

UBS Securities

First foreign-invested fully-licensed securities firm
in China, **51%** owned by UBS AG





He Di



Eugene Qian

UBS Securities Co., Limited (UBS Securities) was incorporated on 11 December 2006 following the restructuring of Beijing Securities Co., Limited. In December 2018, UBS AG increased its shareholding in UBS Securities to 51%; the first time that a foreign financial institution had raised its stake to take majority control of a securities joint venture in China. With the support of the UBS Group and the dedication of our employees, UBS Securities remains at the forefront of the industry as the first foreign-invested fully-licensed securities firm in China. Client-centric and committed to the pursuit of excellence and sustainable performance, UBS Securities relies on international experience complemented by local expertise to maintain its market-leading position.

Our success would not have been possible without our employees. We would also like to thank our clients, shareholders, business partners, as well as government and regulatory bodies for their support which has been a driving force for the business.

Our market position today is a strong foundation for the decades to come. We are determined to build on our core strengths to capture the opportunities arising from ongoing wealth creation, market reforms and globalization in China. We will continue to offer world-class products, services and advice to our clients, and work with all stakeholders towards the further development of China's financial markets.

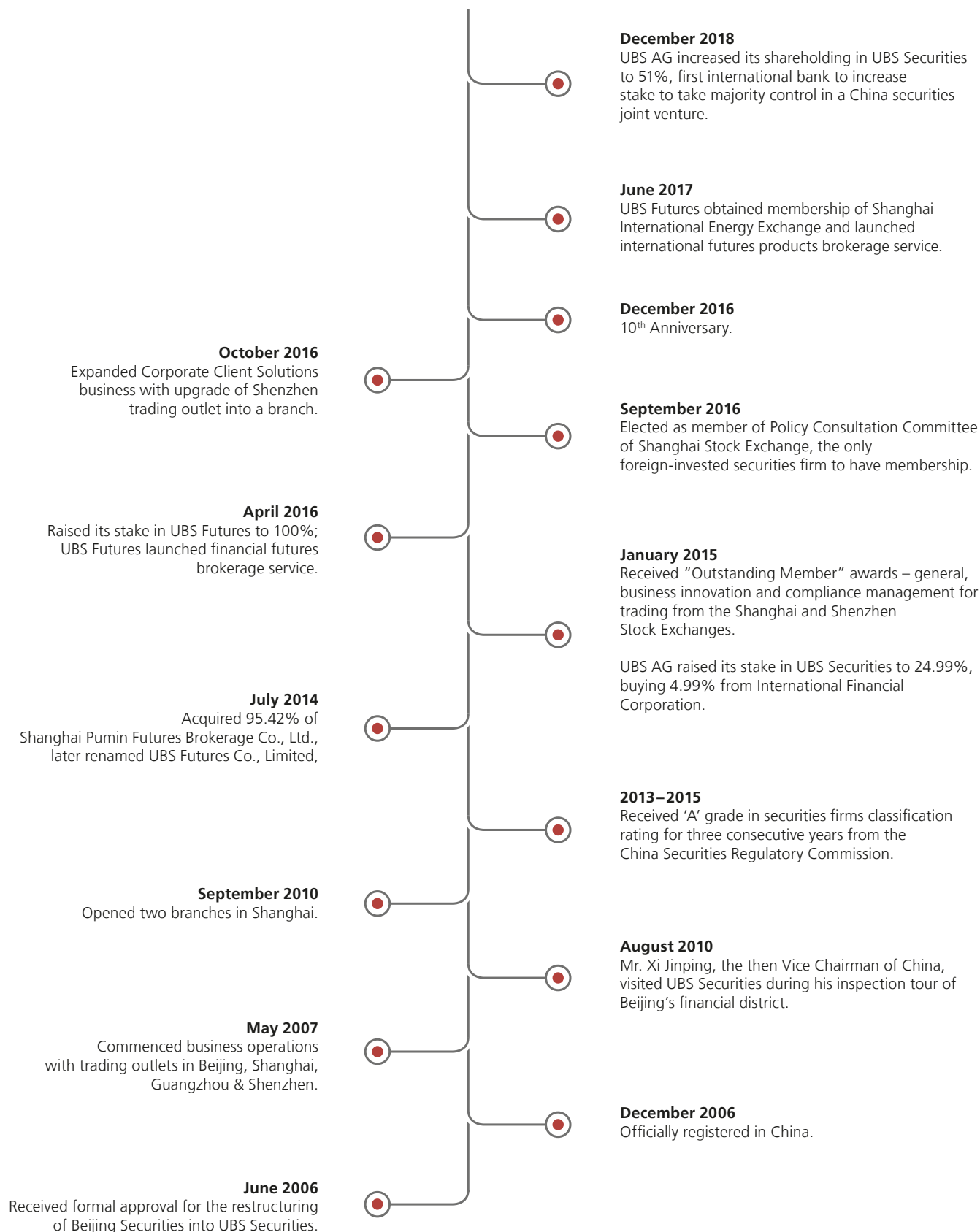
Very best wishes.

