report on Matters under the General Regulation

- a. In our opinion, the financial statements of the Scheme and each of its constituent funds 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.



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 September 2020

Invesco Strategic MPF Scheme

- Scheme

Statement of Net Assets Available for Benefits

AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	19,685,336,273	21,035,365,523
Amounts receivable on sale of financial assets at fair value through profit or loss		34,668,346	21,448,054
Contributions receivable			
From employers		94,937,968	81,155,924
From members		71,242,755	63,367,441
Surcharge		359	1,666
Bank balances and deposits		42,435,622	33,992,907
Total assets		<u>19,928,621,323</u>	<u>21,235,331,515</u>
Liabilities			
Current liabilities			
Accruals and other payables		14,286,775	10,566,118
Benefits payable		55,161,497	56,097,703
Forfeitures payable		32,622,601	28,031,474
Amounts payable on purchase of financial assets at fair value through profit or loss		1,927,992	826,830
Total liabilities		<u>103,998,865</u>	<u>95,522,125</u>
Net assets available for benefits attributable to members		<u>19,824,622,458</u>	<u>21,139,809,390</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



 Director



 Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Scheme

Statement of Changes in Net Assets Available for Benefits FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Income			
Bank interest		504	449
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(2,450,760,994)	(617,997,532)
Realised gains on disposal of financial assets at fair value through profit or loss		<u>256,107,323</u>	<u>253,902,448</u>
Total loss		<u>(2,194,653,167)</u>	<u>(364,094,635)</u>
Expenses			
Administrative and other expenses		<u>162</u>	<u>772</u>
Total expenses		<u>162</u>	<u>772</u>
Net loss		<u>(2,194,653,329)</u>	<u>(364,095,407)</u>
Contributions received and receivable	6		
From employers			
Mandatory		793,151,262	763,776,003
Voluntary		275,174,491	296,920,450
From members			
Mandatory		769,238,031	738,438,154
Voluntary		52,476,025	52,984,242
Tax deductible voluntary		<u>17,106,847</u>	<u>-</u>
		<u>1,907,146,656</u>	<u>1,852,118,849</u>
Contribution surcharge		49,820	149,063
Transfers in			
Group transfers in from other schemes		4,955,362	916,053
Individual transfers in from other schemes		<u>221,791,723</u>	<u>165,984,914</u>
		<u>226,747,085</u>	<u>166,900,967</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Scheme

Statement of Changes in Net Assets Available for Benefits (Continued) FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Benefits paid and payable	7		
Retirement		77,553,570	68,531,768
Early retirement		30,295,057	33,469,068
Death		5,568,870	14,291,153
Permanent departure		85,601,624	81,737,080
Small balance		7,375	7,021
Refund of voluntary contributions to leavers		121,396,366	127,911,589
Total incapacity		2,196,550	3,910,579
Terminal illness		1,152,059	568,853
		<u>323,771,471</u>	<u>330,427,111</u>
Transfers out			
Group transfers out to other schemes		68,647,799	95,547,189
Individual transfers out to other schemes		<u>730,462,576</u>	<u>681,939,207</u>
		<u>799,110,375</u>	<u>777,486,396</u>
Forfeitures		21,232,149	23,483,849
Long service payment		<u>110,363,169</u>	<u>98,193,890</u>
Changes in net assets available for benefits attributable to members		(1,315,186,932)	425,482,226
Net assets available for benefits attributable to members at the beginning of the year			
- Members' accounts		<u>21,139,809,390</u>	<u>20,714,327,164</u>
Net assets available for benefits attributable to members at the end of the year			
- Members' accounts		<u>19,824,622,458</u>	<u>21,139,809,390</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Scheme

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of financial assets at fair value through profit or loss	(6,185,721,450)	(5,184,758,887)
Proceeds from disposal of financial assets at fair value through profit or loss	5,328,977,899	4,398,189,602
Interest received	504	449
Administrative and other expenses paid	(162)	(772)
Net cash used in operating activities	(856,743,209)	(786,569,608)
Cash flows from financing activities		
Contributions and transfers in received	2,112,287,511	2,016,390,648
Benefits, transfers out, long service payment and forfeitures paid	(1,247,101,587)	(1,228,342,813)
Net cash from financing activities	865,185,924	788,047,835
 Net increase in cash and cash equivalents	 8,442,715	 1,478,227
Cash and cash equivalents at the beginning of the year	33,992,907	32,514,680
 Cash and cash equivalents at the end of the year	 42,435,622	 33,992,907
 Analysis of balance of cash and cash equivalents		
Bank balances and deposits	42,435,622	33,992,907


The accompanying notes form an integral part of these financial statements.

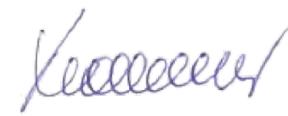
Invesco Strategic MPF Scheme - MPF Conservative Fund

Statement of Net Assets AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	1,824,364,328	1,940,439,526
Interest receivable - bank deposits		5,662,770	3,885,506
Interest receivable - certificate of deposits		5,558,349	2,230,309
Amounts receivable on fund switching		46,962,455	19,766,582
Bank balances and deposits		891,883,366	673,016,635
Total assets		2,774,431,268	2,639,338,558
Liabilities			
Current liabilities			
Amounts payable on redemption		8,738,497	2,202,217
Amounts payable on purchase of financial assets at fair value through profit or loss		40,450,538	22,000,000
Amounts payable on fund switching		28,658,968	15,488,006
Other payables		1,836,320	1,742,992
Liabilities (excluding net assets attributable to members)		79,684,323	41,433,215
Net assets attributable to members		2,694,746,945	2,597,905,343

For and on behalf of the Trustee
Bank Consortium Trust Company Limited


.....
Director


.....
Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - MPF Conservative Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on certificate of deposits		10,160,261	3,697,131
Interest income on bank deposits		42,688,838	33,976,417
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(4,435,495)	4,588,820
Realised gains on disposal of financial assets at fair value through profit or loss		8,896,331	3,686,195
Total income		<u>57,309,935</u>	<u>45,948,563</u>
Expenses			
Investment management fee	5 (a)	5,314,799	4,804,445
Trustee and administration fees	5 (b)	9,646,360	8,720,068
Safe custody and bank charges		169,446	137,141
Sponsor fee	5 (c)	2,657,399	2,402,223
Auditor's remuneration		118,773	141,802
Legal and professional fees		57,972	41,293
Other expenses		462,949	447,237
Total expenses		<u>18,427,698</u>	<u>16,694,209</u>
Increase in net assets attributable to members		<u>38,882,237</u>	<u>29,254,354</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - MPF Conservative Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	2,597,905,343	2,236,533,320
Proceeds on subscription of units	1,394,083,111	1,339,314,553
Payments on redemption of units	(1,336,123,746)	(1,007,196,884)
	57,959,365	332,117,669
Increase in net assets attributable to members	38,882,237	29,254,354
Balance at the end of the year	2,694,746,945	2,597,905,343

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - MPF Conservative Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(6,735,285,162)	(5,760,756,896)
Proceeds from sale of investments	6,874,304,544	5,389,211,967
Interest received on bank deposits	40,911,574	32,456,804
Interest received on certificate of deposits	6,799,411	1,915,496
Investment management fee paid	(5,302,724)	(4,740,792)
Trustee and administration fees paid	(9,624,445)	(8,604,536)
Sponsor fee paid	(2,651,362)	(2,370,396)
Operating expenses paid	(755,839)	(683,177)
Net cash from/(used in) operating activities	168,395,997	(353,571,530)
Cash flows from financing activities		
Proceeds on subscription of units	1,366,887,238	1,354,151,233
Payments on redemption of units	(1,316,416,504)	(1,024,056,917)
Net cash from financing activities	50,470,734	330,094,316
 Net increase/(decrease) in cash and cash equivalents	 218,866,731	 (23,477,214)
 Cash and cash equivalents at the beginning of the year	 673,016,635	 696,493,849
 Cash and cash equivalents at the end of the year	 891,883,366	 673,016,635
 Analysis of balance of cash and cash equivalents		
Bank balances and deposits	891,883,366	673,016,635

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme


- Guaranteed Fund


Statement of Net Assets

AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	1,104,365,287	1,059,520,103
Amounts receivable on sale of financial assets at fair value through profit or loss		1,170,019	368,979
Bank balances and deposits		<u>2,996,630</u>	<u>1,270,197</u>
Total assets		<u>1,108,531,936</u>	<u>1,061,159,279</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		3,365,727	1,563,952
Amounts payable on purchase of financial assets at fair value through profit or loss		800,904	75,209
Other payables		<u>1,495,740</u>	<u>1,272,155</u>
Total liabilities		<u>5,662,371</u>	<u>2,911,316</u>
Equity			
Net assets attributable to members		<u>1,102,869,565</u>	<u>1,058,247,963</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited


.....
Director


.....
Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Guaranteed Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(14,425,849)	7,611,211
Realised gains on disposal of financial assets at fair value through profit or loss		<u>20,809,991</u>	<u>17,120,324</u>
Total income		<u>6,384,142</u>	<u>24,731,535</u>
Expenses			
Investment management fee	5 (a)	8,892,079	8,204,523
Trustee and administration fees	5 (b)	5,835,427	5,384,219
Safe custody and bank charges		1,595	876
Sponsor fee	5 (c)	1,111,510	1,025,565
Auditor's remuneration		52,605	57,834
Legal and professional fees		24,164	17,676
Other expenses		<u>239,899</u>	<u>196,411</u>
Total expenses		<u>16,157,279</u>	<u>14,887,104</u>
Total comprehensive (loss)/income		<u>(9,773,137)</u>	<u>9,844,431</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Guaranteed Fund

Statement of Changes in Equity FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	<u>1,058,247,963</u>	<u>1,018,742,152</u>
Proceeds on subscription of units	193,220,400	164,796,498
Payments on redemption of units	(138,825,661)	(135,135,118)
	<u>54,394,739</u>	<u>29,661,380</u>
Total comprehensive (loss)/income	<u>(9,773,137)</u>	<u>9,844,431</u>
Balance at the end of the year	<u><u>1,102,869,565</u></u>	<u><u>1,058,247,963</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Guaranteed Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(192,092,506)	(165,924,404)
Proceeds from sale of investments	153,556,119	149,689,284
Investment management fee paid	(8,787,737)	(8,182,453)
Trustee and administration fees paid	(5,766,953)	(5,369,735)
Sponsor fee paid	(1,098,467)	(1,022,807)
Operating expenses paid	<u>(280,537)</u>	<u>(282,470)</u>
Net cash used in operating activities	<u>(54,470,081)</u>	<u>(31,092,585)</u>
Cash flows from financing activities		
Proceeds on subscription of units	193,220,400	164,796,498
Payments on redemption of units	<u>(137,023,886)</u>	<u>(134,692,816)</u>
Net cash from financing activities	<u>56,196,514</u>	<u>30,103,682</u>
Net increase/(decrease) in cash and cash equivalents	1,726,433	(988,903)
Cash and cash equivalents at the beginning of the year	<u>1,270,197</u>	<u>2,259,100</u>
Cash and cash equivalents at the end of the year	<u><u>2,996,630</u></u>	<u><u>1,270,197</u></u>
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	<u><u>2,996,630</u></u>	<u><u>1,270,197</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

- Global Bond Fund

Statement of Net Assets

AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	1,190,988,375	993,436,658
Amounts receivable on fund switching		5,492,964	7,065,665
Amounts receivable on sale of financial assets at fair value through profit or loss		8,768,826	-
Bank balances and deposits		4,046,107	14,867,718
Total assets		<u>1,209,296,272</u>	<u>1,015,370,041</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		2,023,097	579,439
Amounts payable on fund switching		9,436,503	1,916,717
Amounts payable on purchase of financial assets at fair value through profit or loss		5,492,964	-
Other payables		1,184,534	970,146
Liabilities (excluding net assets attributable to members)		<u>18,137,098</u>	<u>3,466,302</u>
Net assets attributable to members		<u>1,191,159,174</u>	<u>1,011,903,739</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



Director



Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

- Global Bond Fund

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		101	180
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(1,462,401)	1,257,571
Realised gains on disposal of financial assets at fair value through profit or loss		44,589,111	733,761
Total income		43,126,811	1,991,512
Expenses			
Investment management fee	5 (a)	4,372,051	3,776,463
Trustee and administration fees	5 (b)	5,862,831	5,061,706
Safe custody and bank charges		3,256	1,274
Sponsor fee	5 (c)	1,116,730	964,135
Auditor's remuneration		49,122	56,789
Legal and professional fees		24,307	16,603
Other expenses		218,170	181,334
Total expenses		11,646,467	10,058,304
Increase/(decrease) in net assets attributable to members		31,480,344	(8,066,792)

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Global Bond Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	1,011,903,739	957,776,509
Proceeds on subscription of units	517,486,905	327,048,279
Payments on redemption of units	(369,711,814)	(264,854,257)
	147,775,091	62,194,022
Increase/(decrease) in net assets attributable to members	31,480,344	(8,066,792)
Balance at the end of the year	1,191,159,174	1,011,903,739

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Global Bond Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(434,951,426)	(52,000,000)
Proceeds from sale of investments	277,250,557	5,000,000
Interest received on bank deposits	101	180
Investment management fee paid	(4,302,686)	(3,762,969)
Trustee and administration fees paid	(5,769,989)	(5,043,492)
Sponsor fee paid	(1,099,046)	(960,665)
Operating expenses paid	(260,358)	(229,174)
Net cash used in operating activities	(169,132,847)	(56,996,120)
Cash flows from financing activities		
Proceeds on subscription of units	519,059,606	327,075,532
Payments on redemption of units	(360,748,370)	(276,385,055)
Net cash from financing activities	158,311,236	50,690,477
Net decrease in cash and cash equivalents	(10,821,611)	(6,305,643)
Cash and cash equivalents at the beginning of the year	14,867,718	21,173,361
Cash and cash equivalents at the end of the year	4,046,107	14,867,718
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	4,046,107	14,867,718

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - RMB Bond Fund

Statement of Net Assets AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8, 14	263,879,264	255,386,721
Amounts receivable on sale of financial assets at fair value through profit or loss		1,784,347	292,057
Amounts receivable on fund switching		1,773,415	764,728
Bank balances and deposits		678,295	1,033,738
Total assets		268,115,321	257,477,244
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss	8, 14	-	688,323
Amounts payable on redemption		200,705	202,591
Amounts payable on fund switching		2,261,809	1,122,830
Amounts payable on purchase of financial assets at fair value through profit or loss		1,773,415	764,728
Other payables		261,392	243,664
Liabilities (excluding net assets attributable to members)		4,497,321	3,022,136
Net assets attributable to members		263,618,000	254,455,108

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



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Director



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Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - RMB Bond Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		4	5
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(7,237,416)	(5,473,072)
Realised gains on disposal of financial assets at fair value through profit or loss		5,246,139	7,044,581
Other income		-	36
Total (loss)/income		(1,991,273)	1,571,550
Expenses			
Investment management fee	5 (a)	1,019,771	938,104
Trustee and administration fees	5 (b)	1,365,581	1,259,347
Safe custody and bank charges		435	234
Sponsor fee	5 (c)	260,111	239,876
Auditor's remuneration		11,535	14,133
Legal and professional fees		5,667	4,049
Other expenses		84,386	83,933
Total expenses		2,747,486	2,539,676
Decrease in net assets attributable to members		(4,738,759)	(968,126)

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - RMB Bond Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	254,455,108	234,343,932
Proceeds on subscription of units	116,492,207	103,756,371
Payments on redemption of units	(102,590,556)	(82,677,069)
	13,901,651	21,079,302
Decrease in net assets attributable to members	(4,738,759)	(968,126)
Balance at the end of the year	263,618,000	254,455,108

