



# United Asian Growth Opportunities Fund

**Semi Annual Report**

for the period 1<sup>st</sup> July to  
31<sup>st</sup> December 2011



# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## **MANAGER**

UOB Asset Management Ltd

Registered Address:

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Company Registration No. : 198600120Z

## **OPERATIONS ADDRESS**

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## **DIRECTORS OF UOB ASSET MANAGEMENT**

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# United Asian Growth Opportunities Fund

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## A) Fund Performance

	3 mth	6 mth	1 yr	3 yr	5 yr	10 yr	Since Inception 02 August 2004
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ann Comp Ret	Ann Comp Ret	Ann Comp Ret	Ann Comp Ret
United Asian Growth Opportunities Fund	-2.03	-19.88	-25.51	14.86	-6.96	NA	5.84
Benchmark	1.99	-16.36	-20.03	23.08	0.56	NA	8.09

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.  
The benchmark of the Fund: Since Inception – Nov 07: FTSE Global Small Cap Series Asia Pacific Ex Japan; Dec 07 – Jan 11: MSCI AC Asia Pacific ex Japan Small Cap Index; Feb 11–Present: MSCI AC Asia Pacific ex Japan Mid Cap Index

For the six months ended 31 December 2011, the Fund fell 19.9% compared with a 16.4% decrease in the benchmark MSCI AC Asia Pacific ex Japan Mid Cap Index in Singapore dollar terms.

Holdings that detracted from performance were **CST Mining**, **Luk Fook Holdings** and **Minmetals Land**.

**CST Mining** owns copper mines in Peru and Australia. The company has liquid assets that are greater than its market capitalization, and is in a net cash position. CST Mining is considering spinning off its Peruvian asset, which alone is estimated to be worth twice the market capitalization.

**Luk Fook Holdings** is one of Hong Kong's most established jewellery retailers with an increasing presence in China. Anticipation of a slowdown in the Chinese economy triggered a correction in the share price. The stock is now trading at very attractive levels.

**Minmetals Land** is a state owned property company under the Minmetals Group. The company has relatively low gearing levels and most of their projects are in 2<sup>nd</sup> and 3<sup>rd</sup> tier cities in China where demand for housing is more buoyant. The company should see a huge jump in sales and profits in 2011 and 2012 due to injection of assets from its parent. The company's sales targets are likely to be achieved despite a slowdown in the industry in general.

Holdings that contributed to performance over this period were **Infracore Inc**, **PT Indomobil Sukses International** and **SL Corp**.

**Infracore Inc**, a Korean software developer produces a very popular Office program called Polaris Office. The software gets distributed with every Samsung and LG smartphone. Sales are expected to jump sharply in 2011 and 2012 and the share appreciated.

**PT Indomobil Sukses International** is a distributor and manufacturer of Nissan, Volkswagen, Audi autos as well as Hino and Volvo trucks. The company achieved a substantial increase in sales in 2011. This growth should continue in coming years as the company's market share increase. The company is a prime beneficiary as more consumers switch from motorcycles to automobiles.

**SL Corp** is an auto parts supplier to Hyundai and Kia Motors. The company is expected to see strong growth in the coming years driven by the increased market share of Korean auto companies in the global auto market. In addition, the company will also benefit from orders outside of Korea as they slowly

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develop their overseas market because of their lower costs of production and superior product offerings. The company has done well in 2011 but still trades at single digit PER multiples.

As at end December 2011, the Fund had the following regional asset allocation: **South Korea** (25.5%), **China** (13.5%), **India** (10.6%), **Hong Kong** (9.9%), **Indonesia** (8.3%), Philippines (6.4%) and others (15.6%) the remainder in cash (10.2%).

## Market Review

Markets started the year on fairly solid footing, with the Federal Open Markets Committee keeping monetary policy excessively easy and with the Federal Reserve implementing Quantitative Easing 2 (QE 2) to drive down long end interest rates. However, a Standard & Poor's downgrade of US debt and political wrangling over the US debt ceiling sparked off a fall in markets in August.

With the global financial crisis (GFC) entering a second phase where fiscal adjustments started to be a drag on growth and debt loads in the developed world (Greece in particular) started impacting market confidence, markets became increasingly volatile. Asian equity markets were not spared and performed poorly in 2011.

During the course of the year, exogenous shocks also compounded high levels of volatility. The combination of an earthquake and tsunami in Japan, geopolitical uncertainty in the Middle East, and a lack of a solution for Greece clouded the economic picture and led to heightened risk aversion.

A massive earthquake and tsunami struck Japan in March, resulting in both massive damage to Japan's industrial infrastructure, and had global repercussions across the electronics and auto industry supply chains. This triggered a sharp slowdown in Japan industrial output and domestic demand, and became yet another headwind for the global economy.

In the Middle East and parts of Africa, calls for greater freedom and political representation, referred to as the "Jasmine Revolution", both disrupted economic activity and led to the downfall of several governments. Having started in Egypt, the movement impacted several countries in the region, including Libya, disrupting oil supplies. Temporary disruptions to oil supplies, and perceived risk to energy security drove oil prices to beyond US\$100 per barrel. This exacerbated already prevalent inflation problems in Asia.

Meanwhile, Europe continued its muddle through approach to dealing with problems in the peripheral Eurozone. This adversely influenced both the economic outlook and market sentiment. Concern mounted that Greece's problems would spread to other peripheral countries in Europe, and credit spreads widened. Credit Default Swap (CDS) spreads tell the picture nicely, having peaked in November on hope the Eurozone is on the brink of coming up with a solution for Greece's debt problems. This set the stage for a recovery in Asian equity markets to near their August highs.

