



United Global Technology Fund

Annual Report
31 January 2023

UNITED GLOBAL TECHNOLOGY FUND

GENERAL INFORMATION ABOUT THE FUND

Commencement Date

United Global Technology Fund (the “Fund”) was launched on 23 October 2017 and the initial offer period was 21 days, up to 12 November 2017. The Fund commenced investment on 13 November 2017.

Fund Category and Type

Fund Category - Wholesale (Feeder Fund)

Fund Type - Growth

Name of Target Fund

Target Fund - T. Rowe Price Funds SICAV - Global Technology Equity Fund

Investment Objective, Policy and Strategy of the Fund

Investment Objective of the Fund

The Fund seeks to provide Long Term capital appreciation by investing in the T. Rowe Price Funds SICAV - Global Technology Equity Fund ("Target Fund") which invests in a diversified portfolio of stocks of global technology companies.

Investment Policy and Strategy

The Fund seeks to achieve its investment objective by investing a minimum of 90% of the Fund's NAV in the Target Fund at all times. Accordingly, this Fund will have a passive strategy as all the investment decisions will be made at the Target Fund level.

Asset Allocation

- A minimum of 90% of the Fund's NAV in the Target Fund; and
- Up to 10% of the Fund's NAV in cash and/or liquid assets.

Performance Benchmark

MSCI All Country World Information Technology Index.

Permitted Investments

Unless otherwise prohibited by the relevant regulatory authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund is permitted under the Deed to invest in the following:

- (1) the Target Fund or a collective investment scheme;
- (2) money market instruments;
- (3) deposits;
- (4) financial derivatives instruments, including but not limited to options, futures contracts, forward contracts and swaps, for hedging purposes; and
- (5) any other investment as may be agreed between the Manager and the Trustee from time to time.

Classes of Units

(1) MYR Class; (2) MYR hedged Class; (3) SGD hedged Class; (4) USD Class; (5) GBP hedged Class and (6) AUD hedged Class.

Distribution Policy

Subject to the availability of income, distribution is incidental. Distribution of income will only be made from realised gains or realised income.

Mode of Distribution

Distribution declared (if any) will be automatically reinvested into the Unit Holders' accounts in the form of additional Units in the Fund at no cost.

The distribution declared will be reinvested based on the NAV per Unit at the end of the Business Day of the income declaration date.

MANAGER'S REPORT – UNITED GLOBAL TECHNOLOGY FUND
ANNUAL REPORT
[1 FEBRUARY 2022 TO 31 JANUARY 2023]

United Global Technology Fund - MYR Class

Fund Performance Review

For the year under review, the United Global Technology Fund (MYR Class) registered a return of -35.01%, underperforming the benchmark return of -16.24%.

Fund Performance Data (as at 31 January 2023)

| | 1 - month | 3 - months | 6 - months | 1 year | YTD | Since commencement (13 November 2017) |
|--|--------------|---------------|---------------|---------|-------|--|
| United Global Technology Fund (MYR Class) | 9.72% | -4.65% | -13.31% | -35.01% | 9.72% | 12.44% |
| Benchmark: MSCI All Country World Information Technology Index (MYR) | 6.83% | -1.77% | -7.90% | -16.24% | 6.83% | 88.31% |

Source: UOBAM(M), Lipper and Bloomberg as at 31 January 2023



Source: UOBAM(M) as at 31 January 2023

Note: The performance of the Fund is benchmarked against the MSCI All Country World Information Technology Index.

