

30 April 2020

Dear Unitholder

UNITED GLOBAL FINANCIALS FUND

- **CONVERSION TO FEEDER FUND**
- **USE OF FINANCIAL DERIVATIVE INSTRUMENTS**
- **CESSATION OF INCLUSION UNDER THE CENTRAL PROVIDENT FUND INVESTMENT SCHEME**

Thank you for investing in the United Global Financials Fund (the “Fund”).

We, UOB Asset Management Ltd (the “Managers”), the managers of the Fund, are writing to inform you of certain changes to the Fund.

Background Information

The investment objective of the Fund is to achieve long-term capital appreciation by investing, primarily, in securities issued by banks, finance companies, insurers and other corporations which carry on the business of financial services or which derive their revenues from subsidiaries carrying on the business of banking and/or financial services.

The current investment focus and approach of the Fund involves investing in a wide range of sub-sectors within the finance sector. These broad sub-sectors include: traditional lenders (commercial & retail banks); specialised financial service providers; and insurers. The Fund seeks to identify the most attractive companies from the various sub-sectors, with a focus on companies which deliver above average growth, consistently strong underlying profitability as well as trade at reasonable valuations.

As a continuous effort to rationalise the Managers' resources, the Managers have decided to convert the Fund from a direct investment fund which invests directly into securities (as described above), to a feeder fund which invests into the Underlying Fund (as defined below). The Managers have selected the Underlying Fund following a rigorous due diligence process, during which the Managers have considered various factors such as the Underlying Fund's track record and the experience and capability of its management.

Change in investment focus and approach – conversion to feeder fund

With effect from 1 June 2020 (the “Effective Date”), the Fund will change its investment focus and approach to investing all or substantially all of the Fund's assets into Class I USD Shares of Robeco New World Financials (the “Underlying Fund”), a sub-fund of Robeco Capital Growth Funds. In relation to the foregoing change, the Fund may continue to hold direct investments over such period of time as determined by the Managers during which such direct investments will be sold down and the proceeds invested in Class I USD Shares of the Underlying Fund.

In the event of extreme market conditions or severe market stress or disruptions, or if there are no suitable investment opportunities for the Fund at any time, up to 100% of the Fund's assets may be temporarily held in cash and/or placed in cash deposits and/or invested in money market instruments and/or short-term debt securities. A portion of the Fund's assets may also be retained in liquid investments or cash for liquidity purposes.

For clarity, from the Effective Date, the investment objective of the Fund will be achieved through investing in the Underlying Fund.

About the Underlying Fund

The Underlying Fund is a sub-fund of Robeco Capital Growth Funds, an open-ended investment company incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable (SICAV) with an umbrella structure. The Robeco Capital Growth Funds qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS) for the purposes of the UCITS Directive and is registered pursuant to Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment.

Information on the management, investment objective, focus and approach, and the fees and charges of the Underlying Fund are set out in Annex 1 of this notice.

Other changes

With effect from the Effective Date, as a consequence of the conversion of the Fund to a feeder fund:

- (i) "Authorised Investments" shall include any investment which is a unit in any unit trust scheme or a share or participation in an open-ended mutual fund or other collective investment scheme;
- (ii) the benchmark of the Fund will be changed from the MSCI World Financials Index to the MSCI All Country World Financials Index to reflect the benchmark of the Underlying Fund; and
- (iii) the issue, realisation, cancellation and valuation of units in the Fund may be suspended during any period when dealings in any one or more of the underlying entities in which the Fund (including the Underlying Fund invested into by the Fund) has invested a substantial portion of its assets are suspended or is otherwise restricted.

Use of Financial Derivative Instruments ("FDIs")

Currently, the Fund may use FDIs for the purposes of hedging existing positions in a portfolio, for efficient portfolio management ("**EPM**") or a combination of both purposes. With effect from the Effective Date, the Managers intend to use FDIs for the purposes of hedging, EPM, optimising returns or a combination of all three purposes.

Notwithstanding the above changes, the global exposure of the Fund to FDIs or embedded FDIs will not exceed 100% of the net asset value of the Fund.

Cessation of inclusion under the Central Provident Fund ("**CPF**") Investment Scheme ("**CPFIS**")

The Fund will cease to be included under the CPFIS on the Effective Date. As a result, the Fund will, upon such cessation of inclusion, no longer be managed in accordance with the CPF Investment Guidelines and no further CPF monies may be used for investment in the Fund.

