

# UBS Securities

First foreign-invested fully-licensed securities firm in China, 67% owned by UBS AG





China is a key market for UBS, and UBS Securities Co., Limited (UBS Securities) lies at the heart of our strategy in the country. UBS Securities was incorporated on 11 December 2006 following the restructuring of Beijing Securities Co., Limited. In doing so, it became the first foreign-invested fully-licensed securities firm in China to be entirely managed by a global firm. Then, in December 2018, UBS AG increased its shareholding in UBS Securities to 51%, marking the first time a foreign financial institution had increased its stake to take majority control of a securities joint venture in China. In March 2022, UBS AG further raised its stake in UBS Securities to 67%, which marked another milestone of UBS fully capturing the opportunities arising from the opening of China's capital markets.

UBS Securities has grown steadily over the past 15 years. By combining our international experience with local expertise, UBS Securities has built a comprehensive suite of local and cross-border products and services that help foreign investors enter China and support Chinese clients seeking to invest worldwide. By combining a resolute focus on client needs with innovation and robust risk management, UBS Securities has remained at the forefront of the industry ever since its inception. It consistently ranks top among the international investment banks operating in China and has achieved multiple milestones.



UBS Securities' achievements to date would not have been possible without the strong support of our clients, shareholders, business partners, the government and regulatory bodies and particularly our employees. We would like to thank you all as we celebrate UBS Securities' 15th anniversary. Your trust and support has been integral to our success.

Looking ahead, we believe that the continued opening of China's financial market, the development of the New Economy and an ongoing focus on sustainability offers many more business opportunities. We intend to use our unique strengths to take advantage of these factors and offer more world-class products, services and advice to our clients. We hope that our insight and international experience will continue to contribute to the further development of China's financial markets and help all stakeholders work together, towards a better world.

Handwritten signature of David Chin in black ink.

David Chin  
Head of Investment Bank Asia Pacific and  
China Country Head, UBS

Handwritten signature of Eugene Qian in black ink.

Eugene Qian  
Chairman of UBS Securities Co., Limited

# Milestones

## Moving forward

2006

**June**

Received formal approval for the restructuring of Beijing Securities into UBS Securities.

**December**

Officially registered in China.

2010

**September**

Opened two branches in Shanghai.

2016

**April**

Raised stake in UBS Futures to 100%. UBS Futures launched financial futures brokerage service.

**October**

Expand global banking business with an upgrade of the Shenzhen trading outlet into a branch.

