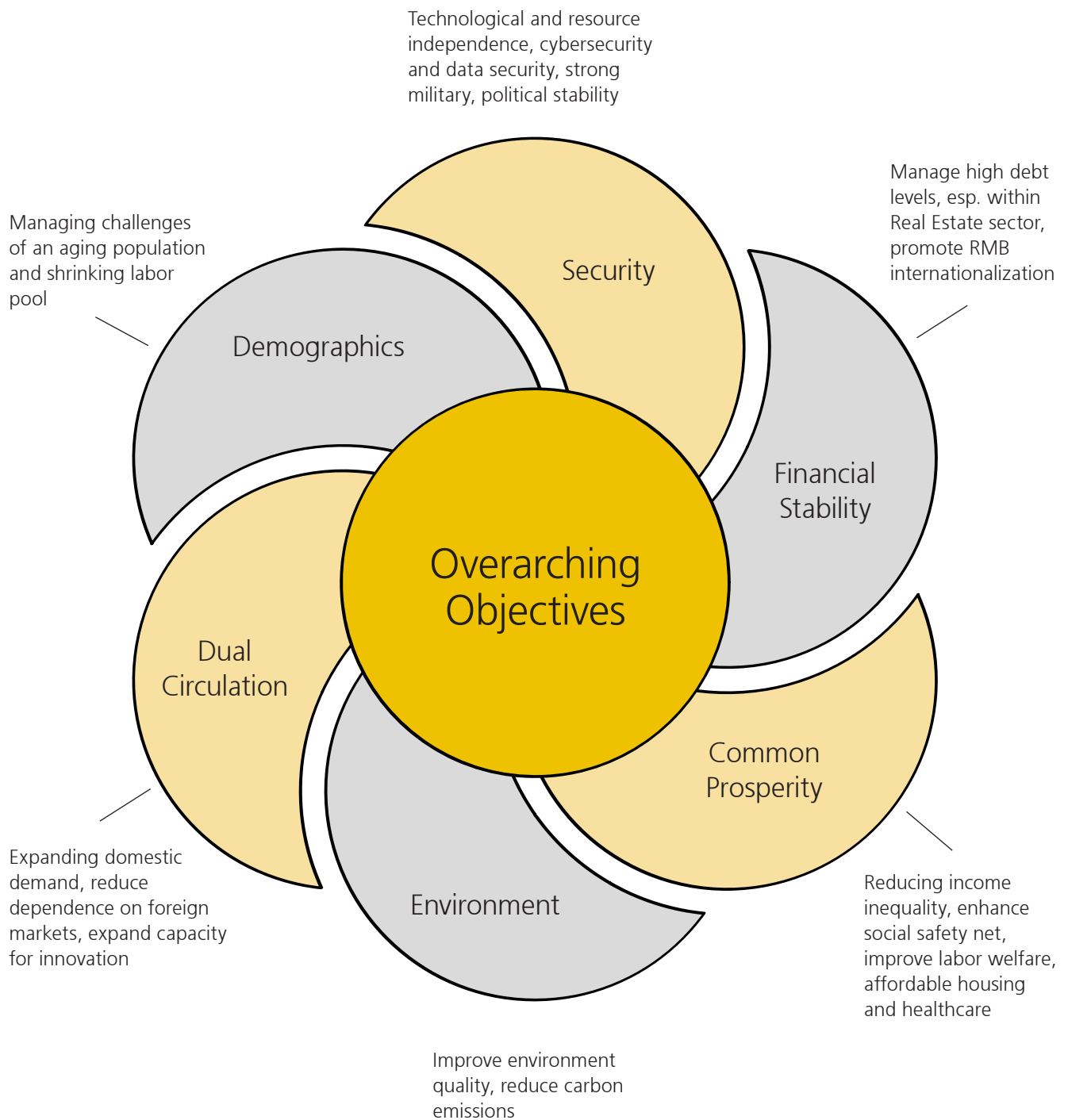


The best of China markets captured

UBS (Lux) Equity SICAV – All China (USD)



The Big Picture

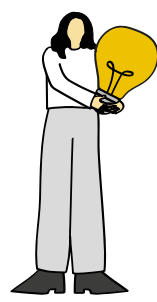


But long-term driver still intact

China is...



