

United Choice Portfolios

- Asian Bond Fund
- E-Commerce Fund
- Sure Fund

Annual Report

for the financial year ended
30th June 2009

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

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United E-Commerce Fund

(Constituted under a Trust Deed in the Republic of Singapore)

(A) Fund Performance

	3 mth	6 mth	1 yr	3 yr	5 yr	10 yr	Since Inception
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ann Comp Ret	Ann Comp Ret	Ann Comp Ret	05 April 2000 Ann Comp Ret
United E-Commerce Fund	10.24	12.90	-11.39	-4.63	-4.16	N/A	-18.74
Benchmark	14.96	6.84	-24.90	-10.68	-3.39	N/A	-4.15

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.
The benchmark of the Fund: MSCI World Index

For the 12 months ending 30 June 2009, the unit price of the Fund **declined 11.4%** on a net asset value basis, but outperformed the benchmark, the MSCI World Index, which declined 24.9%, in Singapore dollar terms.

The Fund's outperformance can be attributed to our strategy of investing in defensive internet/multi-channel retailers during the period under review and taking the tactical opportunity in investing in depressed cyclical discretionary as the world economy started to pull out of recession. The Fund's preference for dominant online search engines/content players/gamers over internet advertisers also contributed to the outperformance. Our overweight position in Software & IT services companies which outperformed the broader IT sector also boosted the Fund. With Technology Hardware & Hardware Equipment, we adopted a selective approach, focusing on strong brand owners of still popular consumer products, which served the Fund well.

Positive contributors to the Fund were key holdings **Autonomy, Amazon, Visa, Oracle, Symantec, Perfect World** and **Pearson**. Detractors to performance included key holdings **Research in Motion, Walt Disney, Nintendo** and **Temenos**.

In terms of geographic area, the Fund took an overweight position in the US and Asia Pacific ex-Japan and was underweight in Europe and Japan. Our geographic allocation also contributed to outperformance. We had entered the period under review with a cautious stance but turned even more cautious following the Lehman bankruptcy filing in September 2008. Volatility in global markets was extremely high during the last quarter of 2008 and we pared down the Fund's investments to hold more cash. As we moved into 2009, we began deploying the excess cash and picked up depressed quality companies along the way as signs of normalisation appeared.

As at 30 June 2009, the Fund was positioned 54.9% in North America, 22.5% in Europe, 5.0% in Japan and 10.3% in Asia. The Fund ended the year with 7.3% of its holdings in cash.

Market and Portfolio Review

Retail Sector

The period under review has been an extremely difficult time for global retailers especially those with sales principally in the developed economies. Rising unemployment, coupled with the negative wealth effect from declining property and equity prices, have led to households sharply pulling back their spending on consumer durables. The MSCI World Consumer Durables and Apparels index declined 23.9% in Singapore dollars terms during the period under review. The MSCI World Internet & Catalog Retail index declined only 0.9% in Singapore dollars terms, outperforming the broader retail markets.

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Global retail sales were already deteriorating at the start of the period under review but plunged sharply after the bankruptcy filing of Lehman Brothers in September and the ensuing crisis on Wall Street. Retail sales have however showed signs of stabilising in 2009.

Within the global retail picture, there has been a sharp divergence between the developed economies and the emerging ones. As a comparison, US retail sales fell 10.7% from US\$376.7bn at the end to June 2008 to US\$336.4bn at the end of December 2008 and stabilized at US\$340bn at end May 2009. In contrast, retail sales in China grew 16%, from RMB864.2bn at the end of June 2008 to RMB1002.8bn at the end of May 2009. While the Chinese numbers actually represent a slowdown from the previous year, the absolute growth is extraordinary considering the depth of the global recession and reflects, in our view, the secular story of growing consumption in emerging economies, in particular the BRIC nations of Brazil, Russia, India and China.

On the view that the spending environment would continue to come under pressure particular in the developed economies, we focussed on retailers with significant emerging markets exposure and/or with leading brands/dominant position. During the period under review, our holdings included **LVMH Moët Hennessy Louis Vuitton, The Swatch Group, McDonald's, Wal-Mart**, and dominant players such as **CVS Caremark, TJX Companies** and **Colruyt**.

As consumers "traded down", luxury and big-ticket items have not fared well while practical and smaller-ticket items have done better in general. Certain consumer electronics such as portable media players, digital cameras, netbooks, eBooks and handsets (namely smart phones) continued to be relatively well received. Flat-panel TVs, video games and other electronic entertainment gear and related software were among other still popular items, as consumers were more inclined to stay at home rather than go on vacation. We maintained some exposure to the consumer hardware sector through the supply chain. We invested in **Hewlett Packard, IBM, Intel** and **Apple** for personal computers and peripherals; **Microsoft** and **Nintendo** for electronic entertainment; **Research in Motion, HTC, Nokia** and **Cisco** for communications.

It is clear that the environment remains very challenging for traditional retailers as well as small and vulnerable web-based only retailers. Hence, we favour multi-channel retailers who have integrated their brick and mortar operations with an innovative Internet channel and the dominant pure e-tailers. Among the multi-channel retailers, we like **Hennes & Mauritz, Wal-Mart** and **CVS Caremark**. Among large cap pure e-tailers, we like **Amazon** (favouring Amazon's share growth) and eBay (favouring eBay's valuation) but prefer Amazon over eBay due to the company's favourable trends with consumers and third party sellers as well as its dominant position in eBook market, which in our view has the potential for enormous growth.

Media Sector

Against a backdrop of sharply sliding corporate earnings, global advertising spend is expected to drop 5.5% in 2009, more than previously thought (0.2% fall), before a mild recovery begins in 2010. Spending on measured media is expected to drop to US\$417bn in 2009 and to be down another 1.4% to US\$411bn in 2010, according to a WPP forecast. The MSCI World Media index declined 21.5% in Singapore dollars terms during the period under review.

WPP also said that the BRIC economies were set to lead the recovery. Spending on advertising in the US, Britain, Canada, France, Germany, Italy and Japan are expected to lag the BRIC economies.

On a brighter note, internet advertising spending is expected to grow by 16.8%, while the traditional forms of media such as newspapers and TV are expected to see a 3.6% and 3% decline respectively in 2009. The growth of internet advertising is being driven by the still increasing number of Internet users, rising awareness, growing broadband subscription rates and the greater availability of products and services that can be obtained over the Internet. In the coming years online advertising spending is expected to overtake the TV advertising market.

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The online advertising industry is divided into various segments but three segments (search, display and classifieds) make up the bulk of it. Search, display and classifieds serve almost 80% of the online advertising industry while rich media is a new segment that has recently entered in the online advertising industry and at the moment only caters to a small portion of the market. In terms of online advertising spending by geography, the UK, Netherlands and the pan-European sector lead the market but in terms of Internet advertising budget allocations France, Germany, Spain and Italy lead the way. The US is the most developed market for the advertising industry. In Canada, Internet advertising accounted for almost one third of total ad market.

Our Fund maintained exposure to the online advertising space through **Google, NHN and Microsoft**. In line with the rising demand for high-speed broadband or internet services, the Fund also has some exposure to **Cisco Systems, Comcast, AT&T, China Mobile and Bharti Airtel**. Within the media sector, we hold defensive professional publishers, **Pearson, Wolters Kluwer and Singapore Press Holdings** which yield high dividends and are less dependent on advertising revenues.

IT Sector

While corporate technology spending is more resilient than retail spending, corporates are not immune to the global slowdown and credit crunch. Technology stocks declined 17.0% in Singapore dollars term for the period under review. Within the IT sector, MSCI World Software & Services (-14.6%) outperformed the other sub-sectors, MSCI World Technology Hardware & Hardware Equipment (-17.4%) and the MSCI World Semiconductors & Semiconductor Equipment (-22.0%).

Software & Services outperformed as a significant number of Software & Services companies have strong proprietary products which provide barriers to entry and give them strong pricing power. These characteristics enable Software & Services companies to generate a stable cash flow and sustain high margins in a difficult business environment. Furthermore, many of these companies are key beneficiaries of the fast growing Internet market. We see this sector as one of the most defensive IT sub-sectors. Key holdings of the Fund in the Software space were **Microsoft, Oracle, Nintendo, Adobe, Check Point Software, Autonomy, Symantec and Temenos** and in the Services space **Accenture**. We also hold third-party payment service providers **Global Payment and Visa**. These companies offer payment processing capabilities to online merchants and the long term growth of these companies is attractive given the increased frequency of online purchases.

In terms of financial strength, most leading technology companies have strong balance sheets, are generating free cash flow and are in a net cash position. We believe these are important attributes which will help them ride out the slowdown as well as fund future growth, both organically or through acquisitions. In addition, most cash rich companies have been consistently conducting share buybacks and enhancing shareholder value.

Outlook and Strategy

Global equity markets are finally showing signs of a sustainable recovery. In the past few months there has been a firm upturn of leading economic indicators, a concomitant sharp improvement in credit markets and also a reduction of uncertainty over the US banking sector. The result has been a marked return of risk appetite and a strong rally in equity markets in the second quarter of 2009.

While all this provides some support for consumer spending, we find ourselves still cautious on the retail sector as employment data in most developed countries continue to be bleak. As consumer spending shrinks as a share of US GDP, we are likely to see more bankruptcies – a wave that has already started and is gaining momentum. Healthy retailers will have to compete in the short run against inventories being sold at distressed prices by retailers in the process of liquidation. Retailers will also find consumers not able to finance their purchases, as it has become more difficult for consumers to qualify for credit.

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With the prospect of growth (and profitability) being far more difficult to achieve in the near term, there will be a greater need for retailers to operate more efficiently, with further emphasis placed on cost reduction and expense management.

Despite a generally pessimistic outlook for 2009, there are some hopeful economic signs within the retail sector. Gas prices remain relatively low and with the numerous stimulus packages, such as the US tax rebates, autos scrapping incentives, white good subsidies for Chinese rural residents, pent-up consumer demand could be released in the near term. The secular story of consumption growth in Asia particular in China and India will be boosted as the fiscal stimulus measures kick in. Furthermore, despite the economic disruptions, e-commerce retailers are still taking share from traditional offline retailers and the long term growth prospects for e-commerce retailers remain intact. Most shoppers view online shopping as a way to save time and money and a convenient way to buy products.

The Fund remains positioned in the dominant e-tailers, multi-channel retailers and global retailers with significant exposure to the favourable trend in emerging markets. We continue to stay invested in **Amazon, Hennes & Mauritz, Wal-Mart, CVS Caremark, McDonald's, TJX Companies, LVMH Moet Hennessy Louis Vuitton** and the **Swatch Group**. The Fund is likely to maintain its underweight position in this sector in the near term. Companies such as eBay, BestBuy, JC Penney, Priceline, Expedia, Ctrip, Alibaba are likely to be added to the portfolio on weakness.

Although the weak global economy and the ongoing process of deleveraging may mean that online activities do not grow at the same rate this year as in previous years, the long term volume growth prospects remain unaffected. The online advertising market is less vulnerable as advertisers continue to shift advertising spending away from traditional media to online channels. The online gaming and gaming console sector have even benefited from the recession, owing to consumers' increased appetite for inexpensive entertainment. In term of online gaming, Tencent, Shanda, The9, Perfect World and Changyou lead as operators while Activision Blizzard, Electronic Arts, Nintendo, NHN, NCsoft, Tencent lead as developers. The Fund currently owns **Google, Perfect World, Nintendo** and **NHN**. The Fund seeks to accumulate a basket of the above-mentioned dominant players.

Globally, the internet audience continues to grow, with growth in the Asia-Pacific (at-home and work locations, users age 15+) outpacing the other regions. Between April 2007 and April 2008, the internet audience in the Asia-Pacific region increased by 14%, to 319 million visitors. The strongest growth in internet audience occurred in India, which surged 27% from April 2007 to more than 28 million internet users in April 2008, followed by China which grew 14% to more than 102 million visitors. Taiwan, Malaysia and New Zealand also achieved double-digit growth. Meanwhile, the more developed internet markets such as Japan (3%) and Singapore (4%) experienced modest gains.

Search and networking sites continue to be among the drivers of increased internet usage. Within the Asia Pacific region, Google and Yahoo together continue to capture the majority of search share (63%) but several strong, local country search engines also play a significant role. Notably five of the top 10 search sites are local country entities, including China's Baidu.com (16.7%) and Korea's NHN (5.3%), which owns the search engine Naver.com. Facebook.com is the leading social networking site worldwide while Friendster.com is the top social networking site in Asia-Pacific. There has also been an increased use of video-sharing sites since they became popular in 2006. 48% of internet users have been to video-sharing sites and the daily traffic to such sites on a typical day has doubled in the past year. Google (including YouTube) is the leading video site for internet users and have a 40.3% share of the market.

Content makers and advertisers are increasingly eyeing these various online sites as a way to reach the consumers. Despite estimates on online advertising spending being lowered, it is still expected to grow by 16% in 2009. Video advertising spending growth is running counter to overall economic developments, and is likely to rise by an expected 45% in 2009 to reach US\$850m. Supporting this trend are two key factors: First, the sharp escalation of professional video content on the web – coming mainly from TV networks – is creating a viable base for brand marketers. Second, even though most

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advertisers are increasingly cautious with their budgets, they still need to reach online audiences and woo their shrinking wallets. This should add up to more video advertising. The Fund remains positioned in online advertising companies and favours search engines/content players/rich media sites as these activities have become a way of life for many people now.