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

| United Global Technology Fund - MYR Class | As at 31 January 2023 |
|--|----------------------------------|
| Net Asset Value (USD million) | 4.64 |
| Units In Circulation (million) | 35.18 |
| Net Asset Value Per Unit (MYR) | 0.5622 |
| Highest Net Asset Value Per Unit (MYR) | 0.9203 |
| Lowest Net Asset Value Per Unit (MYR) | 0.4971 |

United Global Technology Fund - USD Class

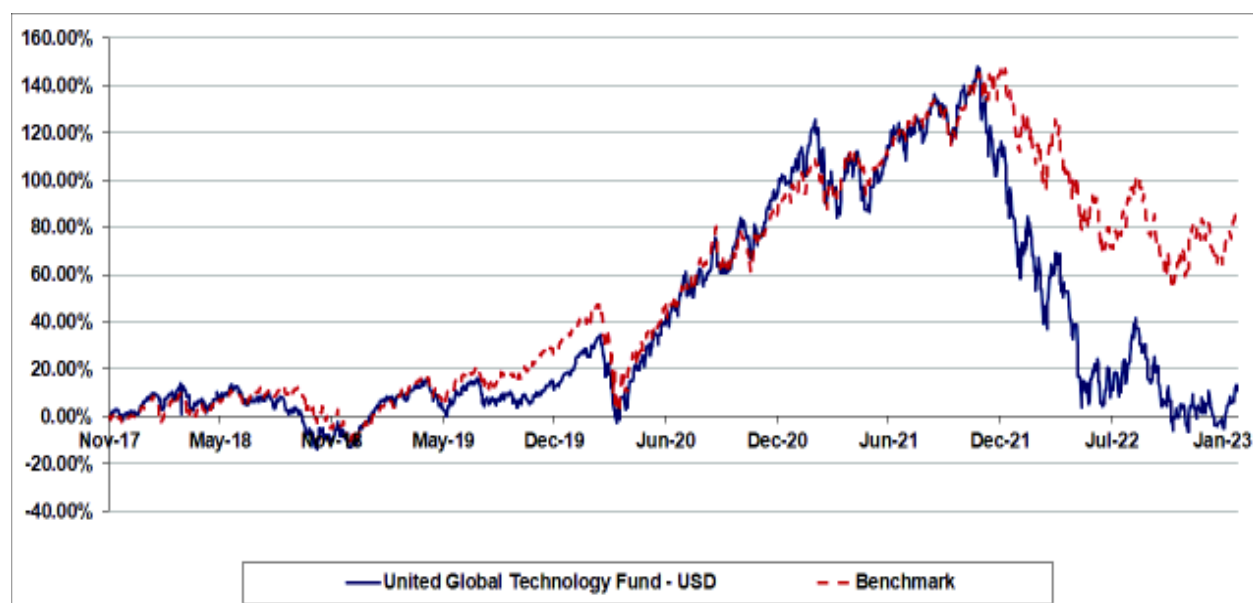
Fund Performance Review

For the year under review, the United Global Technology Fund (USD Class) registered a return of -36.21%, underperforming the benchmark return of -17.83%.

Fund Performance Data (as at 31 January 2023)

| | 1 - month | 3 - months | 6 - months | 1 year | YTD | Since commencement (13 November 2017) |
|--|--------------|---------------|---------------|---------|--------|--|
| United Global Technology Fund (USD Class) | 13.23% | 5.69% | -9.55% | -36.21% | 13.23% | 10.76% |
| Benchmark: MSCI All Country World Information Technology Index (USD) | 10.41% | 8.97% | -3.83% | -17.83% | 10.41% | 85.19% |

Source: UOBAM(M), Lipper and Bloomberg as at 31 January 2023



Source: UOBAM(M) as at 31 January 2023

Note: The performance of the Fund is benchmarked against the MSCI All Country World Information Technology Index.

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

| United Global Technology Fund - USD Class | As at 31 January 2023 |
|--|----------------------------------|
| Net Asset Value (USD million) | 1.02 |
| Units In Circulation (million) | 1.85 |
| Net Asset Value Per Unit (USD) | 0.5538 |
| Highest Net Asset Value Per Unit (USD) | 0.9241 |
| Lowest Net Asset Value Per Unit (USD) | 0.4680 |

