

12 March 2025

Dear Unitholder

UNITED ASEAN ONSHORE FUNDS (the “Fund”)

- **UNITED INDONESIA EQUITY FUND**
- **UNITED SG DYNAMIC INCOME FUND**

(each, a “Sub-Fund” and collectively, the “Sub-Funds”)

**IMPLEMENTATION OF SWING PRICING FOR UNITED INDONESIA EQUITY FUND
ADDITION OF UNDERLYING FUNDS FOR UNITED SG DYNAMIC INCOME FUND**

Thank you for your continued investment in the Sub-Funds.

We are writing to inform you of the following changes:

1. Implementation of Swing Pricing for United Indonesia Equity Fund

We will be introducing swing pricing for United Indonesia Equity Fund on **14 April 2025** (or such later date as we may announce on our website).

Background

The Sub-Fund is priced on a net asset value (“NAV”) (single pricing) basis and the NAV of the Sub-Fund may fall when it experiences large volumes of realisations or subscriptions because of significant transaction costs¹ incurred in the purchase and sale of the Sub-Fund’s underlying investments. This effect is known as “dilution”.

Swing Pricing

To protect the interest of investors, we shall, in consultation with the trustee of the Sub-Fund (“Trustee”), have the discretion to apply a technique known as “dilution adjustment” or “swing pricing” (“Swing Pricing”) in certain circumstances which we deem appropriate. Swing Pricing involves making upward or downward adjustments in the calculation of the NAV per unit (“Unit”) of the Sub-Fund or unit class (“Class”) on a particular dealing day, so that such transaction costs are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging Units on that dealing day.

¹ For example, brokerage commissions, custody transaction costs, stamp duties and sales taxes.



The need to apply Swing Pricing will depend upon various factors, including but not limited to:

- (i) the amount of subscriptions and/or realisations (including switches and/or exchanges) of Units on that dealing day;
- (ii) the impact of any transaction costs incurred in the purchase and/or sale of underlying investments of the Sub-Fund;
- (iii) the spread between the buying and selling prices of underlying investments of the Sub-Fund ; and
- (iv) market conditions such as financial turmoil,

provided that, any adjustments made by us shall be on a fair and equitable basis and with a view to protecting the interests of investors.

Typically, the NAV per Unit is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular dealing day reaches or exceeds a certain percentage (the “**Swing Threshold**”) of the size of the Sub-Fund on such dealing day. The NAV of each Unit will swing upwards for a net subscription, and downwards for a net realisation. We will apply the same percentage of adjustment to the NAVs of all Classes within the Sub-Fund.

In the usual course of business, to minimise the impact to the variability of the returns of the Sub-Fund, the application of Swing Pricing will be triggered mechanically and on a consistent basis and applied only when the net subscription or realisation for the Sub-Fund reaches or exceeds the Swing Threshold.

The Swing Threshold will be set with the objective of protecting investors’ interest while minimising impact to the variability of the Sub-Fund’s return by ensuring that the NAV per Unit is not adjusted where the dilution impact on the Sub-Fund is, in our opinion, not significant, and may be varied by us in our discretion.

Please note that applying Swing Pricing when the Swing Threshold is reached or exceeded only reduces the effect of dilution and does not eliminate it entirely. Where the net subscription or realisation for the Sub-Fund is below the Swing Threshold, no Swing Pricing will be applied and your investment in the Sub-Fund may be diluted.

The Swing Pricing policy (including the Swing Threshold) for the Sub-Fund will be subject to regular review and may change from time to time. Accordingly, our decision to apply Swing Pricing and the level of adjustment made to the NAV per Unit of the Sub-Fund or Class in particular circumstances may not result in the same decision in similar circumstances arising in the future.

Maximum Adjustment

The amount of adjustment at any future point in time may vary depending on (inter alia) market conditions, but will not, under normal circumstances, exceed 2% (the “**Maximum Adjustment**”) of the NAV per Unit of the Sub-Fund or Class on a dealing day. We reserve the right to apply an adjustment of an amount not exceeding the Maximum Adjustment on a dealing day where we deem appropriate and have the discretion to vary the amount of adjustment up to the Maximum Adjustment, in consultation with the Trustee, from time to time without giving notice to the relevant investors.



Subject to the trust deed of the Fund and applicable laws and regulations, we may, in exceptional circumstances (including but not limited to volatile market conditions, market turmoil, illiquidity in the market, extraordinary market circumstances or significant unexpected changes in general market conditions) and in consultation with the Trustee, temporarily apply an adjustment beyond the Maximum Adjustment on a dealing day if, in our opinion, it is in the best interest of investors to do so. In such cases, if required by the Monetary Authority of Singapore (the “**Authority**”) and/or the Trustee, we shall give notice to affected investors as soon as practicable in such manner as we and Trustee may agree.

Performance and fee calculations

You should also note that:

- (a) the Sub-Fund’s performance will be calculated based on the NAV of the Sub-Fund or Class **after** the Swing Pricing adjustment has been applied (i.e. swung NAV) and therefore the returns of the Sub-Fund may be influenced by the level of subscription and/or realisation activity;
- (b) Swing Pricing could increase the variability of the returns of the Sub-Fund since returns are calculated based on the adjusted NAV per Unit; and
- (c) the fees and charges applicable to the Sub-Fund (including fees based on the NAV of the Sub-Fund) will be based on the NAV **before** the Swing Pricing adjustment is applied (i.e. unswung NAV).

For the avoidance of doubt, there is no change to the investment objective, focus and approach of United Indonesia Equity Fund.

