



United China A-Shares Innovation Fund

Leverage the accelerated innovation across China's economy to achieve long-term capital appreciation.



For more information:
uobam.com.sg/cnashares



Right By You

Why invest in China?

A rising economic powerhouse

Over the last half century, China has achieved remarkable economic growth, transforming from a predominantly agricultural economy to the second largest economy in the world. China's goal for 2035 is to become 'moderately developed' and President Xi has outlined a path towards doubling the size of the Chinese economy by 2035. This will imply per capita gross domestic product (GDP) of around US\$20,000 and at this level of income, China's economy would be the largest in the world¹.

Partake in the growth opportunities offered by China's 14th Five-Year Plan

China's 14th Five-Year Plan (FYP) envisaged the development on the sustainability of growth and the quality of life of its citizens. Technological innovation, green energy, and people's well-being continue to be of utmost importance to the Chinese government and certain sectors are poised to benefit from the policy tailwinds.

China's drive for cutting-edge technological innovation

Innovation is the core driver of China's high-quality development and the top priority of the 14th FYP. In particular, China will enhance basic research to generate breakthroughs in seven frontier technologies, including next-generation artificial intelligence (A.I.) and quantum information.

China's shift towards more consumption-based economy

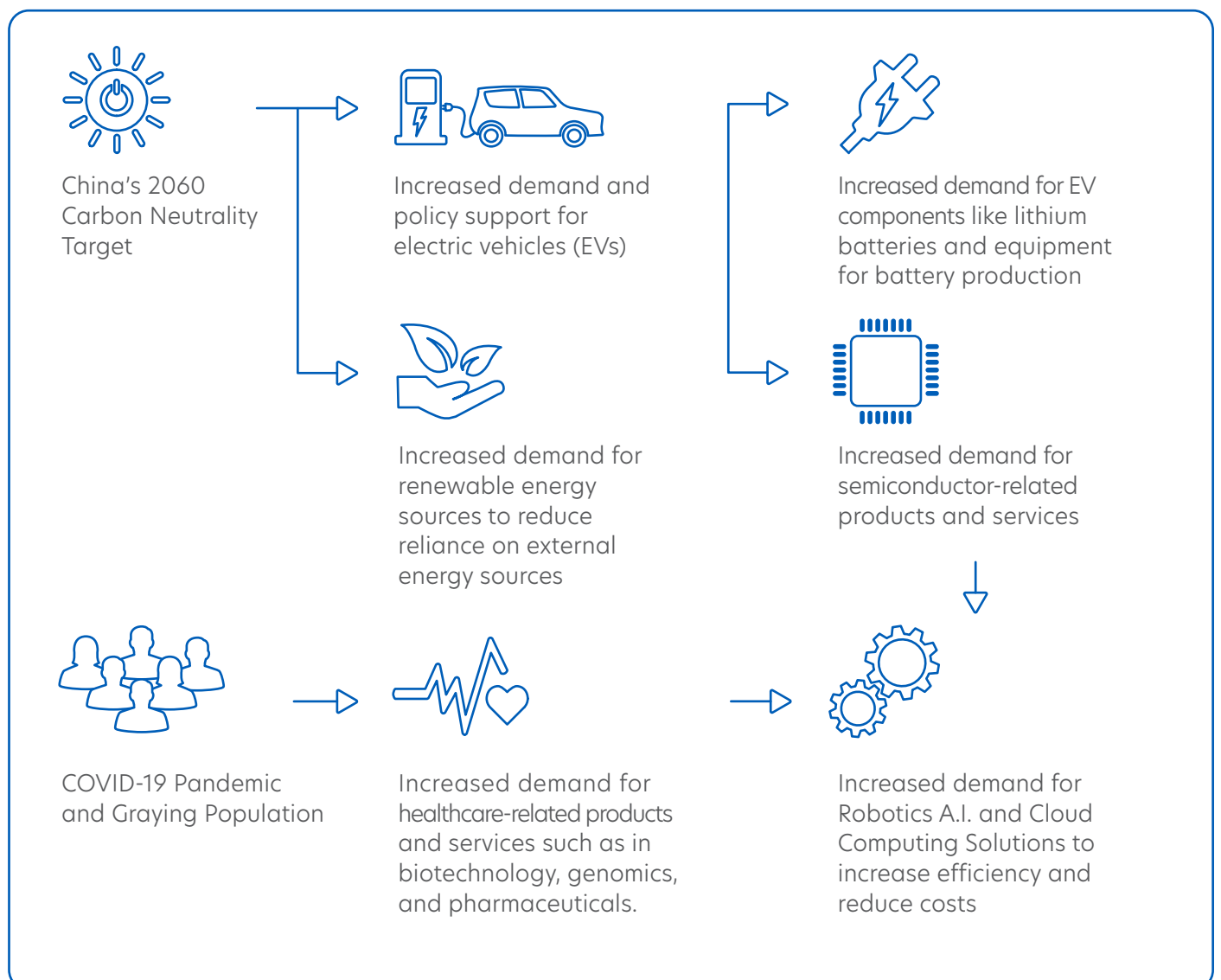
During the 14th FYP period, China will mainly focus on expanding consumption and encouraging investment in its effort to create a unified domestic market. The Chinese government defines a unified domestic market as being highly efficient, rule-based, fair and open. It will remove local protectionism, market segmentation and impediments restricting economic circulation, thus facilitating the smooth flow of products and resources on a larger scale to effectively meet the needs of both China and the world².

