



Asset
Management

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To: Unitholders of Class A SGD Acc of United Growth Fund (a sub-fund of United Global Diversified Portfolios)

Dear Unitholder

**UNITED GROWTH FUND
CONVERSION OF CLASS A SGD ACC TO A HEDGED CLASS**

Thank you for investing in the United Growth Fund (the "**Sub-Fund**"), a sub-fund of the United Global Diversified Portfolios, which is managed by us, UOB Asset Management Ltd (the "**Managers**" or "**UOBAM**").

We wish to inform you that, from 1 August 2023, **Class A SGD Acc** (the "**Affected Class**") will be converted to a Hedged Class and re-named "**Class A SGD Acc (Hedged)**", and we will implement currency hedging at the Class level to mitigate foreign exchange and currency risks for the benefit of unitholders of the Affected Class.

The Sub-Fund is denominated in Singapore dollars ("**SGD**") while the Affected Class is also denominated in SGD. Where the Sub-Fund makes investments which are denominated in a currency (the "**Portfolio Currency**") that is different from SGD, fluctuations of the exchange rates between SGD and the Portfolio Currency may affect the value of the units of the Class. For a Hedged Class, we currently adopt a passive hedging policy to hedge the currency in which the Hedged Class is denominated (the "**Hedged Currency**", which will be SGD) against the Portfolio Currency. Notwithstanding the foregoing, we retain the discretion to adopt any other hedging policy as we may determine from time to time.

A Hedged Class allows us to use currency hedging transactions to reduce the effect of exchange rate fluctuations between the Portfolio Currency and the Hedged Currency. The effects of hedging will be reflected in the value of the Hedged Class.

Please refer to the Annex to this letter for information on foreign exchange and currency risks generally, as well as more information on Hedged Classes.

For the avoidance of doubt, there are no changes to the other features of the Affected Class, such as its fees, minimum subscription amounts and minimum holding.

The following options are available to you:

Option 1

You may continue holding your units in the Affected Class ("**Units**"). If you choose to do so, no action is required of you.



Singapore Brunei Indonesia Japan Malaysia Taiwan Thailand Vietnam

Option 2

You may switch your Units (at the prevailing net asset value per Unit) to units in any other authorised collective investment scheme managed by us (each a "**UOBAM Fund**" and collectively, the "**UOBAM Funds**") through the authorised agent or distributor from whom you originally purchased your Units, subject to the provisions of the trust deeds and the prospectuses of the United Global Diversified Portfolios and the relevant UOBAM Fund.

Units purchased using Supplementary Retirement Scheme ("SRS") monies may only be switched to UOBAM Funds which are available for subscription using SRS monies.

This notice is not to be construed as an offer of units in any UOBAM Fund and does not constitute investment advice or a recommendation on any investment. Before deciding whether to switch your Units to units in any of the UOBAM Funds, you should read the prospectus of the relevant UOBAM Fund carefully and consult your financial adviser(s) to help you assess the suitability of the relevant UOBAM Fund for you. Electronic copies of the prospectuses of the UOBAM Funds are available at <http://www.uobam.com.sg>, and hard copies may be obtained from us or any of our authorised agents or distributors.

Option 3

You may realise your Units by submitting a completed realisation form to any of our authorised agents or distributors. Please note that the realisation of your Units is subject to the provisions of the trust deed and prospectus of the United Global Diversified Portfolios. Currently, there is no realisation charge imposed for realisations of Units.

If you maintain an account directly with UOBAM (and not through one of our authorised agents or distributors), please contact us at our number set out at the end of this letter by **19 July 2023** for assistance on switching your Units and we will refer you to one of our authorised agents or distributors to effect the switch.

If you choose either Option 2 or Option 3 between **27 June 2023** and **26 July 2023** (both days inclusive) (the "**Switching Period**"), there will be no switching fee or any other fees and charges imposed in respect of cash or SRS units. In addition, you will not be required to bear any SRS operator charges for SRS units. For the avoidance of doubt, normal fees and charges (including the prevailing switching fee of 1% for cash or SRS units) will apply for switches of units before or after the Switching Period.

The above will be reflected in a supplementary prospectus in relation to the Sub-Fund to be lodged with the Monetary Authority of Singapore on or around the date of this notice. Thereafter, you may obtain a copy of it from us or any of our authorised agents or distributors, or from our website at uobam.com.sg.