He Di
Chairman
UBS Securities

Eugene Qian
President
UBS Securities

Milestones

Moving forward



Capabilities



Who we are

UBS Securities is the first foreign-invested fully-licensed securities firm in China. Our core businesses include: 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; and margin financing.

Registered in December 2006, UBS Securities was established following the restructuring of Beijing Securities. In December 2018, UBS AG increased its shareholding in UBS Securities to 51%. Other shareholders include Beijing State-owned Assets Management Co., Ltd (33%); Guangdong Provincial Communication Group Co., Ltd (14.01%); and China Guodian Capital Holdings Ltd (1.99%).

What makes us different?

- Leading international financial institution, UBS AG, holds a majority stake; levers on UBS's global network and the firm's strong local expertise
- Fully-licensed to offer comprehensive suite of products and services, with advantage in cross-border solutions
- Offers futures brokerage services through 100%-owned UBS Futures Co., Limited
- Focuses on innovation and localization of products and services from international markets so as to better meet needs of local clients
- A unique talent pool comprising employees equipped with both international and domestic expertise
- Robust risk management

About UBS AG

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS' strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the 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 52 countries, with about 34% of its employees working in the Americas, 34% in Switzerland, 18% in the rest of Europe, the Middle East and Africa and 14% in Asia Pacific. UBS Group AG employs approximately 61,000 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.

Corporate Client Solutions (CCS)

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-shares 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.

Equities

As a leading international equities franchise in China, our Equities team offers advisory, cash trading and execution, financing, and derivatives trading services. With a wealth of international experience and cross-border expertise, we work cohesively with UBS Research, CCS, Fixed Income 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 and remains today the largest QFII quota holder. 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.

Asset Management

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

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.

Fixed Income

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, are dedicated to provide 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. With a capital-efficient, client-focused business model, the team provides market-leading services and advice to clients.

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.

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, member of three commodities futures exchanges and member of Shanghai International Energy Exchange.

Achievements

Deals and awards

“Between 2007 and December 2018, UBS Securities has successfully completed 89 equity and equity linked deals with a 100% approval rate from the regulator. This is a testament to UBS Securities’ excellence in execution. The total deal value that UBS Securities participated in also far exceeded any of its international competitors.”

Landmark deals



BYD 2007–present

- From the year of 2007, UBS Securities and UBS AG executed 13 transactions for BYD, raising more than RMB 40 billion, including BYD Electronic red chip listing, BYD A share IPO, onshore and offshore corporate bond and onshore and offshore placement.
- UBS witnessed BYD’s market capitalization growing from RMB 20 billion to over RMB 140 billion, and introduced Warren Buffett and Samsung as strategic investors.



中国中铁

China Railway 2007–2017

- In 2007, UBS Securities and UBS AG executed USD 5.9 billion A+H IPO for China Railway, which is the first deal of “first A then H IPO” ever in China capital market.
- Following the IPO, UBS Securities executed several deals for China Railway, including RMB 12 billion A-share private placement in 2015 and RMB 4.17 billion corporate bond offering in 2016, acted as joint financial adviser for China Railway Erju on a RMB 11.7 billion major asset restructure in 2016, and RMB 6 billion A-share private placement of China Railway Erju in 2017.



China Energy Investment Corporation / China Guodian Corporation 2009–present

- Facilitated the completion of a total of 18 transactions, raising over RMB 60 billion, including Guodian Corporation corporate bond, GD Power A share private placement, GD Power convertible bond, GD Power public offering, Longyuan Power corporate bond and Guodian Capital corporate bond etc.



