

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

UNITED ASIA ACTIVE ALLOCATION FUND

(the “Fund”)

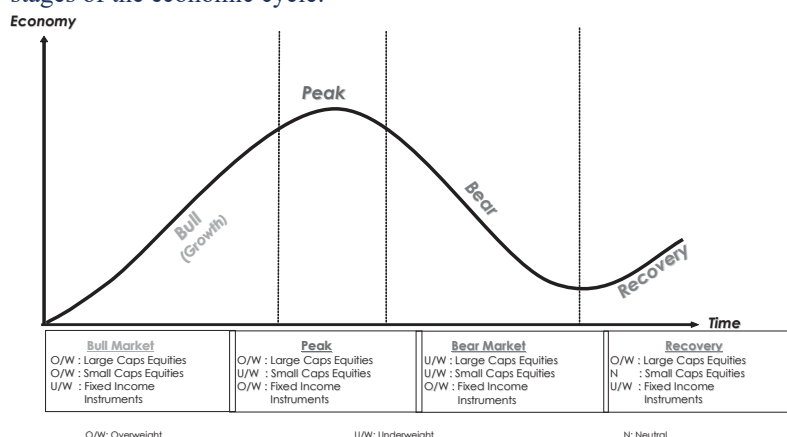
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|--------------------|---------------------------------|---|---|
| Product Type | Unit Trust | Launch Date | 13 November 2007 |
| Managers | UOB Asset Management Ltd | Custodian | State Street Bank and Trust Company, Singapore Branch |
| Trustee | State Street Trust (SG) Limited | Dealing Frequency | Every Dealing Day |
| Capital Guaranteed | No | Expense Ratio for year ended 31 December 2017 | 4.04% |

| PRODUCT SUITABILITY | |
|---|---|
| WHO IS THE PRODUCT SUITABLE FOR? <ul style="list-style-type: none"> • The Fund is <u>only</u> suitable for investors who: <ul style="list-style-type: none"> o seek medium to long term capital growth and regular distributions; and o are comfortable with the volatility and risks of a fund which assets are actively allocated into Asian equities and fixed income instruments. | Further Information Refer to <u>paragraph 5</u> on page 4 of the Prospectus for information on product suitability. |
| KEY PRODUCT FEATURES | |
| WHAT ARE YOU INVESTING IN? <ul style="list-style-type: none"> • You are investing in a unit trust constituted in Singapore that aims to provide you with medium to long term capital growth and regular distributions through investments in Asian large capitalisation companies’ equities, Asian small capitalisation companies’ equities, Asian fixed income and money market instruments. • The Fund may make regular annual distributions of 5% of the NAV per Unit as at the last Business Day of every year, payable in 4 separate quarterly distributions in Units. The making of distributions is at the absolute discretion of the Managers and is not guaranteed and may have the effect of lowering the Fund’s NAV. | Refer to <u>paragraph 5</u> on page 4 of the Prospectus for information on features of the product. |
| Investment Strategy | |
| <ul style="list-style-type: none"> • The Fund will invest all or substantially all of its assets in 3 Singapore-authorized collective investment schemes managed by the Managers, i.e. United Asia Fund, United Asian Growth Opportunities Fund and United Asian Bond Fund (the “Underlying Funds”)². The Fund may also invest in other collective investment schemes. • The Fund’s tactical asset allocation to Asian large capitalisation companies’ equities and Asian fixed income instruments and money market instruments could range between 20% to 60% for each asset class, and for Asian small capitalisation companies’ equities between 0% to 40%. The Managers will examine the case for each asset class at different market and business cycles every quarter, based on performance, valuation, market/sector exposure and liquidity, and decide on asset allocation. Besides quarterly strategy meetings to determine asset allocation, the Managers will also hold monthly meetings to ensure that the quarterly strategy asset allocation remains relevant. | Refer to <u>paragraph 5</u> on page 4 of the Prospectus for information on the investment strategy of the product. |

¹ The Prospectus is available from the Managers (whose operating address is at 80 Raffles Place, 3rd Storey, UOB Plaza 2, Singapore 048624) or through their authorised agents or distributors during their respective business hours, or through the Managers’ website at uobam.com.sg.

² More information on the Underlying Funds can be found in the Prospectus or from uobam.com.sg.