2007

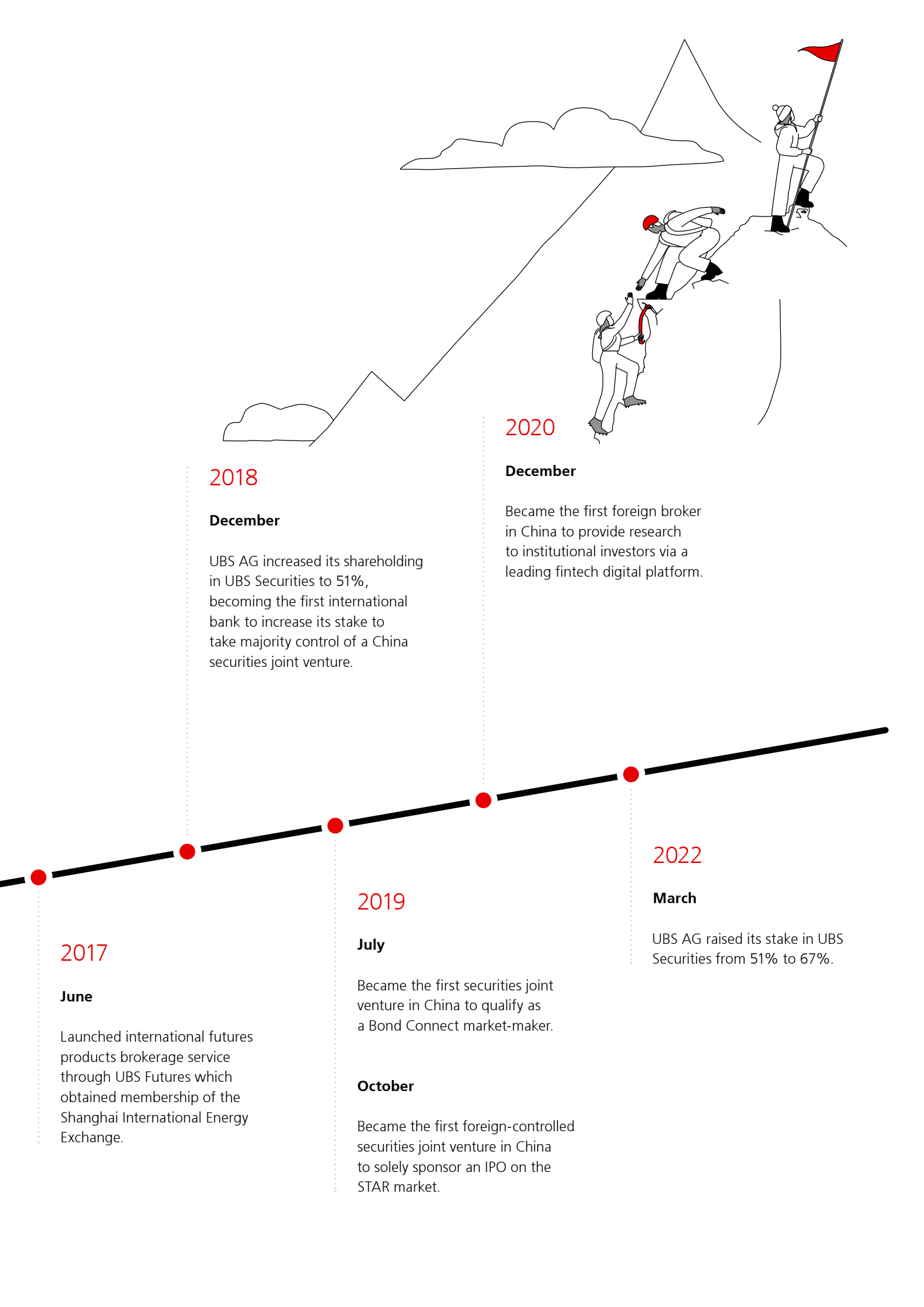
**May**

Commenced business operations with trading outlets in Beijing, Shanghai, Guangzhou & Shenzhen.

2014

**July**

Acquired 95.42% of Shanghai Pumin Futures Brokerage Co., Ltd, later renamed UBS Futures Co., Ltd.



2020

**December**

Became the first foreign broker in China to provide research to institutional investors via a leading fintech digital platform.

2018

**December**

UBS AG increased its shareholding in UBS Securities to 51%, becoming the first international bank to increase its stake to take majority control of a China securities joint venture.

2022

**March**

UBS AG raised its stake in UBS Securities from 51% to 67%.

2019

**July**

Became the first securities joint venture in China to qualify as a Bond Connect market-maker.

**October**

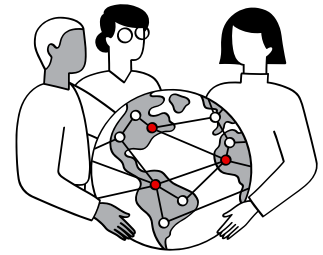
Became the first foreign-controlled securities joint venture in China to solely sponsor an IPO on the STAR market.

2017

**June**

Launched international futures products brokerage service through UBS Futures which obtained membership of the Shanghai International Energy Exchange.

# Capabilities



## Who we are

Registered in December 2006, UBS Securities was established following the restructuring of Beijing Securities. It is the first foreign-invested fully-licensed securities firm in China. In December 2018, UBS AG increased its shareholding in UBS Securities to 51%, becoming the first international bank to increase its stake to take majority control in a China securities joint venture. In March 2022, UBS AG further raised its stake in UBS Securities to 67%.