2. Addition of Underlying Funds for United SG Dynamic Income Fund

The investment objective of United SG Dynamic Income Fund is to seek a total return consisting of income and capital appreciation by primarily investing in Singapore.

The Managers intend to achieve the Sub-Fund’s objective through a diversified portfolio of permissible investments (as defined by the Code on Collective Investment Schemes issued by the Authority (the “**Code**”)) focusing in Singapore which may include (but are not limited to) equities, equity-related securities, real estate investment trusts, debt securities, collective investment schemes managed by us, other local or offshore collective investment schemes, and exchange-traded funds. Please refer to Part A of the Annex to this notice for the detailed description of the current investment focus and approach of the Sub-Fund.

With effect from **14 April 2025**, the Sub-Fund may invest 30% or more of its net asset value into each of the following underlying funds (the “**Underlying Funds**”):

- (a) United SGD Money Market Fund (a sub-fund of United Liquidity Solutions Portfolios), which is managed by us; and



- (b) ABF Singapore Bond Index Fund, a stand-alone unit trust managed by Nikko Asset Management Asia Limited, an entity incorporated in Singapore and licensed and regulated by the Authority.

Both Underlying Funds are Singapore-authorized open-ended collective investment schemes constituted in Singapore.

The investment objective of each Underlying Fund is set out in Part B of the Annex to this notice for your information. For the avoidance of doubt, there is no change to the investment objective or the investment focus and approach of United SG Dynamic Income Fund.

You may also wish to note that any subscription or realisation fees charged by United SGD Money Market Fund will be waived for investments by the Sub-Fund and management fees in respect of units in United SGD Money Market Fund held by the Sub-Fund will be rebated back to the Sub-Fund.

The following options are available to you:

Option 1

You may continue holding your Units in the relevant Sub-Fund. If you choose to do so, no action is required of you. Your current holdings in each Sub-Fund remain unaffected.

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 Fund 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 Fund. Currently, there is no realisation charge imposed for realisations of Units in the Sub-Funds.

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 **1 April 2025** 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 **12 March 2025** and **8 April 2025** (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.

Please note that this notice is not to be construed as an offer of units in any of the Underlying Funds.

The above changes will be reflected in the updated prospectus of the Fund to be registered by the Authority on or around the date of this notice. After registration, you may obtain a copy from us, any of our authorised agents or distributors, or via our website at uobam.com.sg.

The updated prospectus will contain certain prescribed information on the Underlying Funds, including their investment focus and approaches and fees and charges. Additional information on each Underlying Fund, such as its risks, can be found in the prospectus of the relevant Underlying Fund. You may obtain a copy of the United SGD Money Market Fund prospectus from us or any of our authorised agents or distributors or our website at uobam.com.sg, and a copy of the ABF Singapore Bond Index Fund prospectus from its manager's website at www.nikkoam.com.sg.

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

We appreciate your ongoing trust and support.

Yours sincerely



Rachel Ong
Chief Marketing Officer



ANNEX

Part A**Investment focus and approach of United SG Dynamic Income Fund**

The Sub-Fund aims to achieve its objective through a diversified portfolio of permissible investments (as defined by the Code) focusing in Singapore which may include (but are not limited to) equities, equity-related securities, real estate investment trusts, debt securities, collective investment schemes managed by us, other local or offshore collective investment schemes, and exchange-traded funds.

Typically, the Sub-Fund will invest primarily in Singapore, and will generally allocate in investments or companies which are incorporated in, headquartered in, listed in, or derive a significant proportion of their revenue or profits from or have a significant proportion of business operation or assets in Singapore. Nevertheless, the Sub-Fund may also allocate its investments outside of Singapore if there are suitable investment opportunities.

Our approach is to select investments which we believe offer the potential for sustainable dividend yields at the required level and provide capital appreciation.

In addition, the Sub-Fund's portfolio is supported by combining the output from our proprietary Artificial Intelligence Machine Learning (AIML) model with a rigorous due diligence process by our regional analysts.

Artificial Intelligence Plus Human Approach

The Artificial Intelligence-Machine Learning (AIML) Asset Allocation Investment Process generates alpha by taking an Artificial Intelligence (AI) plus Human process in 2 steps.

First, the Process adds value through asset allocation decisions guided by rigorous and systematic analyses of macro and technical data of Asian and Global markets related to the various asset classes to be invested in, using our AIML model. The asset classes are then ranked according to a predicted score assigned to it by the model. The higher ranked asset class would get a bigger allocation weight subject to constraints set by the portfolio managers of the Sub-Fund in consultation with our Risk and Performance Unit (RPU). The portfolio is then re-balanced quarterly depending on market conditions.

The second step requires the portfolio managers to outperform their respective benchmarks representing each asset class through active stock/credit selection. This is done through in-depth company/credit research. The equity/fixed income portfolio managers will be further aided by separate AIML models developed to assist them further in their investment decisions to generate the most alpha.

The performance and risks are then monitored and reported to members of our local and regional investment committees comprising senior management. The AIML model is regularly reviewed and tuned to achieve optimal performance over time.

Financial derivative instruments may be used for the purposes of hedging existing positions, efficient portfolio management, or a combination of such purposes.

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



Part B

Investment objectives of the Underlying Funds

Name of Underlying Fund	Investment Objective
United SGD Money Market Fund	To provide a return which is comparable to that of Singapore dollar short-term deposits.
ABF Singapore Bond Index Fund	To provide investors with investment returns that correspond closely to the total return of the iBoxx ABF Singapore Index, before fees and expenses.