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - RMB Bond Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(120,164,490)	(114,318,872)
Proceeds from sale of investments	108,508,744	93,014,749
Interest received on bank deposits	4	5
Investment management fee paid	(1,014,887)	(929,485)
Trustee and administration fees paid	(1,359,194)	(1,248,358)
Sponsor fee paid	(258,894)	(237,783)
Operating expenses paid	(96,783)	(95,412)
Other income received	-	36
	<u>(14,385,500)</u>	<u>(23,815,120)</u>
Net cash used in operating activities	<u>(14,385,500)</u>	<u>(23,815,120)</u>
Cash flows from financing activities		
Proceeds on subscription of units	115,483,520	107,018,923
Payments on redemption of units	<u>(101,453,463)</u>	<u>(82,479,578)</u>
Net cash from financing activities	<u>14,030,057</u>	<u>24,539,345</u>
Net (decrease)/increase in cash and cash equivalents	(355,443)	724,225
Cash and cash equivalents at the beginning of the year	<u>1,033,738</u>	<u>309,513</u>
Cash and cash equivalents at the end of the year	<u><u>678,295</u></u>	<u><u>1,033,738</u></u>
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	<u><u>678,295</u></u>	<u><u>1,033,738</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Capital Stable Fund

Statement of Net Assets AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	1,751,707,562	1,787,641,096
Amounts receivable on sale of financial assets at fair value through profit or loss		8,327,122	1,872,519
Amounts receivable on fund switching		3,023,086	2,634,165
Bank balances and deposits		2,875,617	8,371,727
Total assets		<u>1,765,933,387</u>	<u>1,800,519,507</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		2,122,408	1,339,002
Amounts payable on fund switching		8,062,295	1,670,582
Amounts payable on purchase of financial assets at fair value through profit or loss		3,023,086	2,634,165
Other payables		1,819,620	1,784,520
Liabilities (excluding net assets attributable to members)		<u>15,027,409</u>	<u>7,428,269</u>
Net assets attributable to members		<u><u>1,750,905,978</u></u>	<u><u>1,793,091,238</u></u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



.....
Director

.....
Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

- Capital Stable Fund

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		58	150
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(91,055,668)	(51,557,899)
Realised gains on disposal of financial assets at fair value through profit or loss		56,866,185	40,910,366
Total loss		(34,189,425)	(10,647,383)
Expenses			
Investment management fee	5 (a)	7,511,069	7,146,787
Trustee and administration fees	5 (b)	9,679,493	9,208,397
Safe custody and bank charges		4,350	1,956
Sponsor fee	5 (c)	1,843,713	1,753,980
Auditor's remuneration		82,404	103,177
Legal and professional fees		40,376	30,350
Other expenses		402,405	414,073
Total expenses		19,563,810	18,658,720
Decrease in net assets attributable to members		(53,753,235)	(29,306,103)

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Capital Stable Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	<u>1,793,091,238</u>	<u>1,801,459,264</u>
Proceeds on subscription of units	308,273,409	295,582,058
Payments on redemption of units	(296,705,434)	(274,643,981)
	<u>11,567,975</u>	<u>20,938,077</u>
Decrease in net assets attributable to members	<u>(53,753,235)</u>	<u>(29,306,103)</u>
Balance at the end of the year	<u><u>1,750,905,978</u></u>	<u><u>1,793,091,238</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Capital Stable Fund

Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(367,372,748)	(325,116,201)
Proceeds from sale of investments	363,051,117	325,267,392
Interest received on bank deposits	58	150
Investment management fee paid	(7,512,271)	(7,160,057)
Trustee and administration fees paid	(9,681,401)	(9,223,192)
Sponsor fee paid	(1,844,076)	(1,756,798)
Operating expenses paid	(490,962)	(506,113)
Net cash used in operating activities	(23,850,283)	(18,494,819)
Cash flows from financing activities		
Proceeds on subscription of units	307,884,488	294,081,021
Payments on redemption of units	(289,530,315)	(281,608,146)
Net cash from financing activities	18,354,173	12,472,875
 Net decrease in cash and cash equivalents	(5,496,110)	(6,021,944)
 Cash and cash equivalents at the beginning of the year	8,371,727	14,393,671
 Cash and cash equivalents at the end of the year	2,875,617	8,371,727
 Analysis of balance of cash and cash equivalents		
Bank balances and deposits	2,875,617	8,371,727

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

- Balanced Fund

Statement of Net Assets

AS AT 31 MARCH 2020


	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	2,474,891,033	2,782,795,165
Amounts receivable on sale of financial assets at fair value through profit or loss		7,996,521	5,201,493
Amounts receivable on fund switching		3,597,653	1,690,572
Bank balances and deposits		<u>2,610,612</u>	<u>13,245,902</u>
Total assets		<u>2,489,095,819</u>	<u>2,802,933,132</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		3,167,873	4,113,443
Amounts payable on fund switching		5,924,871	2,563,706
Amounts payable on purchase of financial assets at fair value through profit or loss		3,597,653	1,690,572
Other payables		<u>2,584,159</u>	<u>2,754,131</u>
Liabilities (excluding net assets attributable to members)		<u>15,274,556</u>	<u>11,121,852</u>
Net assets attributable to members		<u><u>2,473,821,263</u></u>	<u><u>2,791,811,280</u></u>

For and on behalf of the Trustee

Bank Consortium Trust Company Limited



.....
Director



.....
Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Balanced Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		84	224
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(406,166,370)	(132,050,308)
Realised gains on disposal of financial assets at fair value through profit or loss		110,131,204	90,281,210
Total loss		(296,035,082)	(41,768,874)
Expenses			
Investment management fee	5 (a)	11,294,820	11,055,981
Trustee and administration fees	5 (b)	14,768,208	14,434,931
Safe custody and bank charges		5,775	2,809
Sponsor fee	5 (c)	2,812,992	2,749,511
Auditor's remuneration		126,097	161,631
Legal and professional fees		61,485	47,228
Other expenses		571,533	602,724
Total expenses		29,640,910	29,054,815
Decrease in net assets attributable to members		(325,675,992)	(70,823,689)

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Balanced Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	<u>2,791,811,280</u>	<u>2,855,263,765</u>
Proceeds on subscription of units	405,886,707	356,528,229
Payments on redemption of units	(398,200,732)	(349,157,025)
	<u>7,685,975</u>	<u>7,371,204</u>
Decrease in net assets attributable to members	<u>(325,675,992)</u>	<u>(70,823,689)</u>
Balance at the end of the year	<u>2,473,821,263</u>	<u>2,791,811,280</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Balanced Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(474,036,346)	(400,408,583)
Proceeds from sale of investments	485,017,366	409,926,683
Interest received on bank deposits	84	224
Investment management fee paid	(11,382,993)	(11,095,028)
Trustee and administration fees paid	(14,883,031)	(14,482,350)
Sponsor fee paid	(2,834,863)	(2,758,543)
Operating expenses paid	(709,996)	(752,719)
Net cash used in operating activities	(18,829,779)	(19,570,316)
Cash flows from financing activities		
Proceeds on subscription of units	403,979,626	357,679,504
Payments on redemption of units	(395,785,137)	(347,954,149)
Net cash from financing activities	8,194,489	9,725,355
 Net decrease in cash and cash equivalents	 (10,635,290)	 (9,844,961)
 Cash and cash equivalents at the beginning of the year	 13,245,902	 23,090,863
 Cash and cash equivalents at the end of the year	 2,610,612	 13,245,902
 Analysis of balance of cash and cash equivalents		
Bank balances and deposits	2,610,612	13,245,902

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

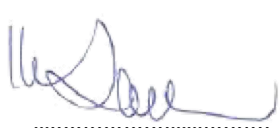
- Growth Fund

Statement of Net Assets

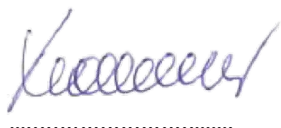
AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	3,932,400,498	4,731,978,684
Amounts receivable on sale of financial assets at fair value through profit or loss		14,103,315	7,069,771
Amounts receivable on fund switching		9,894,494	3,467,045
Bank balances and deposits		1,124,853	5,081,662
Total assets		<u>3,957,523,160</u>	<u>4,747,597,162</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		5,499,154	3,822,346
Amounts payable on fund switching		9,728,061	8,307,486
Amounts payable on purchase of financial assets at fair value through profit or loss		9,894,494	3,467,045
Other payables		4,110,936	4,629,612
Liabilities (excluding net assets attributable to members)		<u>29,232,645</u>	<u>20,226,489</u>
Net assets attributable to members		<u>3,928,290,515</u>	<u>4,727,370,673</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



Director



Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Growth Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		29	27
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(978,377,716)	(280,535,770)
Realised gains on disposal of financial assets at fair value through profit or loss		201,861,491	189,229,824
Total loss		<u>(776,516,196)</u>	<u>(91,305,919)</u>
Expenses			
Investment management fee	5 (a)	18,852,826	18,609,999
Trustee and administration fees	5 (b)	24,747,559	24,388,247
Safe custody and bank charges		8,566	4,430
Sponsor fee	5 (c)	4,713,821	4,645,380
Auditor's remuneration		211,908	273,033
Legal and professional fees		102,972	79,604
Other expenses		858,840	917,633
Total expenses		<u>49,496,492</u>	<u>48,918,326</u>
Decrease in net assets attributable to members		<u>(826,012,688)</u>	<u>(140,224,245)</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Growth Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	4,727,370,673	4,836,798,062
Proceeds on subscription of units	703,245,082	567,194,126
Payments on redemption of units	(676,312,552)	(536,397,270)
	26,932,530	30,796,856
Decrease in net assets attributable to members	(826,012,688)	(140,224,245)
Balance at the end of the year	3,928,290,515	4,727,370,673

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Growth Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(696,817,632)	(569,734,770)
Proceeds from sale of investments	719,273,498	586,192,442
Interest received on bank deposits	29	27
Investment management fee paid	(19,092,210)	(18,682,307)
Trustee and administration fees paid	(25,056,423)	(24,481,380)
Sponsor fee paid	(4,772,652)	(4,663,119)
Operating expenses paid	(1,093,883)	(1,173,867)
Net cash used in operating activities	(27,559,273)	(32,542,974)
Cash flows from financing activities		
Proceeds on subscription of units	696,817,633	569,734,769
Payments on redemption of units	(673,215,169)	(536,667,729)
Net cash from financing activities	23,602,464	33,067,040
Net (decrease)/increase in cash and cash equivalents	(3,956,809)	524,066
Cash and cash equivalents at the beginning of the year	5,081,662	4,557,596
Cash and cash equivalents at the end of the year	1,124,853	5,081,662
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	1,124,853	5,081,662

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme


- Hong Kong and China Equity Fund

Statement of Net Assets


AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	4,029,592,353	4,706,977,252
Amounts receivable on sale of financial assets at fair value through profit or loss		27,311,264	17,266,757
Amounts receivable on fund switching		26,396,339	12,139,219
Bank balances and deposits		4,146,757	7,723,644
Total assets		<u>4,087,446,713</u>	<u>4,744,106,872</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		5,775,428	5,352,913
Amounts payable on fund switching		25,681,662	19,612,629
Amounts payable on purchase of financial assets at fair value through profit or loss		26,396,339	12,139,219
Other payables		4,072,604	4,535,902
Liabilities (excluding net assets attributable to members)		<u>61,926,033</u>	<u>41,640,663</u>
Net assets attributable to members		<u>4,025,520,680</u>	<u>4,702,466,209</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



 Director



 Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Hong Kong and China Equity Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		50	50
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(864,976,155)	(277,466,020)
Realised gains on disposal of financial assets at fair value through profit or loss		208,983,229	228,210,028
Total loss		(655,992,876)	(49,255,942)
Expenses			
Investment management fee	5 (a)	17,766,372	17,464,595
Trustee and administration fees	5 (b)	23,830,122	23,408,780
Safe custody and bank charges		8,327	4,291
Sponsor fee	5 (c)	4,539,071	4,458,815
Auditor's remuneration		204,340	262,253
Legal and professional fees		98,564	76,811
Other expenses		827,578	891,635
Total expenses		47,274,374	46,567,180
Decrease in net assets attributable to members		(703,267,250)	(95,823,122)

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme
- Hong Kong and China Equity Fund

Statement of Changes in Net Assets Attributable to Members
FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	<u>4,702,466,209</u>	<u>4,797,239,077</u>
Proceeds on subscription of units	1,214,254,786	1,064,717,008
Payments on redemption of units	(1,187,933,065)	(1,063,666,754)
	<u>26,321,721</u>	<u>1,050,254</u>
Decrease in net assets attributable to members	<u>(703,267,250)</u>	<u>(95,823,122)</u>
Balance at the end of the year	<u><u>4,025,520,680</u></u>	<u><u>4,702,466,209</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Hong Kong and China Equity Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(1,199,997,666)	(1,075,708,980)
Proceeds from sale of investments	1,225,602,251	1,117,315,143
Interest received on bank deposits	50	50
Investment management fee paid	(17,971,407)	(17,565,234)
Trustee and administration fees paid	(24,102,911)	(23,545,295)
Sponsor fee paid	(4,591,030)	(4,484,818)
Operating expenses paid	(1,072,323)	(1,144,100)
Net cash used in operating activities	(22,133,036)	(5,133,234)
Cash flows from financing activities		
Proceeds on subscription of units	1,199,997,666	1,075,708,980
Payments on redemption of units	(1,181,441,517)	(1,077,327,386)
Net cash from/(used in) financing activities	18,556,149	(1,618,406)
Net decrease in cash and cash equivalents	(3,576,887)	(6,751,640)
Cash and cash equivalents at the beginning of the year	7,723,644	14,475,284
Cash and cash equivalents at the end of the year	4,146,757	7,723,644
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	4,146,757	7,723,644

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Asian Equity Fund

Statement of Net Assets AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8, 14	1,071,611,509	1,233,185,441
Amounts receivable on sale of financial assets at fair value through profit or loss		3,154,494	-
Amounts receivable on fund switching		1,568,716	1,858,470
Bank balances and deposits		2,458,520	16,476,693
Total assets		<u>1,078,793,239</u>	<u>1,251,520,604</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		883,581	1,106,923
Amounts payable on fund switching		3,460,133	1,171,537
Amounts payable on purchase of financial assets at fair value through profit or loss		1,568,716	-
Other payables		1,131,727	1,192,651
Liabilities (excluding net assets attributable to members)		<u>7,044,157</u>	<u>3,471,111</u>
Net assets attributable to members		<u>1,071,749,082</u>	<u>1,248,049,493</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited

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Director

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Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Asian Equity Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		96	191
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(269,579,316)	(77,582,668)
Realised gains on disposal of financial assets at fair value through profit or loss		58,399,649	26,518,167
Total loss		<u>(211,179,571)</u>	<u>(51,064,310)</u>
Expenses			
Investment management fee	5 (a)	5,085,242	4,778,468
Trustee and administration fees	5 (b)	6,813,456	6,395,014
Safe custody and bank charges		2,906	1,119
Sponsor fee	5 (c)	1,297,801	1,218,098
Auditor's remuneration		58,023	71,616
Legal and professional fees		28,499	20,573
Other expenses		256,333	235,274
Total expenses		<u>13,542,260</u>	<u>12,720,162</u>
Decrease in net assets attributable to members		<u>(224,721,831)</u>	<u>(63,784,472)</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Asian Equity Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	1,248,049,493	1,277,262,098
Proceeds on subscription of units	273,176,160	230,153,644
Payments on redemption of units	(224,754,740)	(195,581,777)
	48,421,420	34,571,867
Decrease in net assets attributable to members	(224,721,831)	(63,784,472)
Balance at the end of the year	1,071,749,082	1,248,049,493

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Asian Equity Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(231,666,372)	(51,000,000)
Proceeds from sale of investments	180,474,859	26,518,167
Interest received on bank deposits	96	191
Investment management fee paid	(5,121,168)	(4,789,295)
Trustee and administration fees paid	(6,861,505)	(6,408,742)
Sponsor fee paid	(1,306,953)	(1,220,712)
Operating expenses paid	(313,558)	(302,432)
Net cash used in operating activities	(64,794,601)	(37,202,823)
Cash flows from financing activities		
Proceeds on subscription of units	273,465,914	235,955,894
Payments on redemption of units	(222,689,486)	(197,295,753)
Net cash from financing activities	50,776,428	38,660,141
Net (decrease)/increase in cash and cash equivalents	(14,018,173)	1,457,318
Cash and cash equivalents at the beginning of the year	16,476,693	15,019,375
Cash and cash equivalents at the end of the year	2,458,520	16,476,693
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	2,458,520	16,476,693