While internet users like the convenience of online activities, many also worry about the security of their financial and personal information. We are thus positive about the potential growth trend of the firewall, network and internet security industry. The Fund owns leading online security companies **Check Point Software** and **Symantec**. We also continue to invest in reputable third-party payment service providers (**Global Payment** and **Visa**) which are well positioned to ride on the increase in online activities. The Fund also looks to add Visanet and Redecard as a proxy to emerging markets growth.

We remain invested in IT companies that enable mobile, portable computing and networking – even multimedia entertainment - which are key beneficiaries from these growing online trends. Some of the most popular consumer electronics gadgets that are riding on the internet wave include netbooks, smart phones, eBooks, videogame consoles and digital cameras. The Fund's investments include **Hewlett Packard, Apple, Intel, IBM, Microsoft, Amazon, Research in Motion, ARM, Nokia, Canon, Hoya** and **Nissha Printing**.

According to a Semico Research report, an estimated 59 million netbooks will be shipped in 2013, nearly 22% of the mobile PC market and up almost five-fold from 2008. Intel's x86-based Atom processor and Microsoft Windows have been the main components in more than 90% of netbooks to date. But a broader range of ARM-based systems is now coming. Apart from this, the impending launch of Microsoft Windows 7 operating system in October 2009 is likely to provide customers with a reason to upgrade their PC/netbooks as Microsoft is ending its software support for the current Windows XP in 2011.

Smartphone adoption rate continued to grow in the first half of 2009 and now accounts for 15% of the world's handset shipment of 1.1 billion units. Currently, Apple and Research in Motion are the two leading handset OEMS which we believe have superior application offerings to gain new users and retain customers' loyalty. **Nokia**, while being slightly behind Apple and Research in Motion, is making a good comeback with a revamped application portal and is likely to win back market share. The Fund has recently invested in Nokia again.

After years of hype, the eBooks and eReader market has at last hit a point where it is ready to break out of its niche and become a mainstream phenomenon. While the early readers like the Rocket eBook in 1998 and the Sony Librie in 2004 failed to garner a large enough audience, today's consumers have embraced mobile, on-the-go media consumption due to the prevalence of MP3 players and handheld video games. In addition, **Amazon's** Kindle as a one-step shopping system and the gratification of buying books immediately from the Kindle store has successfully made eBooks a popular reading format, particularly for commuters, vacationers, and business travelers. Both online booksellers and libraries are now using eBooks to expand their reach. The eReader market is expected to expand beyond books to newspapers, magazines, comics and business and personal documents. Amazon has already launched the new Kindle DX, geared towards the textbook market, but believes that universities will be slow to adopt the technology. Obviously, we are still very early in the eBook and eReader cycle, but Google's expected entry into the eBook market clearly vindicates interest in this market. Other players like Apple, Research in Motion, Borders and Barnes & Noble are also thought to be considering an entry into this market either with hardware products or by offering distribution platforms.

While online gaming for videogame consoles and portables enjoyed a significant increase in 2009, we believe growth in this segment is near its peak and further incremental growth might be harder to achieve. Xbox 360 remains the console online gaming leader, despite the noteworthy changes among other major console systems. For example, use of Nintendo's Wii increased from 18% in 2008 to 29% in 2009, while PS2 fell dramatically and PS3 moved up from fifth place to third place. These shifts indicate that the segment product life cycle is highly volatile and companies' performance is highly correlated with

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their product development. Hence, stock selection is important. We are invested in **Nintendo**, **Perfect World** and **NHN**.

Hundreds of thousands of consumers are beginning to share videos online, and this is having a profound impact on how much bandwidth is consumed and how broadband providers make money. HDTV, next-generation gaming, personal video, and digital photography will all contribute to the emergence of a new broadband standard over the next 12 to 24 months. Greater bandwidth consumption is not the only byproduct of the increase in video sharing. Content distribution networks are also thriving as technology makes it easier to exchange larger and larger files. Service providers like **AT&T** are paring up with Internet TV companies to ensure they can deliver not just regular TV channels but also consumer-generated content. Telecom operators like **China Mobile** and **Bharti Airtel** are also aggressively rolling out state-of-the-art 3G services to make sure they can provide consumers with high speed web navigation – both on mobile and on laptops. The Fund has positions in these Telecom operators.

In the Services & Software sector we continue to favour companies with high product margins and concise new product roadmaps (**Accenture**, **Autonomy**, **Oracle**, **IBM** and **Microsoft**). In uncertain times, we believe these companies have room to sacrifice margins in order to drive sales.

In summary, with the risk of relatively weak consumer spending in the coming months, we continue to adopt a more cautious stance in our investment strategy and have increasingly targeted high quality, stable growth companies that have lower operating leverage. Although no corporate is immune to a slowdown, those with multi-channels, strong franchises, global potential and a defensive business model should be able to fare relatively better in challenging market conditions.

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B) Investments at fair value and as a percentage of NAV as at 30 June 2009 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
Belgium	215,728	2.22
Canada	172,035	1.77
China	169,683	1.74
Finland	191,786	1.97
France	144,350	1.49
Greece	78,053	0.80
India	186,887	1.93
Japan	484,839	4.99
Netherlands	88,906	0.92
Singapore	187,740	1.93
South Korea	351,848	3.62
Sweden	217,321	2.24
Switzerland	401,231	4.13
Taiwan	102,172	1.05
United Kingdom	855,717	8.81
United States	5,159,130	53.11
Portfolio of investments	9,007,426	92.72
Other net assets	706,828	7.28
Total	9,714,254	100.00

ii) Industry		
Consumer Discretionary	1,795,799	18.49
Consumer Staples	1,092,256	11.24
Financials	366,737	3.78
Information Technology	5,497,059	56.59
Telecom Services	255,575	2.62
Portfolio of investments	9,007,426	92.72
Other net assets	706,828	7.28
Total	9,714,254	100.00

iii) Asset Class		
Equities	9,007,426	92.72
Other net assets	706,828	7.28
Total	9,714,254	100.00

iv) Credit rating of debt securities

N/A

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C) Top Ten Holdings

The top 10 holdings as at 30 June 2009 and 30 June 2008

10 largest holdings at 30 June 2009	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
INTERNATIONAL BUSINESS COMPANY	467,899	4.82
MICROSOFT CORPORATION COMPANY	412,873	4.25
CVS CAREMARK CORPORATION	391,329	4.03
MCDONALDS CORPORATION COMPANY	373,916	3.85
AUTONOMY CORP PLC	346,349	3.57
ORACLE CORPORATION COMPANY	340,907	3.51
TEMENOS GROUP AG - REG	296,494	3.05
HEWLETT PACKARD	293,280	3.02
GOOGLE INC - CLASS A	274,477	2.83
ACCENTURE LIMITED	273,864	2.82

10 largest holdings at 30 June 2008	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
TEMENOS GROUP AG - REG	508,451	4.41
NHN CORPORATION	496,041	4.30
MICROSOFT	449,075	3.90
THE SWATCH GROUP AG-B	342,047	2.97
IBM	337,732	2.93
CVS CAREMARK CORPORATION	322,329	2.80
GOOGLE INC - CLASS A	322,125	2.79
INDRA SISTEMAS SA	319,573	2.77
COCA COLA	317,109	2.75
APPLE INC	300,444	2.61

D) Exposure to derivatives

i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2009

N/A

ii) net gains/losses on derivative contracts realised during the financial year ended 30 June 2009

N/A

iii) net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2009

N/A

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E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2009

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2009

N/A

G) Amount of redemptions and subscriptions for the financial year ended 30 June 2009

Total amount of redemptions	SGD	525,138
Total amount of subscriptions	SGD	23,970

H) The amount and terms of related-party transactions for the financial year ended 30 June 2009

i) As at 30 June 2009 the Fund maintained current accounts with the United Overseas Bank Limited as follows :

Bank balances	SGD	79,235
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ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 30 June 2009

N/A

iii) Investment in Initial Public Offerings managed by UOB Group.

N/A

iv) As at 30 June 2009 there was no brokerage income earned by UOB Kay Hian Pte Ltd.

I) Expense ratios

30 June 2009	1.94%
30 June 2008	1.92%

Note : The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay any performance fees.

J) Turnover ratios

30 June 2009	55.23%
30 June 2008	53.32%

Note : The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

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L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (“the underlying scheme”)¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2009 and 30 June 2008

N/A

ii) expense ratios for the financial year ended 30 June 2009 and 30 June 2008. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

N/A

iii) turnover ratios for the financial year ended 30 June 2009 and 30 June 2008

N/A

M) Soft dollar commissions/arrangements

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management’s duties to clients. As such services generally benefit all of UOB Asset Management’s clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on the best available terms and there was no churning of trades.

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

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(A) Fund Performance

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1 yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 05 April 2000 Ann Comp Ret
United Asian Bond Fund	4.96	11.57	8.08	1.47	1.10	N/A	5.24
Benchmark	5.50	16.43	12.51	3.13	2.51	N/A	6.32

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.

The benchmark of the Fund: Apr 00 –Jul 03: JP Morgan Emerging Markets Bond Index Global Constrained Asia; Aug 03-Dec06: JP Morgan Asia Bond Total Return Composite. Jan 07-Present: JP Morgan Asia Credit Index Total Return Composite

For the full year ended 30 June 2009, the Fund **returned 8.1%** on a net asset value basis, compared to the 12.5% increase in the benchmark JP Morgan Asia Credit Index (JACI) Total Return Composite in Singapore dollar terms.

During the period under review, the Fund's underperformance versus its benchmark was due in part to our lower exposure to high yield bonds in the Asian credit space. In the second half of 2008, on the back of the financial meltdown triggered by the collapse of Lehman Brothers Inc, the high yield bonds were massively sold down as investors fled to safe haven assets. The Fund was positioned for this flight to quality when the credit crunch hit the market across all asset classes. For the half year ended 31 December 2008, the Fund was 18% invested in high yield bonds versus benchmark of 29%.

Subsequently, the first half of 2009 witnessed a spectacular rally in the Asia credit spreads with a return of investors' risk appetite. The rate of recovery with the near-100% retracement in the credit spreads back to pre-Lehman crisis level, surpassed most investors' expectations. The Fund has increased its weights in the high yield space as the market rallied into the first half of this year. We are still slightly underweight in high yield bonds against the benchmark as we view this sector to be vulnerable to a price correction after a strong recovery in the first half of the year (as we discuss further in our segment on "Market Review and Outlook").

The Fund's underperformance was a result of its defensive stance in credit selection. We were underweight the riskier high-yield credits, particularly in companies that have weak balance sheets and a strong reliance on short-term liquidity for working capital in the midst of the credit crunch. The snap back in Asia high yield credit spreads was primarily driven by debt buy backs as companies were successful in raising funds from alternative sources including local markets, existing banking relationships, equity placements and smaller club-sized bond transactions outside of the public arena. The JP Morgan Non-Investment Grade Total Return index saw a strong annualized return of 54% in the first half of 2009.

As at end of June 2009, the Fund was invested 29% in **Korea**, 15% in **Hong Kong**, 11% in **Indonesia**, 12% in **Malaysia**, 10% in **Singapore** and 7% in **Thailand** with the remaining in **the Philippines**, **China** and cash. The Fund is predominantly invested in **Financials** (36%), **Quasi Sovereigns** (14%), **Industrials** (16%) and **Sovereigns** (14%). The Fund was 99% invested with the rest in cash.

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Market Review and Outlook

In our view, the key impetus for the recent rally in the credit markets from the levels seen in the meltdown of financial markets we witnessed in Q408 to Q109 has been the tremendous improvement in the ability of companies to refinance and borrow on the back of stronger equity and debt markets. Year-to-date, about US\$20.4bn of Asia bonds has been issued, remarkable given that in 2008, the total issuance was US\$10.55bn. As such, the debt market looks on target to revert to the normalized annual issuance of US\$35-40bn per year. However, on the economic fundamental front, we are not so certain that such great improvements have been made that we are back to pre-financial crisis levels. The market seems happy to brush off any bad news, including the bankruptcy of General Motors and we are cautious that market expectations may have overshot on the upside. Hence we remain underweight in high yield bonds versus the benchmark as we view this sector to be vulnerable to a price correction after a strong recovery in the first half of the year.

The sharp rally has led to some higher quality high yield names being bided up from a price of 40 to around 90. Most of these corporate rallies were driven by debt buy backs. The list includes **Berlian Laju Tankers**, **Chartered Semiconductor**, **Noble Group**, **China Greentown**, **Hynix Semiconductor**, **Shimao Property** and **Sino-Forest**. At current levels which are back to the levels seen in the second half 2008 when the corporate default rates were not expected to rise above 10%, we view that bonds in this space are fairly value and even expensive. Credit rating agency Standard and Poor is forecasting a speculative grade default rate of 14.3% by April 2010. The market has largely ignored the weak economic fundamentals depicting a difficult business environment and we are concerned that prices have run ahead of fundamentals.

Fund Strategy

Against this backdrop, we continue to maintain our focus in new issues, investment grade corporate and laggards in the callable bank space.

In the bank space, there are a number of callable bonds that have not been repriced to call dates after the scare on extension risks triggered by Deutsche Bank's decision not to call their subordinated debt in December 2008. This decision was repeated by an Asian bank, **Woori Bank**, in March 2009. The Korean Woori bank has since announced an exchange for its US\$400mn subordinated debt maturing in 2014 in an effort to make amends to investors for not calling their bond and the pressure for Korean banks to call remains. This has resulted in a recovery in the prices for Korea hybrid bonds. We are more constructive on Korean banks as the ease in external liquidity in the banking system has removed a fundamental concern. We like **Korea Exchange Bank** and policy banks, the former being an acquisition target that could potentially benefit from a merger with a stronger sponsor and the latter due to its improving capital adequacy ratios.