United Global Technology Fund - MYR Hedged Class

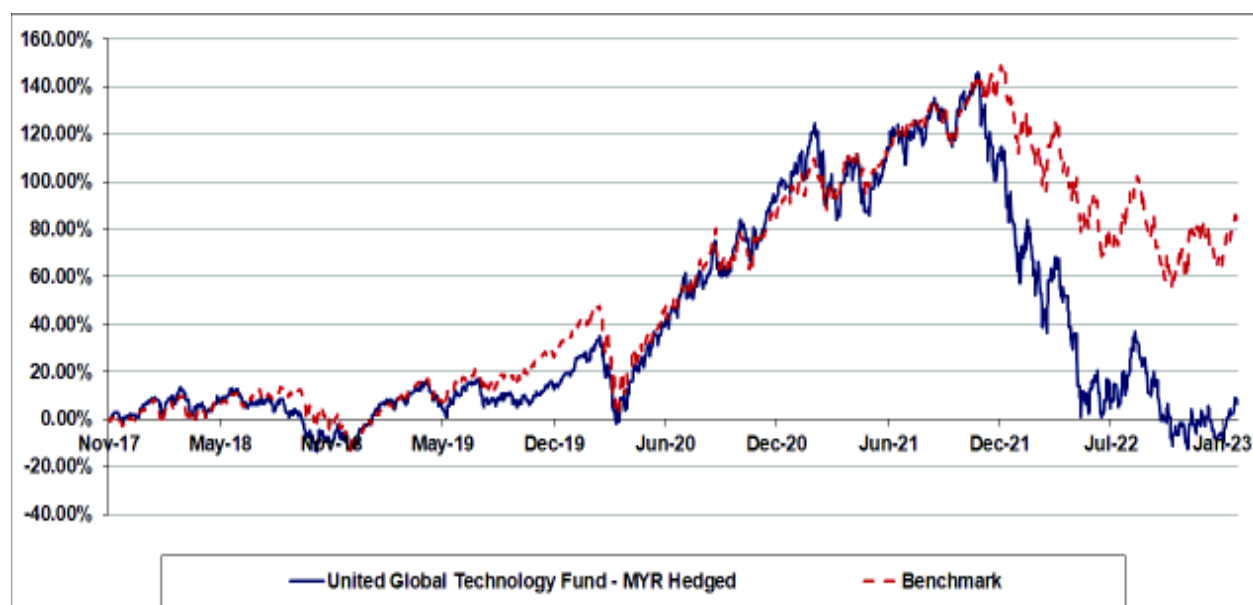
Fund Performance Review

For the year under review, the United Global Technology Fund (MYR Hedged Class) registered a return of -38.26%, underperforming the benchmark return of -17.83%.

Fund Performance Data (as at 31 January 2023)

| | 1 - month | 3 - months | 6 - months | 1 year | YTD | Since commencement (13 November 2017) |
|---|--------------|---------------|---------------|---------|--------|--|
| United Global Technology Fund (MYR Hedged Class) | 14.06% | 8.62% | -9.83% | -38.26% | 14.06% | 6.62% |
| Benchmark: MSCI All Country World Information Technology Index (USD) | 10.41% | 8.97% | -3.83% | -17.83% | 10.41% | 85.19% |

Source: UOBAM(M), Lipper and Bloomberg as at 31 January 2023



Source: UOBAM(M) as at 31 January 2023

Note: The performance of the Fund is benchmarked against the MSCI All Country World Information Technology Index.

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

| United Global Technology Fund - MYR Hedged Class | As at 31 January 2023 |
|---|----------------------------------|
| Net Asset Value (USD million) | 14.32 |
| Units In Circulation (million) | 114.49 |
| Net Asset Value Per Unit (MYR) | 0.5331 |
| Highest Net Asset Value Per Unit (MYR) | 0.9194 |
| Lowest Net Asset Value Per Unit (MYR) | 0.4377 |