China's green economy roadmap

China aims to reduce carbon emissions per unit of GDP by 18% by 2025, achieve peak carbon emissions before 2030, and carbon neutrality before 2060³. To control both the intensity and volume of carbon emissions, the country will explore non-fossil energy while keeping a balance between economic growth and reductions of carbon emissions. To achieve their carbon emission objectives, investment on a massive scale, amounting to hundreds of trillions of renminbi, will be required, which will make green investing in China a lucrative sector. The Fund will allow investors to ride on China's green economy's road map by investing into clean energy.



Example of how structural developments affect China's industries



Key emerging opportunities in China



New Consumption Market

With China's middle class expected to double from around 400 million people to 800 million people in 2035¹, China's potential for rising consumption is substantial. The rise of Chinese brands, the diversification of service consumption patterns and the improvement of modern logistics represent remarkable developments for the consumer market, and these trends will continue to be prominent during the 14th FYP period. To tap on China's new consumer market, leading food and beverage companies are investing in innovation to capture market growth in areas including health-oriented and nutrition-focused products⁴.

Subsectors include: Food products, beverages, personal products, food & staples retailing



New Infotech

The high adoption of A.I. solutions in China today can create US\$600 billion in economic value annually⁵. According to Stanford University's A.I. Index, China is one of the top three countries for global A.I. vibrancy⁶.

Subsectors include: 5G, A.I., Internet of Things (IoT), data centres, biotechnology, research & development



New Industrials

China is home to innovative firms that produce high quality products more efficiently and cheaply than foreign competitors. For example, China is a leader in EV battery production given its competitive advantage and access to raw materials⁷.

Subsectors include: Ion-lithium EV battery manufacturing, electric vehicles, consumer electronics, alternative power sources



New Materials

Transformations occurring in the energy, automotive, logistics, manufacturing, and construction industries are driving demand for new materials. The materials industry trends include development of intelligent materials, nano-formulations, and advanced composites, with time-to-market accelerated by A.I.

Subsectors include: Raw materials, chemicals, packaging, metals and mining biotechnology, research & development

Capture China's emerging opportunities with the United China A-Shares Innovation Fund

Emerging high-tech

- High growth, high volatility
- Energy and information tech innovation
- Examples: LONGi Green Energy Technology, Contemporary Amperex Technology Co Ltd (CATL)

Embracing Innovation by traditional industries

- Traditional industries embracing new technologies for innovation and advancement for new business models
- High-end manufacturing upgrades
- Stable profit model
- Strong growth potential
- Example: Shenzhen Mindray Biomedical

Expansion of economy from consumption

- Beneficiaries of consumption upgrade and strong consumer trends such as liquor and financials
- Examples: Kweichow Moutai, Bank of Ningbo

Emerging growth + Long-term high quality companies

United China A-Shares Innovation Fund

Source: UOBAM, as at 30 November 2022

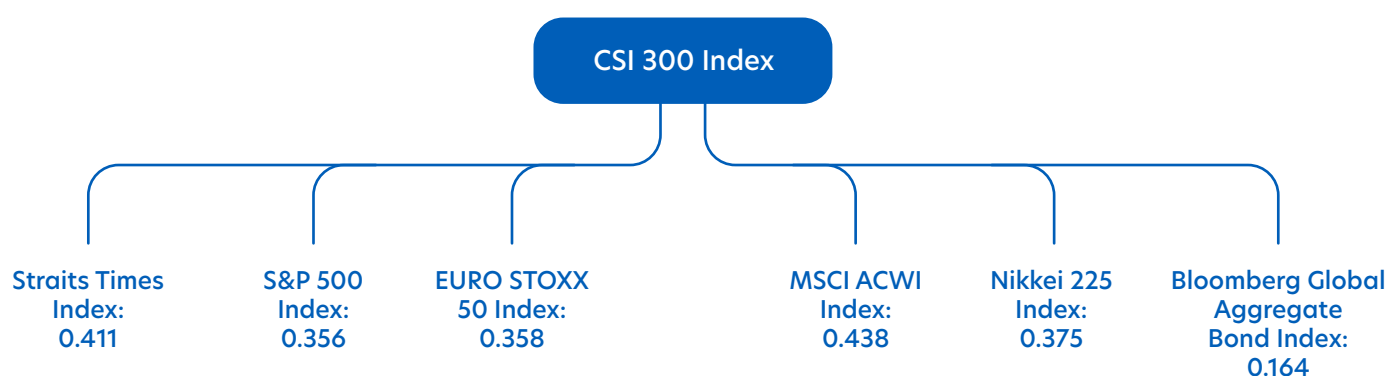


About the United China A-Shares Innovation Fund

United China A-Shares Innovation Fund (the “Fund”), sub-managed locally by Ping An Fund Management Company Limited (“Ping An FMC”), aims to achieve long-term capital appreciation by investing primarily in A-shares of companies listed in China, which are likely to be the main beneficiaries of technology, innovation and other growth trends. The Fund seeks fast-growing companies beyond technology but also in sectors such as consumer, industrials and materials.