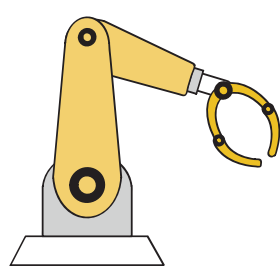
Consuming



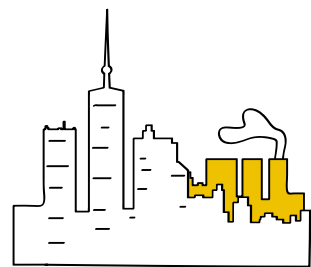
Innovating



Aging

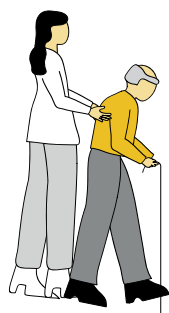


Automating



Urbanizing

China is aging



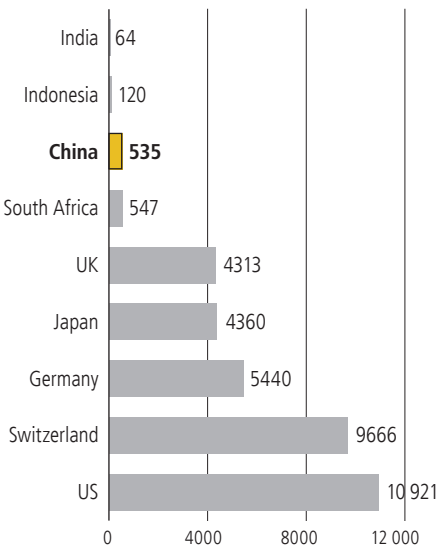
Growing health market

Health expenditure in China is low compared to global peers and has much capacity to grow in the future.

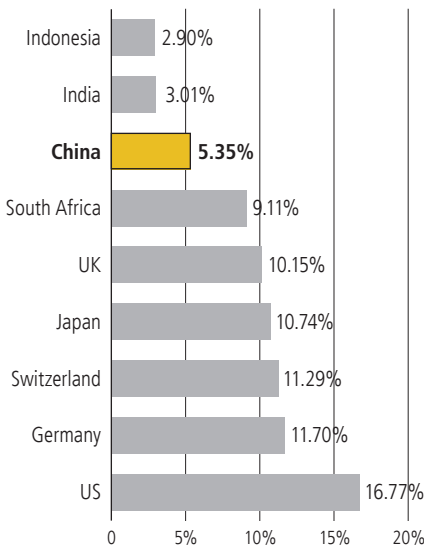
Health expenditure in China has potential to grow in the future

Health expenditure in China is low vs. global peers – despite China being the world’s second largest economy.

China versus Peers Health
Expenditure per capita (USD 2019)



China versus Peers Health
Expenditure as % of GDP (2019)

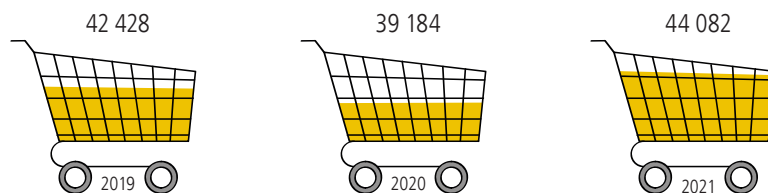


Source: OECD Health Statistics 2021, WHO Global Health Expenditure Database.

China is consuming



Total retail sales in China in billion (CNY) from 2019 to 2021



Increasing retail market

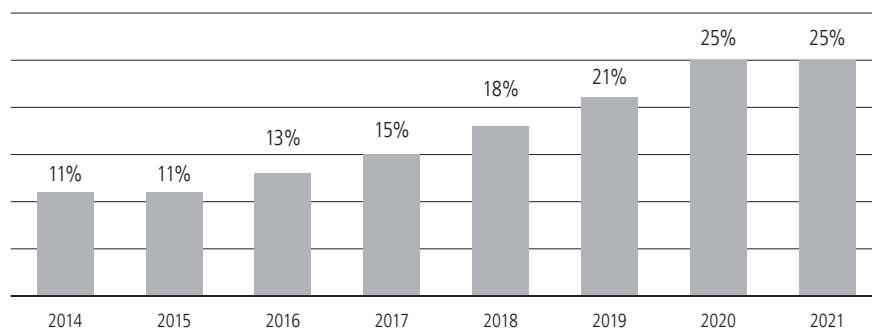
In 2021 consumer goods in China reached 44 082 billion yuan.