United Global Technology Fund - SGD Hedged Class

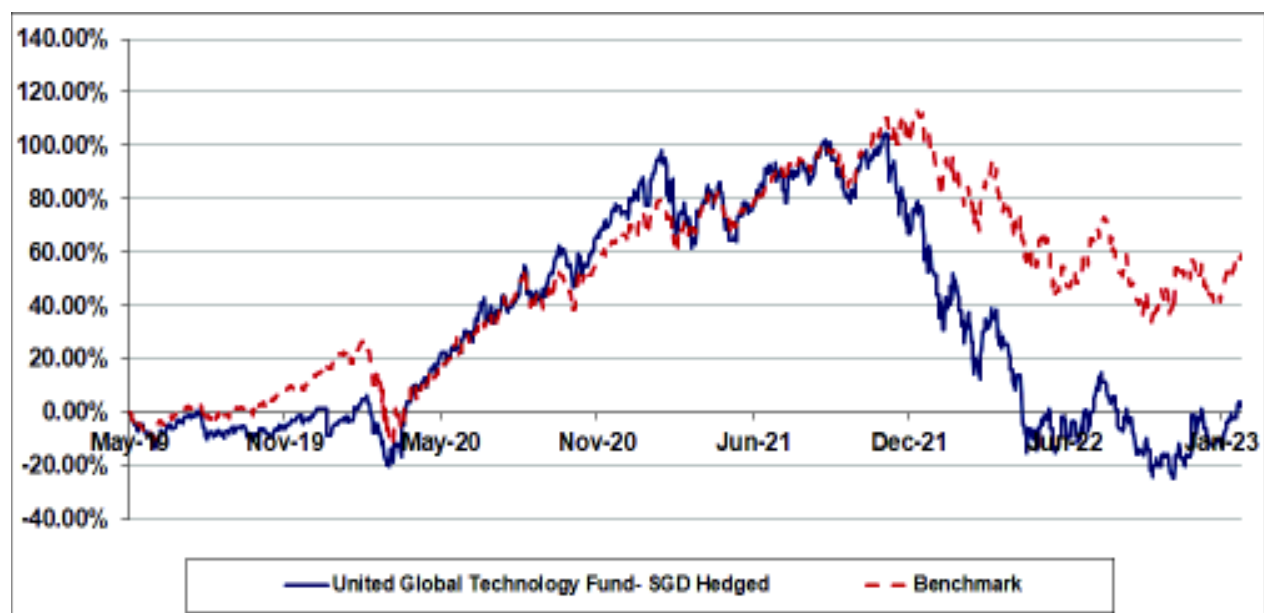
Fund Performance Review

For the year under review, the United Global Technology Fund (SGD Hedged Class) registered a return of -28.86%, underperforming the benchmark return of -17.83%.

Fund Performance Data (as at 31 January 2023)

| | 1 - month | 3 - months | 6 - months | 1 year | YTD | Since commencement (3 May 2019) |
|---|--------------|---------------|---------------|---------|--------|------------------------------------|
| United Global Technology Fund (SGD Hedged Class) | 13.97% | 21.04% | 2.21% | -28.86% | 13.97% | 1.82% |
| Benchmark: MSCI All Country World Information Technology Index (USD) | 10.41% | 8.97% | -3.83% | -17.83% | 10.41% | 58.81% |

Source: UOBAM(M), Lipper and Bloomberg as at 31 January 2023



Source: UOBAM(M) as at 31 January 2023

Note: The performance of the Fund is benchmarked against the MSCI All Country World Information Technology Index.

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

| United Global Technology Fund - SGD Hedged Class | As at 31 January 2023 |
|---|----------------------------------|
| Net Asset Value (USD million) | 0.02 |
| Units In Circulation (million) | 0.06 |
| Net Asset Value Per Unit (SGD) | 0.5091 |
| Highest Net Asset Value Per Unit (SGD) | 0.7601 |
| Lowest Net Asset Value Per Unit (SGD) | 0.3762 |

T. Rowe Price Funds SICAV - Global Technology Equity Fund (Target Fund)

Target Fund Performance Review

The fund underperformed its benchmark, the MSCI All Country World Index Information Technology Net, for the 12-month period ended 31 January 2023. Stock selection detracted from relative performance; subsector allocation was positive.