We continue to see opportunity for Asia's investment grade corporates to benefit from the rally in developed markets and we view that investment grade names offer the best concession in credit spreads.

United Asian Bond Fund

(Constituted under a Trust Deed in the Republic of Singapore)

B) Investments at fair value and as a percentage of NAV as at 30 June 2009 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
Quoted Bonds		
China	1,441,565	4.50
Hong Kong	4,943,427	15.44
India	338,834	1.06
Indonesia	3,649,891	11.40
Malaysia	3,952,873	12.33
Philippines	2,037,831	6.36
Singapore	3,162,238	9.88
South Korea	9,337,638	29.16
Thailand	2,289,061	7.15
United States	704,548	2.20
Asset Backed Securities		
Philippines	28,427	0.09
Portfolio of investments	31,886,333	99.57
Other net assets	138,025	0.43
Total	32,024,358	100.00
ii) Industry		
Energy	2,227,980	6.96
Financials	11,499,869	35.92
Government	4,543,982	14.19
Government Agency	2,995,227	9.35
Industrials	4,973,486	15.53
Information Technology	349,373	1.09
Materials	747,052	2.33
Sovereign Guaranteed	1,518,012	4.74
Telecom Services	1,908,910	5.96
Utilities	1,122,442	3.50
Portfolio of investments	31,886,333	99.57
Other net assets	138,025	0.43
Total	32,024,358	100.00
iii) Asset Class		
Fixed Income	31,857,906	99.48
Asset-backed Securities	28,427	0.09
Other net assets	138,025	0.43
Total	32,024,358	100.00

United Asian Bond Fund

(Constituted under a Trust Deed in the Republic of Singapore)

B) Investments at fair value and as a percentage of NAV as at 30 June 2009 under review classified by (continued)

	Fair Value (S\$)	% of NAV
iv) Credit rating of debt securities by S & P		
AA	1,357,531	4.24
A	12,492,260	39.00
BBB	5,231,399	16.35
BB	5,555,841	17.35
NA	7,249,302	22.63
Total	31,886,333	99.57

v) Credit rating of debt securities by Moody's

Aa	4,170,396	13.03
A	13,672,397	42.68
Baa	4,989,295	15.59
Ba	4,061,453	12.68
B	2,613,481	8.16
NA	2,379,311	7.43
Total	31,886,333	99.57

C) Top Ten Holdings

The top 10 holdings as at 30 June 2009 and 30 June 2008

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
10 largest holdings at 30 June 2009		
DBS CAPITAL FUNDING CORP 7.657% DUE 15/03/2049	1,821,505	5.69
INDUSTRIAL BANK OF KOREA 7.125% DUE 23/04/2014	1,665,843	5.20
REP OF INDONESIA 8.80% DUE 23/04/2014	1,561,914	4.88
HANA BANK 6.50% DUE 09/04/2012	1,518,012	4.74
CMHI FINANCE CAYMAN INC 5.375% DUE 9/3/2015	1,441,565	4.50
COSCO PACIFIC FINANCE 5.875% DUE 3/10/2013	1,404,598	4.39
KOWLOON-CANTON RAILWAY 5.125% DUE 20/05/2019	1,357,531	4.24
KOREA WATER RESOURCES 4.875% DUE 12/11/2014	1,329,384	4.15
PUBLIC BANK BERH 6.84% DUE 22/08/2036	1,230,766	3.84
POWER SECTOR ASSETS & LI 7.25% DUE 27/05/2019	1,095,593	3.42

United Asian Bond Fund

(Constituted under a Trust Deed in the Republic of Singapore)

C) Top Ten Holdings (continued)

10 largest holdings at 30 June 2008	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
SINGAPORE GOVT BOND 4.625% DUE 1/7/2010	3,194,584	7.22
DBS CAPITAL FUNDING CORP 7.657% DUE 15/03/49	2,841,507	6.43
OCBC SUBORDINATED 7.75% DUE 6/9/11	1,490,059	3.37
MISC CAPITAL LTD 6.125% DUE 01/04/2014	1,432,717	3.24
KOREA WESTERN POWER CO 5 ½% DUE 09/29/16	1,407,977	3.18
KT CORP 5.875% DUE 24/06/2014	1,367,924	3.09
SK TELECOM CO LTD 4.25% DUE 01/04/2011	1,347,336	3.05
PUBLIC BANK BERH 6.84% DUE 08/22/36	1,344,697	3.04
TM GLOBAL INCORPORATED 5.25% DUE 22/09/14	1,344,001	3.04
AMBB CAPITAL LTD 6.77% DUE 27/01/2049	1,342,653	3.04

D) Exposure to derivatives

i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2009

	Contract or underlying principal amount (S\$)	30 June 2009		% of NAV
		Positive fair value (S\$)	Negative fair value (S\$)	
Forward foreign exchange contracts	743,462	19,979	19,982	0.00

ii) There was a net loss of SGD 475,785 on derivative contracts realised during the financial year ended 30 June 2009

iii) There was a net loss of SGD 3 on outstanding derivative contracts marked to market as at 30 June 2009

E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2009

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2009

N/A

G) Amount of redemptions and subscriptions for the financial year ended 30 June 2009

Total amount of redemptions	SGD	20,243,441
Total amount of subscriptions	SGD	5,450,649

United Asian Bond Fund

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J) Turnover ratios

30 June 2009	149.62%
30 June 2008	98.52%

Note : The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme ("the underlying scheme")¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2009 and 30 June 2008

N/A

ii) expense ratios for the financial year ended 30 June 2009 and 30 June 2008. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

N/A

iii) turnover ratios for the financial year ended 30 June 2009 and 30 June 2008

N/A

M) Soft dollar commissions/arrangements

There were no soft dollar arrangements, rebates, commissions or other monetary incentives received by UOB Asset Management Limited.

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

United Sure Fund

(Constituted under a Trust Deed in the Republic of Singapore)

(A) Fund Performance

	3 mth	6 mth	1 yr	3 yr	5 yr	10 yr	Since Inception
Fund Performance/ Benchmark Returns	% Growth	% Growth	% Growth	Ann Comp Ret	Ann Comp Ret	Ann Comp Ret	12 April 2001 Ann Comp Ret
United Sure Fund	5.90	-0.65	-22.57	-10.27	-1.18	N/A	1.27
Benchmark	16.39	9.67	-24.71	-9.74	-2.71	N/A	-2.33

Source: Lipper, a Thomson Reuters Company

Note: The performance returns of the Fund are in Singapore dollars based on a NAV-to-NAV basis with net dividends reinvested.
The benchmark of the Fund: Launch – Jun 05: FTSE World Series World EUR; Jul 05 – Present : MSCI AC World Index

For the full year ending 30 June 2009, the unit price of the Fund fell **22.6%** on a net asset value basis, compared with the benchmark MSCI AC World Free Index which declined **24.7%** in Singapore dollar terms.

In the first half of the period under review, the Fund outperformed the benchmark by approximately 9.3% mainly due to its sector allocation bias. The Fund has a natural overweight exposure to more stable cash flow / cash return sectors due to its income mandate. Sectors including Consumer Staples, Healthcare, Telecommunications and Utilities are typically associated with having these characteristics. Conversely, sectors including Materials, Technology and Energy are not.

Unfortunately these allocation biases worked against the Fund's strategy in April and May, during the early part of the equity market rally. As it became clearer that an inflection point had developed in the economic outlook, the market began quickly rotating out of defensive segments into cyclical sectors, starting with **early cyclicals** like **Consumer Discretionary** and **interest rate sensitives** like **Financials**. Into the third quarter, the market is beginning to rotate out of early cyclicals into **late cyclical** and **reflation beneficiaries** like **Materials** and parts of **Industrials** (Construction & Engineering and Electrical Equipment). Over the last half of the financial year, the Fund gave back a large part of the earlier outperformance.

Portfolio Review

The Fund has, in the last several months, been taking opportunities during market dips to increase its exposure to the Emerging markets of Asia and Latin America, where long term growth has been less affected from a fundamental perspective. The dividend yields in pockets of these Emerging markets (e.g. 3.0% for Latin America) are on average higher than many in the developed countries (eg 2.3% in US and 2.0% in Japan), even for the cyclical sectors.

Over this period, we also narrowed the gap between the sector weights in the portfolio compared with that in the index. As highlighted above, the Fund has traditionally tended to run with natural overweight positions in the more stable cash flow/cash return sectors, which tend to be defensive in nature. This hurt relative performance over the final quarter as defensive sectors underperformed. Cyclical sectors on the other hand, rallied hard in April and May in anticipation of continuing improvement in economic indicators and credit markets, as well as low earnings expectations having been beaten during the US first quarter earnings season.

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We emphasize that while we are making these shifts to neutralise the sector weights against the benchmark, we are cognizant of not compromising the income objectives of the Fund, as well as the goal of targeting high quality companies with stable and predictable cash flows.

In terms of risks to observe, we watch for risks of excessive optimism lifting prices too far ahead of earnings in parts of the investment universe like the property sectors in Asia and parts of the commodity sectors.

Notable contributors to performance during the period were: **BHP Billiton** (Materials), **Compass Group** (Consumer Discretionary), **Banco Santander** (Financials), **Anta Sports** (Consumer Discretionary) and **Wilmar International** (Consumer Staples).

There were a few key drags on our performance. Most significant were **Bank of America**, **US Bancorp**, **Citigroup** and **Allied Irish**, (all Financials).

Some of the regional exposures were more a derivative of the bias toward higher yielding companies and not an indication of preference for the respective regions. For example, the Fund in general has little exposure to Japan. As at end June 2009, the sector and regional allocations were as follows:

Sector	%
Consumer Discretionary	9.5
Consumer Staples	8.3
Energy	7.9
Financials	19.1
Healthcare	5.5
Industrials	10.8
IT	8.8
Materials	8.2
Telecom Services	6.8
Utilities	6.3
Cash	8.8
	100

Region	%
Americas	47.0
Europe	25.3
Australia	4.4
Asia ex Japan	14.5
Cash	8.8
	100

Market Review

Equity markets were highly volatile for much of the period under review. A bottom was however reached in the beginning of March, after which the MSCI AC World Index rebounded strongly. The cumulative impact of massive injections of liquidity by the global central banks, extremely low policy rates, announcements of quantitative easing in the US, UK and Switzerland, and also signs of improvement in global economic indicators eventually led to optimism in financial markets that the economic freefall had been contained and that the worst was over.

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In terms of sector performance, the period under review was a tale of two halves. In the half year ending December 2008, defensive sectors outperformed: Healthcare (-9.3%), Consumer Staples (-12.0%), Telecom Services (-20.1%), and Utilities (-23.3%). In the first half of 2009, cyclical sectors led performance: Materials (+24.8%), Information Technology (+24.0%), Consumer Discretionary (+14.1%) and Energy (+10.7%).

Outlook And Strategy

We believe that the global economy is stabilising and that we are probably past the worst. However, looking further out, we also recognize that the recovery of the global economy is not likely to be "V-shaped". Credit crises tend to take longer than normal business cycles to mend and deleveraging is a process that will stretch over several years. That is why the developed markets are known to be experiencing a "balance sheet recession". This implies that while a recovery may be in sight in the coming months, the rate of growth is expected to be tepid and subpar.

One bright spot is that the growth prospects are clearly better in Emerging Markets than in the Developed Markets. This is particularly so for Asia and Latin America because their banking systems are intact. Equity markets have begun to make this differentiation and Emerging Markets have outperformed meaningfully in this latest rally. We believe this outperformance is set to continue.

We highlight below our material shifts in sector weights and strategy over the period under review and our outlook for the different sectors.

Consumer Discretionary and Consumer Staples

We raised our weights in the consumer discretionary sector to 9.5% as of June 2009 from 3.8% during our last review in December 08, taking the weight off consumer staples. This compares with an index weight of 8.8% in June 2009.

Global retail sales were already deteriorating at the start of the period under review but plunged sharply after the bankruptcy filing of Lehman Brothers in September and the ensuing crisis on Wall Street. Retail sales have however showed signs of stabilising, or even recovering, from the low levels in 2009, albeit at a slow rate.

Within the global retail picture, there has been a sharp divergence between the outlook for the Developed economies and the Emerging ones. As a comparison, US retail sales fell 10.7% from the end June 2008 to US\$336bn at the end of December 2008 and stabilised at US\$340bn at end May this year. In contrast, retail sales in China grew 16% from the end of June 2008 to RMB1002.8bn at end May 2009. While the Chinese growth actually represents a slower rate from the previous year, the absolute growth is extraordinary considering the depth of the global recession and reflects, in our view, the secular story of growing consumption in Emerging economies, in particular the BRIC nations of Brazil, Russia, India and China.

Given our view that the broader spending environment would continue to come under pressure particularly in the Developed economies, we focused on retailers with significant Emerging Markets exposure and/or with leading brands/dominant position. During the period under review, our holdings included **Anta Sports Products** in China and **McDonald's** in the US.

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Within the **Media** space, we still like the defensive professional publishers, **Pearson** and **Singapore Press Holdings** which yield high dividends and are less dependent on advertising revenues. The portfolio of their assets and their continuous positioning in terms of online migration offer a more stable growth profile in the current environment. The valuation for the media sector is furthermore attractive (PE is at 13x 2009e).