Up by 12.5% over the previous year average.¹

E-commerce increased by 14%

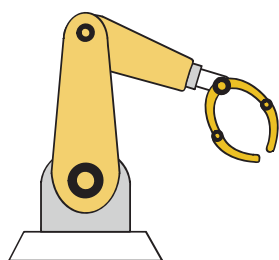
In 2021 about 24.5% of the retail sales in China were made online. The percentage of E-commerce retail sales increased from 11% to 25% in the past 7 years.²

E-commerce share of retail sales in consumer goods from 2014 to 2021



Sources: 1 China Internet Watch January 2022; 2 Statista Data Platform February 2022.

China is automating

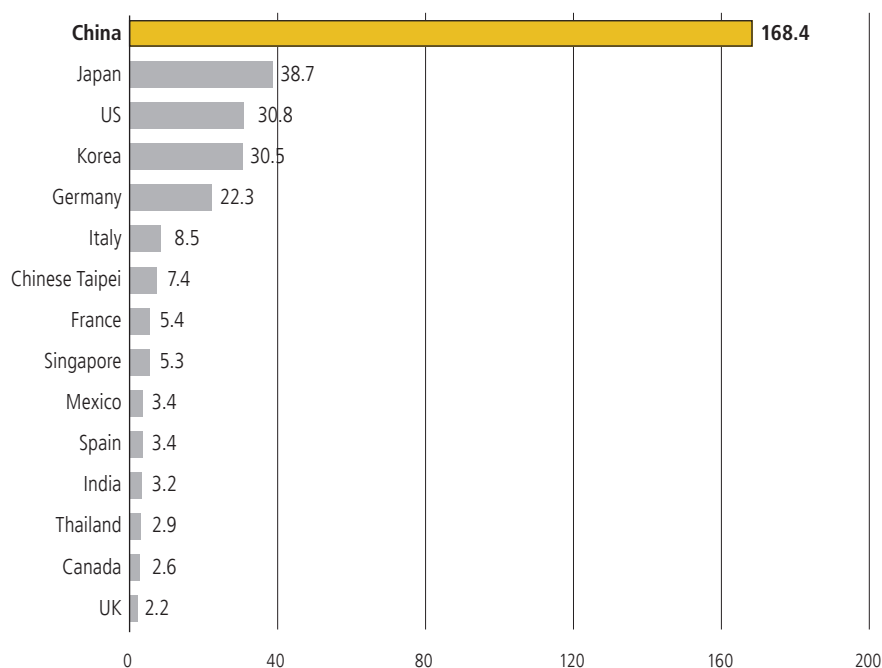


Made (by robots) in China¹

China remains the world's largest industrial robot market with 168.4k total new installations in 2020 (= +20% growth compared to 2019) (US: 30.8k). The operational stock reached 943k units.

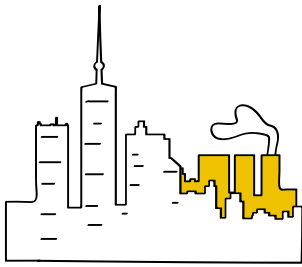
China has been the world's largest industrial robot market since 2013 and accounted for 44% of total installations in 2020. The 168 377 units installed in China exceeded the combined installations in Europe and the Americas (106 436 units) by 58%.

Annual installations of industrial robots: 15 largest markets 2020²



Sources: 1 Executive Summary World Robotics 2021 Industrial Robots, October 2021; 2 World Robotics, October 2021.

China is urbanizing



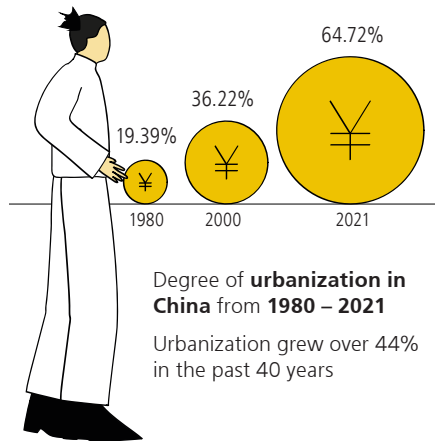
More and more city citizens

In 2021 approximately 64.7% of the total population in China lived in cities. That's over 0.9 bn people and this number continues growing.¹