Economic growth started to slow noticeably in Asia during 2011, but has held up well compared to the developed world. Initially, while export growth slowed, domestic demand stayed firm. However, into late 2011, even domestic demand started to falter. China in particular came into focus due to signs that the real estate sector was starting to cool sharply and indications that industrial output was softening, the purchasing managers index (PMI) dipped below 50.

A significant element of the slowdown was linked to weaker domestic demand as monetary conditions were tightened across the region to contain inflation. The combination of tighter monetary conditions and weaker external demand caused growth to slow. Against a backdrop of weaker growth, corporate earning expectations also turned down in late 2011. With signs that tighter monetary conditions were doing their trick to reign in inflation problems, and with a real slowdown in industrial and private sector demand, central banks reversed policies.

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## Fund Strategy and Outlook

The external environment remains uncertain, however there are a number of developments that suggest the outlook could continue to improve into 2012. US data has turned up sharply and the recovery continues to look like it is broadening out. Europe is hopefully on the brink of a more durable solution to its debt / sovereign problems, and Asia and emerging markets are starting to ease monetary conditions.

The US recovery appears to be increasingly durable, with employment gains and a pick up in hours worked leading to rising income and sustained, albeit modest gains in consumption. Meanwhile there is a bit of a renaissance taking shape in the US industrial sector, where improved terms of trade and lower wages have restored competitiveness. Surprisingly, the US has become a bastion of stability in terms of growth. And the US corporate sector remains in the sweet spot of being able to benefit from both recovering domestic demand and ongoing export gains to the developing world.

The Eurozone appears to at long last be coming up with a plan to deal with its twin challenge of dealing with Greece's problems and recapitalizing and re-liquifying its banks. And while Rome wasn't built in a day, a more proactive ECB and steadier hands at the helm across Europe are encouraging. Markets are now focusing on a plan, rather than a plan for a plan as was the case for much of 2011. Now it is more a question of execution and commitment for change. Painful as it may be, it will be positive over the long run. And importantly, the greatest risk for Europe, a disorderly default by Greece and contagion to the core continues to abate by the week.

Asia is in a transition period. While the focus in 2011 was dealing with overheating, the challenge now is to continue to put in place policies aimed at stimulating domestic demand, but at the same time prevents nascent bubbles in the real estate sectors from becoming something less benign. The rebalancing process will be a fine line that policy makers will have to walk, and China is the best example of this. With prior stimulative policies having resulted in a significant overinvestment in the real estate sector, policy makers have to walk a fine line of enabling developers to work through housing and land inventories and manufacturing a soft landing for housing prices, or risk a sharp slowing in growth.

Underlying this adjustment process, there are still many positive factors supporting growth in Asia. Broadly speaking, positive demographic trends, favourable terms of trade and significant gains in literacy and skills should translate to ongoing wage and purchasing power gains over the long run. The rising purchasing power of the middle and increasingly lower income segments of emerging Asia (China, India, Indonesia, etc.) is a very supportive backdrop for investors, particularly in many of the regions' domestically oriented sectors, retail, healthcare, telecommunications and banking.

However, just as Rome wasn't built in a day, the journey towards development isn't always a straight upward sloping line. Cracks in China's development model are already very visible in its real estate and housing markets. The local government financing model of using land to repay prior debts could be challenged. The loss content in bank balance sheets could be grossly underestimated if real estate prices continue to fall. The build of a fixed asset investment overhang is eerily reminiscent of South East Asia's "Tiger era" in the early 1990s. And the risk is too big to be ignored.

Our investment strategy reflects both the long term opportunity sets that lie before us as well as the cyclical opportunities that are more visible and the risks that are frequently masked by rising asset prices.

We remain very focused on seeking out opportunities arising from rising purchasing power of the Asian consumer. This trend will continue to march forward regardless of the shifting fate of the real estate sector independent of the significant need of credit expansion to support it.

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The Fund remains defensively positioned for now. We are invested in companies that are well managed and can operate effectively across a business cycle. We also see opportunities in companies whose stock prices have been excessively sold down. These companies are financially healthy and are still seeing good growth in the coming year but are now trading at very low valuations. Over a 2-3 year cycle, we expect many of these companies to see their share prices recover and their PER multiples re-rate back to historical levels.

Given our cautious view on the global economy, we are adopting an underweight stance in sectors that are exposed to export or are external demand driven. These sectors include technology, materials and energy. With Asian economies slowing, we are also underweight in sectors such as financials and industrials where earnings could be revised down.

We are more positive on the **consumer** sector (both consumer discretionary and consumer staples) over the medium to long term. We believe that the long term growth prospects for consumer companies remain very attractive as Asia benefits from favourable demographic trends and rising income levels.

Looking back on the past 10 years, consumer companies have done very well in terms of shareholder returns across the business cycles. Many of the consumer companies are still relatively small in terms of their market capitalizations and we believe that investors can look forward to good returns over the next decade or so as these companies gain market share and emerge as the blue-chips of tomorrow.

Key holdings in the **consumer** sector include **Hyundai Home Shopping**, **Haier Electronics**, **LG Household & Healthcare** and **CP All**. Hyundai Home Shopping should see consistently strong growth in the medium to long term driven by the increase in penetration of online and home shopping. The company recently entered China where home shopping is just taking off.