Industrials

We are warming up to the Industrials as an exposure to late cyclicals. When liquidity within the capital markets dried up with the bankruptcy filing of Lehman Brothers last year, funding for capital goods companies as well as that of many financial institutions were in question. At the moment, tight credit conditions still exist in equipment leasing and the companies we own still do not see clear evidence of a pickup in new orders. However, we are taking the stance that as some leading economic indicators show inflection points in growth and economic activity, this will eventually have a positive flowthrough to this sector. We have over the past two months, been stepping up our weight in this sector as we become more confident of the recovery process.

We added **Canadian National**, an operator of a network of railways in the US and Canada and **ABB**, an industrial conglomerate with businesses in power products and systems, automation processes and robotics. The weights in Industrials moved up from 7.4% in December 2008 to 10.8% in June 2009. At the start of the third quarter, the Fund's exposure to Industrials is in the mid teens compared with the benchmark weight of 9.9%.

We believe the industrial sector is poised to benefit from the global stimulus packages with nearly all major governments in the world having announced at least one stimulus package in the last nine months. Global discretionary fiscal policy measures is estimated to amount to approximately US\$2.6trn (about 3.8% of global GDP) over the coming years – a figure that is unprecedented in history. These packages will mean increased spending in areas ranging from power, transport infrastructure, rural infrastructure and smart grids and energy efficiency. Other than **ABB**, companies that will benefit also include **Kone** (elevators and escalators), **Atlas Copco** (air equipment and generators, construction and mining equipment) and **Siemens** (locomotives, automotive electronics, power plants).

There is also a renewable energy element to many government infrastructure spending programs. For example, in the US, the recent passage of the Obama stimulus for renewables (US\$118m will be allocated to funding solar energy), coupled with the proposed Federal Renewable Electricity Standard, is expected to mean stronger demand for renewables ahead.

Materials vs Telecom Services

One other significant shift we made over the period was to raise our weights in Basic Materials, while taking off weight from Telecom Services where the Fund traditionally has a huge overweight. Exposure to Materials rose to 8.2% in June 2009 from 3.0% during our last review in December 2008. Exposure to Telecom Services fell to 6.8% from 12.5%.

Materials - The general recovery in commodity prices in the first quarter of 2009 came from oversold conditions. The negative effects of a weakened global economy had been exaggerated by tight bank credit and inventory destocking. Commodity prices therefore benefited as liquidity returned to the banking system. However, prices continued to strengthen into the second quarter due to a real recovery in demand volumes.

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The main positive catalyst for nearly all commodities was strong buying from China as the stimulus policies announced by the Chinese government took effect. The effect of restocking by individual Chinese companies was enhanced by state-related buying via the Strategic Reserve Bureau (SRB) and various provincial governments. Buying was particularly evident in commodities in which China is structurally short, or where it is a high cost producer.

Commodity prices also benefited from the return of investment flows into commodity-related ETFs. Physical commodities have become more appealing to investors with renewed concerns about the US dollar and worries about future inflation, given the aggressive government infrastructure investment programmes, and also as future supply has been threatened by sharp capital expenditure reductions by commodity-producing companies. M&A activity also showed signs of revival, with Chinese companies being active bidders across a range of commodities.

Some of the companies we own in this sector include: **BHP Billiton** (diversified miner), **Nitto Denko** (chemical products), **Air Products** (specialty gases), **Quimica Minera De Chile** (owns the largest lithium deposits globally) and **Vale** (iron ore producer). Despite being in a cyclical sector, these companies still yield an average of 3.2%, vs the fund's average of 4.3% as of June 2009.

Telecom Services— while this sector has been recession resistant, it has not been recession-proof. In the US, the impact of the economic downturn can be seen in the 58% year-on-year decline in the national post-paid net additions to the subscriber base in the first quarter of 2009. In Europe, there has been a common trend of incumbents (like Telefonica, KPN and France Telecom) missing top line estimates but still meeting profitability and cash flow targets on the back of operational expense controls and capex cuts. Incumbents have now clearly shifted their focus from top line growth to cash generation, and have provided investor relief by re-iterating their FY09/10 targets and sticking to their dividend payments. We continue to favour the integrated European incumbents like **Telefonica** and **France Telecom** for their diversification benefits: having both fixed and mobile arms, and also overseas divisions. These companies also enjoy scale, strong balance sheets and generate cash. In Asia, we like **Singapore Telecom** for the same reasons.

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B) Investments at fair value and as a percentage of NAV as at 30 June 2009 under review classified by

	Fair Value (S\$)	% of NAV
i) Country		
Australia	2,948,600	4.44
Brazil	2,290,072	3.45
Canada	1,242,843	1.87
China	3,564,286	5.36
Finland	639,286	0.96
France	2,235,276	3.36
Indonesia	463,275	0.70
Ireland	1,042,514	1.57
Italy	2,023,792	3.04
Norway	658,594	0.99
Singapore	4,066,720	6.12
South Korea	437,928	0.66
Spain	2,666,093	4.01
Sweden	1,086,603	1.64
Thailand	478,066	0.72
Taiwan	613,030	0.92
United Kingdom	6,447,534	9.71
United States	27,708,396	41.69
Portfolio of investments	60,612,908	91.21
Other net assets	5,838,731	8.79
Total	66,451,639	100.00
ii) Industry		
Consumer Discretionary	6,333,687	9.53
Consumer Staples	5,512,064	8.29
Energy	5,271,035	7.93
Financials	12,683,791	19.09
Healthcare	3,625,463	5.46
Industrials	7,161,298	10.78
Information Technology	5,882,361	8.85
Materials	5,425,888	8.17
Telecom Services	4,515,313	6.79
Utilities	4,202,008	6.32
Portfolio of investments	60,612,908	91.21
Other net assets	5,838,731	8.79
Total	66,451,639	100.00

United Sure Fund

(Constituted under a Trust Deed in the Republic of Singapore)

B) Investments at fair value and as a percentage of NAV as at 30 June 2009 under review classified by (continued)

	Fair Value (S\$)	% of NAV
iii) Asset Class		
Equities	60,612,908	91.21
Other net assets	5,838,731	8.79
Total	66,451,639	100.00

iv) Credit rating of debt securities

N/A

C) Top Ten Holdings

The top 10 holdings as at 30 June 2009 and 30 June 2008

10 largest holdings at 30 June 2009	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
MICROSOFT CORP	2,167,582	3.26
HSBC HOLDINGS USD 0.5	1,817,968	2.74
PNC FINL SVCS GROUP IN COM	1,684,132	2.53
MCDONALDS CORP COM	1,661,851	2.50
ALTRIA GROUP INC	1,635,258	2.46
WASTE MGMT INC DEL COM	1,629,730	2.45
BHP BILLITON LIMITED	1,626,781	2.45
SOUTHERN CO COM	1,577,934	2.37
QUIMICA Y MINERA CHIL-SP ADR	1,570,844	2.36
J P MORGAN CHASE & CO COM	1,480,127	2.23

United Sure Fund

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C) Top Ten Holdings (continued)

10 largest holdings at 30 June 2008	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
GENERAL ELECTRIC COMPANY	2,095,627	3.95
ALTRIA GROUP INC	1,924,675	3.62
PETROLEO BRASILEIRO SA SPONSORED ADR	1,683,044	3.17
ELI LILLY & CO	1,566,310	2.95
SNAM RETE GAS	1,548,516	2.92
VERIZON COMMUNICATIONS	1,488,801	2.80
HSBC HOLDINGS USD 0.5	1,471,059	2.77
AT&T INC	1,461,137	2.75
US BANCORP COM	1,398,226	2.63
HEINZ H J CO	1,364,229	2.57

D) Exposure to derivatives

- i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2009
N/A
- ii) net gains/(losses) on derivative contracts realised during the financial year ended 30 June 2009
N/A
- iii) net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2009
N/A

E) Amount and percentage of net asset value (NAV) invested in other schemes as at 30 June 2009

N/A

F) Amount and percentage of borrowings to net asset value (NAV) as at 30 June 2009

N/A

G) Amount of redemptions and subscriptions for the financial year ended 30 June 2009

Total amount of redemptions	SGD	3,571,968
Total amount of subscriptions	SGD	27,961,520

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H) The amount and terms of related-party transactions for the financial year ended 30 June 2009

- i) As at 30 June 2009 the Fund maintained current accounts with the United Overseas Bank Limited as follows :

Bank balances	SGD	48,159
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- ii) Purchase/holdings of UOBAM unit trusts by UOB or its affiliated companies as at 30 June 2009

Holdings of United Sure Fund as at 30 June 2009 were as follows:-

<u>Affiliated Companies</u>	<u>No. of Units</u>	<u>Unit Price</u> <u>SGD</u>	<u>Market Value</u> <u>SGD</u>
a) UOBAM TRUST- United Sure Balanced Income Fund	62,458,635.65	0.916	57,212,110.26
b) UOB Life - Shareholders' Fund	164,046.49	0.916	150,266.58
c) UOB Life Assurance Limited- Singapore Insurance Fund (Annuity)	1,886,259.84	0.916	1,727,814.01
d) UOB Life Assurance Limited- Singapore Insurance Fund (Endowment)	686,386.55	0.916	628,730.08
e) UOB Life Assurance Limited- Singapore Insurance Fund PAR (Annuity)	99,557.25	0.916	91,194.44
f) UOB Life Assurance Limited- Singapore Insurance Fund PAR (Endowment)	2,751,565.50	0.916	2,520,434.00

- iii) Investment in Initial Public Offerings managed by UOB Group.

N/A

- iv) As at 30 June 2009 there was no brokerage income earned by UOB Kay Hian Pte Ltd.

I) Expense ratios

30 June 2009	1.91%
30 June 2008	1.91%

Note : The expense ratio is computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay performance fees.

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J) Turnover ratios

30 June 2009	63.56%
30 June 2008	67.50%

Note : The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme ("the underlying scheme")¹ should be disclosed as well

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2009 and 30 June 2008

N/A

ii) expense ratios for the financial year ended 30 June 2009 and 30 June 2008. A footnote should state (where applicable) that the expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from or arising out of income received.

N/A

iii) turnover ratios for the financial year ended 30 June 2009 and 30 June 2008

N/A

M) Soft dollar commissions/arrangements

UOB Asset Management has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management's duties to clients. As such services generally benefit all of UOB Asset Management's clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The Manager confirms that trades were executed on the best available terms and there was no churning of trades.

¹ where the underlying scheme is managed by a foreign manager which belongs to the same group of companies as, or has a formal arrangement or investment agreement with, the Singapore manager, the above information should be disclosed on the underlying scheme. In other cases, such information on the underlying scheme should be disclosed only if it is readily available to the Singapore manager.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

REPORT OF THE TRUSTEE

The Trustee is under a duty to take into custody and hold the assets of United Choice Portfolios (formerly known as UOB Optimix Fund) in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the “laws and regulations”), the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Certified Public Accountants of Singapore and the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed United Choice Portfolios (formerly known as UOB Optimix Fund) during the financial year covered by these financial statements set out on pages 32 to 78 comprising the Statements of Total Return, Balance Sheets, Portfolio Statements and Notes to the Financial Statements in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

For and on behalf of the Trustee
CITICORP TRUSTEE (SINGAPORE) LIMITED

Authorised signatory

23 September 2009

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENT BY THE MANAGER

In the opinion of the directors of UOB Asset Management Limited, the accompanying financial statements set out on pages 32 to 78, comprising the Statements of Total Return, Balance Sheets, Portfolio Statements and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of United Choice Portfolios (formerly known as UOB Optimix Fund) as at 30 June 2009, the total returns for the financial year then ended and have been properly prepared in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that United Choice Portfolios (formerly known as UOB Optimix Fund) will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
UOB ASSET MANAGEMENT LIMITED

TERENCE ONG
Authorised signatory

23 September 2009

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF UNITED CHOICE PORTFOLIOS

United E-Commerce Fund,

United Asian Bond Fund,

United Sure Fund

(Constituted under a Trust Deed in the Republic of Singapore)

We have audited the financial statements of the Sub-Funds of United Choice Portfolios (formerly known as UOB Optimix Fund) (the "Sub-Funds") set out on pages 32 to 78, which comprise the Balance Sheets and Portfolio Statements as at 30 June 2009, the Statements of Total Return for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Manager's Responsibility for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Sub-Funds' Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Sub-Funds as at 30 June 2009 and the total deficits or returns for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants
Singapore, 23 September 2009

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the financial year ended 30 June 2009

	Notes	United		United	
		E-Commerce Fund		Asian Bond Fund	
		2009	2008	2009	2008
		\$	\$	\$	\$
Income					
Dividends		169,484	163,295	-	-
Interest		898	3,032	21,793	51,559
Other income		-	-	-	36,781
		170,382	166,327	21,793	88,340
Less: Expenses					
Administration fee	12	5,000	5,014	7,500	7,521
Management fee	12	145,444	207,334	389,370	454,563
Audit fee		10,501	10,529	7,996	5,492
Registrar fee		7,042	10,028	18,165	25,628
Custody fee	12	9,256	12,667	13,800	16,334
Interest expenses		15	194	63	4,277
Other expenses		10,859	29,104	66,452	69,426
		188,117	264,870	503,346	583,241
Net losses		(17,735)	(98,543)	(481,553)	(494,901)
Net (losses)/gains on investments					
Net realised (losses)/gains on investments		(425,112)	555,392	882,615	416,674
Net change in fair value on investments		(882,073)	(3,211,978)	3,051,057	(4,192,782)
Net foreign exchange gains/(losses)		45,116	(12,562)	82,484	(186,742)
Net realised (losses)/gains on financial derivative contracts		-	-	(475,785)	154,277
Net change in fair value of financial derivatives		-	-	(3)	197,327
Net (losses)/gains on investments		(1,262,069)	(2,669,148)	3,540,368	(3,611,246)
Total (deficit)/return for the year before income tax		(1,279,804)	(2,767,691)	3,058,815	(4,106,147)
Less: Income tax	3	(33,273)	(37,304)	-	-
Total (deficit)/return for the year after income tax before distribution		(1,313,077)	(2,804,995)	3,058,815	(4,106,147)
Less: Distribution	4	-	-	(458,646)	(674,912)
Total (deficit)/return for the year		(1,313,077)	(2,804,995)	2,600,169	(4,781,059)