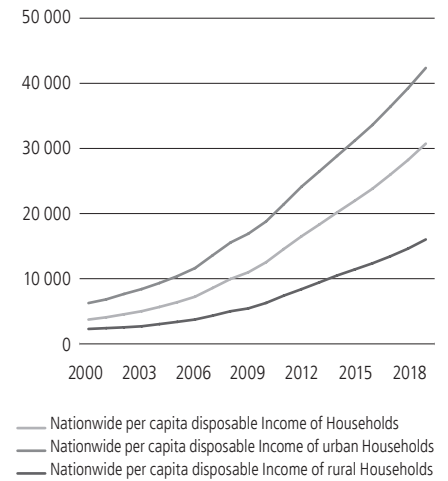
Rising incomes

Urban household incomes increased from 6.3k in 2000 to 42k in 2019, while rural household incomes are at 16k in 2019.²

As urbanization grows, urban household income gets higher³

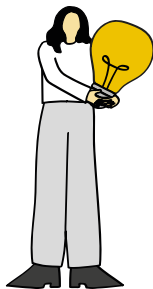


China Households Disposable Income per Capita (CNY)⁴



Sources: 1 Statista Data Platform, February 2022; 2 Nationals Bureau of Statistics of China; 3 Trading Economics, Nationals Bureau of Statistics of China; 4 Nationals Bureau of Statistics of China, data as of 2019.

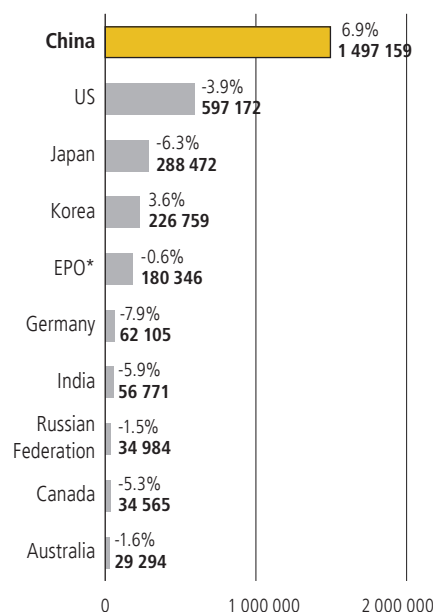
China is innovating



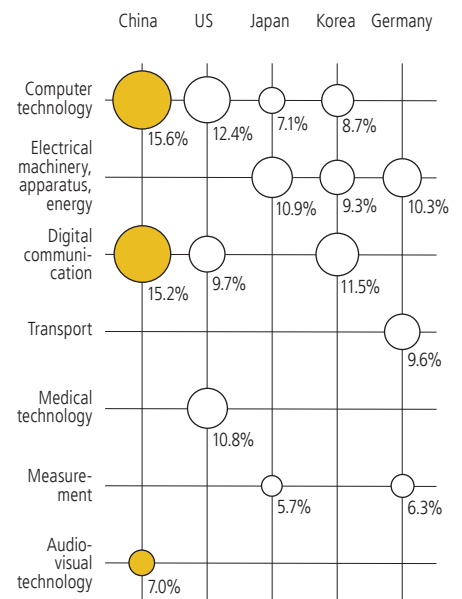
China #1 in patent applications¹

In 2020 China submitted 1.5m patent applications (US: 0.6m) and 770k industrial design applications (US: 48k).

Patent applications for the top 10 offices²
(Change compared to previous year, number of submitted patents)



Which countries specialize in which technologies?³ Top technical fields in PCT applications, % of country's 2021 applications



* European Patent Office

Sources: 1 WIPO Statistics Database, February 2022; 2 WIPO Statistics Database, February 2022; 3 WIPO Facts & Figures, February 2022.

Unleash the potential of an all-in-one China equity fund

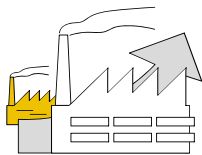


Different opportunities in onshore and offshore markets

sector leaders that benefit from China's growth and reforms

Onshore: Traditional Chinese medicines, home appliances, domestic liquor

Offshore: Gaming & media, e-commerce

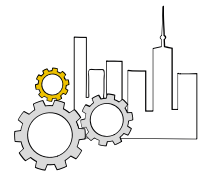


Identifying industry leaders

that can outperform industry earnings growth and have attractive valuations

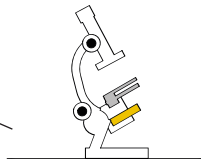
UBS All China Fund¹

- **All-in-one China equity** solution that flexibly allocates across China onshore and offshore markets
- Actively managed portfolio of **~20-50 best ideas**
- **Unconstrained** by benchmark
- **Active under-/overweighting** of sectors
- **Proven** investment philosophy and **disciplined** process
- Based on **"boots-on-ground"** research and focus on **quality**
- **High conviction** portfolio that invests in companies with the **best long-term potential** in China's A share markets