**Haier Electronics** will benefit from the demand for household appliances in China, especially in the rural regions where ownership levels are very low. The company will also see margins gains as they reach economies of scale in their distribution business in the lower-tier cities across China.

**LG Household & Healthcare** has a variety of businesses which ranges from cosmetics (The Face Shop) to household products to beverages (it is Coke's bottler in Korea). The company has grown its earnings every year at about a 20% CAGR. Returns on equity have consistently been in the high 20%. The company's future growth is likely to be driven by expansion of The Face Shop in Japan and China, its new business unit Haitai Beverages (a juice company acquired from Coke in late 2011).

**CP All** operates the 7-Eleven franchise in Thailand. This company has a very strong operating track record and has delivered solid growth year after year. Store openings will continue to drive sales, while change in product mix should support margins.

The Fund is *overweight* in the **telecommunications** sector. Companies in the sector mostly have stable free cash flow and consistent dividends. Stability of yield is a key consideration in the current environment. A handful of telecommunication companies also offer growth catalysts. The increase of data usage is a catalyst driving revenue growth. Smartphone adoption is mostly beneficial driving average revenue per user (ARPU) increases and better margins. We like stocks which are gaining market share, have good management, consistent cash flows, that have modern networks. Our preferred stock is **Smartone Telecommunications**.

The portfolio is currently defensively positioned. When signs that global and Asian growth expectations bottom, we expect to increase exposure to consumer discretionary companies. The long term drivers of growth for consumer companies in Asia remain positive. Favorable demographic trends, rising wages and changing consumer tastes and behavior should drive very interesting opportunities for investors in the years ahead.

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## B) Investments at fair value and as a percentage of NAV as at 31 December 2011 under review classified by

	Fair Value (S\$)	% of NAV
<b>i) Country</b>		
Australia	3,273,757	4.93
China	8,971,745	13.52
Hong Kong	6,561,098	9.89
India	7,028,023	10.59
Indonesia	5,512,066	8.31
Philippines	4,248,589	6.40
Singapore	1,443,200	2.18
South Korea	16,945,339	25.54
Taiwan	2,607,410	3.93
Thailand	3,026,372	4.56
Portfolio of investments	59,617,599	89.85
Other net assets	6,732,444	10.15
<b>Total</b>	<b>66,350,043</b>	<b>100.00</b>

<b>ii) Industry</b>		
Consumer Discretionary	18,859,172	28.41
Consumer Staples	13,453,638	20.27
Financials	6,925,382	10.44
Healthcare	1,672,870	2.52
Industrials	4,518,661	6.82
Information Technology	3,931,862	5.92
Materials	7,061,613	10.65
Telecom Service	1,968,699	2.97
Unit Trust	1,225,702	1.85
Portfolio of investments	59,617,599	89.85
Other net assets	6,732,444	10.15
<b>Total</b>	<b>66,350,043</b>	<b>100.00</b>

<b>iii) Asset Class</b>		
Equities	59,617,599	89.85
Other net assets	6,732,444	10.15
<b>Total</b>	<b>66,350,043</b>	<b>100.00</b>

## iv) Credit rating of debt securities

N/A

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## C) Top Ten Holdings

The top 10 holdings as at 31 December 2011 and 31 December 2010

10 largest holdings at 31 December 2011	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
HYUNDAI HOME SHOPPING NETWORK CORP	2,520,419	3.80
CHINA PACIFIC INSURANCE (GRP) CO LTD-H	2,029,302	3.06
LOCK&LOCK CO LTD	1,984,778	2.99
SMARTONE TELECOMMUNICATIONS	1,968,699	2.97
LG HOUSEHOLD & HEALTH CARE LTD	1,877,413	2.83
TRINITY LTD	1,866,524	2.81
MANDO CORPORATION	1,850,427	2.79
HAIER ELECTRONICS GROUP CO LTD	1,783,524	2.69
PT MEDIA NUSANTARA CITRA	1,766,046	2.66
SOULBRAIN CO LTD	1,709,022	2.58

10 largest holdings at 31 December 2010	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
MAN WAH HOLDINGS LIMITED	4,034,615	3.43
ALLIANCE GLOBAL GROUP INC	3,850,781	3.28
G TECH OPTOELECTRONICS CORP	3,677,528	3.13
DONGYUE GROUP	3,653,810	3.11
STRAITS RESOURCES LIMITED	3,545,479	3.02
APOLLO SOLAR ENERGY TECHNOLOGY HLDS LTD	3,500,222	2.98
WINSWAY COKING COAL HOLDINGS	3,491,821	2.97
FILA KOREA LIMITED	3,374,230	2.87
STX OSV HOLDINGS LTD	3,306,000	2.81
EMPEROR WATCH & JEWELLERY LTD	3,292,582	2.80

## D) Exposure to derivatives

- i) fair value of derivative contracts and as a percentage of NAV as at 31 December 2011  
N/A
- ii) net gains/(losses) on derivative contracts realised during the financial period ended 31 December 2011  
N/A
- iii) net gains/(losses) on outstanding derivative contracts marked to market as at 31 December 2011  
N/A

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## E) Amount and percentage of net asset value (NAV) invested in other schemes as at 31 December 2011

	Fair value at 31 December 2011 (S\$)	Percentage of total net assets attributable to unitholders at 31 December 2011 %
HI SMALL&MID CAP PLUS SECS INVT TR 1(EQ)	1,225,702	1.85