If you hold units in the Fund ("**Units**") that were subscribed for using CPF monies, the following options are available to you:

Option 1[^]

You may continue holding your investment in the Fund. If you choose to do so, no action is required of you.

Option 2

You may choose to switch your Units (at their net asset value per Unit) to units in other CPFIS-included funds managed by us subject to the provisions of the trust deeds of the Fund and the relevant CPFIS-included funds. *A list of CPFIS-included funds managed by us which are available for switching is set out in Annex 2 of this notice.*

Before deciding to switch your Units for units in any CPFIS-included fund managed by us, you should read the relevant prospectus carefully and consult your financial advisers to help you assess the

suitability of the relevant fund in accordance with your investment profile. Electronic copies of the prospectuses of the CPFIS-included funds managed by us are available at <http://www.uobam.com.sg>, and hard copies of the same may be obtained from us or any of our authorised agents or distributors. Please note that this notice is not to be construed as an offer of units in any of such CPFIS-included funds.

Option 3

You may realise your Units (at their net asset value per Unit) 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 of the Fund. Currently, there is no realisation charge imposed for realisations of Units.

^ Should you choose Option 1, please note that the Fund's total expense ratio will increase as a consequence of the conversion of the Fund into a feeder fund. Apart from the fees charged by the Fund (including Management Fee), you will also indirectly bear any fees and charges of the Underlying Fund which are paid out of the assets of the Underlying Fund itself (as set out in Annex 1 of this notice).

As a reference, the past total expense ratio of the Fund and the Underlying Fund as at 30 June 2019 and 31 December 2018 can be found in the table below:-

	As at 30 June 2019	As at 31 December 2018
United Global Financials Fund	1.91% (audited)	2.05% (unaudited)
Robeco New World Financials	0.92% (unaudited)	0.94% (audited)

In accordance with the Guidelines on Calculation of Expense Ratio issued by the Investment Management Association of Singapore, the Fund's total expense ratio will include all expenses at the Fund level and the Underlying Fund level as a consequence of the conversion of the Fund into a feeder fund.

If you hold Units that were subscribed for using CPF monies, there will be no switching fee imposed and you will not be required to bear any CPF agent bank charges or any other fees and charges should you choose either Option 2 or Option 3 between 30 April 2020 and 22 May 2020 (both days inclusive) (the "**Switching Period**"). For the avoidance of doubt, normal fees and charges (including the prevailing switching fee of 1%) will apply for switches of Units before or after the Switching Period.

The above changes (together with consequential and other amendments) as well as further information on Robeco Capital Growth Funds and the Underlying Fund will be reflected in a replacement prospectus of the 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 the replacement prospectus from us or any of our authorised agents or distributors, or from our website at uobam.com.sg.

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 sincerely



Faizal Gaffoor
Managing Director I CMO

ANNEX 1

Information on Robeco New World Financials

Management

Management Company	Robeco Luxembourg S.A., a “société anonyme” incorporated under the laws of the Grand Duchy of Luxembourg and authorised and regulated by the Commission de Surveillance du Secteur Financier.
Portfolio Manager	Robeco Institutional Asset Management B.V., an asset management company domiciled in the Netherlands and licensed and regulated by the Netherlands Authority for the Financial Markets.

Investment objective

The investment objective of the Underlying Fund is to provide long term capital growth.

Investment focus and approach of the Underlying Fund

The Underlying Fund takes exposure of at least two-thirds of the total assets to equities of companies all over the world which operate within the financial services sector. The Underlying Fund may hold the major part of its investments in companies domiciled in emerging markets or in companies that derive the majority of their revenues from emerging countries.

With due consideration given to the investment restrictions and to the extent permitted by the applicable legislation, the Underlying Fund may invest in equities, convertible bonds, bonds, money market instruments, units of UCITS and/or other undertakings for collective investment (UCIs) and derivatives. Exchange traded and over-the-counter derivatives are permitted, including but not limited to futures, swaps, contracts for differences and currency forwards.

Investors should note that the Underlying Fund may use derivatives as part of its investment strategy and such investments are inherently volatile and the Underlying Fund could potentially be exposed to additional risks and costs should the market move against it. Such market conditions could mean that investors could, in certain circumstances, face minimal or no returns, or may even suffer a loss on such investments.