Strategic industries and sectors

benefitting from China's transition to services-led economy



Fundamental research/ Quality checklist

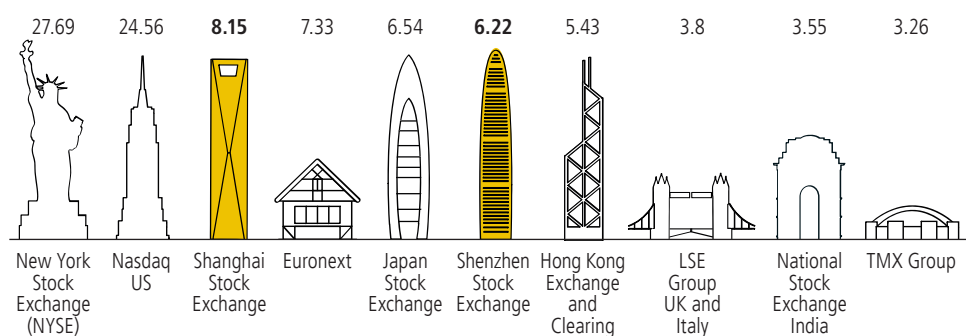
in-depth industry and company research and quality checklist to rate the companies

For illustrative purposes only. 1 UBS (Lux) Equity SICAV – All China (USD).

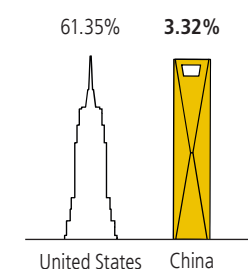
The world is underinvested in China

China second-largest stock market but significantly under-represented in global portfolios

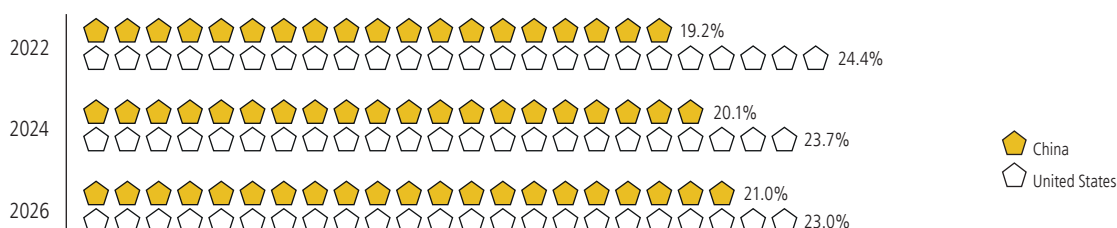
10 largest stock exchanges by market capitalization¹ (in trillion USD)



Weights in the MSCI All Country World Index (ACWI)³



Share of global GDP²



Sources: 1 Trade Brains, 10 largest Stock Exchanges in the World 2021, data as of February 2022; 2 International Monetary Fund, World Economic Outlook Database, Gross Domestic Product (GDP), current prices in USD, estimates, April 2022; 3 Not to scale, for illustrative purposes only. MSCI data as of March 2022.



Opportunities

- Participate in China's growth story: Investors gain access to all classes of shares in China such as A, B and H shares, red chips and P chips as well as ADRs
- Focus on industry leaders that have true performance potential, resulting in 20-50 high-conviction investments for the portfolio
- Multi-tiered investment process focuses on fundamental research, unconstrained by benchmark
- Invest in the "best of China only" for investors who are willing to accept some degree of onshore-exposure
- Due to the significant deviation from the reference index, the fund offers the potential to outperform the reference index
- Managed by local and experienced investment team based on "boots-on-ground" research and focus on quality
- Access to onshore China equity market via Shanghai/Shenzhen-Hong Kong Connect
- Investment decisions are based on an investment philosophy and fundamental research, the portfolio manager is not tied to the benchmark in terms of investment selection or weight