## F) Amount and percentage of borrowings to net asset value (NAV) as at 31 December 2011

N/A

## G) Amount of redemptions and subscriptions for the period 01 July 2011 to 31 December 2011

Total amount of redemptions	SGD	19,356,466
Total amount of subscriptions	SGD	2,226,003

## H) The amount and terms of related-party transactions for the period 01 July 2011 to 31 December 2011

- i) As at 31 December 2011 the Fund maintained current account with the United Overseas Bank Limited as follows:

Bank balances	SGD	76,103
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- ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 31 December 2011

Holdings of United Asian Growth Opportunities Fund as at 31 December 2011 were as follows:-

Affiliated Companies	No. of Units	Unit Price SGD	Market Value SGD
a) OSK-UOB Asian Growth Opportunities Fund	29,292,935.31	1.451	42,504,049.13
c) United Asia Active Allocation Fund	3,814,670.42	1.451	5,535,086.78
b) United Overseas Insurance Ltd -Offshore Insurance Fund	52,219.32	1.451	75,770.23

- iii) Investment in Initial Public Offerings managed by UOB Group

N/A

- iv) As at 31 December 2011 the brokerage income earned by UOB Kay Hian Pte Ltd was SGD 1,866.

## I) Expense ratios

31 December 2011	1.57%
31 December 2010	1.47%

*Note: The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.*

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## J) Turnover ratios

31 December 2011	202.66%
31 December 2010	106.09%

*Note: The turnover ratio is calculated in accordance with the formula stated in the 'Code on Collective Investment Schemes'.*

## K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

## L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme ("the underlying scheme")<sup>1</sup> should be disclosed as well

- i) top 10 holdings at fair value and as percentage of NAV as at 31 December 2011 and 31 December 2010

N/A

- ii) expense ratios for the period ended 31 December 2011 and 31 December 2010. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received

N/A

- iii) turnover ratios for the period ended 31 December 2011 and 31 December 2010

N/A

## M) Soft dollar commissions/arrangements

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management's duties to clients. As such services generally benefit all of UOB Asset Management's clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on the best available terms and there was no churning of trades.

<sup>1</sup> where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

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## STATEMENT OF TOTAL RETURN

For the half year ended 31 December 2011 (Un-audited)

		31 December 2011	31 December 2010
	Note	\$	\$
<b>Income</b>			
Dividends		675,922	622,730
Interest		7,320	96
		<b>683,242</b>	<b>622,826</b>
<b>Less: Expenses</b>			
Management fee	11	501,668	665,207
Trustee fee	11	16,053	21,287
Audit fee		7,470	7,127
Custody fee		42,755	57,926
Interest expenses		1,691	1,305
Other expenses		108,204	34,444
		<b>677,841</b>	<b>787,296</b>
<b>Net income/(loss)</b>		<b>5,401</b>	<b>(164,470)</b>
<b>Net gains or losses on value of investments</b>			
Net realised loss on investments		(7,415,270)	(5,853,998)
Net change in fair value on investments		(9,210,189)	26,201,141
Net foreign exchange loss		(454,994)	(316,534)
<b>Net (loss)/gain on value of investments</b>		<b>(17,080,453)</b>	<b>20,030,609</b>
<b>Total (deficit)/return for the period before tax</b>		<b>(17,075,052)</b>	<b>19,866,139</b>
Less : Income tax	3	(101,569)	(41,172)
Capital gain tax expense		-	(58,630)
<b>Total (deficit)/return for the period</b>		<b>(17,176,621)</b>	<b>19,766,337</b>

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

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## BALANCE SHEET

As at 31 December 2011 (Un-audited)

		<b>31 December</b>	30 June
		<b>2011</b>	2011
	Note	\$	\$
<b>ASSETS</b>			
Portfolio of investments		<b>59,617,599</b>	89,154,121
Receivables	4	<b>6,990</b>	684,525
Cash and bank balances	5	<b>7,198,509</b>	14,335,478
<b>Total Assets</b>		<b>66,823,098</b>	104,174,124
<b>LIABILITIES</b>			
Payables	6	<b>473,055</b>	491,601
Purchases awaiting settlement		-	3,025,396
Net assets attributable to unitholders	7	<b>66,350,043</b>	100,657,127
<b>Total Liabilities</b>		<b>66,823,098</b>	104,174,124

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

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## PORTFOLIO STATEMENT

As at 31 December 2011 (Un-audited)