- Some of the economic indicators that the Managers track to monitor the economic cycle are the Purchasing Manager's Index, retail sales, consumer sentiment, industrial production, durable goods and investment spending, trade balance and current account, Consumer Price Index and Production Price Index, interest rates and yield curve and central bank policy outlook. Below is a chart of the Managers' probable underweight/overweight policy at various stages of the economic cycle:



- The Fund may use or invest in financial derivative instruments for the purposes of hedging existing positions in a portfolio, efficient portfolio management or a combination of both purposes.

Parties Involved

WHO ARE YOU INVESTING WITH?

- The Managers are UOB Asset Management Ltd.
- The Trustee is State Street Trust (SG) Limited.
- The Custodian is State Street Bank and Trust Company, Singapore Branch.

Refer to [paragraphs 2 and 3](#) on pages 1 and 3 of the Prospectus for information on these entities.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:

Refer to [paragraph 7](#) on page 13 of the Prospectus for information on risks of the product.

Market and Credit Risks

- You are exposed to market risks in the Asian markets.**
 - Prices of the securities (and the underlying securities) that the Fund invests in may be affected by changes in economic conditions, interest rates and the market's perception of the securities, which in turn may affect the value of your investment.
- You are exposed to equity risks.**
 - Investments in stocks and other equity securities historically have greater price volatility than bonds and other fixed income securities. This in turn may affect the value or volatility of the Fund.
- You are exposed to debt securities risk.**
 - Investments in debt securities are subject to interest rate fluctuations and credit risks, such as risk of default by issuers. Prices of debt securities may go up or down in response to interest rate fluctuations. Adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, may increase the potential for default by the issuers of these securities.

Liquidity Risks

- The Fund is not listed and you can redeem only on Dealing Days.**
 - There is no secondary market for the Fund. All realisation forms should be submitted to the Managers' authorised agents or distributors.
- You are exposed to liquidity risk in the Fund's investments.**
 - Investments by the Fund in some Asian and/or emerging markets often involve a greater degree of risk due to the nature of such markets which do not have fully developed services such as custodian and settlement services. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and lack of liquidity.

| Product-Specific Risks | | | | | | | | | | | |
|--|--|---------------------------|---------------------------|----------------------------|----------------------|---------------------------|-----------------------|---------------------------------------|-----------------------------|--|--|
| <ul style="list-style-type: none"> • You are exposed to the risk of investing in an Asian regional fund. <ul style="list-style-type: none"> o Investment in a regional fund may present greater opportunities and potential for capital appreciation but may be subject to higher risk as it may be less diversified than a global portfolio. • You are exposed to political risks. <ul style="list-style-type: none"> o Investments by the Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries. • You are exposed to smaller capitalisation companies risk. <ul style="list-style-type: none"> o The Fund will have exposure to smaller capitalisation companies, which are generally less liquid and more volatile than larger companies. • You are exposed to derivatives risk. <ul style="list-style-type: none"> o The Fund may use or invest in FDIs, including foreign exchange forward contracts and equity index future contracts. An investment in a FDI may require the deposit of an initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, the investment may be liquidated at a loss. Therefore, it is essential that investments in FDIs are monitored closely. The Managers have controls for investments in FDIs and have in place systems to monitor the FDI positions of the Fund. • You are exposed to concentration in the Underlying Funds. <ul style="list-style-type: none"> o The Fund may have a large concentration of investments in each of the Underlying Funds and could consequently be subject to significant losses where any of the Underlying Funds declines in value or is otherwise adversely affected. The Fund will be subject to different levels and combinations of risks based on its allocation among the Underlying Funds and the potential impact that the losses and risks of an Underlying Fund may have on the Fund would depend on the size of the Fund's allocation to it. • You are exposed to risks relating to distributions. <ul style="list-style-type: none"> o Dividend/interest income of the Fund may be adversely affected by (amongst others) investee entities suffering unexpected losses and/or paying lower than expected dividends, and adverse currency exchange rate fluctuations. Where distributable income and/or capital gains are insufficient, distributions may be made out of capital, which may amount to a reduction of part of your original investment and may result in reduced future returns to you. Payment of distributions (whether out of capital or otherwise) may have the effect of lowering the Fund's NAV. • Other risks to your investment include foreign exchange/currency risk, emerging market risk, interest rate risk, counterparty risk, underlying risk, exceptional market conditions, actions of institutional investors, broker risk, investment management risk and risk of using rating agencies and other third parties. | | | | | | | | | | | |
| FEES AND CHARGES | | | | | | | | | | | |
| <p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</p> <p><u>Payable directly by you</u></p> <ul style="list-style-type: none"> • You will need to pay the following fees and charges as a percentage of your gross investment amount: <table border="1"> <tr> <td>Subscription fee</td><td>Currently 5%; maximum 5%.</td></tr> <tr> <td>Realisation charge</td><td>Currently Nil; maximum 2%.</td></tr> <tr> <td>Switching fee</td><td>Currently 1%; maximum 1%.</td></tr> </table> <ul style="list-style-type: none"> • You should check with the agent or distributor through whom you subscribe for Units whether they impose other fees and charges not disclosed in the Prospectus. <p><u>Payable by the Fund from invested proceeds</u></p> <ul style="list-style-type: none"> • The Fund will pay the following fees and charges from its assets to the Managers, Trustee and other parties: <table border="1"> <tr> <td>Management fee</td><td>Currently 1.5% p.a.; maximum 2% p.a..</td></tr> <tr> <td>Trustee remuneration</td><td>Currently not more than 0.05% p.a.; Maximum 0.1% p.a.. (Subject to a minimum of S\$5,000 p.a.)</td></tr> </table> | Subscription fee | Currently 5%; maximum 5%. | Realisation charge | Currently Nil; maximum 2%. | Switching fee | Currently 1%; maximum 1%. | Management fee | Currently 1.5% p.a.; maximum 2% p.a.. | Trustee remuneration | Currently not more than 0.05% p.a.; Maximum 0.1% p.a.. (Subject to a minimum of S\$5,000 p.a.) | <p>Refer to <u>paragraph 6</u> on page 11 of the Prospectus for information on fees and charges.</p> |
| Subscription fee | Currently 5%; maximum 5%. | | | | | | | | | | |
| Realisation charge | Currently Nil; maximum 2%. | | | | | | | | | | |
| Switching fee | Currently 1%; maximum 1%. | | | | | | | | | | |
| Management fee | Currently 1.5% p.a.; maximum 2% p.a.. | | | | | | | | | | |
| Trustee remuneration | Currently not more than 0.05% p.a.; Maximum 0.1% p.a.. (Subject to a minimum of S\$5,000 p.a.) | | | | | | | | | | |