The scope of business includes: securities brokerage; securities investment consultancy; financial advisory related to securities trading and securities investment activities; securities underwriting and sponsoring; securities proprietary trading; securities asset management; distributing financial products; margin financing; and securities investment funds distribution. Its shareholders are UBS AG (67%) and Beijing State-owned Assets Management Co., Ltd (33%).

## What makes us different?

- First mover advantage with unique competitiveness as the first foreign-invested fully-licensed securities firm in China; entirely managed by UBS AG.
- Combining the controlling shareholder UBS AG's global network, international experience with its strong local expertise.
- Fully-licensed integrated platform to offer comprehensive suite of products and services.
- A unique talent pool comprising employees equipped with both international and domestic expertise; empowered by an inclusive working environment and a comprehensive development scheme.
- A strong culture inherited from UBS AG—robust risk management, client focus and innovation.

## About UBS

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS is the largest truly global wealth manager, and a leading personal and corporate bank in Switzerland, with a large-scale and diversified global asset manager and a focused investment bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in all major financial centers worldwide. It has offices in more than 50 regions and locations, with about 30% of its employees working in the Americas, 30% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 21% in Asia Pacific. UBS Group AG employs more than 72,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).



# Products and services

UBS Securities has the following key businesses and owns 100% of UBS Futures.

## **Global Banking**

Combining UBS's international experience with our local expertise, we provide Chinese corporate and institutional clients with comprehensive and diverse range of financial services. We have led key A+H-share IPOs for large SOEs and SOEs coming back to list on the A-share market. We always actively contribute to regulators' public consultation of capital markets policies. Highly innovative, we consistently rank top among international investment banks in the league tables.

## **Global Markets**

As a leading international global market franchise in China, our global market team offers research advisory, cash trading and execution, investment advisory, financing, derivatives trading services and fixed income trading services. With a wealth of international experience and cross-border expertise, we work cohesively with UBS Research, Global Banking, and Wealth Management under the regulatory framework to offer our clients seamless services and a full suite of products in China. UBS was the first financial institution to obtain China's QFII qualification in 2003. We are a key market liquidity provider and actively participate in block trades including those entailing cross-border collaboration work. We have invested heavily in our execution platform and offer to our clients best-in-class execution capabilities, including algorithmic trading. With a capital-efficient, client-focused business model, the Fixed Income team aims to become a leading player in China with an advantage in cross-border business. As China gradually opens the onshore bond market to global investors, the Fixed Income team, leveraging the global network of UBS AG, is dedicated to providing both domestic and international institutional clients with best execution, innovative ideas and high-quality services. We have a deep understanding of China's fixed income markets; a wealth of experience; and robust execution, distribution and risk management capabilities.

## **Research**

With best-in-class analysts in every sector and market-leading macro and quant products, we provide our international and domestic clients with answers to pivotal questions and differentiated independent research to help make key investment decisions. Our local knowledge and global expertise generate the most comprehensive coverage available among joint-venture securities companies in China.





### **Wealth Management**

Our high net worth clients and ultra-high net worth clients have access to a holistic suite of advisory and investment solutions, including those from our investment bank and asset management business, which can meet their individual, family and corporate needs. We are uniquely positioned to provide our clients with the insights they need to make informed decisions and take advantage of market opportunities. Our experience, scale, and resources help our clients achieve their financial goals.

### **Asset Management**

UBS Securities holds the appropriate asset management license that enables us to provide collective investment management, discretionary portfolio management and investment advisory services, providing institutional investors with professional asset management services.

### **UBS Futures**

UBS Futures provides both trading and clearing brokerage services of all China listed futures products to domestic institutional investors, and the same services of international futures products such as crude oil futures and iron ore futures to global investors. Located in Shanghai, it is a trading and clearing member of the China Financial Futures Exchange, a member of three commodities futures exchanges and a member of the Shanghai International Energy Exchange.