	Holdings at 31 December 2011	Fair value at 31 December 2011 \$	Percentage of total net assets attributable to unitholders at 31 December 2011 %
<b>By Geography - Primary Quoted Equities</b>			
<b>AUSTRALIA</b>			
COCA-COLA AMATIL LTD	100,000	1,530,054	2.30
PERSEUS MINING LIMITED	270,000	854,225	1.29
RESOLUTE MINING LIMITED	408,000	889,478	1.34
<b>TOTAL AUSTRALIA</b>		<b>3,273,757</b>	<b>4.93</b>
<b>CHINA</b>			
CHINA PACIFIC INSURANCE (GRP) CO LTD-H	550,000	2,029,302	3.06
CHINA SOUTH CITY HOLDINGS LTD	6,340,000	1,047,891	1.58
CHINA YURUN FOOD GROUP LTD	700,000	1,189,700	1.79
DONGYUE GROUP	1,900,000	1,624,110	2.45
HAIER ELECTRONICS GROUP CO LTD	1,555,000	1,783,524	2.69
MINMETALS LAND LIMITED	10,500,000	1,297,218	1.95
<b>TOTAL CHINA</b>		<b>8,971,745</b>	<b>13.52</b>
<b>HONG KONG</b>			
CST MINING GROUP LTD	104,592,000	1,100,096	1.66
LUK FOOK HOLDINGS (INTERNATIONAL) LTD	360,000	1,625,779	2.45
SMARTONE TELECOMMUNICATIONS	880,000	1,968,699	2.97
TRINITY LTD	2,000,000	1,866,524	2.81
<b>TOTAL HONG KONG</b>		<b>6,561,098</b>	<b>9.89</b>
<b>INDIA</b>			
COLGATE-PALMOLIVE (INDIA) LTD	60,000	1,450,499	2.19
HERO MOTORCORP LTD	34,868	1,621,973	2.44
MARUTI SUZUKI LIMITED	75,000	1,683,014	2.54
NESTLE INDIA LTD	13,600	1,353,174	2.04
VIP INDUSTRIES LIMITED	489,000	919,363	1.38
<b>TOTAL INDIA</b>		<b>7,028,023</b>	<b>10.59</b>

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## PORTFOLIO STATEMENT

As at 31 December 2011 (Un-audited)

	Holdings at 31 December 2011	Fair value at 31 December 2011 \$	Percentage of total net assets attributable to unitholders at 31 December 2011 %
<b>By Geography - Primary (continued)</b>			
<b>Quoted Equities</b>			
<b>INDONESIA</b>			
PT CHAROEN POKPHAND INDONESIA TBK	2,000,000	607,749	0.92
PT INDOMOBIL SUKSES INTERNATIONAL TBK	1,000,000	1,687,396	2.54
PT LIPPO CIKARANG TBK	5,700,000	1,450,875	2.19
PT MEDIA NUSANTARA CITRA	9,500,000	1,766,046	2.66
<b>TOTAL INDONESIA</b>		<b>5,512,066</b>	<b>8.31</b>
<b>PHILIPPINES</b>			
ALLIANCE GLOBAL GROUP INC	5,200,000	1,583,595	2.39
PUREGOLD PRICE CLUB INC	2,039,800	1,077,141	1.62
UNIVERSAL ROBINA CORPORATION	1,120,000	1,587,853	2.39
<b>TOTAL PHILIPPINES</b>		<b>4,248,589</b>	<b>6.40</b>
<b>SINGAPORE</b>			
SMRT CORPORATION LIMITED	820,000	1,443,200	2.18
<b>SOUTH KOREA</b>			
CELLTRION INC	41,000	1,672,870	2.52
CJ E&M CORPORATION	45,000	1,534,707	2.31
HITE JINRO CO LTD	44,000	1,245,549	1.88
HYUNDAI HOME SHOPPING NETWORK CORP	16,900	2,520,419	3.80
INFRAWARE INC	82,000	1,324,452	1.99
LG HOUSEHOLD & HEALTH CARE LTD	3,425	1,877,413	2.83
LOCK&LOCK CO LTD	46,101	1,984,778	2.99
MANDO CORPORATION	8,000	1,850,427	2.79
SOULBRAIN CO LTD	39,336	1,709,022	2.58
<b>TOTAL SOUTH KOREA</b>		<b>15,719,637</b>	<b>23.69</b>

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

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## PORTFOLIO STATEMENT

As at 31 December 2011 (Un-audited)

	Holdings at 31 December 2011	Fair value at 31 December 2011 \$	Percentage of total net assets attributable to unitholders at 31 December 2011 %
<b>By Geography - Primary (continued)</b>			
<b>Quoted Equities</b>			
<b>TAIWAN</b>			
INSYDE SOFTWARE CORPORATION	200,000	1,224,749	1.85
PC HOME ONLINE	175,000	1,382,661	2.08
<b>TOTAL TAIWAN</b>		<b>2,607,410</b>	<b>3.93</b>
<b>THAILAND</b>			
CP ALL PCL - FOREIGN	725,000	1,534,506	2.31
DYNASTY CERAMIC PCL-FOREIGN	600,000	1,491,866	2.25
<b>TOTAL THAILAND</b>		<b>3,026,372</b>	<b>4.56</b>
<b>TOTAL QUOTED EQUITIES</b>		<b>58,391,897</b>	<b>88.00</b>
<b>Unit Trust</b>			
<b>SOUTH KOREA</b>			
HI SMALL&MID CAP PLUS SECS INVT TR 1 (EQ)	1,142,492,746	1,225,702	1.85
<b>TOTAL UNIT TRUST</b>		<b>1,225,702</b>	<b>1.85</b>
<b>Portfolio of investments</b>		<b>59,617,599</b>	<b>89.85</b>
<b>Other net assets</b>		<b>6,732,444</b>	<b>10.15</b>
<b>Net assets attributable to unitholders</b>		<b>66,350,043</b>	<b>100.00</b>

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

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## PORTFOLIO STATEMENT

As at 31 December 2011 (Un-audited)