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| <table><tr><td>Registrar and transfer agent fees</td><td>Currently higher of S\$15,000 p.a. or 0.125% p.a.; Maximum S\$25,000 p.a..</td></tr><tr><td>Valuation fee</td><td>Currently 0.125% p.a..</td></tr><tr><td>Audit fee, custodian fee, transaction costs and other fees and charges</td><td>Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% p.a., depending on the proportion that it bears to the Fund’s NAV.</td></tr></table> | Registrar and transfer agent fees | Currently higher of S\$15,000 p.a. or 0.125% p.a.; Maximum S\$25,000 p.a.. | Valuation fee | Currently 0.125% p.a.. | Audit fee, custodian fee, transaction costs and other fees and charges | Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% p.a., depending on the proportion that it bears to the Fund’s NAV. | |
| Registrar and transfer agent fees | Currently higher of S\$15,000 p.a. or 0.125% p.a.; Maximum S\$25,000 p.a.. | | | | | | |
| Valuation fee | Currently 0.125% p.a.. | | | | | | |
| Audit fee, custodian fee, transaction costs and other fees and charges | Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% p.a., depending on the proportion that it bears to the Fund’s NAV. | | | | | | |
| <ul style="list-style-type: none">For fees and charges charged by the relevant Underlying Funds, please refer to paragraph 6 of the Prospectus. | | | | | | | |