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

- Invesco Hang Seng Index Tracking Fund

Statement of Net Assets

AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	494,863,650	410,438,700
Amounts receivable on fund switching		8,517,271	7,315,512
Bank balances and deposits		155,911	594,553
Total assets		<u>503,536,832</u>	<u>418,348,765</u>
Liabilities			
Current liabilities			
Amounts payable on redemption		373,056	213,245
Amounts payable on purchase of financial assets at fair value through profit or loss		294,482	2,846,888
Amounts payable on fund switching		10,353,077	5,011,585
Other payables		395,537	324,058
Liabilities (excluding net assets attributable to members)		<u>11,416,152</u>	<u>8,395,776</u>
Net assets attributable to members (before the fair value adjustment)		492,120,680	409,952,989
Fair value adjustment in respect of net assets attributable to members	4	<u>-</u>	<u>17,952</u>
Net assets attributable to members (after the fair value adjustment)		<u>492,120,680</u>	<u>409,970,941</u>

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



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Director

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Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Invesco Hang Seng Index Tracking Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Dividend income		15,390,675	11,859,720
Interest income on bank deposits		12	13
Change in unrealised gain/loss of financial assets at fair value through profit or loss		(97,127,675)	(13,382,581)
Realised gains on disposal of financial assets at fair value through profit or loss		1,941,502	4,819,339
Total (loss)/income		<u>(79,795,486)</u>	<u>3,296,491</u>
Expenses			
Investment management fee	5 (a)	1,579,658	1,229,435
Trustee and administration fees	5 (b)	1,444,717	1,124,768
Safe custody and bank charges		151,654	128,355
Transaction costs		90,377	76,118
Sponsor fee	5 (c)	462,385	359,692
Auditor's remuneration		20,434	21,247
Legal and professional fee		9,932	5,823
Other expenses		195,250	154,883
Total expenses		<u>3,954,407</u>	<u>3,100,321</u>
Change in fair value adjustments in respect of net assets attributable to members	4	<u>(17,952)</u>	<u>(54,166)</u>
(Decrease)/increase in net assets attributable to members		<u>(83,767,845)</u>	<u>142,004</u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme
- Invesco Hang Seng Index Tracking Fund

Statement of Changes in Net Assets Attributable to Members
FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	409,970,941	311,902,711
Proceeds on subscription of units	571,957,216	457,975,014
Payments on redemption of units	(406,039,632)	(360,048,788)
	165,917,584	97,926,226
(Decrease)/increase in net assets attributable to members	(83,767,845)	142,004
Balance at the end of the year	492,120,680	409,970,941

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme

- Invesco Hang Seng Index Tracking Fund

Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(255,243,729)	(180,243,120)
Proceeds from sale of investments	73,080,200	72,978,035
Interest received on bank deposits	12	13
Dividends received	15,390,675	11,859,720
Investment management fee paid	(1,557,118)	(1,203,595)
Trustee and administration fees paid	(1,424,105)	(1,101,248)
Transaction costs paid	(90,377)	(76,118)
Sponsor fee paid	(455,786)	(352,072)
Operating expenses paid	(355,542)	(293,554)
Net cash used in operating activities	(170,655,770)	(98,431,939)
Cash flows from financing activities		
Proceeds on subscription of units	570,755,457	464,753,218
Payments on redemption of units	(400,538,329)	(365,878,745)
Net cash from financing activities	170,217,128	98,874,473
Net (decrease)/increase in cash and cash equivalents	(438,642)	442,534
Cash and cash equivalents at the beginning of the year	594,553	152,019
Cash and cash equivalents at the end of the year	155,911	594,553
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	155,911	594,553


The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Age 65 Plus Fund

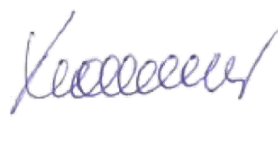
Statement of Net Assets AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	162,157,184	82,571,398
Amounts receivable on fund switching		1,091,517	201,076
Amounts receivable on sale of financial assets at fair value through profit or loss		1,406,916	69,240
Other receivables		-	54,364
Bank balances and deposits		1,119,717	95,383
Total assets		165,775,334	82,991,461
Liabilities			
Current liabilities			
Amounts payable on redemption		259,204	1,067
Amounts payable on fund switching		2,197,625	163,554
Amounts payable on purchase of financial assets at fair value through profit or loss		1,091,517	201,076
Other payables		104,432	52,286
Liabilities (excluding net assets attributable to members)		3,652,778	417,983
Net assets attributable to members (before the fair value adjustment)		162,122,556	82,573,478
Fair value adjustment in respect of net assets attributable to members	4	121,884	183,969
Net assets attributable to members (after the fair value adjustment)		162,244,440	82,757,447

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



 Director



 Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Age 65 Plus Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		2	1
Change in unrealised gain/loss of financial assets at fair value through profit or loss		1,674,324	2,043,587
Realised gains on disposal of financial assets at fair value through profit or loss		2,833,011	194,577
Other income		15,437	54,364
Total income		<u>4,522,774</u>	<u>2,292,529</u>
Expenses			
Investment management fee	5 (a)	434,778	222,438
Trustee and administration fees	5 (b)	272,551	139,408
Safe custody and bank charges		160	52
Sponsor fee	5 (c)	122,911	62,826
Auditor's remuneration		5,203	3,807
Legal and professional fees		2,641	1,071
Other expenses		20,979	11,371
Total expenses		<u>859,223</u>	<u>440,973</u>
Change in fair value adjustments in respect of net assets attributable to members	4	<u>(62,085)</u>	<u>(69,449)</u>
Increase in net assets attributable to members		<u><u>3,601,466</u></u>	<u><u>1,782,107</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme
- Age 65 Plus Fund

Statement of Changes in Net Assets Attributable to Members
FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	82,757,447	46,307,245
Proceeds on subscription of units	141,670,164	70,368,788
Payments on redemption of units	(65,784,637)	(35,700,693)
	75,885,527	34,668,095
Increase in net assets attributable to members	3,601,466	1,782,107
Balance at the end of the year	162,244,440	82,757,447

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Age 65 Plus Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(140,779,723)	(72,747,451)
Proceeds from sale of investments	65,254,037	36,578,218
Interest received on bank deposits	2	1
Investment management fee paid	(410,802)	(211,103)
Trustee and administration fees paid	(257,521)	(132,297)
Sponsor fee paid	(116,133)	(59,613)
Operating expenses paid	(22,621)	(298,637)
Other income received	69,801	-
Net cash used in operating activities	(76,262,960)	(36,870,882)
Cash flows from financing activities		
Proceeds on subscription of units	140,779,723	72,747,451
Payments on redemption of units	(63,492,429)	(35,799,502)
Net cash from financing activities	77,287,294	36,947,949
 Net increase in cash and cash equivalents	 1,024,334	 77,067
 Cash and cash equivalents at the beginning of the year	 95,383	 18,316
 Cash and cash equivalents at the end of the year	 1,119,717	 95,383
 Analysis of balance of cash and cash equivalents		
Bank balances and deposits	1,119,717	95,383

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Core Accumulation Fund

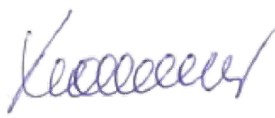
Statement of Net Assets AS AT 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	8	528,519,926	357,385,597
Amounts receivable on sale of financial assets at fair value through profit or loss		3,794,890	563,036
Amounts receivable on fund switching		2,613,331	1,446,782
Bank balances and deposits		590,057	619,731
Total assets		535,518,204	360,015,146
Liabilities			
Current liabilities			
Amounts payable on redemption		331,624	124,086
Amounts payable on fund switching		4,053,312	1,058,676
Amounts payable on purchase of financial assets at fair value through profit or loss		2,613,331	1,446,782
Other payables		348,297	227,222
Liabilities (excluding net assets attributable to members)		7,346,564	2,856,766
Net assets attributable to members (before the fair value adjustment)		528,171,640	357,158,380
Fair value adjustment in respect of net assets attributable to members	4	118,311	177,709
Net assets attributable to members (after the fair value adjustment)		528,289,951	357,336,089

For and on behalf of the Trustee
Bank Consortium Trust Company Limited



Director



Director

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Core Accumulation Fund

Statement of Comprehensive Income FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 HK\$	2019 HK\$
Investment income			
Interest income on bank deposits		5	4
Change in unrealised gain/loss in value of financial assets at fair value through profit or loss		(37,251,637)	3,030,702
Realised gains on disposal of financial assets at fair value through profit or loss		4,757,479	1,460,483
Total (loss)/income		<u>(32,494,153)</u>	<u>4,491,189</u>
Expenses			
Investment management fee	5 (a)	1,645,672	1,025,329
Trustee and administration fees	5 (b)	1,031,022	642,469
Safe custody and bank charges		631	239
Sponsor fee	5 (c)	464,144	289,352
Auditor's remuneration		20,154	17,474
Legal and professional fees		10,242	4,847
Other expenses		80,403	52,835
Total expenses		<u>3,252,268</u>	<u>2,032,545</u>
Change in fair value adjustments in respect of net assets attributable to members	4	<u>(59,398)</u>	<u>(67,298)</u>
(Decrease)/increase in net assets attributable to members		<u><u>(35,805,819)</u></u>	<u><u>2,391,346</u></u>

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Core Accumulation Fund

Statement of Changes in Net Assets Attributable to Members FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Balance at the beginning of the year	357,336,089	233,074,621
Proceeds on subscription of units	345,975,303	207,324,319
Payments on redemption of units	(139,215,622)	(85,454,197)
	206,759,681	121,870,122
(Decrease)/increase in net assets attributable to members	(35,805,819)	2,391,346
Balance at the end of the year	528,289,951	357,336,089

The accompanying notes form an integral part of these financial statements.

Invesco Strategic MPF Scheme - Core Accumulation Fund

Statement of Cash Flows FOR THE YEAR ENDED 31 MARCH 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Payments for purchase of investments	(344,808,754)	(209,223,677)
Proceeds from sale of investments	139,114,962	88,692,539
Interest received on bank deposits	5	4
Investment management fee paid	(1,592,331)	(988,083)
Trustee and administration fees paid	(997,613)	(619,126)
Sponsor fee paid	(449,116)	(278,832)
Operating expenses paid	(92,133)	(364,777)
Net cash used in operating activities	(208,824,980)	(122,781,952)
Cash flows from financing activities		
Proceeds on subscription of units	344,808,754	209,223,677
Payments on redemption of units	(136,013,448)	(85,871,123)
Net cash from financing activities	208,795,306	123,352,554
Net (decrease)/increase in cash and cash equivalents	(29,674)	570,602
Cash and cash equivalents at the beginning of the year	619,731	49,129
Cash and cash equivalents at the end of the year	590,057	619,731
Analysis of balance of cash and cash equivalents		
Bank balances and deposits	590,057	619,731

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1 The Scheme

Invesco Strategic MPF Scheme (the “Scheme”) is established and governed by its Trust Deed dated 31 January 2000, as amended (the “Trust Deed”). The Scheme is registered under Section 21 of the Hong Kong Mandatory Provident Fund Schemes Ordinance (the “Ordinance”) and is required to comply with the Ordinance and the relevant regulations, guidelines and codes issued by the Mandatory Provident Fund Schemes Authority.

The financial information of the Scheme comprises (i) the Statement of Net Assets Available for Benefits as at 31 March 2020, and the Statement of Changes in Net Assets Available for Benefits and Statement of Cash Flows for the year ended 31 March 2020 of the Scheme on a standalone basis; and (ii) the Statement of Net Assets as at 31 March 2020, and the Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Members/Statement of Changes in Equity and Statement of Cash Flows for the year ended 31 March 2020 of each of its constituent funds.

For the year ended 31 March 2020 and 2019, the Scheme invests in 12 constituent funds which managed by Invesco Hong Kong Limited (the “Investment Manager”) and the investment objectives of the constituent funds are as follows:

MPF Conservative Fund : To preserve capital with minimal risk.

Guaranteed Fund : To provide a competitive, long term, total rate of return, while also providing a minimum guaranteed return rate over the career of the member.

Global Bond Fund : To achieve steady growth over the long term through investments in global bonds.

RMB Bond Fund : To achieve steady growth over the long term by investing primarily into RMB denominated debt instruments and money market instruments issued or distributed outside mainland China.

Capital Stable Fund : To achieve capital preservation over the long term whilst seeking to enhance returns through limited exposure to global equities.

Balanced Fund : To achieve capital appreciation in excess of Hong Kong salary inflation over the long term.

Growth Fund : To achieve long-term capital appreciation through investments in global equities.

Hong Kong and China Equity Fund : To achieve long-term capital appreciation through investments in Hong Kong and China-related securities.

Asian Equity Fund : To achieve long-term capital appreciation through investments in Asian (excluding Hong Kong and Japanese) equities.

Invesco Hang Seng Index Tracking Fund : To achieve long-term capital growth by investing directly in the Tracker Fund of Hong Kong (“**TraHK**”)[^] with a view to providing investment results that closely corresponds to the performance of the Hang Seng Index of Hong Kong.

Age 65 Plus Fund : To achieve stable growth by investing in a globally diversified manner.

Core Accumulation Fund : To achieve capital growth by investing in a globally diversified manner.

[^]TraHK is an Index-Tracking Collective Investment Scheme approved by the MPFA (the “ITCIS”).

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies

The significant accounting policies adopted in the preparation of the financial statements of the Scheme and its constituent funds are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Investment Manager and the Trustee to exercise their judgement in the process of applying the accounting policies of the Scheme and its constituent funds. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Standards and amendments to existing standards effective for the financial year beginning 1 April 2019

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 April 2019 that would be expected to have a material impact on the Scheme and its constituent funds.

New standards, amendments and interpretations effective after financial year beginning 1 April 2019 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2019, and have not been adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Scheme and its constituent funds.

(b) Income

Dividend income is recognised on the ex-dividend date with the corresponding foreign withholding taxes recorded as a taxation charge.

Interest income is recognised on a time proportion basis using the effective interest method.

Other income is accounted for on an accruals basis.

(c) Expenses

Expenses are accounted for on an accruals basis. Expenses incurred specifically by any class of units are charged directly to that class. Any common expenses are apportioned to each class in proportion to the respective net asset values.

(d) Contributions

Contributions are accounted for on an accruals basis.

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies (Continued)

(e) Benefits

Benefits are accounted for on an accruals basis.

(f) Transfers in

Transfers in amounts are recognised when the right to receive payment is established.

(g) Transfers out

Transfers out amounts are accounted for when the obligation to make payment is established.

(h) Forfeitures

Subject to the provisions of the Participation Agreement with each employer, Scheme members, who have been employed for less than a certain period of time, may only receive a proportion of the employers' voluntary contributions upon termination of employment. The remaining portion of the employers' voluntary contributions will generally be used to offset future contributions by the employers or returned to the employers.

(i) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Scheme and its constituent funds classify their investments based on both the Scheme and its constituent funds' business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Scheme and its constituent funds are primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Scheme and its constituent funds have not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Scheme and its constituent funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Scheme and its constituent funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Derivative contracts that have a negative fair value are presented as liabilities of fair value through profit or loss.

As such, the Scheme and its constituent funds classify all of their investment portfolio as financial assets or liabilities as fair value through profit or loss.

The constituent funds' policy is for the Investment Manager to evaluate the information about these financial assets and financial liabilities on a fair value basis together with other related financial information.

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies (Continued)

(i) Financial assets and financial liabilities at fair value through profit or loss (Continued)

(ii) Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis. Investments are initially recognised at fair value, excluding transaction costs which are expensed as incurred, and are subsequently re-measured at fair value.