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the financial year ended 30 June 2009

	Notes	United Sure Fund	
		2009 \$	2008 \$
Income			
Dividends		2,106,136	3,351,304
Interest		19,928	79,080
		2,126,064	3,430,384
Less: Expenses			
Administration fee	12	15,773	46,573
Management fee	12	702,740	1,382,776
Trustee fee	12	23,227	46,096
Audit fee		7,996	19,059
Registrar fee		31,376	48,320
Custody fee	12	25,792	58,108
Interest expenses		10	959
Other expenses		84,692	147,414
		891,606	1,749,305
Net income		1,234,458	1,681,079
Net losses on investments			
Net realised losses on investments		(12,575,464)	(7,214,362)
Net change in fair value on investments		1,098,550	(16,987,660)
Net foreign exchange losses		(369,522)	(239,351)
Net loss on investments		(11,846,436)	(24,441,373)
Total deficit for the year before income tax		(10,611,978)	(22,760,294)
Less: Income tax	3	(444,913)	(670,906)
Total deficit for the year after income tax before distribution		(11,056,891)	(23,431,200)
Less: Distribution	4	-	(2,098,900)
Total deficit for the year		(11,056,891)	(25,530,100)

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

BALANCE SHEETS

As at 30 June 2009

	Notes	United E-Commerce Fund		United Asian Bond Fund	
		2009	2008	2009	2008
		\$	\$	\$	\$
ASSETS					
Portfolio of investments		9,007,426	10,873,412	31,886,333	44,470,438
Receivables	5	3,785	7,227	48,204	5,894
Sales awaiting settlement		851,795	771,266	2,872,844	278,864
Fixed deposits with financial institutions	6	-	-	-	5,401,465
Cash and bank balances		861,898	382,843	914,733	407,925
Margin account with broker		-	-	48,948	287
Fair value of financial derivative contracts	8	-	-	19,979	299,607
Total Assets		10,724,904	12,034,748	35,791,041	50,864,480
LIABILITIES					
Payables	7	68,767	80,670	123,672	2,676,053
Fair value of financial derivative contracts	8	-	-	19,982	102,280
Purchases awaiting settlement		941,883	425,579	3,164,383	3,194,254
Proposed distribution of income	4	-	-	458,646	674,912
Net assets attributable to unitholders	9	9,714,254	11,528,499	32,024,358	44,216,981
Total Liabilities		10,724,904	12,034,748	35,791,041	50,864,480

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

BALANCE SHEETS

As at 30 June 2009

		United Sure Fund	
	Notes	2009 \$	2008 \$
ASSETS			
Portfolio of investments		60,612,908	50,467,977
Receivables	5	133,285	252,037
Sales awaiting settlement		5,247,398	-
Fixed deposits with a financial institution	6	-	2,001,193
Cash and bank balances		3,762,207	1,610,351
Total Assets		69,755,798	54,331,558
LIABILITIES			
Payables	7	229,600	313,161
Purchases awaiting settlement		3,074,559	-
Proposed distribution of income	4	-	899,419
Net assets attributable to unitholders	9	66,451,639	53,118,978
Total Liabilities		69,755,798	54,331,558

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United E-Commerce Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary Quoted Equities			
BELGIUM			
COLRUYT SA	650	215,728	2.22
CANADA			
RESEARCH IN MOTION	1,660	172,035	1.77
CHINA			
CHINA MOBILE (HONG KONG) LIMITED	6,000	86,923	0.89
PERFECT WORLD CO LTD- ADR	2,000	82,760	0.85
TOTAL CHINA		169,683	1.74
FINLAND			
NOKIA OYJ	9,000	191,786	1.97
FRANCE			
LVMH MOET HENNESY LOUI V SA	1,300	144,350	1.49
GREECE			
OPAP SA EUR	2,000	78,053	0.80
INDIA			
BHARTI AIRTEL LIMITED	4,000	96,830	1.00
HDFC BANK LIMITED	2,000	90,057	0.93
TOTAL INDIA		186,887	1.93
JAPAN			
CANON	3,000	142,600	1.47
HOYA CORPORATION	4,000	116,986	1.20
NINTENDO	300	120,801	1.24
NISSHA PRINTING CO LTD	1,500	104,452	1.08
TOTAL JAPAN		484,839	4.99

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United E-Commerce Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Equities			
NETHERLANDS			
WOLTERS KLUWER CVA EUR	3,500	88,906	0.92
SINGAPORE			
SINGAPORE EXCHANGE LTD	14,000	99,260	1.02
SINGAPORE PRESS HOLDINGS	28,000	88,480	0.91
TOTAL SINGAPORE		187,740	1.93
SOUTH KOREA			
NHN CORPORATION	1,250	250,630	2.58
SAMSUNG ELECTRONICS	150	101,218	1.04
TOTAL SOUTH KOREA		351,848	3.62
SWEDEN			
HENNES & MAURITZ AB-B SHS	3,000	217,321	2.24
SWITZERLAND			
SWATCH GROUP AG	450	104,737	1.08
TEMENOS GROUP AG - REG	12,000	296,494	3.05
TOTAL SWITZERLAND		401,231	4.13
TAIWAN			
HTC CORPORATION	5,000	102,172	1.05
UNITED KINGDOM			
ARM HOLDINGS	60,000	172,933	1.78
AUTONOMY CORP PLC	10,000	346,349	3.57
CSR PLC	12,000	101,227	1.04
PEARSON PLC	16,000	235,208	2.42
TOTAL UNITED KINGDOM		855,717	8.81

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United E-Commerce Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Equities			
UNITED STATES			
ACCENTURE LIMITED	5,657	273,864	2.82
ADOBE SYSTEM INC	3,000	122,837	1.26
AMAZON.COM INC	2,000	242,087	2.49
APPLE INC	1,320	272,019	2.80
AT&T INC	2,000	71,822	0.74
CHECK POINT SOFTWARE T ORD	4,000	135,830	1.40
CISCO SYSTEMS	6,000	161,816	1.67
COMCAST CORP-CLASS A	4,500	94,277	0.97
CVS CAREMARK CORPORATION	8,500	391,329	4.03
GLOBAL PAYMENTS INC	5,000	270,488	2.78
GOOGLE INC – CLASS A	450	274,477	2.83
HEWLETT PACKARD	5,250	293,280	3.02
INTERNATIONAL BUSINESS COMPANY	3,100	467,899	4.82
MCDONALDS CORPORATION COMPANY	4,500	373,916	3.85
MICROSOFT CORPORATION COMPANY	12,000	412,873	4.25
NYSE EURONEXT	4,500	177,420	1.83
ORACLE CORPORATION COMPANY	11,000	340,907	3.51
SYMANTEC CORPORATION	7,500	168,847	1.74
TJX COS INC NEW COM	3,000	136,467	1.40
VISA INC-CLASS A SHARES COM STK	2,500	224,732	2.31
WAL-MART STORES	3,600	251,943	2.59
TOTAL UNITED STATES		5,159,130	53.11
Portfolio of investments		9,007,426	92.72
Other net assets		706,828	7.28
Net assets attributable to unitholders		9,714,254	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United E-Commerce Fund

	Percentage of total net assets attributable to unitholders at 30 June 2009 %	Percentage of total net assets attributable to unitholders at 30 June 2008 %
By Geography - Primary (Summary)		
Quoted Equities		
Belgium	2.22	-
Canada	1.77	2.31
China	1.74	1.78
Finland	1.97	0.84
France	1.49	1.59
Germany	-	3.23
Greece	0.80	-
Hong Kong	-	1.04
India	1.93	0.79
Japan	4.99	7.25
Mexico	-	1.37
Netherlands	0.92	-
Singapore	1.93	-
South Korea	3.62	4.30
Spain	-	2.77
Sweden	2.24	-
Switzerland	4.13	9.51
Taiwan	1.05	1.05
United Kingdom	8.81	7.46
United States	53.11	49.03
Portfolio of investments	92.72	94.32
Other net assets	7.28	5.68
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

	United E-Commerce Fund		
	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %	Percentage of total net assets attributable to unitholders at 30 June 2008 %
By Industry - Secondary			
Consumer Discretionary	1,795,799	18.49	14.97
Consumer Staples	1,092,256	11.24	25.72
Financials	366,737	3.78	-
Information Technology	5,497,059	56.59	50.52
Telecom Services	255,575	2.62	3.11
Portfolio of investments	9,007,426	92.72	94.32
Other net assets	706,828	7.28	5.68
Net assets attributable to unitholders	9,714,254	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United Asian Bond Fund

	Nominal holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary Quoted Bonds			
CHINA			
CMHI FINANCE CAYMAN INC 5.375% DUE 9/3/2015	1,000,000	1,441,565	4.50
HONG KONG			
COSCO PACIFIC FINANCE 5.875% DUE 3/10/2013	1,000,000	1,404,598	4.39
HKCG FINANCE LTD 6.25% DUE 08/07/2018	300,000	481,934	1.50
KOWLOON-CANTON RAILWAY 5.125% DUE 20/05/2019	900,000	1,357,531	4.24
PACIFIC CENTURY INC 5.875% DUE 17/12/2014	500,000	671,498	2.10
WING HANG BK LTD 6% DUE 29/04/2049	1,000,000	1,027,866	3.21
TOTAL HONG KONG		4,943,427	15.44
INDIA			
ICICI BANK LTD 6.375% DUE 30/04/2022	300,000	338,834	1.06
INDONESIA			
APP FINANCE VII MAURITIUS 3 ½% DUE 30/04/2003	100,000	7,053	0.02
EXCELCOMINDO 10.35% DUE 26/04/2012	5,000,000,000	569,779	1.78
REP OF INDONESIA 8.80% DUE 23/04/2014	1,000,000	1,561,914	4.88
REP OF INDONESIA 11.625% DUE 04/03/2019	400,000	757,766	2.37
PT BANK NIAGA 7 ¾% DUE 14/07/2015	500,000	753,379	2.35
TOTAL INDONESIA		3,649,891	11.40
MALAYSIA			
AMBB CAPITAL LTD 6.77% DUE 27/01/2049	500,000	481,696	1.50
MISC CAPITAL LTD 6.125% DUE 01/07/2014	500,000	769,792	2.40
MALAKOFF CORP BHD 9% DUE 30/04/2057	1,000,000	397,881	1.24
PETRONAS CAPITAL LTD 7% DUE 22/05//2012	200,000	321,142	1.00
PUBLIC BANK BERH 6.84% DUE 22/08/2036	1,000,000	1,230,766	3.84
TM GLOBAL INCORPORATED 5.25% DUE 22/09/2014	500,000	751,596	2.35
TOTAL MALAYSIA		3,952,873	12.33

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United Asian Bond Fund

	Nominal holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Bonds			
PHILIPPINES			
PHILIPPINES LONG DISTANCE TELEPHONE 8.35% DUE 06/03/2017	100,000	157,325	0.49
POWER SECTOR ASSETS & LI 7.25% DUE 27/05/2019	750,000	1,095,593	3.42
REPUBLIC OF PHILIPPINES 6 ¼% DUE 15/03/2016	400,000	784,913	2.45
TOTAL PHILIPPINES		2,037,831	6.36
SINGAPORE			
DBS BANK LTD 5% DUE 15/11/2019	700,000	991,360	3.10
DBS CAPITAL FUNDING CORP 7.657% DUE 15/03/2049	1,250,000	1,821,505	5.69
STATS CHIPPAK LTD 6.75% DUE 15/11/2011	250,000	349,373	1.09
TOTAL SINGAPORE		3,162,238	9.88
SOUTH KOREA			
HANA BANK 6.50% DUE 09/04/2012	1,000,000	1,518,012	4.74
INDUSTRIAL BANK OF KOREA 7.125% DUE 23/04/2014	1,100,000	1,665,843	5.20
KOOKMIN BANK CITNAT 5.875% DUE 11/06/2012	500,000	729,466	2.28
KOREA EXCHANGE BANK 5% DUE 10/06/2015	200,000	273,853	0.86
KOREA HYDRO & NUCLEAR POWER 6.25% DUE 17/06/2014	500,000	724,561	2.26
KOREA WATER RESOURCES 4.875% DUE 12/11/2014	1,000,000	1,329,384	4.15
KT CORP 5.875% DUE 24/06/2014	300,000	430,210	1.34
LG-CALTEX OIL CORP 5 ½% DUE 25/08/2014	180,000	248,337	0.78
REP OF KOREA 5.625% DUE 03/11/2025	500,000	645,332	2.01
REP OF KOREA 7.125% DUE 16/04/2019	500,000	794,057	2.48
SHINHAN BANK 5.663% DUE 03/02/2035	900,000	978,583	3.06
TOTAL SOUTH KOREA		9,337,638	29.16