Stock selection in software detracted the most from the portfolio's relative returns. Shares of Atlassian, a collaboration and workflow tool provider, declined during much of the period as the uncertain pace of its users migrating to the cloud, a long-term driver of increased revenue for Atlassian, is providing near-term friction as the company cannot control when the clients choose to change over. During the second half of the period, shares were also pressured after the company missed earnings and addressed a weakening IT spend outlook with reduced guidance. The Sub-Investment Manager of the Target Fund (i.e. T. Rowe Price Associate, Inc) believes in the company's idiosyncratic growth driver and its ongoing cloud migration, and the Sub-Investment Manager likes the company's strong product portfolio that addresses large markets. Shares of Okta, a provider of software services for identity management solutions, declined as the company faced the fallout from a security breach during the first part of 2022. Management also signaled weakening fundamentals by lowering forward billings guidance and financial targets as well as acknowledging heightened executive and workforce turnover. The Sub-Investment Manager eliminated their position in the third quarter as the Sub-Investment Manager believes the company's ability to grow relative to industry peers has deteriorated when it comes to winning new customers.

Stock selection in internet reduced relative returns. Sea is an internet platform focused on gaming, social media, e-commerce, digital wallet, and digital finance. Shares declined after the company reported slowing growth in its gaming division due to a ban in the high-growth market of India coupled with the reopening of the global economy. Investors also turned jittery after Sea started losing money, mainly attributing those losses to its consistent spend on operations. While the Sub-Investment Manager are attracted to Sea's ability to lead secular trends within fast-growing markets, the Sub-Investment Manager are monitoring how the company evolves its growth strategy to potentially leverage new sources of cash.

Within industrials, security choices further weighed on relative results. Shares of Tesla, the leading manufacturer of electric vehicles, declined. During the period, a number of factors weighed on the stock, including a deteriorating macroeconomic environment that impacted demand for the company's vehicles, oversupply, and concerns over how founder Elon Musk would fund his eventual purchase of Twitter. The Sub-Investment Manager reduced their position late in the period and are monitoring near-term concerns about unit demand due to weakening consumer spending and ongoing interest rate hikes that are making it challenging for customers to finance their vehicles.

Target Fund Performance Review (continued)

Conversely, their positioning and stock selection in semiconductors contributed to relative returns. Semiconductor stocks underperformed the benchmark during the period on cyclical fears and their average underweight allocation to the subsector was beneficial. The Sub-Investment Manager added to their position in the subsector during the period as many leading indicators the Sub-Investment Manager tracks on inventory and demand are deteriorating, which the Sub-Investment Manager believes creates attractive entry points for investors. Shares of ASML Holding, a semiconductor equipment company with a leading market share in lithography, accelerated as the company used its investor day to tout expectations for long-term demand and capacity growth in an uncertain macroeconomic landscape. The Sub-Investment Manager believes ASML Holding has the opportunity to grow revenues and expand gross margins faster than many predict due to its near-monopoly position and the continued expansion of key semiconductor manufacturers.

Source: T.Rowe Price Associates, Inc

Target Fund Performance Data (as at 31 January 2023)

| | 1m | 3m | 6m | 1 year | Since 13 November 2017 (annualised) |
|---|--------|-------|--------|---------|-------------------------------------|
| T. Rowe Price Funds SICAV- Global Technology Equity Fund (USD) | 15.07% | 6.93% | -7.86% | -35.66% | 3.25% |
| Benchmark: | | | | | |
| MSCI All Country World Information Technology (USD) | 10.45% | 9.20% | -3.42% | -17.08% | 13.64% |

Source: T. Rowe Price Associates, Inc

Investment Policy and Strategy employed by the Target Fund

For much of 2022, technology and consumer internet companies hesitated on cost discipline despite the well-telegraphed macroeconomic headwinds in an unaccommodating rate environment, resulting in steeply negative earnings revisions across the sector. While it will take time for these companies to fully realize the benefits from cost-cutting measures, the Sub-Investment Manager are seeing management teams set the foundation for accelerating cash flow growth on the other side of the cycle with a return to leaner operations with announced head count reductions. For instance, Netflix has proactively responded to the post-COVID operating challenges it experienced in 2022 by pivoting on multiple fronts and launching an advertising-supported tier, addressing password sharing, and capping original content spend.