Risks

- Fund invest in equities and may therefore be subject to high fluctuations in value
- For this reason, an investment horizon of at least five years and an appropriate risk tolerance and capacity are required
- Fund pursues an active management style, which means that performance can deviate substantially from that of its reference index
- Investments through Shanghai or Shenzhen Stock Connect are subject to additional risks, in particular quota limitations, custody risk, clearing/settlement risk and counterparty risk
- Pronounced fluctuations in price are characteristic of emerging economies. Other characteristics include specific risks such as lower market transparency, regulatory hurdles, illiquidity of markets as well as political and social challenges
- Fund has specific risks related to Chinese investments, which can significantly increase given the specific market and market regulation
- Fund can use derivatives, which may result in additional risks (particularly counterparty risk)
- Every fund has specific risks, which can significantly increase under unusual market conditions

Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation.

For complete information about the fund, including the risks of investing, applicable fees (e.g. entry or exit fees) and other important information, investors prior to investing should read the Key Investor Information Document (KIID), full prospectus, the complete risk information and any applicable local offering documents. Please refer to your adviser for more information.

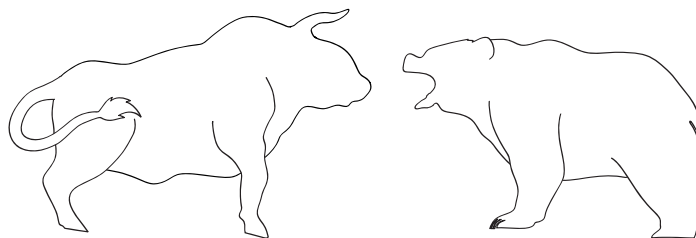
Characteristics and fees

Fund name	UBS (Lux) Equity SICAV – All China (USD)					
Fund currency	USD; other available currencies: HKD, SGD, EUR hedged					
Fund domicile	Luxembourg					
Category	UCITS					
Portfolio management	UBS Asset Management					
Custodian bank	UBS Europe SE, Luxembourg Branch					
Financial year	1 June to 31 May					
Subscriptions/redemptions	Daily					
Distributions	accumulating (acc) share classes: none (reinvestment)					
Swing pricing	yes					
SFDR aligned to	Article 8					
Reference index	MSCI China All-Share (net div. reinv.)					
Share class	P-acc (USD)	P-acc (HKD)	P-acc (SGD)	P-acc (EUR hedged)	Q-acc (USD)	Q-dist (USD)
ISIN	LU1807302812	LU1960683339	LU1993786604	LU2258545644	LU1807302739	LU2200167067
Launch date	24.05.2018	20.03.2019	23.05.2019	28.01.2021	11.06.2018	16.07.2020
Management fee p.a.	1.72%	1.72%	1.72%	1.76%	1.03%	1.03%
Ongoing charges	2.21%	2.21%	2.21%	2.27%	1.35%	1.35%

Source: UBS Asset Management. Data as of March 2022.

Investors are acquiring units in a fund, and not in a given underlying asset such as building or shares of a company. If part or all of the total costs is to be paid in a currency different from your reference currency, the costs may increase or decrease as a result of currency fluctuations.

Do you know A-shares?



1. What are China A-shares?

China A-shares are RMB-denominated equity shares of China-based companies that trade on the Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE).

2. Can foreigners buy China A-shares?

Yes, they may invest via Stock Connect, Qualified Foreign Institutional Investor (QFII), or RMB Qualified Foreign Institutional Investor (RQFII) programs.

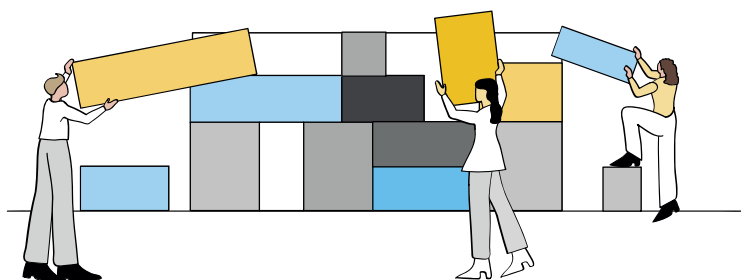


3. How are China A-shares different to China B-shares?

China A-shares are only quoted in RMB. China B-shares are traded in USD on the Shanghai Stock Exchange and in HKD on the Shenzhen Stock Exchange.