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

United Asian Bond Fund

	Nominal holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Bonds			
THAILAND			
AROMATICS THAI ATCTB 5 ½% DUE 20/07/2012	500,000	747,052	2.33
BANGKOK BANK PUB CO (HK) 9.025% DUE 15/03/2029	650,000	1,007,528	3.15
THAI PETROCHEM IND PUB 6.375% DUE 25/05/2017	460,000	534,481	1.67
TOTAL THAILAND		2,289,061	7.15
UNITED STATES			
EMPIRE CAP RESOURCES 9.375% DUE 15/12/2011	500,000	704,548	2.20
TOTAL QUOTED BONDS		31,857,906	99.48
Asset Backed Securities			
PHILIPPINES			
CE CASECNAN WTR & ENG 11.95% DUE 15/11/2010	19,600	28,427	0.09
TOTAL ASSET BACKED SECURITIES		28,427	0.09
Portfolio of investments		31,886,333	99.57
Other net assets		138,025	0.43
Net assets attributable to unitholders		32,024,538	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

PORTFOLIO STATEMENTS

As at 30 June 2009

	United Asian Bond Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2009 %	Percentage of total net assets attributable to unitholders at 30 June 2008 %
By Geography - Primary (Summary)		
Quoted Bonds		
China	4.50	-
Hong Kong	15.44	15.79
India	1.06	2.09
Indonesia	11.40	8.70
Malaysia	12.33	17.15
Netherlands	-	2.95
Philippines	6.36	3.85
Singapore	9.88	20.46
South Korea	29.16	20.77
Taiwan	-	0.50
Thailand	7.15	6.56
United States	2.20	1.62
	99.48	100.44
Asset Backed Securities		
Philippines	0.09	0.13
	0.09	0.13
Portfolio of investments	99.57	100.57
Other net assets/(liabilities)	0.43	(0.57)
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

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PORTFOLIO STATEMENTS

As at 30 June 2009

United Asian Bond Fund

	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %	Percentage of total net assets attributable to unitholders at 30 June 2008 %
By Industry - Secondary			
Energy	2,227,980	6.96	5.39
Financials	11,499,869	35.92	55.14
Government	4,543,982	14.19	9.77
Government Agency	2,995,227	9.35	2.94
Industrials	4,973,486	15.53	9.13
Information Technology	349,373	1.09	-
Local Government	-	-	2.97
Material	747,052	2.33	-
Sovereign Guaranteed	1,518,012	4.74	-
Telecom Services	1,908,910	5.96	11.09
Utilities	1,122,442	3.50	4.14
Portfolio of investments	31,886,333	99.57	100.57
Other net assets/(liabilities)	138,025	0.43	(0.57)
Net assets attributable to unitholders	32,024,358	100.00	100.00

The accompanying notes form an integral part of these financial statements.

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As at 30 June 2009

United Sure Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary Quoted Equities			
AUSTRALIA			
BHP BILLITON LIMITED	40,000	1,626,781	2.45
CSL LIMITED	35,000	1,321,819	1.99
TOTAL AUSTRALIA		2,948,600	4.44
BRAZIL			
CIA VALE DO RIO DOCE- SP ADR	50,000	1,106,839	1.67
PETROLEO BRASILEIRO SA SPONSORED ADR	20,000	1,183,233	1.78
TOTAL BRAZIL		2,290,072	3.45
CANADA			
CANADIAN NATL RY CO COM	20,000	1,242,843	1.87
CHINA			
ANTA SPORTS PRODUCTS LTD	400,000	719,130	1.08
CHINA COAL ENERGY CO	500,000	862,508	1.30
CHINA CONSTRUCTION BANK	600,000	672,084	1.01
IND & COMM BANK OF CHINA	1,300,000	1,310,564	1.97
TOTAL CHINA		3,564,286	5.36
FINLAND			
NOKIA OYJ	30,000	639,286	0.96
FRANCE			
FRANCE TELECOM SA	25,000	824,367	1.24
SCHNEIDER ELECTRIC S A	6,000	664,943	1.00
TOTAL SA	9,500	745,966	1.12
TOTAL FRANCE		2,235,276	3.36
INDONESIA			
TELEKOMUNIKASI TBK PT	435,000	463,275	0.70

The accompanying notes form an integral part of these financial statements.

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United Sure Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Equities			
IRELAND			
ALLIED IRISH BANKS PLC	150,000	526,615	0.79
BANK OF IRELAND	150,000	515,899	0.78
TOTAL IRELAND		1,042,514	1.57
ITALY			
ENI SPA	22,000	752,160	1.13
SNAM RETE GAS	200,000	1,271,632	1.91
TOTAL ITALY		2,023,792	3.04
NORWAY			
STATOILHYDRO ASA	23,000	658,594	0.99
SINGAPORE			
SINGAPORE PRESS HOLDINGS	400,000	1,264,000	1.90
SINGAPORE TECHNOLOGIES ENGINEERING	108,000	263,520	0.40
SINGAPORE TELECOMS LTD	130,000	387,400	0.58
SMRT CORPORATION LIMITED	760,000	1,276,800	1.92
STRAITS ASIA RESOURCES LTD NPV	500,000	875,000	1.32
TOTAL SINGAPORE		4,066,720	6.12

The accompanying notes form an integral part of these financial statements.

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As at 30 June 2009

United Sure Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Equities			
SOUTH KOREA			
KT N G CORP	3,000	244,354	0.37
S-OIL CORPORATION	3,000	193,574	0.29
TOTAL SOUTH KOREA		437,928	0.66
SPAIN			
BANCO BILBAO VIZCAYA S.A	47,758	871,479	1.31
BANCO SANTANDER CENTRA	50,000	873,609	1.31
TELEFONICA SA EUR1	28,000	921,005	1.39
TOTAL SPAIN		2,666,093	4.01
SWEDEN			
HENNES & MAURITZ AB-B SHS	15,000	1,086,603	1.64
THAILAND			
SIAM COMMERCIAL BANK-FOR REG	155,000	478,066	0.72
TAIWAN			
HTC CORPORATION	30,000	613,030	0.92
UNITED KINGDOM			
ARM HOLDINGS PLC	135,000	389,099	0.59
BRITISH AMERICAN TOBACCO PLC	21,500	867,548	1.31
COMPASS GROUP PLC	150,000	1,234,590	1.86
DIAGEO PLC	52,000	1,092,397	1.64
HSBC HOLDINGS USD 0.5	150,000	1,817,968	2.74
PEARSON PLC	25,000	367,513	0.55
VODAFONE GROUP PLC	240,000	678,419	1.02
TOTAL UNITED KINGDOM		6,447,534	9.71

The accompanying notes form an integral part of these financial statements.

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As at 30 June 2009

United Sure Fund

	Holdings at 30 June 2009	Fair value at 30 June 2009 \$	Percentage of total net assets attributable to unitholders at 30 June 2009 %
By Geography - Primary (continued)			
Quoted Equities			
UNITED STATES			
AIR PRODS & CHEMS INC COM	12,000	1,121,424	1.69
ALTRIA GROUP INC	69,000	1,635,258	2.46
AT&T INC	16,000	574,573	0.86
CONSOLIDATED EDISON PLC	25,000	1,352,442	2.04
ELI LILLY & CO	25,000	1,252,971	1.89
EMERSON ELECTRIC CO	30,000	1,406,337	2.12
GENERAL ELEC CO COM	40,000	677,125	1.02
GENERAL MLS INC COM	8,000	648,420	0.98
INTEL CORP	41,000	979,980	1.47
JP MORGAN CHASE & CO COM	30,000	1,480,127	2.23
KIMBERLY CLARK CORP COM	13,500	1,024,087	1.54
MCDONALDS CORP COM	20,000	1,661,851	2.50
MERCK & CO INC	26,000	1,050,673	1.58
MICROSOFT CORP	63,000	2,167,582	3.26
NYSE EURONEXT	30,000	1,182,799	1.78
PAYCHEX, INC	30,000	1,093,384	1.65
PNC FINL SVCS GROUP IN COM	30,000	1,684,132	2.53
QUIMICA Y MINERA CHIL-SP ADR	30,000	1,570,844	2.36
SOUTHERN CO COM	35,000	1,577,934	2.37
US BANCORP COM	49,000	1,270,449	1.91
VERIZON COMMUNICATIONS	15,000	666,274	1.00
WASTE MGMT INC DEL COM	40,000	1,629,730	2.45
TOTAL UNITED STATES		27,708,396	41.69
Portfolio of investments		60,612,908	91.21
Other net assets		5,838,731	8.79
Net assets attributable to unitholders		66,451,639	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

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PORTFOLIO STATEMENTS

As at 30 June 2009

	United Sure Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2009 %	Percentage of total net assets attributable to unitholders at 30 June 2008 %
By Geography - Primary (Summary)		
Quoted Equities		
Australia	4.44	0.90
Brazil	3.45	3.17
Canada	1.87	-
China	5.36	-
Finland	0.96	1.17
France	3.36	5.15
Hong Kong	-	0.85
Indonesia	0.70	2.81
Ireland	1.57	1.75
Italy	3.04	5.03
Japan	-	4.82
Malaysia	-	0.60
Mexico	-	1.35
Norway	0.99	2.21
Singapore	6.12	3.08
South Korea	0.66	1.15
Spain	4.01	4.22
Sweden	1.64	-
Taiwan	0.92	0.59
Thailand	0.72	2.42
United Kingdom	9.71	11.06
United States	41.69	42.67
Portfolio of investments	91.21	95.00
Other net assets	8.79	5.00
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements.

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PORTFOLIO STATEMENTS

As at 30 June 2009

	United Sure Fund		
	Fair value at	Percentage of	Percentage of
	30 June	total net assets	total net assets
	2009	attributable to	attributable to
	\$	unitholders at	unitholders at
		30 June	30 June
		2009	2008
		%	%
By Industry - Secondary			
Consumer Discretionary	6,333,687	9.53	6.17
Consumer Staples	5,512,064	8.29	13.01
Energy	5,271,035	7.93	10.06
Financials	12,683,791	19.09	20.94
Healthcare	3,625,463	5.46	7.90
Industrials	7,161,298	10.78	17.25
Information Technology	5,882,361	8.85	7.27
Materials	5,425,888	8.17	-
Telecom Services	4,515,313	6.79	12.40
Utilities	4,202,008	6.32	-
Portfolio of investments	60,612,908	91.21	95.00
Other net assets	5,838,731	8.79	5.00
Net assets attributable to unitholders	66,451,639	100.00	100.00

The accompanying notes form an integral part of these financial statements.

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

United Choice Portfolios (the “Fund”), formerly known as UOB Optimix Fund, is a Singapore registered umbrella fund constituted under a Trust Deed in Singapore dated 2 March 2000. This Trust Deed was last amended and restated by way of a 9th Amendment Deed signed on 29 June 2009. The Deeds are governed by the laws of the Republic of Singapore.

The Fund comprises of three separate and distinct Sub-Funds, namely the United E-Commerce Fund (formerly known as UOB Optimix E-Commerce Fund), United Asian Bond Fund (formerly known as UOB Optimix Asian Bond Fund) and United Sure Fund (formerly known as UOB Optimix Sure Fund) (collectively known as “Sub-Funds”).

The Trustee of the Fund is Citicorp Trustee (Singapore) Limited (the “Trustee”).

The Fund has changed its name to United Choice Portfolios with effect from 29 June 2009.

2. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit and loss, in accordance with Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” (“RAP 7”) issued by the Institute of Certified Public Accountants of Singapore.

The financial statements are expressed in Singapore dollars.

(b) Recognition of income

Dividend income is recognized when the right to receive payment is established. Interest income is recognised on a time proportion basis using the effective interest method.

(c) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) *Initial recognition*

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

2. Significant accounting policies (continued)

(c) Investments (continued)

(ii) *Subsequent measurement*

Investments are subsequently carried at fair value. Net changes in the fair value on investments are included in the Statements of Total Return in the year in which they arise.

(iii) *Derecognition*

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price net of transaction costs, and are taken up in the Statements of Total Return.

(d) Basis of valuation of investments

The fair value of investments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for these investments held by the Sub-Funds is the current market quoted bid price. Accrued interest is included in the fair value of fixed income instruments.

(e) Foreign currency translation

(i) *Functional and presentation currency*

The Sub-Funds' investors are mainly from Singapore with the subscriptions and redemptions of the units denominated in Singapore dollars and United States dollars.

The performance of the Sub-Funds are measured and reported to the investors in Singapore dollars. The Manager considers Singapore dollars as the currency of the primary economic environment in which the Sub-Funds operate. The Sub-Funds' functional and presentation currencies are the Singapore dollars.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statements of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statements of Total Return within the fair value net gain or loss.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

2. Significant accounting policies (continued)

(f) Financial derivatives

Financial derivatives including forwards and swaps are entered into for the purposes of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provision of the Trust Deed and the Code on Collective Investment Schemes.

Financial derivatives outstanding at the balance sheet date are valued at the forward rates or at the current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statements of Total Return.

(g) Expenses charged to the Sub-Funds

All expenses are charged directly to the Statements of Total Return against the value of the respective Sub-Funds, except for the Trustee’s remuneration in respect of the United E-Commerce Fund and United Asian Bond Fund which are borne by the Manager as stipulated in the Trust Deed.

3. Income tax

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
	\$	\$	\$	\$
Overseas income tax	33,273	37,304	-	-

	United Sure Fund	
	2009	2008
	\$	\$
Overseas income tax	444,913	670,906

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

3. Income tax (continued)

The Sub-Funds were granted the status of Designated Unit Trust and, therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act (Cap. 134):

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act); and
- (c) dividends derived from outside Singapore and received in Singapore.

The overseas income tax represents tax withheld on foreign sourced income.