# Achievements

## Leading the market



### **Landmark deals**

We have completed multiple landmark deals including the largest A-share IPO deal\* by far; We rank top among securities joint ventures in terms of total deal volumes, with 100% approval rate from regulators.



### **Cross-border solutions**

We are one of the leading brokers for cross-border solutions with the leading market share in QFII trade and were the first to introduce algo-trading to the A-share market.



### **Comprehensive research coverage**

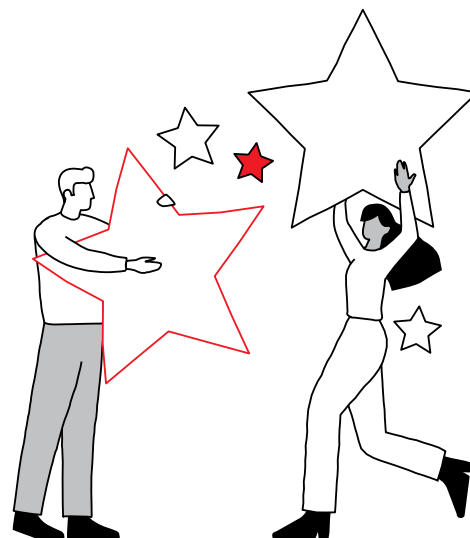
Collaborating with UBS AG, we offer the most comprehensive research coverage on Chinese listed companies when compared with foreign players and have been recognized as the Best Global Investment Bank for China Research by Institutional Investor for several consecutive years.



### **World-class wealth management**

We were the earliest player to bring a world-class wealth management offering to China and to provide a holistic suite of advisory and investment solutions, leveraging our integrated fully-licensed platform.

# Landmark deals



## **Postal Savings Bank of China (PSBC)**

Acting as the joint-lead underwriter, UBS facilitated the completion of PSBC's RMB 32.714 billion A-share IPO on the main board, leading to a successful close of a "A+H" dual listing of the major state-owned commercial bank in China; this is the first strategic placement involving the joint and proactive participation by 6 major strategic placement funds, and introducing the Social Security Fund (SSF) and central enterprise funds as investors; this is the first A-share offering including "Greenshoe option" for the past decade at that time, and also the A-share IPO with the largest financing size for the past decade.



## **Industrial and Commercial Bank of China**

- Supported the completion of the onshore preference shares offering, which was the largest single offshore preference shares offering then.
- Supported the completion of the offshore preference shares offering in three currencies (USD+EUR+CNH) which is the first multi-currency bank capital issue in Asia.
- Supported the completion of the RMB 44.86 billion A+H placement.



## **Frontier Biotechnologies**

Facilitated the successful completion of Frontier Biotechnologies' RMB 1.844 billion A-share STAR IPO, which was the first STAR IPO deal adopting the fifth set of listing criteria with a foreign-controlled securities firm acting as sponsor for unprofitable enterprise. UBS's participation also set a precedent as the first international investment bank to participate in STAR Market strategic placement for an unprofitable enterprise via a co-investment. With strong capabilities of integrated service, we successfully assisted in delivering a high-quality issuance and listing despite volatile market conditions.



## **Haohai Biological Technology**

Facilitated the successful completion of Haohai Biological Technology's RMB 1.588 billion A-share IPO which is the first IPO deal with a foreign-controlled securities firm acting as sponsor in the STAR Market. Haohai Biotech became the first "H+STAR" dual-listed biopharmaceutical company post the IPO. UBS's participation set a precedent as the first international investment bank to participate in STAR Market strategic placement via co-investment. This is also the first time an international bank has been involved in the strategic placement of a STAR Market IPO. The transaction marks the largest A-share pharmaceutical IPO from 2017 up until the IPO announcement date as well as the largest STAR Market pharmaceutical IPO as of the IPO announcement date, in terms of fund size.