Within the portfolio, the Sub-Investment Manager remains focused on finding companies that sell linchpin technology and are innovating in secular growth markets that also show improving fundamentals and reasonable valuations. The Sub-Investment Manager are also continuing to closely monitor trends in technology that we think offer durable growth opportunities. The Sub-Investment Manager have seen that breakthrough advances in technology are not confined to favorable macroeconomic backdrops, as evidenced by recently announced artificial intelligence ("AI") advancements and related ChatGPT interfaces. The Sub-Investment Manager are optimistic that these disruptive technologies will prove beneficial to our holdings in semiconductors, including NVIDIA and Advanced Micro Devices, as demand for graphics chips increases with the rise of generative AI.

Investment Policy and Strategy employed by the Target Fund (continued)

As always, what the Sub-Investment Manager believes will matter most for this portfolio are business model diversification through our subsector positioning and the respective theses of stocks playing out, not macro or factor bets.

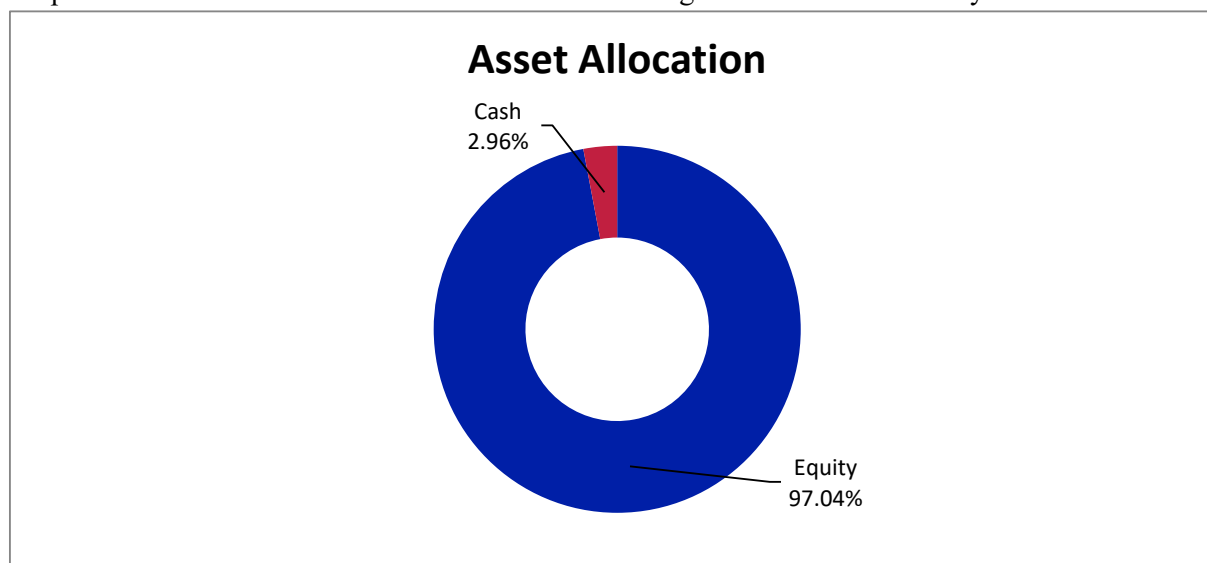
Source: T.Rowe Price Associates, Inc

Portfolio Structure

The table below is the asset allocation of the Fund for the financial year under review.

| | As at 31 January 2023 % |
|------------------------------|----------------------------|
| Collective investment scheme | 94.08 |
| Cash and other | 5.92 |
| Total | 100.00 |

The pie chart below shows the asset allocation of the Target Fund as at 31 January 2023.



Source: T.Rowe Price Associates, Inc

Other Matter

- (1) As at 31 January 2023, there was no subscription of units in AUD hedged Class and GBP hedged Class. As such, for the period under review, there was no return for AUD hedged Class and GBP hedged Class.

Market Review

Global equities fell during much of the period as investors shunned riskier assets in response to Russia's invasion of Ukraine, elevated inflation exacerbated by rising commodity prices and global supply chain disruptions, aggressive interest rate increases by central banks, slowing growth and increased risk in China, and broader fears of a possible recession heading into 2023.