	<b>Percentage of total net assets attributable to unitholders at 31 December 2011 %</b>	Percentage of total net assets attributable to unitholders at 30 June 2011 %
<b>By Geography - Primary (Summary) Quoted Equities/Unit Trust</b>		
Australia	<b>4.93</b>	9.56
China	<b>13.52</b>	18.98
Hong Kong	<b>9.89</b>	19.55
India	<b>10.59</b>	-
Indonesia	<b>8.31</b>	4.88
Malaysia	-	4.50
Philippines	<b>6.40</b>	7.67
Singapore	<b>2.18</b>	-
South Korea	<b>25.54</b>	9.89
Taiwan	<b>3.93</b>	7.83
Thailand	<b>4.56</b>	5.71
<b>Portfolio of investments</b>	<b>89.85</b>	88.57
<b>Other net assets</b>	<b>10.15</b>	11.43
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

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

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## PORTFOLIO STATEMENT

As at 31 December 2011 (Un-audited)

	Fair value at 31 December 2011 \$	Percentage of total net assets attributable to unitholders at 31 December 2011 %	Percentage of total net assets attributable to unitholders at 30 June 2011 %
<b>By Industry - Secondary Quoted Equities/Unit Trust</b>			
Consumer Discretionary	18,859,172	28.41	33.23
Consumer Staples	13,453,638	20.27	1.90
Energy	-	-	2.04
Financials	6,925,382	10.44	13.97
Healthcare	1,672,870	2.52	-
Industrials	4,518,661	6.82	13.22
Information Technology	3,931,862	5.92	4.23
Materials	7,061,613	10.65	18.47
Telecom Service	1,968,699	2.97	-
Unit Trust	1,225,702	1.85	1.51
<b>Portfolio of investments</b>	<b>59,617,599</b>	<b>89.85</b>	<b>88.57</b>
<b>Other net assets</b>	<b>6,732,444</b>	<b>10.15</b>	<b>11.43</b>
<b>Net assets attributable to unitholders</b>	<b>66,350,043</b>	<b>100.00</b>	<b>100.00</b>

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

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 1. General

United Asian Growth Opportunities Fund (the “Fund”) is a Singapore-registered trust fund constituted by a Trust Deed dated 3 February 2004 between UOB Asset Management Ltd (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Deed is governed by the laws of the Republic of Singapore.

The primary activity of the Fund is that of investment trading. The Fund’s investment objective is to achieve long-term capital growth by investing primarily in small capitalisation stocks and stock-related securities issued by corporations in the Asia Pacific region (excluding Japan).

### 2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation of financial assets at fair value through profit or loss, and in accordance with the Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” (“RAP 7”) issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars.

(b) Recognition of income

Dividend income is recognised when the right to receive payment is established. Interest income is recognised on a time proportion basis using the effective interest method.

(c) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) *Initial recognition*

Purchase of investments are recognized on trade date. Investments are recorded at fair value on initial recognition.

(ii) *Subsequent measurement*

Investments are subsequently carried at fair value. Net change in fair value on investments are included in the Statement of Total Return in the period in which they arise.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 2. Significant accounting policies (continued)

(c) Investments (continued)

(iii) *Derecognition*

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sale of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and are taken up in the Statement of Total Return.

(d) Basis of valuation of investments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for these investments held by the Fund is the current market quoted bid price.

(e) Foreign currency translation

(i) *Functional and presentation currency*

The Fund's investors are mainly from Singapore with the subscriptions and redemptions of the units denominated in Singapore dollars and United States dollars.

The performance of the Fund is measured and reported to the investors in Singapore dollars. The Manager considers the Singapore dollars as the currency of the primary economic environment in which the Fund operates. The financial statements are presented in Singapore dollars, which is the Fund's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period/year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Total Return. Translation differences on non-monetary financial assets and liabilities such as equities are also recognised in the Statement of Total Return within the fair value net gain or loss.

(f) Expenses charged to the Fund

All direct expenses relating to the Fund are charged directly to the Statement of Total Return. In addition, certain expenses shared by all unit trusts managed by the Manager are allocated to each Fund based on the respective Fund's net asset value.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 3. Income tax and capital gain tax

	<b>31 December 2011</b>	31 December 2010
	<b>\$</b>	\$
Overseas income tax	<b>101,569</b>	41,172
Capital gain tax	-	58,630

The Fund was granted the status of a Designated Unit Trust and, therefore, the following income is exempt from tax in accordance with Section 35(12) of the Income Tax Act (Cap 134):

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Singapore Income Tax Act); and
- (iii) dividends derived from outside Singapore and received in Singapore.

The overseas income tax represents tax withheld on foreign sourced income.

The Fund is required to recognise a tax liability when it is probable that the tax laws of foreign countries require a tax liability to be assessed on the Fund's gains on investments sourced from such foreign countries, assuming the relevant taxing authorities have full knowledge of all the facts and circumstances. The tax liability is then measured at the amount expected to be paid to the relevant taxation authorities using the tax laws and rates that have been enacted or substantively enacted by the end of the reporting period. There is sometimes uncertainty about the way enacted tax law is applied to offshore investment funds. This creates uncertainty about whether or not a tax liability will ultimately be paid by the Fund. Therefore when measuring any uncertain tax liabilities management considers all of the relevant facts and circumstances available at the time which could influence the likelihood of payment, including any formal or informal practices of the relevant tax authorities.