Investments are derecognised when the rights to receive cash flows from the investments have expired or the Scheme and its constituent funds have transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Changes in Net Assets Available for Benefits of the Scheme and the Statement of Comprehensive Income of the constituent funds in the year in which they arise.

(iv) Fair value estimation

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. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Scheme and its constituent funds adopted HKFRS 13 and utilised the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Investment Manager and the Trustee will determine the point within the bid-ask spread that is most representative of fair value.

Securities which are not listed on an exchange or are thinly traded are valued by using quotes from brokers. Investments in approved pooled investment funds are valued at their respective closing net asset value per unit as provided by the fund administrator.

In the absence of quoted values or brokers' representative prices, securities are valued using appropriate valuation techniques as reasonably determined by the Investment Manager and the Trustee.

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies (Continued)

(i) Financial assets and financial liabilities at fair value through profit or loss (Continued)

(v) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Scheme and its constituent funds consider all of their investments in the underlying funds to be investment in unconsolidated structured entities. The Scheme and its constituent funds invest in the underlying funds whose objectives range from preserve capital to long term capital appreciation and whose investment strategy does not include the use of leverage. The underlying funds are managed by related and unrelated asset managers and apply various investment strategies to accomplish their respective investment objectives. The underlying funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Scheme and its constituent funds hold redeemable shares in each of its underlying funds.

The change in fair value of each underlying fund is included in the Statement of Comprehensive Income in "change in unrealised gain/loss of financial assets at fair value through profit or loss".

(vi) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(j) Proceeds and payments on subscription and redemption of units

Proceeds and payments for units subscribed and redeemed are shown as movements in the statements of changes in net assets attributable to members/statement of changes in equity of the respective constituent funds.

The net asset value of the constituent funds is computed on each business day. Prices for subscriptions and redemptions are based on the closing valuation of the relevant business day.

(k) 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 the Scheme and its constituent funds operate (the "functional currency"). This is the Hong Kong dollar.

The Scheme and its constituent funds have adopted the Hong Kong dollar as their presentation currency.

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies (Continued)

(k) Translation of foreign currencies (Continued)

(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 currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date. Foreign exchange gains and losses arising from translation are included in the Statement of Changes in Net Assets Available for Benefits for the Scheme and the Statement of Comprehensive Income for the constituent funds.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Changes in Net Assets Available for Benefits for the Scheme and the Statement of Comprehensive Income for the constituent funds within "Exchange gains/(losses)".

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Changes in Net Assets Available for Benefits for the Scheme and the Statement of Comprehensive Income for the constituent funds within "Change in unrealised gain/loss of financial assets at fair value through profit or loss" and "Realised gains/(losses) on disposal of financial assets at fair value through profit or loss".

(l) Cash and cash equivalents

Cash and cash equivalents comprise bank balances and deposits with a maturity of three months or less from the date of placement net of bank overdrafts, if any.

(m) Amounts receivable on sale of financial assets at fair value through profit or loss/payable on purchase of financial assets at fair value through profit or loss

Amounts receivable on sale of financial assets at fair value through profit or loss/payable on purchase of financial assets at fair value through profit or loss represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered by the end of the year respectively.

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies (Continued)

(n) Accounts receivables

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Scheme and its constituent funds shall measure the loss allowance on amounts due from counterparties at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Scheme and its constituent funds shall measure the loss allowance at an amount equal to 12-month expected credit losses.

Significant financial difficulties of the counterparties, probability that the counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered as indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

Accounts receivables are classified as current assets if the collections of receivables are expected in one year or less. If not, they are presented as non-current assets.

(o) Accounts payable and accruals

Accounts payable and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

(p) Formation expenses

Formation expenses are recognised as expenses in the period in which they arise. Refer to note 4.

(q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Net Assets Available for Benefits for the Scheme and Statement of Net Assets for the constituent funds when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(r) Redeemable units

The constituent funds issue redeemable units, which are redeemable at the member's option represents puttable financial instruments of the constituent funds. The puttable financial instruments are classified as equity in accordance with HKAS 32 (Amendment), "Financial instruments: Presentation" as those puttable financial instruments meet all the following criteria:

- the puttable instruments entitle the holder to a pro-rata share of net assets;
- the puttable instruments are the most subordinated unit in issue and unit features are identical;
- there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable instrument over its life are based substantially on the profit or loss of these constituent funds.

Notes to the Financial Statements (Continued)

2 Summary of significant accounting policies (Continued)

(r) Redeemable units (Continued)

For MPF Conservative Fund, Global Bond Fund, RMB Bond Fund, Capital Stable Fund, Balanced Fund, Growth Fund, Hong Kong and China Equity Fund, Asian Equity Fund, Invesco Hang Seng Index Tracking Fund, Age 65 Plus Fund and Core Accumulation Fund, these constituent funds issue two classes of redeemable units, which are redeemable at the members' option and do not have identical rights and they are classified as financial liabilities.

Guaranteed Fund issues one class of redeemable units, which are redeemable at the members' option and are classified as equity.

Redeemable units can be put back to the constituent funds at any time for cash equal to a proportionate share of each constituent fund's net asset value attributable to members in accordance with the Trust Deed and Brochure.

Redeemable units are issued or redeemed at the members' option at prices based on the respective constituent funds' net asset value per unit as at the close of business on the relevant dealing day. The net asset value per unit of the respective constituent funds is calculated by dividing the net assets attributable to members with the total number of outstanding units of the respective constituent funds.

3 Critical accounting estimates and judgements

(a) Critical accounting estimates and assumptions

The Trustee makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of financial assets at fair value through profit or loss not quoted in an active market

MPF Conservative Fund holds a number of unlisted money market instruments that are valued by reference to broker quotes. In determining the fair value of such investments, the Trustee exercises judgements and estimates on the sources of brokers and the quantity and quality of quotes used. Such quotes adopted to fair value the investments may be indicative and not executable or legally binding. As such, broker quotes do not necessarily indicate the price at which the security could actually be traded at as of the year end date. Actual transacted prices may differ from the quotes provided by the brokers. The Trustee considers that in the absence of any other reliable market sources, the broker quotes available to them reflect the best estimate of fair value.

(b) Critical judgements

Functional currency

The Trustee considers Hong Kong Dollar the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Hong Kong Dollar is the currency in which the Scheme and its constituent funds measure its performance and report its results, as well as the currency in which the Scheme and its constituent funds receive contributions and subscriptions from the members.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit

The net assets attributable to members per unit are calculated by dividing the net assets attributable to members by the number of units in issue at the year end. The movement of the number of units in issue during the year and the net assets attributable to members per unit as at year end are as follows:

MPF Conservative Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	122,226,912.02683	108,120,636.86632
Units subscribed	61,195,641.40595	60,680,443.06780
Units redeemed	(62,610,092.95749)	(46,574,167.90729)
Units outstanding at the end of the year	<u>120,812,460.47529</u>	<u>122,226,912.02683</u>
Units - Class H		
Units outstanding at the beginning of the year	98,240,746.54094	83,980,613.74549
Units subscribed	56,229,489.56489	53,765,426.91659
Units redeemed	(49,919,631.42842)	(39,505,294.12114)
Units outstanding at the end of the year	<u>104,550,604.67741</u>	<u>98,240,746.54094</u>
Net asset value per unit	HK\$	HK\$
Class A	11.9585	11.7847
Class H	11.9560	11.7822

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

Guaranteed Fund

Number of units in issue	2020 units	2019 units
Units - Class G		
Units outstanding at the beginning of the year	85,551,213.62263	83,099,674.08597
Units subscribed	15,431,994.94751	13,578,947.19959
Units redeemed	(11,076,797.28293)	(11,127,407.66293)
Units outstanding at the end of the year	<u>89,906,411.28721</u>	<u>85,551,213.62263</u>
Net asset value per unit	HK\$	HK\$
Class G	12.2669	12.3698

Global Bond Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	34,742,892.94115	32,723,120.39409
Units subscribed	18,213,973.42248	12,286,586.62871
Units redeemed	(13,303,377.69956)	(10,266,814.08165)
Units outstanding at the end of the year	<u>39,653,488.66407</u>	<u>34,742,892.94115</u>
Units - Class H		
Units outstanding at the beginning of the year	31,709,053.11381	29,604,570.07586
Units subscribed	14,792,325.40721	9,605,751.42977
Units redeemed	(10,356,854.12290)	(7,501,268.39182)
Units outstanding at the end of the year	<u>36,144,524.39812</u>	<u>31,709,053.11381</u>
Net asset value per unit	HK\$	HK\$
Class A	15.5496	15.0760
Class H	15.8963	15.3937

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

RMB Bond Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	13,446,335.52402	12,038,280.87739
Units subscribed	7,365,994.75366	5,893,513.32757
Units redeemed	(6,524,244.36070)	(4,485,458.68094)
Units outstanding at the end of the year	<u>14,288,085.91698</u>	<u>13,446,335.52402</u>
Units - Class H		
Units outstanding at the beginning of the year	12,488,643.34274	11,745,330.42367
Units subscribed	4,659,515.87306	4,840,480.09687
Units redeemed	(4,065,013.85585)	(4,097,167.17780)
Units outstanding at the end of the year	<u>13,083,145.35995</u>	<u>12,488,643.34274</u>
Net asset value per unit	HK\$	HK\$
Class A	9.5917	9.7763
Class H	9.6744	9.8490

Capital Stable Fund

Number of units in issue	2020 Units	2019 Units
Units - Class A		
Units outstanding at the beginning of the year	57,011,229.03904	57,062,605.64384
Units subscribed	8,661,906.25120	8,464,660.70483
Units redeemed	(8,188,205.80245)	(8,516,037.30963)
Units outstanding at the end of the year	<u>57,484,929.48779</u>	<u>57,011,229.03904</u>
Units - Class H		
Units outstanding at the beginning of the year	30,576,682.33273	29,509,845.77276
Units subscribed	6,165,377.47420	6,175,565.32501
Units redeemed	(6,133,107.64528)	(5,108,728.76504)
Units outstanding at the end of the year	<u>30,608,952.16165</u>	<u>30,576,682.33273</u>
Net asset value per unit	HK\$	HK\$
Class A	19.6429	20.2397
Class H	20.3122	20.9048

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

Balanced Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	74,615,112.61506	75,613,058.99264
Units subscribed	10,298,383.05370	8,651,995.72492
Units redeemed	(10,266,677.17788)	(9,649,942.10250)
Units outstanding at the end of the year	<u>74,646,818.49088</u>	<u>74,615,112.61506</u>
Units - Class H		
Units outstanding at the beginning of the year	48,067,050.96903	46,798,447.54084
Units subscribed	7,480,944.02536	7,170,130.86264
Units redeemed	(7,449,344.20025)	(5,901,527.43445)
Units outstanding at the end of the year	<u>48,098,650.79414</u>	<u>48,067,050.96903</u>
Net asset value per unit	HK\$	HK\$
Class A	19.7327	22.2915
Class H	20.8080	23.4782

Growth Fund

Number of units in issue	2020 Units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	117,011,970.48259	116,741,919.33273
Units subscribed	16,276,726.87767	13,212,555.73589
Units redeemed	(17,546,115.95181)	(12,942,504.58603)
Units outstanding at the end of the year	<u>115,742,581.40845</u>	<u>117,011,970.48259</u>
Units - Class H		
Units outstanding at the beginning of the year	79,593,138.02360	78,564,390.10267
Units subscribed	13,361,488.35150	10,617,932.34236
Units redeemed	(11,377,873.98032)	(9,589,184.42143)
Units outstanding at the end of the year	<u>81,576,752.39478</u>	<u>79,593,138.02360</u>
Net asset value per unit	HK\$	HK\$
Class A	19.6201	23.7154
Class H	20.3172	24.5296

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

Hong Kong and China Equity Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	51,668,791.06087	51,435,824.42774
Units subscribed	14,190,457.38383	13,051,390.41811
Units redeemed	(14,125,359.43292)	(12,818,423.78498)
Units outstanding at the end of the year	<u>51,733,889.01178</u>	<u>51,668,791.06087</u>
Units - Class H		
Units outstanding at the beginning of the year	49,270,414.04982	49,470,912.72104
Units subscribed	13,156,263.09931	10,960,458.49271
Units redeemed	(12,600,727.29209)	(11,160,957.16393)
Units outstanding at the end of the year	<u>49,825,949.85704</u>	<u>49,270,414.04982</u>
Net asset value per unit	HK\$	HK\$
Class A	39.7927	46.7969
Class H	39.4752	46.3671

Asian Equity Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	56,421,456.29963	55,259,860.54480
Units subscribed	13,416,027.10933	11,023,453.81224
Units redeemed	(11,162,868.82172)	(9,861,858.05741)
Units outstanding at the end of the year	<u>58,674,614.58724</u>	<u>56,421,456.29963</u>
Units - Class H		
Units outstanding at the beginning of the year	53,375,451.16136	51,417,244.85858
Units subscribed	10,256,864.98902	9,368,712.81049
Units redeemed	(8,570,092.91570)	(7,410,506.50771)
Units outstanding at the end of the year	<u>55,062,223.23468</u>	<u>53,375,451.16136</u>
Net asset value per unit	HK\$	HK\$
Class A	9.4675	11.4269
Class H	9.3757	11.3034

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

Invesco Hang Seng Index Tracking Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	18,324,686.22130	14,644,846.12009
Units subscribed	26,102,805.65426	19,821,906.99627
Units redeemed	<u>(18,335,488.94271)</u>	<u>(16,142,066.89506)</u>
Units outstanding at the end of the year	<u>26,092,002.93285</u>	<u>18,324,686.22130</u>
Units - Class H		
Units outstanding at the beginning of the year	13,044,479.05437	9,055,640.68535
Units subscribed	20,471,127.29831	16,703,755.96258
Units redeemed	<u>(14,500,243.63069)</u>	<u>(12,714,917.59356)</u>
Units outstanding at the end of the year	<u>19,015,362.72199</u>	<u>13,044,479.05437</u>
Net asset value per unit	HK\$	HK\$
Class A	10.8974	13.0571
Class H	10.9272	13.0863

Age 65 Plus Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	6,032,242.84492	2,514,308.17087
Units subscribed	7,688,787.41818	5,428,288.63904
Units redeemed	<u>(3,947,394.79356)</u>	<u>(1,910,353.96499)</u>
Units outstanding at the end of the year	<u>9,773,635.46954</u>	<u>6,032,242.84492</u>
Units - Class H		
Units outstanding at the beginning of the year	1,836,661.68749	1,971,795.96932
Units subscribed	5,228,368.83055	1,442,927.73576
Units redeemed	<u>(2,050,350.60558)</u>	<u>(1,578,062.01759)</u>
Units outstanding at the end of the year	<u>5,014,679.91246</u>	<u>1,836,661.68749</u>
Net asset value per unit	HK\$	HK\$
Class A	10.9711	10.5170
Class H	10.9711	10.5170

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

Core Accumulation Fund

Number of units in issue	2020 units	2019 units
Units - Class A		
Units outstanding at the beginning of the year	18,416,034.90691	11,122,913.74355
Units subscribed	19,441,494.13543	11,549,861.43958
Units redeemed	(7,301,347.13944)	(4,256,740.27622)
Units outstanding at the end of the year	<u>30,556,181.90290</u>	<u>18,416,034.90691</u>
Units - Class H		
Units outstanding at the beginning of the year	14,026,229.58815	10,129,760.58115
Units subscribed	10,779,232.14927	7,544,671.14710
Units redeemed	(5,081,655.58615)	(3,648,202.14010)
Units outstanding at the end of the year	<u>19,723,806.15127</u>	<u>14,026,229.58815</u>
Net asset value per unit	HK\$	HK\$
Class A	10.5070	11.0145
Class H	10.5070	11.0145

The constituent funds' objectives and policies for managing their obligations to redeem these puttable financial instruments are included in note 13 on capital risk management and note 12(d) on liquidity risk.