Low correlation with major indexes and asset classes

Investing in China offers diversification benefits for investors due to its relatively low correlation with major broad market indexes and alternative asset classes. It can be used as a satellite component in a core-satellite portfolio.



Source: Bloomberg, as at 30 November 2022

About Ping An Fund Management Company Limited (“Ping An FMC”)

Established in 2011, Ping An FMC is UOBAM's joint venture partner based in China and is a member of the Ping An Insurance (Group) Company of China, Ltd. Ping An FMC is approved by the China Securities Regulatory Commission and it is committed to providing professional and comprehensive asset management services for domestic and foreign investors. The Fund draws on Ping An FMC's deep knowledge of the local investment scene.



Experience

More than 10 years of fund and asset management service experience



Size

Over RMB 800 billion of assets under management



Partners

Collaboration with more than 200 institutional partners, including China Development Bank and Bank of China



Customers

Providing services for over 130 million customers cumulatively

Source: Ping An Fund Management Company Limited, as at 30 November 2022

Fund Name	United China A-Shares Innovation Fund
Investment Objective	The investment objective of the Fund is to achieve long-term capital appreciation by investing primarily in A-Shares of companies listed in the PRC which are beneficiaries of technology, innovation and trends.
Fund Manager	UOB Asset Management Ltd
Sub-Manager	Ping An Fund Management Company Limited
Fund Classes Available ⁸	Class A SGD Acc, Class A USD Acc, Class T USD Acc
Subscription Mode	Cash – SGD/USD SRS – SGD
Minimum Subscription ⁹	Class A: S\$1,000/US\$1,000 (initial); S\$500/US\$500 (subsequent) Class T: US\$100,000 (initial); US\$50,000 (subsequent)
Subscription Fee	Class A: Currently up to 5%; maximum 5% Class T: Currently none; maximum 5%
Management Fee	Class A: Currently 1.75% p.a.; maximum 2.5% p.a. Class T: Currently 0.65% p.a.; maximum 2.5% p.a.
Dealing Frequency & Deadline ⁹	Generally every business day, on a forward pricing basis up till 3pm (Singapore time).

Notes:

¹ Mercer, "China's 14th Five-Year Plan", 2020

² State Council of the People's Republic of China, "Unified domestic market to further open China's door", June 2022

³ KPMG China, "The 14th Five-Year Plan: Macro Trends and Opportunities", April 2021

⁴ Fitch Ratings, "Chinese Food and Beverage Companies to Benefit From Innovation, Product Diversity", December 2021

⁵ Quantum Black AI by McKinsey, "The next frontier for AI in China could add \$600 billion to its economy", June 2022

⁶ Stanford University, "Global AI Vibrancy Tool – Who's leading the global AI race?", March 2022

⁷ Quartz, "Chinese EV battery makers are aggressively expanding production in Europe", September 2022
7International Trade Administration, China-Country Commercial Guide, January 2022

⁸ Investors should refer to the Fund's prospectus for more details on the different classes available.

⁹ Please refer to the Fund's prospectus for more details.

Important notes and disclaimers:

This document is for general information only. It does not constitute an offer or solicitation to deal in units in the Fund ("Units") or investment advice or recommendation and was prepared without regard to the specific objectives, financial situation or needs of any particular person who may receive it. The information is based on certain assumptions, information and conditions available as at the date of this document and may be subject to change at any time without notice. No representation or promise as to the performance of the Fund or the return on your investment is made. **Past performance of the Fund or UOB Asset Management Ltd ("UOBAM") and any past performance, prediction, projection or forecast of the economic trends or securities market are not necessarily indicative of the future or likely performance of the Fund or UOBAM.** The value of Units and the income from them, if any, may fall as well as rise, and is likely to have high volatility due to the investment policies and/or portfolio management techniques employed by the Fund. Investments in Units involve risks, including the possible loss of the principal amount invested, and are not obligations of, deposits in, or guaranteed or insured by United Overseas Bank Limited ("UOB"), UOBAM, or any of their subsidiary, associate or affiliate ("UOB Group") or distributors of the Fund. The Fund may use or invest in financial derivative instruments and you should be aware of the risks associated with investments in financial derivative instruments which are described in the Fund's prospectus. The UOB Group may have interests in the Units and may also perform or seek to perform brokering and other investment or securities-related services for the Fund. Investors should read the Fund's prospectus, which is available and may be obtained from UOBAM or any of its appointed agents or distributors, before investing. **You may wish to seek advice from a financial adviser before making a commitment to invest in any Units, and in the event that you choose not to do so, you should consider carefully whether the Fund is suitable for you. Applications for Units must be made on the application forms accompanying the Fund's prospectus.**

This advertisement has not been reviewed by the Monetary Authority of Singapore.

UOB Asset Management Ltd Co. Reg. No. 198600120Z

December 2022