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|---|-------------|----------------------------|----------|----------------------------|-----------|--------------------------|--|----------------------------|--|----------------------------|-----------|---|---------|---|-----------|----------------------------|--|-------------------------|--|--------------------------|--|
| VALUATIONS AND EXITING FROM THIS INVESTMENT | | | | | | | | | | | | | | | | | | | | | |
| HOW OFTEN ARE VALUATIONS AVAILABLE? <p>Prices of Units will generally be published 2 Business Days after the relevant Dealing Day in local or foreign publications such as The Straits Times and The Business Times, and on the Managers’ website at uobam.com.sg or any other website designated by the Managers. Prices may also be obtained from authorised agents and distributors of the Managers or by calling the Managers’ hotline from 8 a.m. to 8 p.m. daily (Singapore time).</p> HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO? <ul style="list-style-type: none">You can exit the Fund on any Dealing Day by submitting a realisation form to the authorised agent or distributor of the Managers through whom you originally purchased Units. If applicable to you and you wish to exit the Fund within the cancellation period of 7 calendar days from the date of your subscription, you may do so by submitting a cancellation form and you will not incur the subscription fee and fees stated above. However, you will have to take the risk of any price changes in the NAV of the Fund since your subscription and pay any bank charges, administrative or other fee imposed by the relevant agent or distributor.The Managers may limit the total number of Units which holders of the Fund may realise and which the Managers are entitled to have cancelled on any Dealing Day to 10% of the total number of Units relating to the Fund then in issue.You will normally receive the realisation proceeds within 7 Business Days from the Dealing Day on which your realisation form is received and accepted.The realisation price of your Units is determined as follows:<ul style="list-style-type: none">If you submit the realisation form by 3 p.m. Singapore time on a Dealing Day, you will be paid a price based on the NAV of the Fund as at the Valuation Point of that Dealing Day.If you submit the realisation form after 3 p.m. Singapore time on a Dealing Day or on a day not being a Dealing Day, you will be paid a price based on the NAV of the Fund as at the Valuation Point of the next Dealing Day.The net realisation proceeds that you will receive will be the realisation price of the Fund multiplied by the number of Units realised, less any charges. An example is as follows: <table><tr><td>1,000 Units</td><td>x</td><td>S\$0.900</td><td>=</td><td>S\$900.00</td></tr><tr><td>Your realisation request</td><td></td><td>Notional realisation price</td><td></td><td>Gross realisation proceeds</td></tr><tr><td>S\$900.00</td><td>–</td><td>S\$0.00</td><td>=</td><td>S\$900.00</td></tr><tr><td>Gross realisation proceeds</td><td></td><td>Realisation charge (0%)</td><td></td><td>Net realisation proceeds</td></tr></table> | 1,000 Units | x | S\$0.900 | = | S\$900.00 | Your realisation request | | Notional realisation price | | Gross realisation proceeds | S\$900.00 | – | S\$0.00 | = | S\$900.00 | Gross realisation proceeds | | Realisation charge (0%) | | Net realisation proceeds | Refer to paragraphs 8.5, 10 and 12 on pages 20, 21 and 24 of the Prospectus for information on valuation and exiting from the product. |
| 1,000 Units | x | S\$0.900 | = | S\$900.00 | | | | | | | | | | | | | | | | | |
| Your realisation request | | Notional realisation price | | Gross realisation proceeds | | | | | | | | | | | | | | | | | |
| S\$900.00 | – | S\$0.00 | = | S\$900.00 | | | | | | | | | | | | | | | | | |
| Gross realisation proceeds | | Realisation charge (0%) | | Net realisation proceeds | | | | | | | | | | | | | | | | | |

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| CONTACT INFORMATION | |
| HOW DO YOU CONTACT US? UOB Asset Management Ltd Hotline No : 1800 22 22 228 Operating hours : 8 a.m. to 8 p.m. daily (Singapore time) Fax No : 6532 3868 Email : uobam@uobgroup.com | |

| APPENDIX: GLOSSARY OF TERMS | | |
|-----------------------------|---|--|
| Business Day | A day (other than a Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing. | |
| Dealing Day | <p>In connection with the issuance, cancellation, valuation and realisation of Units, generally every Business Day. The Managers may change the Dealing Day after consulting the Trustee, provided that the Managers give reasonable notice of such change to all holders on terms approved by the Trustee.</p> <p>If on any day which would otherwise be a Dealing Day:</p> <p>(a) one or more recognised stock exchanges or over-the-counter or over-the-telephone markets on which investments of the Fund are quoted, listed or dealt in are not open for normal trading; and/or</p> <p>(b) one or more underlying entities do not carry out valuation or dealing,</p> <p>and which affect investments of the Fund having in aggregate values amounting to at least 50% of the value of the assets of the Fund (as at the relevant Valuation Point), the Managers may determine that that day shall not be a Dealing Day.</p> | |
| FDIs or derivatives | Financial derivative instruments. | |
| Launch Date | For the purposes of this Product Highlights Sheet only, means the inception date of the Fund. | |
| NAV | Net asset value. | |
| Units | Units of the Fund. | |
| Valuation Point | The close of business of the last relevant market in relation to the relevant Dealing Day on which the value of the deposited property is to be determined or such other time on the relevant Dealing Day or such other day as the Managers with the approval of the Trustee may from time to time determine and the Trustee shall decide if a notice to notify holders of such determination is required. | |