- (a) In accordance with the provisions of the Scheme's Trust Deed and Brochure, listed investments and investments with prices quoted in over the counter markets or by market makers are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculation. The Scheme and its constituent funds have adopted HKFRS 13 and measured listed financial assets and liabilities at last traded prices.

In accordance with the provisions of the Scheme's Trust Deed and Brochure, the formation expenses (including legal, accounting, and other professional fees and expenses) or costs incidental to the establishment of the constituent fund will be paid out from the assets of the constituent fund and amortised over the first five financial years. However, for the purpose of financial statements preparation in compliance with HKFRSs, the accounting policy of the constituent fund is to expense formation expenses of the constituent fund in the statement of comprehensive income as incurred as referred to note 2(p). As at 31 March 2020, the difference between the net assets attributable to members as prescribed by HKFRSs and the methodology indicated in the Scheme's Trust Deed and Brochure results in a decrease in net assets attributable to members of Age 65 Plus Fund by HK\$121,884 and Core Accumulation Fund by HK\$118,311, amounting HK\$240,195 in total (2019: Age 65 Plus Fund by HK\$183,969 and Core Accumulation Fund by HK\$177,709, amounting HK\$361,678 in total). As at 31 March 2020, there was no such difference for Invesco Hang Seng Index Tracking Fund (2019: HK\$17,952).

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

4 Number of units in issue and net assets attributable to members per unit (Continued)

- (a) For the year ended 31 March 2020 and 2019, the difference in valuation inputs and formation expenses of the following constituent funds are as follows:

Fund Name	Adjustment for	Change in adjustment
	difference in formation expenses as at 31 March 2020 HK\$	for difference in formation expenses for the year ended 31 March 2020 HK\$
MPF Conservative Fund	-	-
Guaranteed Fund	-	-
Global Bond Fund	-	-
RMB Bond Fund	-	-
Capital Stable Fund	-	-
Balanced Fund	-	-
Growth Fund	-	-
Hong Kong and China Equity Fund	-	-
Asian Equity Fund	-	-
Invesco Hang Seng Index Tracking Fund	-	(17,952)
Age 65 Plus Fund	121,884	(62,085)
Core Accumulation Fund	118,311	(59,398)

Fund Name	Adjustment for	Change in adjustment
	difference in formation expenses as at 31 March 2019 HK\$	for difference in formation expenses for the year ended 31 March 2019 HK\$
MPF Conservative Fund	-	-
Guaranteed Fund	-	-
Global Bond Fund	-	-
RMB Bond Fund	-	-
Capital Stable Fund	-	-
Balanced Fund	-	-
Growth Fund	-	-
Hong Kong and China Equity Fund	-	-
Asian Equity Fund	-	-
Invesco Hang Seng Index Tracking Fund	17,952	(54,166)
Age 65 Plus Fund	183,969	(69,449)
Core Accumulation Fund	177,709	(67,298)

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

5 Fees

(a) Investment management fee

The Investment Manager, Invesco Hong Kong Limited, has received a fee calculated and accrued daily based on the daily net asset value of the respective constituent funds at an annual rate as follows for the year ended 31 March 2020 and 31 March 2019:

Fund Name	Unit Class	Management Fee (per annum)
MPF Conservative Fund	A	0.20%
	H	0.20%
Guaranteed Fund	G	0.80%
Global Bond Fund	A	0.45%
	H	0.33%
RMB Bond Fund	A	0.45%
	H	0.33%
Capital Stable Fund	A	0.45%
	H	0.33%
Balanced Fund	A	0.45%
	H	0.33%
Growth Fund	A	0.45%
	H	0.33%
Hong Kong and China Equity Fund	A	0.45%
	H	0.33%
Asian Equity Fund	A	0.45%
	H	0.33%
Invesco Hang Seng Index tracking Fund	A	0.35%
	H	0.33%
Age 65 Plus Fund	A	0.35%
	H	0.35%
Core Accumulation Fund	A	0.35%
	H	0.35%

(b) Trustee and administration fees

The Trustee, Bank Consortium Trust Company Limited, is entitled to receive trustee and administration fees based on the daily net asset value of the respective constituent funds at an annual rate as follows for the year ended 31 March 2020 and 31 March 2019:

Fund Name	Unit Class	Trustee and Administration Fees (per annum)
MPF Conservative Fund	A	0.363%
	H	0.363%
Guaranteed Fund	G	0.525%
Global Bond Fund	A	0.525%
	H	0.525%
RMB Bond Fund	A	0.525%
	H	0.525%
Capital Stable Fund	A	0.525%
	H	0.525%

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

5 Fees (Continued)

(b) Trustee and administration fees (Continued)

Fund Name	Unit Class	Trustee and Administration Fees (per annum)
Balanced Fund	A	0.525%
	H	0.525%
Growth Fund	A	0.525%
	H	0.525%
Hong Kong and China Equity Fund	A	0.525%
	H	0.525%
Asian Equity Fund	A	0.525%
	H	0.525%
Invesco Hang Seng Index Tracking Fund	A	0.325%
	H	0.295%
Age 65 Plus Fund	A	0.220%
	H	0.220%
Core Accumulation Fund	A	0.220%
	H	0.220%

(c) Aggregate management fees

The level of aggregate management fees (being the fees payable to the Sponsor, the Investment Manager, the Trustee and the manager, trustee and administrator of each underlying approved pooled investment fund in which the relevant constituent funds invest) is as follows:

Fund Name	Unit Class A (per annum)	Unit Class G (per annum)	Unit Class H (per annum)
MPF Conservative Fund	0.663%	-	0.663%
Guaranteed Fund	-	1.425%	-
Global Bond Fund	1.175%	-	1.055%
RMB Bond Fund	1.175%	-	1.055%
Capital Stable Fund	1.175%	-	1.055%
Balanced Fund	1.175%	-	1.055%
Growth Fund	1.175%	-	1.055%
Hong Kong and China Equity Fund	1.175%	-	1.055%
Asian Equity Fund	1.175%	-	1.055%
Invesco Hang Seng Index Tracking Fund	0.775%	-	0.725%
Age 65 Plus Fund	0.750%	-	0.750%
Core Accumulation Fund	0.750%	-	0.750%

The Sponsor is entitled to receive a fee equal to 0.10% p.a. of the net asset value of each constituent fund. Such fee forms part of the aggregate management fees as explained above.

Notes to the Financial Statements (Continued)

6 Contributions

Mandatory contributions by each of the employers and employees are equal to 5% of the employees' relevant income up to HK\$30,000 per month (2019: HK\$30,000 per month), but in respect of employees earning less than HK\$7,100 per month (2019: HK\$7,100 per month), the employees' mandatory contribution is nil (2019: nil).

Self-employed persons must contribute 5% of their relevant income subject to a maximum contribution of HK\$1,500 per month (2019: HK\$1,500 per month) to the Scheme unless their relevant income is less than HK\$7,100 per month (2019: HK\$7,100 per month).

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

7 Benefits

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 Ordinance. Currently, these circumstances include where the members (i) reach the age of 65; (ii) permanently cease employment after reaching the age of 60; (iii) become totally incapacitated; (iv) permanently depart from Hong Kong; (v) die; (vi) get terminal illness or (vii) have the right to claim a small balance pursuant to the Ordinance. Once members reach the age of 65, members can choose any one of the following ways to manage their MPF benefits: 1) withdraw their MPF benefits by instalments; 2) withdraw all their MPF benefits in a lump sum; 3) retain all the MPF benefits in their account for continuous investment.

Members reach the age of 60 and decide to withdraw their MPF benefits on the ground of early retirement, members can also choose to withdraw their MPF benefits either by instalments or in a lump sum.

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

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss

<u>The Scheme</u>	2020 HK\$	2019 HK\$
Designated at fair value through profit or loss:		
Investments in constituent funds		
MPF Conservative Fund	2,694,746,945	2,597,905,343
Guaranteed Fund	1,102,869,565	1,058,247,963
Global Bond Fund	1,191,159,174	1,011,903,739
RMB Bond Fund	263,618,000	254,455,108
Capital Stable Fund	1,750,905,978	1,793,091,238
Balanced Fund	2,473,821,263	2,791,811,280
Growth Fund	3,928,290,515	4,727,370,673
Hong Kong and China Equity Fund	4,025,520,680	4,702,466,209
Asian Equity Fund	1,071,749,082	1,248,049,493
Invesco Hang Seng Index Tracking Fund	492,120,680	409,970,941
Age 65 Plus Fund	162,244,440	82,757,447
Core Accumulation Fund	528,289,951	357,336,089
	-----	-----
Total financial assets at fair value through profit or loss		
(cost: HK\$16,911,953,998;		
2019: HK\$15,811,222,254)	<u>19,685,336,273</u>	<u>21,035,365,523</u>

<u>Constituent Funds</u>	2020 HK\$	2019 HK\$
MPF Conservative Fund		
Designated at fair value through profit or loss:		
Investments in money market instruments/fixed deposits	<u>1,824,364,328</u>	<u>1,940,439,526</u>
Total financial assets at fair value through profit or loss		
(cost: HK\$1,822,297,059; 2019: HK\$1,933,936,762)	<u>1,824,364,328</u>	<u>1,940,439,526</u>

As at 31 March 2020 and 2019, no investment with fair value exceeds 5% of the net assets of MPF Conservative Fund.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

Constituent Funds (Continued)	2020 HK\$	2019 HK\$
Guaranteed Fund		
Designated at fair value through profit or loss:		
Principal Guaranteed Umbrella Fund - Principal Long Term Guaranteed Fund (Note i)	1,104,365,287	1,059,520,103
Total financial assets at fair value through profit or loss (cost: HK\$982,624,527; 2019: HK\$923,353,494)	<u>1,104,365,287</u>	<u>1,059,520,103</u>
Global Bond Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund - MPF Bond Fund - Class B (Note ii)	1,190,988,375	993,436,658
Total financial assets at fair value through profit or loss (cost: HK\$1,029,853,413; 2019: HK\$830,839,295)	<u>1,190,988,375</u>	<u>993,436,658</u>
RMB Bond Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund - RMB Bond Fund - Class B (Note iii)	262,927,429	255,386,721
Derivatives - forward foreign exchange contracts (refer to Note 14)	951,835	-
Total financial assets at fair value through profit or loss (cost: HK\$260,613,127; 2019: HK\$244,194,845)	<u>263,879,264</u>	<u>255,386,721</u>
Derivatives - forward foreign exchange contracts (refer to Note 14)	-	(688,323)
Total financial liabilities at fair value through profit or loss	<u>-</u>	<u>(688,323)</u>
Total net financial assets at fair value through profit or loss	<u>263,879,264</u>	<u>254,698,398</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

Constituent Funds (Continued)	2020 HK\$	2019 HK\$
Capital Stable Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Global Equities Fund- Class B (Note iv)	462,262,592	572,746,978
Invesco Pooled Investment Fund-MPF Bond Fund-Class B (Note ii)	<u>1,289,444,970</u>	<u>1,214,894,118</u>
Total financial assets at fair value through profit or loss (cost: HK\$1,581,695,598; 2019: HK\$1,526,573,464)	<u>1,751,707,562</u>	<u>1,787,641,096</u>
Balanced Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Global Equities Fund- Class B (Note iv)	1,665,832,874	2,071,839,036
Invesco Pooled Investment Fund-MPF Bond Fund-Class B (Note ii)	<u>809,058,159</u>	<u>710,956,129</u>
Total financial assets at fair value through profit or loss (cost: HK\$2,203,298,939; 2019: HK\$2,105,036,701)	<u>2,474,891,033</u>	<u>2,782,795,165</u>
Growth Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Global Equities Fund- Class B (Note iv)	<u>3,932,400,498</u>	<u>4,731,978,684</u>
Total financial assets at fair value through profit or loss (cost: HK\$3,414,494,412; 2019: HK\$3,235,694,882)	<u>3,932,400,498</u>	<u>4,731,978,684</u>
Hong Kong and China Equity Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Hong Kong and China Fund-Class B (Note v)	<u>4,029,592,353</u>	<u>4,706,977,252</u>
Total financial assets at fair value through profit or loss (cost: HK\$3,825,517,441; 2019: HK\$3,637,926,185)	<u>4,029,592,353</u>	<u>4,706,977,252</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

<u>Constituent Funds</u> (Continued)	2020 HK\$	2019 HK\$
Asian Equity Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Asia Fund		
-Class B (Note vi)	1,035,030,188	1,227,525,092
Derivatives – forward foreign exchange contracts (refer to Note 14)	36,581,321	5,660,349
Total financial assets at fair value through profit or loss		
(cost: HK\$1,016,773,275; 2019: HK\$908,767,891)	<u>1,071,611,509</u>	<u>1,233,185,441</u>
Invesco Hang Seng Index Tracking Fund		
Designated at fair value through profit or loss:		
Tracker Fund of Hong Kong (Note vii)	494,863,650	410,438,700
Total financial assets at fair value through profit or loss		
(cost: HK\$557,276,039; 2019: HK\$375,723,414)	<u>494,863,650</u>	<u>410,438,700</u>
Age 65 Plus Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Age 65 Plus Fund-		
Class B (Note viii)	162,157,184	82,571,398
Total financial assets at fair value through profit or loss		
(cost: HK\$157,746,253; 2019: HK\$79,834,791)	<u>162,157,184</u>	<u>82,571,398</u>
Core Accumulation Fund		
Designated at fair value through profit or loss:		
Invesco Pooled Investment Fund-Core Accumulation		
Fund-Class B (Note ix)	528,519,926	357,385,597
Total financial assets at fair value through profit or loss		
(cost: HK\$553,429,278; 2019: HK\$345,043,312)	<u>528,519,926</u>	<u>357,385,597</u>

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

The investment portfolio of the underlying funds by country and type of investments as at 31 March 2020 and 2019 are as follows:

Note i - Principal Guaranteed Umbrella Fund - Principal Long Term Guaranteed Fund

	% of net assets	
	2020	2019
Listed/quoted investments		
Debt securities/money market instruments/equities		
Hong Kong	28.05	26.53
Europe	2.28	2.76
North America	54.04	55.17
Others	1.89	1.52
Total investments	86.26	85.98
Cash and other net assets	13.74	14.02
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the Principal Guaranteed Umbrella Fund - Principal Long Term Guaranteed Fund invests in 6 (2019: 6) investment funds including equity, fixed income and money market funds with regional or country specific, which constructs a diversified investment portfolio.

Note ii - Invesco Pooled Investment Fund - MPF Bond Fund

	% of net assets	
	2020	2019
Quoted investments		
Approved pooled investment funds		
Denominated in HK Dollars		
Hong Kong	100.00	99.97
Total investments	100.00	99.97
Cash and other net assets	-	0.03
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the investment portfolio of MPF Bond Fund is mainly exposed to financial and government industries (2019: financial and government industries), amounted to 29% and 53% (2019: 31% and 49%) respectively of the net assets attributable to unitholders of the underlying fund.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

Note iii – Invesco Pooled Investment Fund – RMB Bond Fund

	% of net assets	
	2020	2019
Listed/quoted investments		
Debt securities/money market instruments		
Arab Emirates	2.03	2.22
Australia	3.30	6.94
British Virgin Islands	8.77	9.11
Canada	4.98	3.03
Cayman Islands	8.78	6.67
China	30.47	13.94
France	1.21	2.29
Germany	3.27	-
Hong Kong	12.05	9.53
Malaysia	0.55	-
Netherlands	7.41	8.17
New Zealand	1.09	-
Singapore	3.14	2.30
South Korea	7.95	5.51
Supranational	0.55	2.63
United Kingdom	1.10	1.21
Total investments	96.65	73.55
Cash and other net assets	3.35	26.45
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the investment portfolio of RMB Bond Fund is mainly exposed to government and financial industries (2019: government and financial industries), amounted to 13% and 69% (2019: 10% and 52%) respectively of the net assets attributable to unitholders of the underlying fund.