4. How are China A-shares different to H-shares?

China A-shares are RMB-denominated equity shares of China-based companies and trade on either the Shanghai or Shenzhen Stock Exchange. H-shares are HKD-denominated equity shares of mainland China companies listed on the Hong Kong Stock Exchange.



5. Are A-shares included in MSCI indices?

Yes, process of A-share inclusion in MSCI indices began on 1 June 2018 when the benchmark provider added 230 A-shares to its Emerging Market index. Their share in MSCI indices will increase in the future.

6. Why are China A-share markets volatile?

China A-share markets are dominated by retail investors. Retail investors tend to have shorter investment time horizons than institutional investors and trade in and out of positions much more frequently.

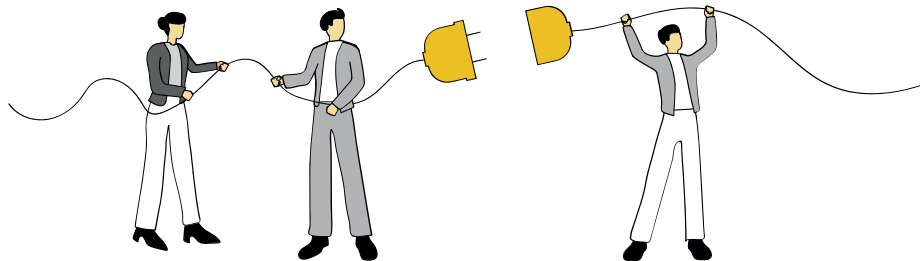


7. How is the Shenzhen Stock Exchange different from the Shanghai Stock Exchange?

Shenzhen Stock Exchange has more private companies listed than Shanghai Stock Exchange, which is dominated by larger, state-owned companies. Almost half of the Shenzhen stock market consists of China's new economy sectors including, information technology, consumer discretionary and healthcare.

8. How does the investor base differ between the Shanghai, Shenzhen and Hong Kong Stock Exchanges?

Shanghai and Shenzhen Stock Exchanges have higher participation from retail investors. The Hong Kong Stock Exchange has higher participation from institutional investors.



9. What is Stock Connect?

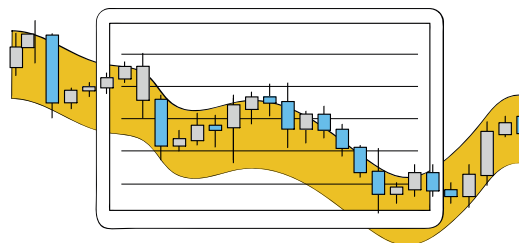
Stock Connect is an equity trading link that connects the Hong Kong Stock Exchange and the Shanghai and Shenzhen Stock Exchanges. Via Stock Connect, Hong Kong-based investors may trade in Shanghai and Shenzhen markets, and vice versa.

10. What is Shanghai-Hong Kong Stock Connect?

Shanghai-Hong Kong Stock Connect began on 17 Nov. 2014 and provides mutual stock market access to investors in Hong Kong and Shanghai.

11. What is Shenzhen-Hong Kong Stock Connect?

Shenzhen-Hong Kong Stock Connect links the Shenzhen and Hong Kong Stock Exchanges and allows mutual market access to investors in each market. It was launched on 5 Dec 2016.



12. What is Northbound Stock Connect trading?

It refers to equity trading by Hong Kong-based investors in the Shanghai and Shenzhen Stock Exchanges via the Hong Kong-Shanghai/Shenzhen Stock Connect.

13. What is Southbound Stock Connect trading?

It refers to equity trading by Shanghai and Shenzhen-based investors on Hong Kong Stock Exchanges via the Hong Kong-Shanghai/Shenzhen Stock Connect.

14. Which is larger, southbound or northbound trading and why?

Northbound Stock connect trading has been historically larger than southbound stock connect trading, mainly because southbound trading is more restricted than northbound.

Glossary

A, B and H shares:

A-shares refer to shares issued by domestic companies incorporated in China and trade on Chinese Stock Exchanges in RMB. They may be traded by domestic institutions, organizations or individuals under the Qualified Foreign Institutional Investor (QFII), the RMB Qualified Foreign Institutional Investor (RQFII) rules, or via the Stock Connect Programs.

B-shares refer to the RMB-denominated special shares with their par values marked in RMB in their circulation and to be subscribed and traded in foreign currencies on Chinese Stock Exchanges. They trade in USD on the Shanghai Stock Exchange and in HKD on the Shenzhen Stock Exchange.