4. Distributions

	United Asian Bond Fund	
	2009	2008
	\$	\$
Final distribution of S\$ 2.00 per 100 units on 22,932,310 units (30 June 2008:S\$ 2.00 per 100 units on 33,745,611 units)	458,646	674,912
	United Sure Fund	
	2009	2008
	\$	\$
Interim distribution for the current financial year (30 June 2008: \$1.50 per 100 units on 79,458,442 units, US\$1.04 per 100 units on 506,977 units)	-	1,199,481
Final distribution (30 June 2008 2008: S\$2.00 per 100 units on 44,964,081 units)	-	899,419
	-	2,098,900

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

5. Receivables

	United <u>E-Commerce Fund</u>		United <u>Asian Bond Fund</u>	
	2009	2008	2009	2008
	\$	\$	\$	\$
Amount due from unitholders	1,067	873	48,204	5,935
Dividend receivable	2,718	6,354	-	-
Interest receivable	-	-	-	142
Debt receivable	-	-	-	(183)
	<u>3,785</u>	<u>7,227</u>	<u>48,204</u>	<u>5,894</u>

	United <u>Sure Fund</u>	
	2009	2008
	\$	\$
Amount due from unitholders	3,237	1,703
Dividend receivable	130,048	250,283
Other receivables	-	51
	<u>133,285</u>	<u>252,037</u>

6. Fixed deposits with financial institutions

United Asian Bond Fund

The Sub-Fund did not hold any fixed deposits as at 30 June 2009.

The weighted average effective interest rate of the fixed deposits with banks as at 30 June 2008 is 0.9606% per annum, with a maturity date of two days from the balance sheet date.

United Sure Fund

The Sub-Fund did not hold any fixed deposits as at 30 June 2009.

The weighted average effective interest rate of the fixed deposits with banks as at 30 June 2008 is 0.9375% per annum, with a maturity date of one day from the balance sheet date.

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For the financial year ended 30 June 2009

7. Payables

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
	\$	\$	\$	\$
Amount due to Manager	35,213	48,878	86,625	131,353
Amount due to unitholders	7,917	638	26,689	2,532,736
Other creditors and accrued expenses	25,637	31,154	10,358	11,964
	68,767	80,670	123,672	2,676,053

	United Sure Fund	
	2009	2008
	\$	\$
Amount due to Manager	207,578	264,489
Amount due to unitholders	-	26,839
Amount due to trustee	6,919	5,268
Other creditors and accrued expenses	15,103	16,565
	229,600	313,161

8. Fair value of financial derivatives contracts

Financial derivative contracts comprises forward foreign exchange contracts for the sale and purchase of foreign currencies.

The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at the balance sheet date are analysed below.

	United Asian Bond Fund 2009		
	Contract or underlying principal amount \$	Positive fair value \$	Negative fair value \$
Forward foreign exchange contracts	743,462	19,979	19,982

	United Asian Bond Fund 2008		
	Contract or underlying principal amount \$	Positive fair value \$	Negative fair value \$
Forward foreign exchange contracts	25,342,731	299,607	102,280

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

9. Net assets attributable to unitholders

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
	\$	\$	\$	\$
At the beginning of the financial year	11,528,499	15,838,927	44,216,981	28,083,902
Operations				
Change in net assets attributable to unitholders resulting from operations	(1,313,077)	(2,804,995)	2,600,169	(4,781,059)
Unitholders' contributions/ (withdrawals)				
Creation of units	23,970	193,762	5,450,649	33,785,443
Cancellation of units	(525,138)	(1,699,195)	(20,243,441)	(12,871,305)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(501,168)	(1,505,433)	(14,792,792)	20,914,138
Total (decrease)/increase in net assets attributable to unitholders	(1,814,245)	(4,310,428)	(12,192,623)	16,133,079
At the end of the financial year	9,714,254	11,528,499	32,024,358	44,216,981
Units in issue (Note 10)	69,030,017	72,719,984	22,932,310	33,745,611
	\$	\$	\$	\$
Net assets attributable to unitholders per unit	0.14	0.16	1.40	1.31

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For the financial year ended 30 June 2009

9. Net assets attributable to unitholders (continued)

	United Sure Fund	
	2009	2008
	\$	\$
At the beginning of the financial year	53,118,978	98,419,033
Operations		
Change in net assets attributable to unitholders resulting from operations	(11,056,891)	(25,530,100)
Unitholders' contributions/(withdrawals)		
Creation of units	27,961,520	37,499,582
Cancellation of units	(3,571,968)	(57,269,537)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	24,389,552	(19,769,955)
Total increase/(decrease) in net assets attributable to unitholders	13,332,661	(45,300,055)
At the end of the financial year	66,451,639	53,118,978
Units in issue (Note 10)	72,567,551	44,964,081
	\$	\$
Net assets attributable to unitholders per unit	0.92	1.18

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

10. Units in issue

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
Units at beginning of the year	72,719,984	80,589,849	33,745,611	19,266,639
Units created	176,210	1,039,660	4,112,365	23,867,823
Units cancelled	(3,866,177)	(8,909,525)	(14,925,666)	(9,388,851)
Units at end of the year	69,030,017	72,719,984	22,932,310	33,745,611

	United Sure Fund	
	2009	2008
Units at beginning of the year	44,964,081	63,374,521
Units created	30,705,344	24,347,501
Units cancelled	(3,101,874)	(42,757,941)
Units at end of the year	72,567,551	44,964,081
Units denominated in USD	1,806	-

11. Financial risk management

The Sub-Funds' activities expose them to a variety of financial risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Sub-Funds' financial performance. The Sub-Funds may use financial futures contracts, financial options contracts and/or currency forward contracts subject to the terms of the Prospectus to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Sub-Funds at any time as part of the overall financial risk management to reduce the Sub-Funds' risk exposures.

The Sub-Funds' assets principally consist of financial instruments such as equity investments, fixed interest investments, money market investments and cash. They are held in accordance with the published investment policies of the Sub-Funds. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investor's expectation etc. which may have significant impact on the value of the investments. The Sub-Funds' investments are substantially dependent on changes in market prices. The Sub-Funds' investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the Sub-Funds. Guidelines are set to reduce the Sub-Funds' risk exposures to market volatility such as diversifying the portfolio by investing across various geographies, alternatively, the Sub-Funds may be hedged using derivative strategies.

(i) Foreign exchange risk

The Sub-Funds have securities denominated in currencies other than Singapore dollars and it may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Singapore dollars and such other currencies. The Manager may at his discretion, implement a currency management strategy either to reduce currency volatility or to hedge the currency exposures of the Sub-Funds.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The table below summarises the on-balance sheet exposure to currency risks for the Sub-Funds.

United E-Commerce Fund

As at 30 June 2009

	USD \$	EUR \$	SGD \$	Others \$	Total \$
Assets					
Portfolio of investments	5,241,889	718,824	187,740	2,858,973	9,007,426
Receivables	425	-	1,067	2,293	3,785
Sales awaiting settlement	281,239	-	-	570,556	851,795
Cash and bank balances	142,486	141,596	183,581	394,235	861,898
Total Assets	5,666,039	860,420	372,388	3,826,057	10,724,904
Liabilities					
Payables	-	-	68,767	-	68,767
Purchases awaiting settlement	172,694	146,619	100,811	521,759	941,883
Net assets attributable to unitholders	-	-	9,714,254	-	9,714,254
Total Liabilities	172,694	146,619	9,883,832	521,759	10,724,904
Net currency exposure	5,493,345	713,801	(9,511,444)	3,304,298	

As at 30 June 2008

	USD \$	EUR \$	SGD \$	Others \$	Total \$
Assets					
Portfolio of investments	5,810,708	971,705	-	4,090,999	10,873,412
Receivables	6,235	-	-	992	7,227
Sales awaiting settlement	-	-	771,266	-	771,266
Cash and bank balances	189,209	50,593	57,837	85,204	382,843
Total Assets	6,006,152	1,022,298	829,103	4,177,195	12,034,748
Liabilities					
Payables	-	-	80,670	-	80,670
Purchases awaiting settlement	-	-	-	425,579	425,579
Net assets attributable to unitholders	-	-	11,528,499	-	11,528,499
Total Liabilities	-	-	11,609,169	425,579	12,034,748
Net currency exposure	6,006,152	1,022,298	(10,780,066)	3,751,616	

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Asian Bond Fund

As at 30 June 2009

	USD \$	EUR \$	SGD \$	Others \$	Total \$
Assets					
Portfolio of investments	30,133,760	784,913	-	967,660	31,886,333
Receivables	-	-	48,204	-	48,204
Sales awaiting settlement	2,872,844	-	-	-	2,872,844
Cash and bank balances	381,477	-	533,256	-	914,733
Margin account	48,948	-	-	-	48,948
Total Assets	33,437,029	784,913	581,460	967,660	35,771,062
Liabilities					
Payables	-	-	123,672	-	123,672
Purchases awaiting settlement	3,164,383	-	-	-	3,164,383
Proposed distribution of income	-	-	458,646	-	458,646
Net assets attributable to unitholders	-	-	32,024,358	-	32,024,358
Total Liabilities	3,164,383	-	32,606,676	-	35,771,059
Forward foreign exchange contracts (nominal value)	-	-	-	-	
Net currency exposure	30,272,646	784,913	(32,025,216)	967,660	

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Asian Bond Fund (continued)

As at 30 June 2008

	USD \$	EUR \$	SGD \$	Others \$	Total \$
Assets					
Portfolio of investments	38,651,748	1,126,494	3,194,584	1,497,612	44,470,438
Receivables	-	-	5,894	-	5,894
Sales awaiting settlement	278,864	-	-	-	278,864
Fixed deposits with financial institutions	-	-	5,401,465	-	5,401,465
Cash and bank balances	33,247	5,785	368,893	-	407,925
Margin Account	287	-	-	-	287
Total Assets	38,964,146	1,132,279	8,970,836	1,497,612	50,564,873
Liabilities					
Payables	-	-	2,676,053	-	2,676,053
Purchases awaiting settlement	-	-	3,194,254	-	3,194,254
Proposed distribution of income	-	-	674,912	-	674,912
Net assets attributable to unitholders	-	-	44,216,981	-	44,216,981
Total Liabilities	-	-	50,762,200	-	50,762,200
Forward foreign exchange contracts (nominal value)	(15,126,841)	-	15,238,721	-	-
Net currency exposure	23,837,305	1,132,279	(26,552,643)	1,497,612	-

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Sure Fund

As at 30 June 2009

	USD \$	EUR \$	SGD \$	GBP \$	Others \$	Total \$
Assets						
Portfolio of investments	31,241,311	8,606,962	4,066,720	6,447,534	10,250,381	60,612,908
Receivables	71,550	-	3,237	42,594	15,904	133,285
Sales awaiting settlement	1,336,893	2,594,640	-	-	1,315,865	5,247,398
Cash and bank balances	8,854	1,490,689	451,984	-	1,810,680	3,762,207
Total Assets	32,658,608	12,692,291	4,521,941	6,490,128	13,392,830	69,755,798

Liabilities

Purchases awaiting settlement	2,441,371	-	-	633,188	-	3,074,559
Payables	-	-	229,600	-	-	229,600
Net assets attributable to unitholders	1,654	-	66,449,985	-	-	66,451,639
Total Liabilities	2,443,025	-	66,679,585	633,188	-	69,755,798

Net currency exposure 30,215,583 12,692,291 (62,157,644) 5,856,940 13,392,830

As at 30 June 2008

	USD \$	EUR \$	SGD \$	GBP \$	Others \$	Total \$
Assets						
Portfolio of investments	25,074,579	9,194,243	1,631,100	5,874,285	8,693,770	50,467,977
Receivables	102,632	-	1,754	103,926	43,725	252,037
Fixed deposits with a financial institution	-	-	2,001,193	-	-	2,001,193
Cash and bank balances	368,709	426	1,169,967	238	71,011	1,610,351
Total Assets	25,545,920	9,194,669	4,804,014	5,978,449	8,808,506	54,331,558

Liabilities

Payables	-	-	313,161	-	-	313,161
Proposed distribution of income	-	-	899,419	-	-	899,419
Net assets attributable to unitholders	-	-	53,118,978	-	-	53,118,978
Total Liabilities	-	-	54,331,558	-	-	54,331,558

Net currency exposure 25,545,920 9,194,669 (49,527,544) 5,978,449 8,808,506

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Asian Bond Fund

Investments, which is the significant item in the balance sheet is exposed to currency risk and interest rate risk. Currency risk sensitivity analysis is prepared and disclosed only for monetary assets and liabilities. The table below summarises the sensitivity of the Sub-Fund's monetary assets and liabilities to changes in foreign exchange movements at 30 June 2009 and 30 June 2008. The analysis is based on the assumptions that the functional currency increased / decreased to the relevant foreign exchange rates as disclosed below. This represents the Manager's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

Currency	30 June 2009		30 June 2008	
	Net impact to net assets attributable to unitholders		Net impact to net assets attributable to unitholders	
	\$	%	\$	%
EUR	54,944	7	67,937	6
USD	1,513,632	5	953,492	4

United E-Commerce Fund & United Sure Fund

Investments, which is the significant item in the balance sheet is exposed to currency risk and other price risk. The other price risk sensitivity analysis includes the impact of currency risk on non-monetary investments. The Sub-Fund's net financial assets comprise significantly non-monetary investments, hence currency risk sensitivity analysis has not been performed on the remaining financial assets.

(ii) Price risk

Price risk is the risk of potential adverse changes to the value of financial investments because of changes in market conditions and volatility in security prices.

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk (continued)

United E-Commerce Fund & United Sure Fund

The table below summarises the impact of increases/decreases from the Sub-Funds' underlying investments in equities on the Sub-Funds' net assets attributable to unitholders at 30 June 2009 and 30 June 2008. The analysis is based on the assumption that the index components within the benchmark increased/ decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the historical correlation with the index.

