



For Qualified Investors in Switzerland, or Professional Investors or Eligible Counterparties as defined by the relevant laws

## U ACCESS - BEST SELECTION CHINA A

### Seize the growth potential of the Chinese equity market

Firmly established as the world's second-largest economy, with 3,000 listed companies, China is also home to the world's third-biggest stock market. What's more, its capital markets have developed rapidly in recent years and are in the process of opening up further to foreign investors. U Access - Best Selection China A aims to pinpoint the best opportunities in the Chinese equity market through a conviction-driven stock selection process backed up by strict risk-management procedures.

#### Key points

- ◆ *Set to capitalise on the forthcoming domestic and foreign inflows into Chinese equities*
- ◆ *High-conviction approach based on finding quality growth companies*
- ◆ *Strict risk-management performed by an in-house, Geneva-based risk-management team*
- ◆ *A highly experienced on-the-ground investment team in Shanghai, led by CIO Yuan Lei, a leading figure in the Chinese asset management industry*
- ◆ *One of the longest track records in China, with similar strategies run by the team outperforming in 10 out of the last 12 years*

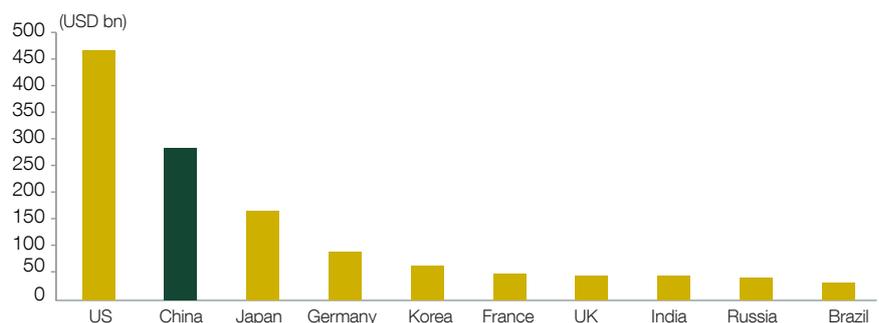
#### Investment case

- ◆ With an ageing population and an inefficient pension system, China faces some serious future funding challenges. Part of the government's response has been to promote direct investment in equities.
- ◆ For example, it recently unveiled its Ownership Reform Plan, which is designed to improve corporate governance and increase companies' focus on maximising shareholder value with the ultimate aim of encouraging more domestic investors to allocate to their home stock market.
- ◆ It has also put in place initiatives to boost foreign investment. For instance, the Shanghai–Hong Kong and Shenzhen–Hong Kong market links will make it much easier for foreign investors to buy Chinese equities. And by ensuring daily liquidity, this programme could result in global indices significantly increasing their positions in China. In short, we expect more and more investors to allocate to Chinese equities in the months and years ahead.

#### Fund concept

- ◆ The combination of a large pool of opportunities – there are over 3,000 listed companies in China – and the inefficiencies in the market – it is driven by retail investors, and there is limited availability of ETFs and derivatives – means there is considerable scope for institutional investors to outperform the broad market.
- ◆ With this in mind, our team focuses on finding quality growth companies, only investing in its strongest convictions, with the aim of outperforming the MSCI China A index. As the Chinese stock market remains less mature than those in the developed world, in-depth analysis and strict risk-management are vital to help us achieve this goal.

#### Global R&D ranking



## Investment process

The fund's investment process follows a number of steps

1. Definition of the investment universe (onshore Chinese equities)
2. Initial quantitative analysis (valuation filters, ranking models, signal analysis)
3. Fundamental in-depth qualitative analysis of factors including revenue and cost drivers, competitive strengths, financial stability, ownership structure and catalysts
4. Machine learning algorithms will add names to the portfolio
5. Strict risk-management at both the stock (regular stock thesis and price action reviews) and portfolio (risk-budgeting) levels

## Investment team

- ◆ A highly experienced on-the-ground investment team based in Shanghai
- ◆ Led by Yuan Lei, a leading figure in the Chinese asset management industry and Artificial Intelligence
- ◆ Team composed of five senior Chinese investment experts who have been working together for close to ten years
- ◆ The team also benefits from the substantial investment resources of our Shanghai office
- ◆ In-house, Geneva-based risk-management team

## Investment guidelines

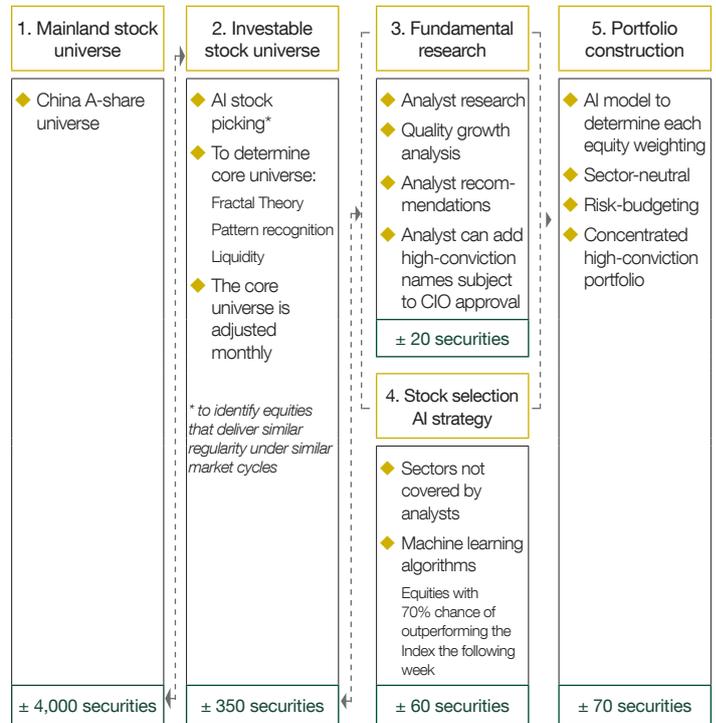
- ◆ Benchmark: MSCI China A NR
- ◆ Typical number of holdings: 60–100
- ◆ Target return: benchmark + 300 basis points
- ◆ Expected tracking error: 10–15%
- ◆ Expected turnover: 100–150%

## General information

Fund name	U ACCESS
Sub-fund name	U ACCESS - Best Selection China A
Legal form of the fund	Luxembourg-incorporated umbrella SICAV, UCITS
Launch date	2 June 2015
Bid/offer price	NAV
Currency	CNH (USD/EUR/CHF/GBP/SGD/JPY/HKD unhedged, USD/EUR hedged)
Subscription/redemption	Daily
Type of shares	A, I, R (Capitalisation and Distribution)
Management fee	AP: 1.50%; IP: 1.00%; RP: 2.00%
Performance fee	20% above MSCI China A NR
Management company	UBP Asset Management (Europe) S.A.

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## Main risks



SRRI relates to CNH share class. This indicator represents the annual historical volatility of the fund.

Risk category reflects level of risk and return profile: 1 lowest; 2 low; 3 limited; 4 average/moderate; 5 high; 6 very high; 7 highest risk.

Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the fund's future risk profile. The risk category associated with the fund is not guaranteed and may change over time.

Investment manager	UBP Investment Management (Shanghai) Ltd	
Administrator	CACEIS Bank Luxembourg S.A.	
Registrar/transfer agent	CACEIS Bank Luxembourg S.A.	
Custodian	BNP Paribas Securities Services Luxembourg	
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