H-shares refer to the shares issued by Chinese Companies incorporated on the mainland and are traded in Hong Kong. Similar to other securities listed on the Hong Kong Stock Exchange, H Shares trade in HKD and do not have any restrictions on who can trade them.

ADR: American Depositary Receipts (ADRs) refer to (Chinese) companies that are registered outside the United States and are traded on American Stock Exchanges.

Benchmark: Reference parameter (e.g. a share index or an index portfolio) used to compare the performance of a portfolio. A benchmark that is an index is also called a reference index.

Counterparty risk: Loss that a bank would incur if a business partner were to become insolvent.

Derivative: A derivative or derivative financial instrument is a generic term for synthetic financial products which are linked to one or more underlying instruments such as shares, bonds, indices, etc.

Drawdown: The peak-to-trough decline during a specific record period of an investment or fund. It is usually quoted as the percentage between the peak and the trough.

P chips: P Chip is a company controlled by Mainland Chinese companies or individuals, with the establishment and origin of the company in Mainland China. It must be incorporated outside the People's Republic of China (PRC) and traded on the Hong Kong Stock Exchange with a majority of its revenue or assets derived from Mainland China.

Quota limitations: Limitations on foreign investment into China's mainland stock exchanges.

Red chips: A Red Chip is a company incorporated outside the People's Republic of China (PRC) that trades on the Hong Kong Stock Exchange and is substantially owned, directly or indirectly, by Mainland China state entities with the majority of its revenue or assets derived from Mainland China.

Risk: Exposure to damage or financial loss, e.g. a fall in the price of a security, or insolvency on the part of a debtor. Financial market theory measures the risk of an investment or portfolio by the degree of expected return fluctuations.

Shanghai or Shenzhen Stock Connect: Collaboration between the Hong Kong, Shanghai and Shenzhen Stock Exchanges, Stock Connect allows international and Mainland Chinese investors to trade securities in each other's markets through the trading and clearing facilities of their home exchange.

Volatility: Measure of the fluctuations in the rate of return of a security within a specific period. Usually stated as an annualized standard deviation.

For any further explanations of financial terms please refer to ubs.com/am-glossary

For marketing and information purposes by UBS.

UBS funds under Luxembourg law. Arrangements for marketing fund units mentioned in this document may be terminated at the initiative of the management company of the fund(s). The product described herein aligns to Article 8 Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR). Information on sustainability-related aspects pursuant to that regulation can be found on ubs.com/funds. Before investing in a product please read the latest prospectus and key investor information document carefully and thoroughly. Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith, but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the document. Members of the UBS Group may have a position in and may make a purchase and / or sale of any of the securities or other financial instruments mentioned in this document. Units of UBS funds mentioned herein may not be eligible for sale in all jurisdictions or to certain categories of investors and may not be offered, sold or delivered in the United States. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. If whole or part of the total costs to be paid is different from your reference currency, the costs may increase or decrease as a result of currency and exchange rate fluctuations. Commissions and costs have a negative impact on the investment and on the expected returns. If the currency of a financial product or financial service is different from your reference currency, the return can increase or decrease as a result of currency and exchange rate fluctuations. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future. The details and opinions contained in this document are provided by UBS without any guarantee or warranty and are for the recipient's personal use and information purposes only. This document may not be reproduced, redistributed or republished for any purpose without the written permission of UBS Asset Management Switzerland AG or a local affiliated company. Source for all data and charts (if not indicated otherwise): UBS Asset Management. This document contains statements that constitute forward-looking statements, including, but not limited to, statements relating to our future business development. While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

Switzerland: Representative in Switzerland for UBS funds established under foreign law: UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel. Paying agent: UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich. Prospectuses, key information document, the articles of association or the management regulations as well as annual and semi-annual reports of UBS funds are available in a language required by the local applicable law free of charge from UBS Asset Management Switzerland AG, c/o UBS AG, Bahnhofstrasse 45, 8001 Zürich, Switzerland or from UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel. A summary of investor rights in English can be found online at: ubs.com/funds. More explanations of financial terms can be found at ubs.com/glossary

© UBS 2022. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved. June 2022

UBS Asset Management Switzerland AG, c/o UBS AG, Bahnhofstrasse 45, P.O. Box, CH-8098 Zurich, ubs.com/am-ch