Sub-Fund	Benchmark components	2009		2008	
		Net impact to net assets attributable to unitholders \$	%	Net impact to net assets attributable to unitholders \$	%
United E-Commerce Fund	MSCI World Index	1,603,322	20	2,131,189	20
United Sure Fund	MSCI AC World Index	10,182,969	20	7,469,261	20

(iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Sub-Fund holds interest bearing securities that expose the Sub-Fund to fair value interest rate risk. The Sub-Fund holds securities of varying maturities and interest rate sensitivities. Movement in market interest rates will affect the valuation of the fund's securities by varying degrees. The Sub-Fund's policy requires the Manager to manage this risk by measuring the mismatch of the interest rate sensitivity gap of financial assets and liabilities and calculating the average duration of the portfolio of fixed interest securities. The average effective duration of the Sub-Fund's portfolio is a measure of the sensitivity of the fair value of the Sub-Fund's fixed interest securities to changes in market interest rates.

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

The table below summarises the Sub-Fund's exposure to interest rate risks. They include the Sub-Fund's assets and trading liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity dates. All variable rate financial instruments are reset within a month.

United Asian Bond Fund

As at 30 June 2009

	Variable rates \$	Fixed Rates \$	Non-interest bearing \$	Total \$
Assets				
Portfolio of investments	6,632,629	25,246,651	7,053	31,886,333
Receivables	-	-	48,204	48,204
Sales awaiting settlement	-	-	2,872,844	2,872,844
Cash and bank balances	914,733	-	-	914,733
Margin account	48,948	-	-	48,948
Fair value of financial derivative contracts	-	-	19,979	19,979
Total Assets	7,596,310	25,246,651	2,948,080	35,791,041
Liabilities				
Payables	-	-	123,672	123,672
Fair value of financial derivative contracts	-	-	19,982	19,982
Purchases awaiting settlement	-	-	3,164,383	3,164,383
Proposed distribution of income	-	-	458,646	458,646
Net assets attributable to unitholders	-	-	32,024,358	32,024,358
Total Liabilities	-	-	35,791,041	35,791,041

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

United Asian Bond Fund (continued)

As at 30 June 2008

	Variable rates \$	Fixed Rates \$	Non-interest bearing \$	Total \$
Assets				
Portfolio of investments	12,104,842	32,358,969	6,627	44,470,438
Receivables	-	-	5,894	5,894
Sales awaiting settlement	-	-	278,864	278,864
Fixed deposits with financial institutions	-	5,401,465	-	5,401,465
Cash and bank balances	407,925	-	-	407,925
Margin account	287	-	-	287
Fair value of financial derivative contracts	-	-	299,607	299,607
Total Assets	12,513,054	37,760,434	590,992	50,864,480
Liabilities				
Payables	-	-	2,676,053	2,676,053
Fair value of financial derivative contracts	-	-	102,280	102,280
Purchases awaiting settlement	-	-	3,194,254	3,194,254
Proposed distribution of income	-	-	674,912	674,912
Net assets attributable to unitholders	-	-	44,216,981	44,216,981
Total Liabilities	-	-	50,864,480	50,864,480

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

United Asian Bond Fund (continued)

As at 30 June 2009, should interest rates have lowered or risen by 600 basis points ("bps") (30 June 2008: 300 bps) with all other variables remaining constant, the increase or decrease in net assets attributable to unitholders for the year would be as \$ 8,838,892 (30 June 2008: \$6,114,241)

The Sub-Fund has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of changes on the earnings of certain companies in which the Sub-Fund invests and impact on the valuation of certain over-the-counter derivative products that use market interest rates as an input. Therefore, the above sensitivity analysis may not fully indicate the total effect on the Sub-Fund's net assets attributable to holders of future movements in interest rates.

United E-Commerce Fund & United Sure Fund

The financial assets and liabilities of United E-Commerce Fund and United Sure Fund are non-interest bearing other than fixed deposits held. Hence, they are not subjected to risk of fluctuations in the prevailing levels of market interest rate.

(b) Liquidity risk

Liquidity risk is the risk that the Sub-Funds will encounter difficulty in settling a liability, including a redemption request.

The Sub-Funds are exposed to daily cash redemptions and disbursements for the settlements of purchases. The Manager therefore ensures that the Sub-Funds maintain sufficient cash and cash equivalents and that it is able to obtain cash from the sale of investments held to meet its liquidity requirements. Reasonable efforts will be taken to invest in securities which are traded in a relatively active market and which can be readily disposed of.

The Sub-Funds' investments in listed securities are considered to be readily realisable as they are listed on established regional stock exchanges.

The Manager may from time to time employ derivatives to implement a portfolio strategy to reduce risk or for the purpose of efficient portfolio management. Market liquidity of complex derivatives are significantly less than traditional investment instruments and such positions may therefore require a longer time to reverse than would be typically be expected for traditional investment instruments. No such investments were held at the balance sheet date.

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(b) Liquidity risk (continued)

The tables below analyse the Sub-Funds' financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

United E-Commerce Fund

As at 30 June 2009

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	68,767	-	-	-
Purchases awaiting settlement	941,883	-	-	-
Net assets attributable to unitholders	9,714,254	-	-	-

As at 30 June 2008

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	80,670	-	-	-
Purchases awaiting settlement	425,579	-	-	-
Net assets attributable to unitholders	11,528,499	-	-	-

United Asian Bond Fund

As at 30 June 2009

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	123,672	-	-	-
Derivative financial instruments				
- Inflows	361,712	-	-	-
- Outflows	(381,750)	-	-	-
Purchases awaiting settlement	3,164,383	-	-	-
Proposed distribution of income	458,686	-	-	-
Net assets attributable to unitholders	32,024,358	-	-	-

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(b) Liquidity risk (continued)

United Asian Bond Fund (continued)

As at 30 June 2008

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	2,676,053	-	-	-
Derivative financial instruments				
-Inflows	14,727,587	5,367,600	-	-
-Outflows	(14,839,039)	(5,437,398)	-	-
Purchases awaiting settlement	3,194,254	-	-	-
Proposed distribution of income	674,912	-	-	-
Net assets attributable to unitholders	44,216,981	-	-	-

United Sure Fund

As at 30 June 2009

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	229,600	-	-	-
Purchases awaiting settlement	3,074,559	-	-	-
Net assets attributable to unitholders	66,451,639	-	-	-

As at 30 June 2008

	Less than 3 months \$	3 months to 1 year \$	1-5 years \$	Above 5 years \$
Payables	313,161	-	-	-
Proposed distribution of income	899,419	-	-	-
Net assets attributable to unitholders	53,118,978	-	-	-

United Choice Portfolios

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(c) Credit risk

Credit risk is the risk that counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

As such, the Sub-Funds do not have a concentration of credit risk that arises from an exposure to a single counterparty. Furthermore, the Sub-Funds do not have a material exposure to group of counterparties which are expected to be affected similarly by changes in economic or other conditions.

United Asian Bond Fund

The Sub-Fund invest in financial assets, which have an investment grade as rated by Moody's. The credit ratings are reviewed regularly.

The table below analyses the Sub-Fund's investments by credit ratings expressed as a percentage of net assets attributable to unitholders.

As at 30 June 2009

Debt securities	Aa	A	Baa	Ba	B	Non rated
Fixed rate securities	7%	33%	15%	9%	8%	7%
Floating rate securities	6%	10%	1%	4%	-	-

As at 30 June 2008

Debt securities	Aaa	Aa	A	Baa	Ba	B	Non rated
Fixed rate securities	7%	6%	21%	18%	3%	6%	11%
Floating rate securities	7%	-	7%	1%	7%	1%	3%

United Choice Portfolios

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(c) Credit risk (continued)

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Credit risk also arises from cash and cash equivalents and derivative positions held with financial institutions. The table below summarizes the credit rating of banks in which the Sub-Funds' assets are held as at 30 June 2009 and 30 June 2008.

United E- Commerce Fund

As at 30 June 2009	Amount \$	Credit rating	Source of credit rating
<u>Bank</u>			
Citibank NA	782,663	C-	Moody's
United Overseas Bank Limited	79,235	B	Moody's

As at 30 June 2008	Amount \$	Credit rating	Source of credit rating
<u>Bank</u>			
Citibank NA	350,517	B	Moody's
United Overseas Bank Limited	32,326	B	Moody's

United Asian Bond Fund

As at 30 June 2009	Amount \$	Credit rating	Source of credit rating
<u>Bank</u>			
Citibank NA	489,028	C-	Moody's
United Overseas Bank Limited	425,705	B	Moody's
JP Morgan Chase Bank NA	48,948	B	Moody's
<u>Counterparties of forward foreign exchange contracts</u>			
Citibank NA	743,462	C-	Moody's

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(c) Credit risk (continued)

United Asian Bond Fund (continued)

As at 30 June 2008	Amount \$	Credit rating	Source of credit rating
<u>Bank</u>			
Citibank NA	294,654	B	Moody's
United Overseas Bank Limited	2,613,575	B	Moody's
Oversea-Chinese Banking Corporation	2,901,303	B	Moody's
JP Morgan Chase Bank NA	287	B+	Moody's
<u>Counterparties of forward foreign exchange contracts</u>			
Citibank NA	15,028,891	B	Moody's
Standard Chartered Bank	10,425,721	C+	Moody's

United Sure Fund

As at 30 June 2009	Amount \$	Credit rating	Source of credit rating
<u>Bank</u>			
Citibank NA	3,714,048	C-	Moody's
United Overseas Bank Limited	48,159	B	Moody's
<hr/>			
As at 30 June 2008	Amount \$	Credit rating	Source of credit rating
<u>Bank</u>			
Citibank NA	1,269,816	B	Moody's
Oversea- Chinese Banking Corporation	2,001,193	B	Moody's
United Overseas Bank Limited	340,535	B	Moody's

All investments are held in custody with Citibank N.A. whose credit rating assigned by Moody's at 30 June 2009 is C- (30 June 2008: B). The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

11. Financial risk management (continued)

(d) Capital management

The Sub-Funds' capital is represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

12. Related party transactions

- (a) The Manager and the Trustee of the Sub-Funds are UOB Asset Management Limited and Citicorp Trustee (Singapore) Limited respectively.

UOB Asset Management Limited is a subsidiary of United Overseas Bank Limited and Citicorp Trustee (Singapore) Limited is a related company of Citibank.

Management fee is paid to the Manager, while trustee fee is paid to the Trustee. Registrar fee is paid to HSBC Securities (Transfer Agency) Pte Ltd, a subsidiary of HSBC Holdings Plc. These fees paid or payable by the Sub-Funds shown in the Statements of Total Return and in the respective Notes to the Financial Statements are on terms set out in the Trust Deed. All other related party transactions are shown elsewhere in the financial statements.

- (b) As at 30 June 2009 and 30 June 2008, the Sub-Funds had the following balances with a related company of the Manager:

	United		United	
	<u>E-Commerce Fund</u>		<u>Asian Bond Fund</u>	
	2009	2008	2009	2008
	\$	\$	\$	\$
Current accounts	79,235	32,326	425,705	113,271
Fixed deposits and accrued interest	-	-	-	2,500,304
	<hr/>		<hr/>	
	United			
	<u>Sure Fund</u>			
	2009	2008		
	\$	\$		
Current accounts	48,159	340,535		
	<hr/>			

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

12. Related party transactions (continued)

- (c) As at 30 June 2009 and 30 June 2008, the Sub-Funds had the following balances with a related company of the Trustee:

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
	\$	\$	\$	\$
Current accounts	782,663	350,517	489,028	294,654
	United Sure Fund			
	2009	2008		
	\$	\$		
Current accounts	3,714,048	1,269,816		

- (d) The following transactions took place during the financial year between the Sub-Funds and related parties at terms agreed between the parties as follows:

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
	\$	\$	\$	\$
Interest income derived from a related company of the Trustee	898	3,032	18,826	6,746
Interest income derived from a related company of the Manager	-	-	2,871	40,485
Interest expense derived from a related company of a Trustee	15	-	63	-
Brokerage expense/nominee expense/tax services on purchase and sales of investments to related companies of the Manager	-	4,896	-	-
Custody fees paid/payable to a related company of the Trustee	9,256	12,667	13,800	16,334
Administration fee paid/payable to a related company of the Trustee	5,000	5,014	7,500	7,521

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2009

12. Related party transactions (continued)

(d) The following transactions took place during the financial year between the Sub-Funds and related parties at terms agreed between the parties as follow (continued):

	United Sure Fund	
	2009	2008
	\$	\$
Interest income derived from a related company of the Trustee	11,129	20,469
Interest income derived from a related company of the Manager	8,799	58,611
Interest expense derived from a related company of a Trustee	10	-
Brokerage expense/nominee expense/tax services on purchases and sales of investments to related companies of the Manager	-	12,363
Custody fees paid/payable to a related company of the Trustee	25,792	58,108
Administration fee paid/payable to a related company of the Trustee	15,773	46,573

13. Financial ratios

	United E-Commerce Fund		United Asian Bond Fund	
	2009	2008	2009	2008
Expense ratio ¹	1.94%	1.92%	1.29%	1.28%
Turnover ratio ²	55.23%	53.32%	149.62%	98.52%

	United Sure Fund	
	2009	2008
Expense ratio ¹	1.91%	1.91%
Turnover ratio ²	63.56%	67.50%

¹ The expense ratios are computed in accordance with the IMAS guidelines on disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Sub-Funds do not pay any performance fees.

² The turnover ratios are calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

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