Note iv – Invesco Pooled Investment Fund – Global Equities Fund

	% of net assets	
	2020	2019
Quoted investments		
Approved pooled investment funds		
Denominated in HK Dollars		
Hong Kong	99.92	98.72
Total investments	99.92	98.72
Cash and other net assets	0.08	1.28
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the investment portfolio of Global Equities Fund is mainly exposed to industrial, technology, communications, consumer and financial industries (2019: industrial, communications, consumer and financial industries), amounted to 11%, 11%, 15%, 24% and 27% (2019: 12%, 13%, 20% and 32%) respectively of the net assets attributable to unitholders of the underlying fund.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

Note v - Invesco Pooled Investment Fund - Hong Kong and China Fund

	% of net assets	
	2020	2019
Listed/quoted investments		
Equities		
China	31.42	33.04
Hong Kong	65.99	63.97
Total investments	97.41	97.01
Cash and other net assets	2.59	2.99
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the investment portfolio of Hong Kong and China Fund is mainly exposed to consumer, communications and financial industries (2019: consumer, communications and financial industries), amounted to 14%, 21% and 46% (2019: 12%, 15%, and 53%) respectively of the net assets attributable to unitholders of the underlying fund.

Note vi - Invesco Pooled Investment Fund - Asia Fund

	% of net assets	
	2020	2019
Listed/quoted investments		
Equities		
Australia	22.14	24.47
India	14.79	15.18
Indonesia	1.99	4.67
Malaysia	2.71	3.78
Philippines	0.23	2.95
Singapore	4.74	6.83
South Korea	22.76	19.56
Taiwan	21.36	15.39
Thailand	4.86	4.14
Total investments	95.58	96.97
Cash and other net assets	4.42	3.03
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the investment portfolio of Asia Fund is mainly exposed to industrial, financial, technology and consumer industries (2019: industrial, technology, consumer and financial industries), amounted to 11%, 16%, 23% and 30% (2019: to 11%, 16%, 25% and 26%) respectively of the net assets attributable to unitholders of the underlying fund.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

Note vii - Tracker Fund of Hong Kong

	% of total investments	
	2020	2019
Listed/quoted investments		
Equities		
Hong Kong	100.00	100.00
Total investments	100.00	100.00

As at 31 March 2020, the investment portfolio of Tracker Fund of Hong Kong Ltd is mainly exposed to real estate, communication and financials (2019: real estate, communication and financials) amounted to 11%, 16% and 50% (2019: 12%, 16% and 47%) respectively of the total investments of the underlying fund.

Note viii - Invesco Pooled Investment Fund - Age 65 Plus Fund

	% of net assets	
	2020	2019
Quoted investments		
Approved pooled investment funds		
Denominated in HK Dollars		
Hong Kong	100.00	99.99
Total investments	100.00	99.99
Cash and other net assets	-	0.01
Net assets attributable to unitholders	100.00	100.00

As at 31 March 2020, the investment portfolio of Age 65 Plus Fund is mainly exposed to government (2019: government) amounted to 76% (2019: 78%) of the net assets attributable to unitholders of the underlying fund.

Note ix - Invesco Pooled Investment Fund - Core Accumulation Fund

	% of net assets	
	2020	2019
Quoted investments		
Approved pooled investment funds		
Denominated in HK Dollars		
Hong Kong	100.00	99.99
Total investments	100.00	99.99
Cash and other net assets	-	0.01
Net assets attributable to unitholders	100.00	100.00

Notes to the Financial Statements (Continued)

8 Financial assets and financial liabilities at fair value through profit or loss (Continued)

Note ix – Invesco Pooled Investment Fund – Core Accumulation Fund (Continued)

As at 31 March 2020, the investment portfolio of Core Accumulation Fund is mainly exposed to technology, consumer and government (2019: financial, consumer and government) amounted to 11%, 21% and 36% (2019: 11%, 21% and 37%) respectively of the net assets attributable to unitholders of the underlying fund.

9 Bank loans, overdrafts and other borrowings

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

10 Accrued benefits

The total accrued benefits vested in the members' accounts of the Scheme amounted to HK\$19,586,256,315 as at 31 March 2020 (2019: HK\$20,929,612,482).

11 Taxation

The Scheme is not subject to Hong Kong profits tax as it is not considered to be carrying on a business in Hong Kong.

12 Financial risk management

Strategy in using financial instruments

The activities of the Scheme and its constituent funds expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The constituent funds' overall risk management programme seeks to minimise potential adverse effects on the constituent funds' financial performance. The constituent funds may use derivative financial instruments subject to the terms of the Trust Deed to moderate certain risk exposures.

Investment strategy

The use of new financial instruments, in particular derivatives, must be in line with the investment objectives and guidelines for each portfolio. That said, derivatives are primarily used for Efficient Portfolio Management ("EPM") purposes by the Investment Manager, which mainly aims at controlling or managing risk rather than to leverage on risk. Using new derivatives outside EPM may need separate approval from the new product committee. The Investment Manager has put in place a derivative policy which sets out the process for proper management of the risks arising from derivatives. The Investment Manager has established a risk management process to measure, monitor and control as frequently as appropriate the risk of the constituent funds' derivative positions and their contributions to the overall risk profile of the constituent funds. The basic principle is that the more complex the derivative strategy used in a constituent fund, the more robust the risk management process needs to be employed.

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

Risk management process

Investment risk management is an integral part of the investment process. It is the responsibility of the Head of Hong Kong Pensions to ensure that the investment process is driven by a cohesive team of experienced investment professionals who work together to uncover biases in decision making and there is clear accountability for each team member in the whole decision making process. The Head of Hong Kong Pensions also need to ensure that risk controls are embedded in the investment team and process. The Head of Hong Kong Pensions, with the help of the risk and performance teams, are also responsible for ensuring that a disciplined and transparent investment process is being followed. This would encompass but by no means be limited to ensuring that there is a disciplined and multi-factor focus decision making process, systematic screening for ideas generation, market/stock liquidity risk is evaluated, stocks are well researched, target prices are reviewed, portfolios are appropriately diversified, and investment guidelines and risk parameters are adhered to, etc.

The Scheme's assets principally consist of unlisted funds held in accordance with the established investment policies of the constituent funds. The allocation of assets between the various types of investments is determined by Invesco Hong Kong Limited to achieve their investment objectives.

Although the Manager does not manage the constituent funds based on specific risk exposures of the underlying funds, the constituent funds are exposed to various risks, including market price risk, interest rate risk, credit risk, liquidity risk and currency risk, through their investments. Also refer to note 8 for the investment portfolio of the underlying funds by country and types of investments as at 31 March 2020 and 2019.

(a) Market price risk

Market price risk is the risk that the value of the constituent funds' investment portfolio will fluctuate as a result of changes in market prices. This risk is managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits. Market risk analysis is conducted regularly on a total portfolio basis.

Refer to note 8 for the overall market exposure of each constituent fund.

The table below summarises the impact of increase/decrease from the constituent funds' underlying benchmark on the constituent funds' net assets attributable to members as at 31 March 2020 and 2019. The analysis is based on the assumption that the index component within the benchmark increased/decreased by respective percentage with all other variables held constant and that the fair value of the constituent funds' financial assets at fair value through profit or loss moved according to the historical correlation with the index.

Constituent Funds	Benchmark Components	31 March 2020		31 March 2019	
		% of reasonable possible change of the relevant benchmark	Impact on net assets attributable to unitholders	% of reasonable possible change of the relevant benchmark	Impact on net assets attributable to unitholders (+/-)
MPF Conservative Fund	MPF Prescribed Savings Rate	0% - 0.1%	HK\$0 to HK\$195,569	1%	HK\$8,853,973
Guaranteed Fund	No benchmark**	N/A	N/A	N/A	N/A

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(a) Market price risk (Continued)

Constituent Funds	Benchmark Components	31 March 2020		31 March 2019	
		% of reasonable possible change of the relevant benchmark	Impact on net assets attributable to unitholders	% of reasonable possible change of the relevant benchmark	Impact on net assets attributable to unitholders (+/-)
Global Bond Fund	70% Barclays Capital Global Aggregate + 30% Markit iBoxx ALBI Hong Kong	-2% - 2%	-HK\$21,494,288 to HK\$21,494,288	6%	HK\$49,741,196
RMB Bond Fund	Markit iBoxx ALBI China Offshore Non-Government Investment Grade	-3% - 2%	-HK\$4,585,032 to HK\$3,067,754	7%	HK\$10,286,942
Capital Stable Fund	10.5% FTSE MPF HK + 3.9% FTSE MPF Asia Pacific ex JP ex HK + 6% FTSE MPF Europe + 3.6% FTSE MPF Japan + 6% FTSE MPF NA + 49% Barclays Capital Global Aggregate + 21% Markit iBoxx ALBI Hong Kong	-5% - 3%	-HK\$84,672,815 to HK\$50,803,689	10%	HK\$165,153,295
Balanced Fund	24.5% FTSE MPF HK + 9.1% FTSE MPF Asia Pacific ex JP ex HK + 14% FTSE MPF Europe + 8.4% FTSE MPF Japan + 14% FTSE MPF NA + 21% Barclays Capital Global Aggregate + 9% Markit iBoxx ALBI Hong Kong	-9% - 5%	-HK\$225,086,451 to HK\$125,048,028	10%	HK\$271,688,698
Growth Fund	35% FTSE MPF HK + 13% FTSE Asia Pacific ex JP ex HK + 20% FTSE MPF Europe + 12% FTSE MPF Japan + 20% FTSE MPF NA	-12% - 6%	-HK\$465,308,976 to HK\$232,654,488	10%	HK\$448,980,358
Hong Kong and China Equity Fund	FTSE MPF HK	-10% - 7%	-HK\$396,623,620 to HK\$277,636,534	13%	HK\$598,236,758
Asian Equity Fund	FTSE MPF Asia Pacific ex JP ex HK hedged	-18% - 5%	-HK\$140,630,132 to HK\$39,063,925	8%	HK\$62,639,433
Invesco Hang Seng Index Tracking Fund	Hang Seng Index	-10% - 7%	-HK\$49,236,585 to HK\$34,465,609	13%	HK\$52,824,231

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(a) Market price risk (Continued)

Constituent Funds	Benchmark Components	31 March 2020		31 March 2019	
		% of reasonable possible change of the relevant benchmark	Impact on net assets attributable to unitholders	% of reasonable possible change of the relevant benchmark	Impact on net assets attributable to unitholders (+/-)
Age 65 Plus Fund	77% FTSE MPF World Government Bond Index + 20% FTSE MPF All-World Index + 3% MPF Prescribed Savings Rate	-3% - 3%	-HK\$4,405,908 to HK\$4,405,908	5%	HK\$4,002,203
Core Accumulation Fund	37% FTSE MPF World Government Bond Index + 60% FTSE MPF All-World Index + 3% MPF Prescribed Savings Rate	-8% - 5%	-HK\$40,823,200 to HK\$25,514,500	8%	HK\$28,211,695

**** Guaranteed Fund invests in an Approved Pooled Investment Fund guaranteed by Principal Insurance Company (Hong Kong) Limited. For the year ended 31 March 2020, the guarantee rate is set at 1% p.a. (2019: 1%).**

The overall market positions and risk exposures for each constituent fund are monitored on a daily basis by the Investment Manager.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The majority of the financial assets and liabilities of the Scheme and its constituent funds except for MPF Conservative Fund are non-interest bearing, as a result, they are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

Interest rate risk for the constituent funds has been assessed on the basis of the constituent funds' direct investments and not on a look-through basis for investments held indirectly through the underlying investment funds. Consequently, the interest rate risk profile of the constituent funds may not be presented as the constituent funds have a significant proportion of investments in other funds which also have exposure to the interest rate markets.

MPF Conservative Fund has investments and bank balances which are exposed to interest rate risk. The table below summarises this exposure and includes the fund's financial assets and liabilities at fair value, categorised by the earlier of contractual repricing or maturity dates.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(b) Interest rate risk (Continued)

MPF Conservative Fund

At 31 March 2020

(HK\$)	Up to 3 months	3 months to 1 year	Non-interest bearing	Total
Assets				
Financial assets at fair value through profit or loss	1,008,842,688	815,521,640	-	1,824,364,328
Bank balances and deposits	891,883,366	-	-	891,883,366
Other assets	-	-	58,183,574	58,183,574
Total assets	1,900,726,054	815,521,640	58,183,574	2,774,431,268
Liabilities				
Other liabilities	-	-	79,684,323	79,684,323
Liabilities (excluding net assets attributable to members)	-	-	79,684,323	79,684,323
Net assets attributable to members	1,900,726,054	815,521,640	(21,500,749)	2,694,746,945
Total interest sensitivity gap	1,900,726,054	815,521,640		

At 31 March 2019

(HK\$)	Up to 3 months	3 months to 1 year	Non-interest bearing	Total
Assets				
Financial assets at fair value through profit or loss	1,041,094,549	899,344,977	-	1,940,439,526
Bank balances and deposits	673,016,635	-	-	673,016,635
Other assets	-	-	25,882,397	25,882,397
Total assets	1,714,111,184	899,344,977	25,882,397	2,639,338,558
Liabilities				
Other liabilities	-	-	41,433,215	41,433,215
Liabilities (excluding net assets attributable to members)	-	-	41,433,215	41,433,215
Net assets attributable to members	1,714,111,184	899,344,977	(15,550,818)	2,597,905,343
Total interest sensitivity gap	1,714,111,184	899,344,977		

Interest rate sensitivity

The table below summarises the impact of increase/decrease of 50 basis points (2019: 50 basis points) in interest rates as at the year end, with all other variables held constant, on the net assets attributable to members.

	31 March 2020	31 March 2019
Increased/decreased by 50 basis points		
Impact on net assets attributable to members		
MPF Conservative Fund	HK\$1,641,928	HK\$2,037,462

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(c) Credit risk

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or in part, under a contract. Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved, and
- ensuring that transactions are undertaken with a large number of counterparties.

All the bank balances of the Scheme and its constituent funds are placed with reputable financial institutions.

As at 31 March 2020, the safe keeping of the investments of the constituent funds is the responsibility of the Trustee.

The Investment Manager monitors the constituent funds' credit position on a daily basis.

As at 31 March 2020 and 2019, the respective constituent funds held money market instruments and cash deposits with banks with the following credit ratings, which are rated by well-known rating agencies.

Portfolio by rating category (Source of credit ratings: Moody's or Standard & Poor's)

MPF Conservative Fund

Money market instruments and fixed deposits

Rating	2020 (% of financial assets at fair value through profit or loss)	2019 (% of financial assets at fair value through profit or loss)
Aa1/AA+	10.09	8.15
Aa2/AA	8.58	1.14
Aa3/AA-	2.47	0.77
A1/A+	53.67	50.36
A2/A	4.01	13.36
A3/A-	21.18	26.22
	<u>100.00</u>	<u>100.00</u>

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(c) Credit risk (Continued)

MPF Conservative Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa1	6.50	-
P-1/Aa3	15.57	2.15
P-1/A-1	19.96	64.78
P-1/A-2	19.19	-
P-2/A-2	-	33.07
P-2/A-3	13.36	-
P-2/Baa1	25.42	-
	<u>100.00</u>	<u>100.00</u>

There was no investment issued by a single issuer with market value exceeding 10% of MPF Conservative Fund's net assets as at 31 March 2020 and 2019.

Guaranteed Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Global Bond Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

RMB Bond Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(c) Credit risk (Continued)

Capital Stable Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Balanced Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Growth Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Hong Kong and China Equity Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Asian Equity Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(c) Credit risk (Continued)

Invesco Hang Seng Index Tracking Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	100.00	100.00

Age 65 Plus Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	100.00	100.00

Core Accumulation Fund

Bank balances and deposits	2020	2019
	(% of bank balances and deposits)	(% of bank balances and deposits)
Rating		
P-1/Aa3	100.00	100.00
	100.00	100.00

Guaranteed Fund invests solely in an insurance policy issued by Principal Insurance Company (Hong Kong) Limited, which is also the guarantor (the "Guarantor"). As at 31 March 2020, the credit rating of Principal Financial Group (the parent company of Principal Insurance Company (Hong Kong) Limited) is A- (2019: A-). The source of the credit ratings is from Standard & Poor's.