Fees and charges of the Underlying Fund

Payable by the Fund to the Underlying Fund ⁽¹⁾	
Entry Charge ⁽²⁾	Nil.
Additional Charge ⁽³⁾	Nil.
Realisation Fee	Nil.
Payable by the Underlying Fund to the Management Company, the Portfolio Manager and other parties	
Management Fee ⁽⁴⁾	0.80% p.a.
Service Fee ⁽⁵⁾	0.12% p.a.

⁽¹⁾ The Fund will be entitled to a rebate of 0.20% paid by the Underlying Fund’s global distributor, Robeco Institutional Asset Management B.V.

⁽²⁾ The Underlying Fund may decide, in the best interest of current shareholders, that an entry charge of up to 3% of the subscription amount may be levied for any particular or all class(es) of share(s) of the Underlying Fund for any particular period of time. Any such entry charge will be additional to any sales commission(s) which may be levied by any distributor.

⁽³⁾ Sales agents may decide to apply a sales commission, which is deducted by the registrar of the Underlying Fund from the shareholder’s investment before shares are purchased. The maximum sales commission which may be applied by sales agents is 3%, except for shares that are only available to institutional investors for which the maximum sales commission will be 0.50%. The percentages represent a percentage of the total subscription amount.

For all share classes of the Underlying Fund, additional charges for any individual order, as well as for additional services may be charged to the investor by the sales agent, banks, stockbrokers or distributors. The Underlying Fund does not limit in any way direct payments from investors to sales agents, banks, stockbrokers or distributors.

⁽⁴⁾ The Underlying Fund will incur an annual management fee which reflects all expenses related to the management of the Underlying Fund which is payable to the Management Company. The Management Company will be responsible for the fees of the Portfolio Manager.

⁽⁵⁾ The Underlying Fund will incur a fixed annual service fee payable to the Management Company reflecting all remaining expenses such as the fees of the domiciliary and listing agent, the administration agent, the registrar, auditors, legal and tax advisers, the costs of preparing, printing and distributing all prospectuses, memoranda, reports and other necessary documents concerning the Underlying Fund, any fees and expenses involved in the registration of the Underlying Fund with any governmental agency and stock exchange, the costs of publishing prices and the operational expenses, and the cost of holding shareholders meetings.

The annual service fee will be payable at a maximum rate of 0.12% per annum of the monthly average net asset value (based on closing prices) of the relevant class of the Underlying Fund for the portion of assets under management up to EUR 1 billion. Any increase in the current rates of service fee up to such maximum rate will only be implemented upon giving not less than one month's notice to affected shareholders. If the assets of a class of the Underlying Fund exceed EUR 1 billion, a 0.02% discount on the service fee of the relevant class of the Underlying Fund applies to the assets above this limit and a further 0.02% discount applies to assets over EUR 5 billion. However, the annual service rate cannot be less than 0.01% for a specific class.

ANNEX 2

List of CPFIS-included funds managed by UOB Asset Management Ltd which are available for switching as at 30 April 2020:

1. **United Global Quality Growth Fund – Class C SGD Acc (Hedged)** (a sub-fund of United Global Diversified Portfolios)

Investment Objective: To provide long-term total return by investing in equity and equity-related securities of companies listed and traded on stock exchanges globally.

2. **United SGD Fund – Class A (Acc) SGD** (a sub-fund of United Choice Portfolios II)

Investment Objective: To invest substantially all its assets in money market and short term interest bearing debt instruments and bank deposits with the objective of achieving a yield enhancement over Singapore dollar deposits.

3. **United Singapore Bond Fund** (a sub-fund of United Global Portfolios)

Investment Objective: To maximise returns over the longer term by investing mainly in bonds denominated in Singapore Dollars (issued by entities incorporated or domiciled globally) and bonds denominated in foreign currencies (issued by entities incorporated or domiciled in Singapore). Apart from investments in bonds, the United Singapore Bond Fund may also invest in money market instruments (denominated in SGD or foreign currencies), bond funds (including funds managed by us) and time deposits in any currency. Investments shall be made in accordance with the CPF Investment Guidelines. There is no target industry or sector.

"bonds" include, without limitation, fixed income/debt securities of all maturities, zero coupon bonds, callable bonds, equity-linked bonds and convertible bonds, whether issued by governments, statutory bodies or public or private entities.