This notice is for your information only and you do not need to take any action. The above change has no effect on your current holding of units in the Sub-Fund.

We look forward to your continued support. Should you have any queries, please call our hotline number at 1800 222 2228 from 8 a.m. to 8 p.m. daily (Singapore time) or email us at uobam@uobgroup.com.

Yours faithfully



Rachel Ong
Chief Marketing Officer

ANNEX

Foreign exchange and currency risk

General

The Sub-Fund is denominated in SGD while each Class is denominated in the relevant Class currency.

Where the Sub-Fund makes investments which are denominated in a currency (the "**Portfolio Currency**") that is different from the Sub-Fund currency or the relevant Class currency, fluctuations of the exchange rates between the Sub-Fund currency or Class currency and the Portfolio Currency may affect the value of the relevant Units.

In our management of the Sub-Fund, we may hedge the foreign currency exposure of the Sub-Fund or any Class of the Sub-Fund and may adopt an active or passive currency management approach. However, the foreign currency exposure of the Sub-Fund or Class may not be fully hedged depending on the circumstances of each case. Such circumstances include but are not limited to the outlook, hedging costs and market liquidity of the relevant currency.

Additionally, where a Class of the Sub-Fund is denominated in a different currency from the relevant Sub-Fund currency, changes in the exchange rate between the Class currency and the relevant Sub-Fund currency may adversely affect the value of the Units of such Class, as expressed in the Class currency. Subject to the same considerations in the sub-paragraph above, we may or may not mitigate the exchange rate risks to the extent of the value of the assets of the Sub-Fund attributed to such Class by hedging such exchange rate risks, and to the extent that we do not do so, investors will be exposed to exchange rate risks.

Although a financial instrument used to mitigate the exchange rate risks of a Class may not be used in relation to the other Classes of Units within the Sub-Fund, the financial instrument will comprise the assets (or liabilities) of the Sub-Fund as a whole. The gains (or losses) on and the costs of the relevant financial instruments will, however, accrue solely to the relevant Class of Units of the Sub-Fund.

Hedged Classes

For Hedged Classes, we currently adopt a passive hedging policy to hedge the currency in which the relevant Hedged Class is denominated (the "**Hedged Currency**") against the Portfolio Currency. Notwithstanding the foregoing, we retain the discretion to adopt any other hedging policy as we may determine from time to time.

A Hedged Class allows us to use currency hedging transactions to reduce the effect of exchange rate fluctuations between the Portfolio Currency and the Hedged Currency. The effects of hedging will be reflected in the value of the Hedged Class.

The aim is that the Hedged Class should reflect the actual return of the Portfolio Currency within the Sub-Fund, as applicable, plus or minus the interest rate differential between the Hedged Currency and the Portfolio Currency. However, other factors may impact the return of the Hedged Class which means that the Hedged Class may not perfectly achieve this aim. These factors include, but are not limited to: (i) any unrealised profit/loss on the currency forward remaining un-invested until the hedge is rolled over and any profit or loss is crystallised; (ii) transaction costs; (iii) short-term interest rate changes; (iv) the timing of the market value hedge

adjustments relative to the Sub-Fund's or Hedged Class' Valuation Point¹; and (v) intra-day volatility of the value of the Portfolio Currency in relation to the existing hedge.

The costs and expenses associated with the hedging transactions in respect of a Hedged Class and any benefits of the hedging transactions will accrue to Holders in that Hedged Class only.

Hedging transactions may be entered into whether the Hedged Currency is declining or increasing in value relative to the Portfolio Currency; consequently, where such hedging is undertaken, it may protect investors in the relevant Hedged Class against a decrease in the value of the currency being hedged but it may also preclude investors from benefiting from an increase in the value of such currency. Investors in a Hedged Class will still be exposed to the market risks that relate to the underlying investments in the Sub-Fund and any exchange rate risks that arise from the policy of the Sub-Fund that is not fully hedged. There is no guarantee that the hedging strategy applied in a Hedged Class will entirely eliminate the adverse effects of changes in exchange rates between the Portfolio Currency and the Hedged Currency.

¹ The close of business of the last relevant market in relation to the relevant dealing day on which the net asset value of the relevant Sub-Fund or Class of a Sub-Fund (as the case may be) is to be determined or such other time on the relevant dealing day or such other day as the Managers may determine with the prior approval of the Trustee who shall determine if the relevant holders should be informed of such change.