The Scheme and its constituent funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. As at 31 March 2020 and 2019, all financial assets can be realised within 3 months. Refer to note 12(d) for details. Management 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. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Scheme and its constituent funds.

(d) Liquidity risk

The constituent funds are exposed to daily cash redemptions of their outstanding units. The constituent funds invest the majority of their assets in investment funds that permit daily redemption and that have underlying securities traded in an active market and can be readily disposed of.

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Where a member becomes entitled to benefits, the Trustee will realize units credited to the account of the member. Units will normally be realized within 5 business days of the later of:

- (i) the entitlement date; and
- (ii) the date on which the Trustee receives satisfactory notice of such entitlement (together with appropriate supporting documentation)

In any event, units will be realized within 20 business days of the later date of the above.

The table below analyses the constituent funds' financial liabilities into relevant maturity groupings based on the remaining period at the year end date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

MPF Conservative Fund	Less than 1 month HK\$	1-3months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	8,738,497	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	40,450,538	-	-
Amounts payable on fund switching	28,658,968	-	-
Other payables	-	1,836,320	-
Net assets attributable to members	2,694,746,945	-	-
Total financial liabilities	2,772,594,948	1,836,320	-
At 31 March 2019			
Amounts payable on redemption	2,202,217	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	22,000,000	-	-
Amounts payable on fund switching	15,488,006	-	-
Other payables	-	1,742,992	-
Net assets attributable to members	2,597,905,343	-	-
Total financial liabilities	2,637,595,566	1,742,992	-

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Guaranteed Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	3,365,727	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	800,904	-	-
Other payables	-	1,495,740	-
	<u>4,166,631</u>	<u>1,495,740</u>	<u>-</u>
Total financial liabilities	<u>4,166,631</u>	<u>1,495,740</u>	<u>-</u>
At 31 March 2019			
Amounts payable on redemption	1,563,952	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	75,209	-	-
Other payables	-	1,272,155	-
	<u>1,639,161</u>	<u>1,272,155</u>	<u>-</u>
Total financial liabilities	<u>1,639,161</u>	<u>1,272,155</u>	<u>-</u>
Global Bond Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	2,023,097	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	5,492,964	-	-
Amounts payable on fund switching	9,436,503	-	-
Other payables	-	1,184,534	-
Net assets attributable to members	1,191,159,174	-	-
	<u>1,208,111,738</u>	<u>1,184,534</u>	<u>-</u>
Total financial liabilities	<u>1,208,111,738</u>	<u>1,184,534</u>	<u>-</u>
At 31 March 2019			
Amounts payable on redemption	579,439	-	-
Amounts payable on fund switching	1,916,717	-	-
Other payables	-	970,146	-
Net assets attributable to members	1,011,903,739	-	-
	<u>1,014,399,895</u>	<u>970,146</u>	<u>-</u>
Total financial liabilities	<u>1,014,399,895</u>	<u>970,146</u>	<u>-</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

RMB Bond Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	200,705	-	-
Amounts payable on fund switching	2,261,809	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	1,773,415	-	-
Other payables	-	261,392	-
Net assets attributable to members	263,618,000	-	-
	<u>267,853,929</u>	<u>261,392</u>	<u>-</u>
At 31 March 2019			
Financial liabilities at fair value through profit or loss	688,323	-	-
Amounts payable on redemption	202,591	-	-
Amounts payable on fund switching	1,122,830	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	764,728	-	-
Other payables	-	243,664	-
Net assets attributable to members	254,455,108	-	-
	<u>257,233,580</u>	<u>243,664</u>	<u>-</u>
Capital Stable Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	2,122,408	-	-
Amounts payable on fund switching	8,062,295	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	3,023,086	-	-
Other payables	-	1,819,620	-
Net assets attributable to members	1,750,905,978	-	-
	<u>1,764,113,767</u>	<u>1,819,620</u>	<u>-</u>
At 31 March 2019			
Amounts payable on redemption	1,339,002	-	-
Amounts payable on fund switching	1,670,582	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	2,634,165	-	-
Other payables	-	1,784,520	-
Net assets attributable to members	1,793,091,238	-	-
	<u>1,798,734,987</u>	<u>1,784,520</u>	<u>-</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Balanced Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	3,167,873	-	-
Amounts payable on fund switching	5,924,871	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	3,597,653	-	-
Other payables	-	2,584,159	-
Net assets attributable to members	2,473,821,263	-	-
Total financial liabilities	2,486,511,660	2,584,159	-
At 31 March 2019			
Amounts payable on redemption	4,113,443	-	-
Amounts payable on fund switching	2,563,706	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	1,690,572	-	-
Other payables	-	2,754,131	-
Net assets attributable to members	2,791,811,280	-	-
Total financial liabilities	2,800,179,001	2,754,131	-
Growth Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	5,499,154	-	-
Amounts payable on fund switching	9,728,061	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	9,894,494	-	-
Other payables	-	4,110,936	-
Net assets attributable to members	3,928,290,515	-	-
Total financial liabilities	3,953,412,224	4,110,936	-
At 31 March 2019			
Amounts payable on redemption	3,822,346	-	-
Amounts payable on fund switching	8,307,486	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	3,467,045	-	-
Other payables	-	4,629,612	-
Net assets attributable to members	4,727,370,673	-	-
Total financial liabilities	4,742,967,550	4,629,612	-

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Hong Kong and China Equity Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	5,775,428	-	-
Amounts payable on fund switching	25,681,662	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	26,396,339	-	-
Other payables	-	4,072,604	-
Net assets attributable to members	4,025,520,680	-	-
	<u>4,083,374,109</u>	<u>4,072,604</u>	<u>-</u>
At 31 March 2019			
Amounts payable on redemption	5,352,913	-	-
Amounts payable on fund switching	19,612,629	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	12,139,219	-	-
Other payables	-	4,535,902	-
Net assets attributable to members	4,702,466,209	-	-
	<u>4,739,570,970</u>	<u>4,535,902</u>	<u>-</u>
Asian Equity Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	883,581	-	-
Amounts payable on fund switching	3,460,133	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	1,568,716	-	-
Other payables	-	1,131,727	-
Net assets attributable to members	1,071,749,082	-	-
	<u>1,077,661,512</u>	<u>1,131,727</u>	<u>-</u>
At 31 March 2019			
Amounts payable on redemption	1,106,923	-	-
Amounts payable on fund switching	1,171,537	-	-
Other payables	-	1,192,651	-
Net assets attributable to members	1,248,049,493	-	-
	<u>1,250,327,953</u>	<u>1,192,651</u>	<u>-</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Invesco Hang Seng Index Tracking Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	373,056	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	294,482	-	-
Amounts payable on fund switching	10,353,077	-	-
Other payables	-	395,537	-
Net assets attributable to members	492,120,680	-	-
Total financial liabilities	503,141,295	395,537	-
At 31 March 2019			
Amounts payable on redemption	213,245	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	2,846,888	-	-
Amounts payable on fund switching	5,011,585	-	-
Other payables	-	324,058	-
Net assets attributable to members	409,970,941	-	-
Total financial liabilities	418,042,659	324,058	-
Age 65 Plus Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	259,204	-	-
Amounts payable on fund switching	2,197,625	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	1,091,517	-	-
Other payables	-	104,432	-
Net assets attributable to members	162,244,440	-	-
Total financial liabilities	165,792,786	104,432	-
At 31 March 2019			
Amounts payable on redemption	1,067	-	-
Amounts payable on fund switching	163,554	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	201,076	-	-
Other payables	-	52,286	-
Net assets attributable to members	82,757,447	-	-
Total financial liabilities	83,123,144	52,286	-

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Core Accumulation Fund	Less than 1 month HK\$	1-3 months HK\$	> 3 months HK\$
At 31 March 2020			
Amounts payable on redemption	331,624	-	-
Amounts payable on fund switching	4,053,312	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	2,613,331	-	-
Other payables	-	348,297	-
Net assets attributable to members	528,289,951	-	-
	<u>535,288,218</u>	<u>348,297</u>	<u>-</u>
At 31 March 2019			
Amounts payable on redemption	124,086	-	-
Amounts payable on fund switching	1,058,676	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	1,446,782	-	-
Other payables	-	227,222	-
Net assets attributable to members	357,336,089	-	-
	<u>359,965,633</u>	<u>227,222</u>	<u>-</u>

Units are redeemed on demand at the members' option. However, the Trustee does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as the members typically retain their units for the long term. At 31 March 2020, there is no individual member held more than 10% of any of the constituent fund's units. (2019: one individual member held more than 10% of one of the constituent fund's units).

The Investment Manager monitors the constituent funds' liquidity position on a daily basis. The Investment Manager manages their liquidity risk by investing in investments that are expected to be able to liquidate, normally within 7 days or less. The table below analyses the constituent funds' expected liquidity of financial assets held.

At 31 March 2020	Less than 1 month HK\$	1 - 3 months HK\$	> 3 months HK\$
MPF Conservative Fund	1,289,146,260	667,026,786	818,258,222
Guaranteed Fund	1,108,531,936	-	-
Global Bond Fund	1,209,296,272	-	-
RMB Bond Fund	267,163,486	951,835	-
Capital Stable Fund	1,765,933,387	-	-
Balanced Fund	2,489,095,819	-	-
Growth Fund	3,957,523,160	-	-
Hong Kong and China Equity Fund	4,087,446,713	-	-
Asian Equity Fund	1,078,793,239	-	-
Invesco Hang Seng Index Tracking Fund	503,536,832	-	-
Age 65 Plus Fund	165,775,334	-	-
Core Accumulation Fund	535,518,204	-	-

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(d) Liquidity risk (Continued)

At 31 March 2019	Less than 1 month	1 - 3 months	> 3 months
	HK\$	HK\$	HK\$
MPF Conservative Fund	818,247,709	918,594,359	902,496,490
Guaranteed Fund	1,061,159,279	-	-
Global Bond Fund	1,015,370,041	-	-
RMB Bond Fund	257,477,244	-	-
Capital Stable Fund	1,800,519,507	-	-
Balanced Fund	2,802,933,132	-	-
Growth Fund	4,747,597,162	-	-
Hong Kong and China Equity Fund	4,744,106,872	-	-
Asian Equity Fund	1,251,520,604	-	-
Invesco Hang Seng Index Tracking Fund	418,348,765	-	-
Age 65 Plus Fund	82,991,461	-	-
Core Accumulation Fund	360,015,146	-	-

(e) Offsetting and amounts subject to master netting arrangement and similar agreement

As at 31 March 2020 and 2019, the Scheme and its constituent funds were subject to master netting arrangement with their counterparty. As at 31 March 2020 and 2019, only Asian Equity Fund and RMB Bond Fund had signed master netting agreements with their counterparty. The following tables present Asian Equity Fund's and RMB Bond Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangement and similar agreement.

Asian Equity Fund

Financial assets and liabilities subject to offsetting, enforceable master netting arrangement as at 31 March 2020 and 2019:

	A	B	C = A+B	D		E = C+D
	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial (liabilities)/ assets set-off in the statement of net assets	Net amounts of financial assets/ (liabilities) presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amount
				D(i) Financial instruments	D(ii) Cash collateral	
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 31 March 2020						
Financial assets						
Financial assets at fair value through profit or loss	1,071,611,509	-	1,071,611,509	-	-	1,071,611,509
Cash and cash equivalents	2,458,520	-	2,458,520	-	-	2,458,520
	1,074,070,029	-	1,074,070,029	-	-	1,074,070,029
Financial liabilities						
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(e) Offsetting and amounts subject to master netting arrangement and similar agreement (Continued)

Asian Equity Fund (Continued)

	A	B	C = A+B	D		E = C+D
	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial (liabilities)/ assets set-off in the statement of net assets	Net amounts of financial assets/ (liabilities) presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amount
				D(i) Financial instruments	D(ii) Cash collateral	
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 31 March 2019						
Financial assets						
Financial assets at fair value through profit or loss	1,233,185,441	-	1,233,185,441	-	-	1,233,185,441
Cash and cash equivalents	16,476,693	-	16,476,693	-	-	16,476,693
	1,249,662,134	-	1,249,662,134	-	-	1,249,662,134
Financial liabilities						
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-

RMB Bond Fund

Financial assets and liabilities subject to offsetting, enforceable master netting arrangement as at 31 March 2020 and 2019:

	A	B	C = A+B	D		E = C+D
	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial (liabilities)/ assets set-off in the statement of net assets	Net amounts of financial assets/ (liabilities) presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amount
				D(i) Financial instruments	D(ii) Cash collateral	
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 31 March 2020						
Financial assets						
Financial assets at fair value through profit or loss	263,879,264	-	263,879,264	-	-	263,879,264
Cash and cash equivalents	678,295	-	678,295	-	-	678,295
	264,557,559	-	264,557,559	-	-	264,557,559
Financial liabilities						
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(e) Offsetting and amounts subject to master netting arrangement and similar agreement (Continued)

RMB Bond Fund (Continued)

	A	B	C = A+B	D		E = C+D
	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial (liabilities)/ assets set-off in the statement of net assets	Net amounts of financial assets/ (liabilities) presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amount
				D(i) Financial instruments	D(ii) Cash collateral	
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 31 March 2019						
Financial assets						
Financial assets at fair value through profit or loss	255,386,721	-	255,386,721	-	-	255,386,721
Cash and cash equivalents	1,033,738	-	1,033,738	-	-	1,033,738
	256,420,459	-	256,420,459	-	-	256,420,459
Financial liabilities						
Financial liabilities at fair value through profit or loss	(688,323)	-	(688,323)	-	-	(688,323)

Amounts in D(i) and D(ii) relate to amounts subject to set-off that do not qualify for offsetting under (B). This includes (i) amounts which are subject to set-off against the asset (or liability) disclosed in (A) which have not been offset in the statement of net assets, and (ii) any financial collateral (including cash collateral), both received and pledged.

The constituent funds and their counterparty have elected to settle all forward foreign exchange contracts on a net basis. According to the terms of the master netting agreement, the counterparty may set off the liabilities against assets.

As at 31 March 2020 and 2019, the constituent funds did not hold any investments pledged as collateral by the respective counterparties and cash collateral received which was restricted and did not form part of the constituent funds' cash and cash equivalents.

(f) Currency risk

The Scheme and its constituent funds had assets and liabilities denominated mainly in Hong Kong dollar and are therefore not subject to significant currency risk.

Details of forward foreign exchange contracts outstanding at year end are disclosed in note 14.

(g) Fair value estimation

The Scheme and its constituent funds adopted HKFRS 13, 'Fair value measurement' and utilised the last traded market price for both financial assets and financial liabilities.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the constituent funds for similar financial instruments.