ICBC Bank 2010–2018

- From 2010–2018, UBS Securities and UBS AG executed 13 transactions for ICBC, including A+H rights issue in 2010, multi-currency offshore preference shares offering in 2014 and onshore preference shares offering in 2015, with total proceeds close to RMB 156 billion.
- Among which, USD+EUR+CNH offshore preference shares offering is the first multi-currency bank capital issue in Asia, and the onshore preference shares offering is the largest domestic preference shares issue to date.



CRRC 2012–2018

- UBS Securities acted as financial adviser for the merger of CSR and CNR for USD 26 billion in 2015. The project is a milestone of Central SOE reform, creating the world’s largest rolling stock supplier. This is also the first ever merger of two A+H dual listed companies.
- From 2012–2018, UBS Securities and UBS AG executed 13 transactions for CRRC, total financing amount around RMB 60 billion, such as RMB 12 billion private placement, and CSR and CNR’s important capital market transactions, including CSR’s RMB 8.75 billion A-share private placement in 2012, RMB 5 billion corporate bond offering in 2013, and also CNR’s RMB 7.1 billion rights issue in 2012. Along with UBS AG, UBS Securities also completed HKD 9 billion H-share IPO in 2014.

- RMB 9.5 billion A-share private placement facilitated by UBS Securities in 2018 and HKD 3.6 billion H-share private placement facilitated by UBS AG as the sole financial advisor.
- UBS Securities and UBS AG facilitated the A-share private placement and introduced American Airlines as a strategic investor in the H-share placement during 2010–2017

- UBS Securities executed multiple corporate bond and perpetual bond transactions, total financing amounted to around RMB 19 billion.

- UBS Securities acting as the independent financial advisor supported the Backdoor Listing of YTO Express in 2016.
- Acting as the joint-lead underwriter, UBS Securities facilitated the issuance of RMB 3.65 billion convertible bond in 2018

- Acting as sponsor, UBS Securities supported China Securities's RMB 2.2 billion A-share IPO in 2018, raising RMB 2.17 billion. This is the second time to offer capital market service to China Securities since its H-share IPO in 2016.

- UBS Securities and UBS AG facilitated multiple issuances of tier-2 bond, preference shares, etc. for China Merchant Bank during 2008–2018.
- UBS Securities acting as the joint-lead underwriter facilitated the issuance of RMB 27.5 billion preference share in 2016, and supported the RMB 20 billion tier 2 bond transaction in 2018.

Awards

Best Global Investment Bank for China Research

(2016–2018, Institutional Investor All-China Research Team)

Achievement Awards 2017 – Best M&A Deal

China Awards 2018 – Best Cross-border M&A Deal
 (2017, 2018, FinanceAsia)

Best IPO Deal Best Overseas M&A Deal Best Refinancing Deal Best Convertible Bond Deal

(2016–2019, New Fortune)

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)

UBS and Society

Taking part in what matters

UBS has placed great emphasis on the health and prosperity of the communities which we are part of. While we strive to drive the sustainable development of the domestic financial market and economic system in China, UBS Community Affairs program has made long-term investment in education and entrepreneurship, providing targeted financial support and employee volunteering to generate positive impact in the communities in China.

Following UBS's long history of supporting cultural and art activities globally, UBS Securities' strong participation in the long-term partnership between UBS and the Beijing Music Festival not only promotes the festival as a leading cultural event in China, but also contributes to the country's ongoing cultural development.

UBS had partnered with a number of social welfare organizations including China Foundation for Poverty Alleviation; Adream Foundation; Beijing Chunmiao Charity Foundation; Shenzhen Tomoroe Education Charity development Center; the Special Olympics International; China Foundation for Disabled Persons; China Friendship Foundation for Peace and Development; World Wide Fund for Nature; Save the Children; Shanghai Soong Ching Ling Foundation and the Hands On Shanghai charity network.

Key projects include pre-school education program for children from Yi community in the national-level poverty-stricken counties; Shanxingzhe Charity Walking; Adream Center Program, Tomoroe career stories sharing; the Hand in Hand Special School Program; Poverty Alleviation and Disabled Employment Training; Our Future Belongs to the Child-Care for Disabled Children with Music Education; and Together to Build a Green Community

Further, at the past natural disasters, UBS and its employees have provided financial support for the immediate relief and participated in post-disaster reconstruction projects.



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