As at 31 December 2011 the Fund has uncertain taxes exposure with respect to gains on investment of which the tax liability is estimated to be nil. While this represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 4. Receivables

	<b>31 December 2011</b>	30 June 2011
	\$	\$
Amounts receivable for creation of units	<b>6,990</b>	543,326
Dividend receivable	-	141,164
Interest receivable	-	35
	<b>6,990</b>	684,525

### 5. Cash and bank balances

	<b>31 December 2011</b>	30 June 2011
	\$	\$
Cash at bank	<b>7,198,509</b>	7,335,478
Fixed deposit with a financial institution	-	7,000,000
	<b>7,198,509</b>	14,335,478

The weighted average effective interest rate of the fixed deposits with the financial institutions as at 31 December 2011 is Nil per annum (30 June 2011: 0.18%), maturing within Nil days (30 June 2011: 5 days) from the balance sheet date.

### 6. Payables

	<b>31 December 2011</b>	30 June 2011
	\$	\$
Amounts payable for cancellation of units	<b>235,229</b>	99,918
Amount due to Manager	<b>223,223</b>	348,736
Amount due to Trustee	<b>7,134</b>	10,223
Other creditors and accrued expenses	<b>7,469</b>	32,724
	<b>473,055</b>	491,601

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 7. Net assets attributable to unitholders

	31 December 2011 \$	30 June 2011 \$
<b>At the beginning of the financial period/year</b>	<b>100,657,127</b>	89,977,182
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	<b>(17,176,621)</b>	11,993,792
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	<b>2,226,003</b>	27,396,752
Cancellation of units	<b>(19,356,466)</b>	(28,710,599)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<b>(17,130,463)</b>	(1,313,847)
<b>Total (decrease)/increase in net assets attributable to unitholders</b>	<b>(34,307,084)</b>	10,679,945
<b>At the end of the financial period/year</b>	<b>66,350,043</b>	100,657,127
<b>Units in issue (Note 8)</b>	<b>45,939,560</b>	55,684,127
<b>Net assets attributable to unitholders per unit</b>	<b>\$ 1.44</b>	\$ 1.81

### 8. Units in issue

	31 December 2011	30 June 2011
Units at beginning of the period/year	<b>55,684,127</b>	56,438,102
Units created	<b>1,313,958</b>	14,800,739
Units cancelled	<b>(11,058,525)</b>	(15,554,714)
Units at end of the period/year	<b>45,939,560</b>	55,684,127

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 9. Distribution to unitholders

The Manager does not propose any distribution to unitholders for the financial period ended 31 December 2011 (31 December 2010: Nil).

### 10. Financial risk management

The Fund's activities expose it to a variety of financial risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use financial futures contracts, financial options contracts and/or currency forward contracts subject to the terms of the Prospectus to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

The Fund's assets principally consist of financial instruments such as equity investments, money market investments and cash. They are held in accordance with the published investment policies of the Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

#### (a) Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investor's expectation etc. which may have significant impact on the value of the investments. The Fund's investments are substantially dependent on changes in market prices. The Fund's investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the Fund. Guidelines are set to reduce the Fund's risk exposures to market volatility such as diversifying the portfolio by investing across various geographies, alternatively, the Fund may be hedged using derivative strategies.

#### (i) Foreign exchange risk

The Fund has securities denominated in currencies other than the Singapore dollars and it may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Singapore dollars and such other currencies. The Manager may at his discretion, implement a currency management strategy either to reduce currency volatility or to hedge the currency exposures of the Fund.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 10. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The table below summarises the on-balance sheet exposure to currency risks for the Fund.

As at 31 December 2011

	INR	KOW	HKD	SGD	Others	Total
	\$	\$	\$	\$	\$	\$
<b>Assets</b>						
Portfolio of investments	7,028,023	16,945,339	15,532,843	1,443,200	18,668,194	<b>59,617,599</b>
Receivables	-	-	-	6,990	-	<b>6,990</b>
Cash and bank balances	13,185	761,110	-	5,112,277	1,311,937	<b>7,198,509</b>
<b>Total Assets</b>	<b>7,041,208</b>	<b>17,706,449</b>	<b>15,532,843</b>	<b>6,562,467</b>	<b>19,980,131</b>	<b>66,823,098</b>
<b>Liabilities</b>						
Payables	-	-	-	424,751	48,304	<b>473,055</b>
Net assets attributable to unitholders	-	-	-	66,350,043	-	<b>66,350,043</b>
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,774,794</b>	<b>48,304</b>	<b>66,823,098</b>
<b>Net currency exposure</b>	<b>7,041,208</b>	<b>17,706,449</b>	<b>15,532,843</b>	<b>(60,212,327)</b>	<b>19,931,827</b>	

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 10. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

As at 30 June 2011

	AUD \$	KOW \$	HKD \$	SGD \$	Others \$	Total \$
<b>Assets</b>						
Portfolio of investments	9,618,973	9,960,308	35,887,337	-	33,687,503	89,154,121
Receivables	-	-	104,582	543,360	36,583	684,525
Cash and bank balances	196	836,815	-	12,683,214	815,253	14,335,478
<b>Total Assets</b>	<b>9,619,169</b>	<b>10,797,123</b>	<b>35,991,919</b>	<b>13,226,574</b>	<b>34,539,339</b>	<b>104,174,124</b>
<b>Liabilities</b>						
Payables	-	-	-	468,867	22,734	491,601
Purchases awaiting settlement	-	-	-	-	3,025,396	3,025,396
Net assets attributable to unitholders	-	-	-	100,657,127	-	100,657,127
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101,125,994</b>	<b>3,048,130</b>	<b>104,174,124</b>
<b>Net currency exposure</b>	<b>9,619,169</b>	<b>10,797,123</b>	<b>35,991,919</b>	<b>(87,899,420)</b>	<b>31,491,209</b>	

Investments, which is the significant item in the balance sheet is exposed to currency risk and other price risk. The other price risk sensitivity analysis includes the impact of currency risk on non-monetary investments. The Fund's net financial assets comprise significantly non-monetary investments, hence currency risk sensitivity analysis has not been performed on the remaining financial assets.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 10. Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk

Price risk is the risk of potential adverse changes to the value of financial investments because of changes in market conditions and volatility in security prices.