HKFRS 13 requires the constituent funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Investment Manager. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the constituent funds’ investments (by class) measured at fair value at 31 March 2020 and 2019:

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

MPF Conservative Fund

At 31 March 2020

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Designated at fair value through profit or loss:			
- Money market instruments	-	628,883,259	628,883,259
- Fixed deposits	1,195,481,069	-	1,195,481,069
	<u>1,195,481,069</u>	<u>628,883,259</u>	<u>1,824,364,328</u>

At 31 March 2019

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Designated at fair value through profit or loss:			
- Money market instruments	-	626,854,340	626,854,340
- Fixed deposits	1,313,585,186	-	1,313,585,186
	<u>1,313,585,186</u>	<u>626,854,340</u>	<u>1,940,439,526</u>

Guaranteed Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	1,104,365,287	1,104,365,287
	<u>1,104,365,287</u>	<u>1,104,365,287</u>

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	1,059,520,103	1,059,520,103
	<u>1,059,520,103</u>	<u>1,059,520,103</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Global Bond Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	1,190,988,375	1,190,988,375

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	993,436,658	993,436,658

RMB Bond Fund

At 31 March 2020

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Designated at fair value through profit or loss:			
- Collective investment scheme	262,927,429	-	262,927,429
- Forward foreign exchange contracts	-	951,835	951,835
	262,927,429	951,835	263,879,264

At 31 March 2019

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Designated at fair value through profit or loss:			
- Collective investment scheme	255,386,721	-	255,386,721
Liabilities			
Designated at fair value through profit or loss:			
- Forward foreign exchange contracts	-	(688,323)	(688,323)

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Capital Stable Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	1,751,707,562	1,751,707,562

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	1,787,641,096	1,787,641,096

Balanced Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	2,474,891,033	2,474,891,033

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	2,782,795,165	2,782,795,165

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Growth Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	3,932,400,498	3,932,400,498

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	4,731,978,684	4,731,978,684

Hong Kong and China Equity Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	4,029,592,353	4,029,592,353

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment scheme	4,706,977,252	4,706,977,252

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Asian Equity Fund

At 31 March 2020

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Designated at fair value through profit or loss:			
- Collective investment scheme	1,035,030,188	-	1,035,030,188
- Forward foreign exchange contracts	-	36,581,321	36,581,321
	<u>1,035,030,188</u>	<u>36,581,321</u>	<u>1,071,611,509</u>

At 31 March 2019

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Designated at fair value through profit or loss:			
- Collective investment scheme	1,227,525,092	-	1,227,525,092
- Forward foreign exchange contracts	-	5,660,349	5,660,349
	<u>1,227,525,092</u>	<u>5,660,349</u>	<u>1,233,185,441</u>

Invesco Hang Seng Index Tracking Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Index-Tracking collective investment scheme	494,863,650	494,863,650
	<u>494,863,650</u>	<u>494,863,650</u>

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Index-Tracking collective investment scheme	410,438,700	410,438,700
	<u>410,438,700</u>	<u>410,438,700</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Age 65 Plus Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	162,157,184	162,157,184

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	82,571,398	82,571,398

Core Accumulation Fund

At 31 March 2020

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	528,519,926	528,519,926

At 31 March 2019

	Level 1 HK\$	Total balance HK\$
Assets		
Designated at fair value through profit or loss:		
- Collective investment schemes	357,385,597	357,385,597

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. The constituent funds do not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Notes to the Financial Statements (Continued)

12 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As of 31 March 2020 and 2019, the constituent funds did not hold any investments classified in level 3.

As at 31 March 2020 and 2019, there were no transfers between levels of investments held by the constituent funds.

The assets and liabilities of the constituent funds included in the statement of net assets other than financial assets and liabilities at fair value through profit or loss, are carried at amortised cost; their carrying values are a reasonable approximation of fair value. There are no other financial assets or liabilities not at fair value but for which fair value is disclosed.

(h) Financial instruments by category

Financial assets

Apart from financial assets at fair value through profit or loss as disclosed in the statement of net assets available for benefits for the Scheme and statement of net assets for the constituent funds which are classified as financial assets at fair value through profit or loss, all other financial assets as disclosed in the statement of net assets available for benefits for the Scheme and statement of net assets for the constituent funds, including amounts receivable on sale of financial assets at fair value through profit or loss, contributions receivable, interest receivables, accounts receivable on fund switching and bank balances and deposits are categorized as "loans and receivables".

Financial liabilities

All financial liabilities as disclosed in the statement of net assets available for benefits for the Scheme and statement of net assets for the constituent funds, including benefit payable, forfeitures payable, accounts payable on fund switching, amount payable on redemptions, amounts payable on purchase of financial assets at fair value through profit or loss, other payables and net assets attributable to members are categorized as "other financial liabilities".

13 Capital risk management

Each constituent fund's capital is represented by the net assets attributable to members. Subscription and redemption of units during the year are shown in the statement of changes in net assets attributable to members/statement of changes in equity 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 the constituent funds' 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 policy of the constituent funds 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 of the Scheme.

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

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

14 Outstanding forward foreign exchange contracts

Outstanding forward foreign exchange contracts settled on a net basis as at year end as follows:

RMB Bond Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>At 31 March 2020</u>			
Open contracts: CNY84,600,000	HK\$93,305,340	29 June 2020	951,835
Total unrealised gain:			<u>951,835</u>
<u>At 31 March 2019</u>			
Open contracts: CNY48,500,000	HK\$55,760,450	15 April 2019	(688,323)
Total unrealised loss:			<u>(688,323)</u>

Asian Equity Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>At 31 March 2020</u>			
Open contracts: AUD45,500,000	HK\$242,936,922	17 April 2020	25,371,969
KRW32,580,100,000	HK\$218,087,556	17 April 2020	<u>11,209,352</u>
Total unrealised gain:			<u>36,581,321</u>
<u>At 31 March 2019</u>			
Open contracts: AUD37,400,000	HK\$210,771,440	18 April 2019	2,933,083
KRW23,807,100,000	HK\$167,083,549	18 April 2019	<u>2,727,266</u>
Total unrealised gain:			<u>5,660,349</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

15 Transactions with associates/related parties

The Scheme and its constituent funds had the following transactions with related parties, including the Trustee, the Investment Manager and their associates or delegates of the Investment Manager during the year ended 31 March 2020 and 2019. Associates or delegates of Investment Manager are those as defined in the Ordinance established by the MPFA.

Certain constituent funds invest directly in the units of other investment funds managed by the investment managers as disclosed in Note 8.

Except as disclosed in Note 5, Note 8 and below, the Scheme and its constituent funds did not have any transactions with related parties, including the Trustee, the Investment Manager and their associates or delegates during the year ended 31 March 2020 and 2019. All transactions were entered into in the ordinary course of business and on normal commercial terms.

During the year, transaction handling fees on purchases and sales of investments and transaction fees were charged to the constituent funds by the Trustee. Details are as follows:

Constituent funds	2020 HK\$	2019 HK\$
MPF Conservative Fund	7,705	6,325
Guaranteed Fund	40,060	39,214
Global Bond Fund	26,720	480
RMB Bond Fund	39,600	39,120
Capital Stable Fund	79,360	78,400
Balanced Fund	79,360	78,400
Growth Fund	39,680	39,200
Hong Kong and China Equity Fund	39,680	39,200
Asian Equity Fund	26,720	240
Invesco Hang Seng Index Tracking Fund	-	-
Age 65 Plus Fund	-	-
Core Accumulation Fund	-	-

As at 31 March 2020 and 2019, MPF Conservative Fund had cash deposits placed with and investments issued by the shareholders or associated entities of the Trustee with details shown as follows:

MPF Conservative Fund	2020 HK\$	2019 HK\$
Cash Deposits	471,755,550	427,174,058
Investments	395,421,521	558,353,661

Interest income earned by MPF Conservative Fund during the year and interest receivable of MPF Conservative Fund as at 31 March 2020 and 2019 from cash deposits issued by the shareholders or associated entities of the Trustee was as follows:

MPF Conservative Fund	2020 HK\$	2019 HK\$
Interest income	20,463,654	13,978,498
Interest receivable	1,835,566	1,571,634

During the year, certain expenses of Age 65 Plus Fund, which Invesco Hong Kong Limited acts as the Investment Manager, were borne by the Invesco Hong Kong Limited amounting to HK\$15,437 (2019: HK\$54,364).

Notes to the Financial Statements (Continued)

16 Payments charged to default investments strategy ("DIS") constituent funds or scheme or members who invest the constituent funds

In accordance with the Mandatory Provident Fund legislation, the aggregate of the payments for services of the Age 65 Plus Fund and Core Accumulation Fund must not, in a single day, exceed a daily rate of 0.75% per annum of the net asset value of each of the Age 65 Plus Fund and Core Accumulation Fund divided by the number of days in the year.

The above aggregate of the payments for services include, but are not limited to, the fees paid or payable for the services provided by the Trustee, the Administrator, the Investment Manager, the Custodian and the Sponsor and/or promoter (if any) of each of the Age 65 Plus Fund and Core Accumulation Fund and its underlying investment fund(s), and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of each of the Age 65 Plus Fund and Core Accumulation Fund and its underlying investment fund(s), but do not include any out-of-pocket expenses incurred by each of the Age 65 Plus Fund and Core Accumulation Fund and their underlying investment fund(s).

In accordance with the Mandatory Provident Fund legislation, the total amount of all payments that are charged to or imposed on a DIS constituent fund or members who invest in a DIS constituent fund, for out-of-pocket expenses incurred by the Trustee on a recurrent basis in the discharge of the Trustee's duties to provide services in relation to a DIS constituent fund, shall not in a single year exceed 0.2% per annum of the net asset value (the sum of net asset value of the relevant DIS constituent fund as at the last dealing day of each month of the relevant period/year divided by the number of months) of each of the Age 65 Plus Fund and Core Accumulation Fund.

For this purpose, out-of-pocket expenses include, for example, annual audit expenses, printing or postage expenses relating to recurrent activities (such as issuing annual benefit statements), recurrent legal and professional expenses, safe custody charges which are customarily not calculated as a percentage of the net asset value and transaction costs incurred by a DIS constituent fund in connection with recurrent acquisition of investments for the DIS constituent fund (including, for example, costs incurred in acquiring underlying investment funds) and annual statutory expenses (such as compensation fund levy where relevant) of the DIS constituent fund.

Out-of-pocket expenses that are not incurred on a recurrent basis may still be charged to or imposed on a DIS constituent fund and such out-of-pocket expenses are not subject to the above statutory limit.

Payment for services, out-of-pocket expenses and other payment charged to the Age 65 Plus Fund and Core Accumulation Fund are disclosed below. Payments for services and out-of-pocket expenses are those defined in the MPF Ordinance.

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

16 Payments charged to default investments strategy ("DIS") constituent funds or scheme or members who invest the constituent funds (Continued)

For the year ended 31 March 2020

	Core Accumulation Fund ("DIS Fund")		Age 65 Plus Fund ("DIS Fund")	
	2020	2019	2020	2019
	HK\$	HK\$	HK\$	HK\$
Payment for services				
- Investment management fee	1,645,672	1,025,329	434,778	222,438
- Trustee fee and administration fees	1,031,022	642,469	272,551	139,408
- Sponsor fee	464,144	289,352	122,911	62,826
Total payment for services of each DIS Fund	<u>3,140,838</u>	<u>1,957,150</u>	<u>830,240</u>	<u>424,672</u>
Total payment for services of each DIS Fund*	0.67%	0.67%	0.67%	0.67%
Proportionate of the underlying investment funds fee rate of the underlying investment funds of each DIS Fund**	<u>0.08%</u>	<u>0.08%</u>	<u>0.08%</u>	<u>0.08%</u>
Total Payment for Services expressed as a percentage of net asset value of the DIS funds	<u>0.75%</u>	<u>0.75%</u>	<u>0.75%</u>	<u>0.75%</u>
Out-of-pocket expenses				
- Safe custody and bank charges	631	239	160	52
- Auditor's remuneration	20,154	17,474	5,203	3,807
- Other expenses	80,403	52,835	20,979	11,371
Total out-of-pocket expenses	<u>101,188</u>	<u>70,548</u>	<u>26,342</u>	<u>15,230</u>
Other payments				
- Legal and professional fees (non-recurring)	10,242	4,847	2,641	1,071
Total other payments	<u>10,242</u>	<u>4,847</u>	<u>2,641</u>	<u>1,071</u>
Total payments of each DIS Fund	<u>3,252,268</u>	<u>2,032,545</u>	<u>859,223</u>	<u>440,973</u>
Out-of-pocket expenses expressed as a percentage of average net asset value as at the last dealing day of each month of the DIS Fund	<u>0.02%</u>	<u>0.02%</u>	<u>0.02%</u>	<u>0.02%</u>

Invesco Strategic MPF Scheme

Notes to the Financial Statements (Continued)

16 Payments charged to default investments strategy ("DIS") constituent funds or scheme or members who invest the constituent funds (Continued)

* The payment for service fees of 0.67%, which represents daily payment for services of each DIS Fund as a percentage of daily NAV, is the maximum fee rate allowed to charge to each DIS Fund on a daily basis.

** The proportionate of the underlying investment fund fee rate paid to the specified person as disclosed in the Brochure of the underlying investment funds.

17 Reconciliation of movement in liabilities arising from financing activities

The Scheme

	Benefits payable	Forfeitures payable
	HK\$	HK\$
Beginning balance as at 31 March 2019	56,097,703	28,031,474
Charged to statement of changes in net assets available for benefits	1,122,881,846	21,232,149
Cash outflow	(1,123,818,052)	(16,641,022)
Ending balance as at 31 March 2020	<u>55,161,497</u>	<u>32,622,601</u>

	Benefits payable	Forfeitures payable
	HK\$	HK\$
Beginning balance as at 31 March 2018	59,616,037	25,821,929
Charged to statement of changes in net assets available for benefits	1,107,913,507	23,483,849
Cash outflow	(1,111,431,841)	(21,274,304)
Ending balance as at 31 March 2019	<u>56,097,703</u>	<u>28,031,474</u>

18 Soft commission arrangements

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

19 Security lending arrangements

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

20 Negotiability of assets

As at 31 March 2020, there was no statutory or contractual requirement restricting the negotiability of the assets of the Scheme and its constituent funds (2019: Nil).

21 Commitments

The Scheme and its constituent funds had no commitments as at 31 March 2020 (2019: Nil).

Notes to the Financial Statements (Continued)

22 Contingent liabilities

The Scheme and its constituent funds had no contingent liabilities as at 31 March 2020 (2019: Nil).

23 Marketing expenses

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

24 Approval of financial statements

The financial statements were approved by the Trustee on 14 September 2020.

INVESCO STRATEGIC MPF SCHEME

INDEPENDENT AUDITOR'S ASSURANCE REPORT

FOR THE YEAR ENDED

31 MARCH 2020

INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF INVESCO STRATEGIC MPF SCHEME (THE "SCHEME")

We have audited the financial statements of the Scheme and each of its constituent funds, MPF Conservative Fund, Guaranteed Fund, Global Bond Fund, RMB Bond Fund, Capital Stable Fund, Balanced Fund, Growth Fund, Hong Kong and China Equity Fund, Asian Equity Fund, Invesco Hang Seng Index Tracking Fund, Age 65 Plus Fund and Core Accumulation Fund for the year ended 31 March 2020 (hereafter referred to as the "Scheme") in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised) "The Audit of Retirement Schemes" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and have issued an unqualified auditor's report thereon dated 14 September 2020.

Pursuant to section 102 of the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation"), we are required to report whether the Scheme complied with certain requirements of the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "Ordinance") 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 (the "MPFA") under section 28 of the Ordinance 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 Ordinance 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.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA 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.

Auditor's Responsibility

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

**INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE
TRUSTEE OF INVESCO STRATEGIC MPF SCHEME (THE
"SCHEME")
(CONTINUED)**

Auditor's Responsibility (Continued)

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 Practice Note 860.1, (Revised) "The Audit of Retirement Schemes" 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 in Practice Note 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:

- (a) in our opinion:
 - (i) proper accounting and other records have been kept during the year ended 31 March 2020 in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme; and
 - (ii) the requirements specified in the guidelines made by the MPFA under section 28 of the Ordinance 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 March 2020, 31 December 2019 and 31 July 2019; and
 - (iii) the requirements specified in the Ordinance under sections 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 the Core Accumulation Fund and the Age 65 Plus Fund have been complied with, in all material respects, as at 31 March 2020, 31 December 2019 and 31 July 2019; and
 - (iv) the requirements specified in section 34DD(4)(b) of the Ordinance with respect to the controls of out-of-pocket expenses of the Core Accumulation Fund and the Age 65 Plus Fund have been complied with, in all material respects, as at 31 March 2020.
- (b) as at 31 March 2020, the Scheme assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

**INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE
TRUSTEE OF INVESCO STRATEGIC MPF SCHEME (THE
"SCHEME")
(CONTINUED)**

Other Matter

The requirements specified in the Ordinance 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 the Core Accumulation Fund and the Age 65 Plus Fund are not applicable to the Trustee during the year ended 31 March 2020 as the Trustee has completed the relevant transitional provisions, and the default investment arrangement of the Scheme prior to 1 April 2017 was 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 purpose.



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 September 2020