# Landmark deals



## PetroChina

- Acting as a financial advisor for PetroChina onshore/offshore respectively, UBS Securities and UBS AG's Hong Kong branch successfully demonstrated its outstanding capabilities as an investment bank and showcased UBS's leading position in deals related to the restructuring of large state-owned enterprises in Asia.
- Since 2015, UBS Securities and UBS AG Hong Kong Branch have been among the most prolific investment bank advisers for mergers and acquisition deals for Chinese state-owned enterprises.



## Diageo

Supported the successful completion of Diageo's acquisition of Swellfun's 63.14% stake by which Diageo gained a controlling stake in the listed entity. UBS team has repeatedly assisted Diageo in executing inbound M&As through partial tender offers, demonstrating its unrivalled capability in executing landmark cross-border transactions, the distinct competitive advantage of its cross-border platform, as well as its sound long-term relationship with important clients around the globe.



## CRRC

- Supported the completion of the RMB 12 billion private placement.
- Supported the merger of CSR and CNR which had a total market cap of USD 26 billion after the transaction. The project is a milestone of Central SOE reform, creating the world's largest rolling stock supplier then. This is also the first ever merger of A+H listed companies, presenting pioneering and innovative market value.
- Supported the completion of CSR and CNR's most of the important capital market transactions, including CSR's RMB 8.755 billion A-share private placement, RMB 5 billion corporate bond offering, and also CNR's RMB 7.1 billion rights issue, and its HKD 9 billion H-share IPO, along with UBS AG.



## BYD

- Supported the completion of the RMB 14.5 billion A-share private placement, receiving an investment of RMB 3 billion from Samsung as strategic investor.
- Supported the completion of BYD's RMB 1.4 billion A-share IPO.
- Supported the completion of the HKD 6.69 billion spin-off of BYD Electronic for listing in Hong Kong.
- Completed a number of onshore and offshore bond offerings, and onshore and offshore refinancing transactions.



## China Energy Investment Corporation / China Guodian Corporation

Facilitated the completion of a total of 18 transactions for China Energy Investment Corporation/China Guodian Corporation and its subsidiaries including GD Power, Longyuan Power, Guodian Technology & Environment and Guodian Capital, raising over RMB 65 billion. The transactions include Guodian Corporation corporate bond, GD Power private placement, GD Power convertible bond, GD Power public placement, Longyuan Power corporate bond and Guodian Capital corporate bond etc.



## China Railway

- Supported the completion of China Railway Erju's RMB 6 billion A-share private placement.
- Supported the completion of the RMB 4.17 billion corporate bond offering.
- Supported the completion of China Railway Erju's RMB 1.7 billion major asset restructure.
- Supported the completion of the RMB 12 billion A-share private placement.
- Supported the completion of China Railway's RMB 22.4 billion A-share listing.
- Supported the completion of China Railway's RMB 19.2 billion IPO in Hong Kong.



### **China Securities**

Acting as the sponsor, UBS Securities supported China Securities Company Limited's A-share IPO, raising RMB2.168 billion. This is the second time for UBS to offer capital market service to China Securities since its H-share IPO in 2016.



### **YTO Express**

- Acting as the joint-lead underwriter, UBS Securities facilitated YTO's issuance of RMB3.65 billion convertible bonds.
- Acting as the independent financial advisor, UBS Securities supported the Backdoor Listing of YTO.



### **China Merchant Bank**

- Facilitated China Merchant Bank's private placement of preference shares, raising RMB27.5 billion.
- Supported the completion of China Merchant Bank's RMB20 billion tier-2 bond transaction.
- UBS Securities and UBS AG facilitated multiple transactions including issuance of tier-2 bonds and preference shares for China Merchant Bank.



### **Sinochem**

Executed multiple corporate bond and perpetual bond transactions for Sinochem Corporation, with a total financing amount of RMB27.5 billion.