The table below summarises the impact of increases/decreases from the Fund's underlying investments in equities on the Fund's net assets attributable to unitholders at 31 December 2011 and 30 June 2011. The analysis is based on the assumption that the index components within the benchmark increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the historical correlation with the index.

Benchmark component	31 December 2011		30 June 2011	
	Net impact to net assets attributable to unitholders		Net impact to net assets attributable to unitholders	
	\$	%	\$	%
MSCI AC Asia Pacific ex Japan Mid Cap Index	<b>10,373,462</b>	<b>20</b>	17,474,208	20

(iii) 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 Fund's financial assets and liabilities are largely non-interest bearing. Hence, the Fund is not subjected to risk due to fluctuations in the prevailing levels of market interest rates.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 10. Financial risk management (continued)

#### (b) Liquidity risk

The Fund is exposed to daily cash redemptions and disbursements for the settlements of purchases. The Manager therefore ensures that the Fund maintains sufficient cash and cash equivalents and that it is able to obtain cash from the sale of investments held to meet its liquidity requirements. Reasonable efforts will be taken to invest in securities which are traded in a relatively active market and which can be readily disposed of.

The Fund's investments in listed securities are considered to be readily realisable as they are listed on established regional stock exchanges.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet 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.

#### As at 31 December 2011

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	473,055	-	-	-
Net assets attributable to unitholders	66,350,043	-	-	-

#### As at 30 June 2011

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	491,601	-	-	-
Purchases awaiting settlement	3,025,396	-	-	-
Net assets attributable to unitholders	100,657,127	-	-	-

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 10. Financial risk management (continued)

#### (c) Credit risk

The Fund takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Fund's credit risk is concentrated on cash and bank balances, and amounts or securities receivable on the sale and purchase of investments respectively. In order to mitigate exposure to credit risk, all transactions in listed securities are settled/paid for upon delivery and transacted with approved counterparties using an approved list of brokers that are regularly assessed and updated by the Manager.

The table below summarises the credit rating of banks and custodians in which the Fund's assets are held as at 31 December 2011 and 30 June 2011.

As at 31 December 2011

	<b>Credit rating</b>	<b>Source of credit rating</b>
<u>Bank</u>		
State Street Bank & Trust Co.	<b>B</b>	<b>Moody's</b>
United Overseas Bank Limited	<b>B</b>	<b>Moody's</b>
<u>Custodian</u>		
State Street Bank & Trust Co.	<b>B</b>	<b>Moody's</b>

As at 30 June 2011

	<b>Credit rating</b>	<b>Source of credit rating</b>
<u>Bank</u>		
State Street Bank & Trust Co.	<b>B</b>	<b>Moody's</b>
United Overseas Bank Limited	<b>B</b>	<b>Moody's</b>
<u>Custodian</u>		
State Street Bank & Trust Co.	<b>B</b>	<b>Moody's</b>

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 10. Financial risk management (continued)

(d) Capital management

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

### 11. Related party transactions

- (a) The Manager and the Trustee of the Fund are UOB Asset Management Ltd and HSBC Institutional Trust Services (Singapore) Limited respectively. UOB Asset Management Ltd is a subsidiary of United Overseas Bank Limited and HSBC Institutional Trust Services (Singapore) Limited is a subsidiary of HSBC Holdings Plc.

Management fee is paid to the Manager, while trustee fee is paid to the Trustee. These fees paid or payable by the Fund shown in the Statement of Total Return and in the respective Notes to the Financial Statements are on terms set out in the Trust Deed. All other related party transactions are shown elsewhere in the financial statements.

- (b) As at the end of the financial period/year, the Fund maintained the following account with a related party:

	<b>31 December 2011</b>	30 June 2011
	\$	\$
<u>United Overseas Bank Limited</u>		
Bank balances	<b>76,103</b>	7,084,556

- (c) The following transactions took place during the financial period between the Fund and United Overseas Bank limited at terms agreed between the parties as follow:

	<b>31 December 2011</b>	31 December 2010
	\$	\$
Interest income	<b>173</b>	-
Bank charges	<b>30</b>	30

# United Asian Growth Opportunities Fund

(Constituted under a Trust Deed in the Republic of Singapore)

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## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2011 (Un-audited)

### 11. Related party transactions (continued)

(d) UOB Kay Hian Pte Ltd is an affiliate company of United Overseas Bank Limited.

During the financial period, the Fund has brokerage fees paid or payable to UOB Kay Hian Pte Ltd as follows:

	<b>31 December 2011</b>	31 December 2010
	<b>\$</b>	\$
Brokerage charges	<b>1,866</b>	5,493

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### 12. Financial ratios

	<b>31 December 2011</b>	31 December 2010
Expense ratio <sup>1</sup>	<b>1.57%</b>	1.47%
Turnover ratio <sup>2</sup>	<b>202.66%</b>	106.09%

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<sup>1</sup> The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.

<sup>2</sup> The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

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