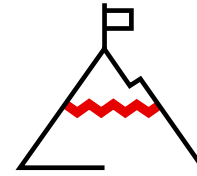


### **China Southern Airlines**

- UBS Securities successfully supported the completion of China Southern Airlines Company Limited's RMB9.5 billion A-share private placement; meanwhile, UBS AG, acting as the sole financial advisor, supported the completion of China Southern Airlines' HKD3.6 billion H-share private placement.
- UBS Securities and UBS AG facilitated China Southern Airlines' A-share private placement and introduced American Airlines into its H-share placement as a strategic investor.



# Awards



2021 Best Independent Financial Advisor  
2021 Best IPO Financing Team  
2021 Best Independent Financial Advisory Team  
(Project team for China Petroleum Pipeline)  
2021 Best ChiNext Financing Project  
2020 Best Main Board Investment Bank  
2020 Best Main Board Deal (The Postal Savings Bank IPO)  
2019 Best Equity Refinancing Investment Bank  
2019 Best Financial Advisor  
**2019 – 2021, Securities Times, China Best Investment Banks Awards**

Best Overseas Deals  
Best M&A Investment Bank  
Best Refinancing Deal  
Best IPO Deal  
Best Overseas M&A Deal  
Best Convertible Bond Deal  
**2016 – 2021, New Fortune**

Joint #1 in 2021 All-China Institutional Investor Survey  
and #1 foreign broker for 6 years  
**2016 – 2021, Institutional Investor All-China Research Team**

China Awards 2019 – Best Corporate Bond  
China Awards 2019 – Best M&A Deal  
China Awards 2018 – Best Cross-border M&A Deal  
Achievement Awards 2017 – Best M&A Deal  
**2017 – 2019, FinanceAsia**

Best Advisor to Chinese Outbound Acquirers  
**2018, Caixin**

Best Foreign Investment Bank for China  
**2013, 2015, 2016, FinanceAsia**

Best Foreign Private Bank  
**2011 – 2013, 2016, 21st Century Business Herald**

Best M&A House, China  
**2015, Euromoney**  
**2012 – 2013, Securities Times**  
**2009, 21st Century Business Herald**

Best Overseas Market Research Institution  
**2013 – 2014, China Business News**

Best Private Bank, China for High Net Worth  
**2014, Euromoney**  
**2012, Asiamoney**

Best Investment Bank, China  
**2013, Euromoney**  
**2013, The Asset**

Best Equity House, China  
**2013, The Asset**  
**2012, Euromoney**

Securities Joint Venture of the Year  
**2012, IFR Asia**

Best Debt House, China  
**2011, Euromoney**

Best Wealth Management Service  
**2011, Robb Report**

Best Joint Venture Investment Bank  
**2008 – 2011, Securities Times**

Most Innovative Investment Bank  
**2009, Securities Times**

Most Potential Investment Bank  
**2008, Securities Times**

# Community impact

UBS places great emphasis on the health and prosperity of the communities and has made long-term support in charity programs in the area of education and skills, providing targeted financial support and employee volunteering to generate positive impact in the communities in China.

UBS partners with a number of social welfare organizations including China Foundation for Poverty Alleviation; Beijing United Charity Foundation; Adream Foundation; Shenzhen Tomorrow Educational Public Welfare Development Center; Shanghai Jiuqian Volunteer Center. Key projects include the Youth Resilience Building Program in Wuhan, Shanxingzhe Charity Walking, the Love Lunch Box program, the UBS Adream Center, the migrant children program, career education and financial literacy education programs for middle or high school students from disadvantaged areas, etc.

In 2020, as part of COVID-19 responses, UBS AG donated USD 1 million through UBS Optimus Foundation Beijing Representative Office for the procurement of protective gears urgently needed by the front-line medical workers. UBS Securities and its subsidiary UBS Futures made an additional donation of RMB 1.05 million and organized staff donation, to support long-term recovery efforts in the community. In 2021, UBS also donates over RMB 1 million to support Henan flood relief. We will continue to work towards increasing sustainability and the well-being of local communities and contribute to overcoming social challenges.



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Updated in March 2022.

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