United States of America ("U.S.") stocks fell beginning in late February as Russia invaded Ukraine, prompting the U.S. and many other nations, especially in Europe, to respond with broad and damaging economic sanctions. Equities were also hurt by elevated inflation—exacerbated by a sharp increase in commodity prices—as well as the onset of Federal Reserve ("Fed") interest rate increases, which occurred more swiftly and aggressively than originally anticipated. In the fourth quarter, better-than-expected corporate earnings reports lifted sentiment, as did indications that China, the world's second-largest economy, was easing various pandemic-related restrictions. Arguably the most important factor was that investors hoped weaker-than-expected U.S. inflation readings would prompt the Fed to moderate the pace of its interest rate increases—which it did in December. While 2022 ended with many investors concerned that ongoing Fed rate hikes would hurt corporate earnings and push the economy into a recession, stocks rallied during the first month of 2023 as investors welcomed data suggesting that the Fed might be able to tame inflation without causing a recession.

Developed European shares fell as the region struggled with outsized effects from the war in Ukraine given its close proximity and dependence on Russian oil and exports from Ukraine. Sanctions and other knock-on effects from the war in Ukraine led to record-high inflation and slowing growth driven in part by rising commodity prices, supply chain disruptions, and Russian sanctions. The United Kingdom ("UK") also struggled with cratering economic growth and high inflation. In the fall, a new fiscal plan proposing large tax cuts, energy subsidies, and sizable borrowing triggered turmoil in UK financial markets, with historic swings in UK sovereign bond yields and the pound hitting a record low. The turbulence subsided only after the Bank of England said it would make temporary purchases of long-dated bonds “on whatever scale is necessary,” and resulted in Prime Minister Liz Truss resigning shortly thereafter. Stocks pared some of their losses in early 2023 amid falling energy prices, slowing inflation, encouraging economic data, and optimism around China's reopening.

Developed Asian markets also pulled back over the period. Despite having a much more dovish approach to monetary policy than the rest of the developed world, Japanese equities were still affected by concerns about the U.S. and Europe's aggressive central bank rate hikes and a yen that weakened against the U.S. dollar to such an extreme that the Japanese government was forced to intervene in the currency market for the first time in 24 years. Overall, however, Japan's economic data remained mostly stable throughout the period.

Emerging market stocks tumbled as the Russia-Ukraine conflict, rising interest rates in the developed world, a strengthening U.S. dollar, and concerns about the Chinese economy created an acute risk-off environment that drove a sell-off in emerging market equities. Emerging Europe equities declined as Russia's invasion of Ukraine profoundly affected the economic and geopolitical landscape of the region. Emerging Asian shares also performed poorly, mainly driven by volatility and heightened risk in China amid signs of a flagging economy and currency weakness, which fueled investor concerns about slowing growth. However, stocks rebounded off their lowest point toward the end of the period as the government made efforts to support the beleaguered property sector and loosen pandemic-related restrictions.

Source: T.Rowe Price Associates, Inc

UNITED GLOBAL TECHNOLOGY FUND

REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

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TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF UNITED GLOBAL TECHNOLOGY FUND (“FUND”)

We have acted as Trustee of the Fund for the financial year ended 31 January 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, UOB Asset Management (Malaysia) Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

- (a) Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework;
- (b) Valuation and pricing is carried out in accordance with the deed; and
- (c) Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirements.

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching
Senior Manager, Trustee Operations

Jiva Munusamy
Head, Client Management

Kuala Lumpur, Malaysia
29 March 2023

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT BY MANAGER

I, **Lim Suet Ling**, being the Director of and on behalf of the Board of Directors of UOB Asset Management (Malaysia) Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of **United Global Technology Fund** as at 31 January 2023 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year then ended and comply with requirements of the Deed(s).

For and on behalf of the Manager,
UOB Asset Management (Malaysia) Berhad

LIM SUET LING
Executive Director/
Chief Executive Officer

29 March 2023

Independent auditors' report to the unitholders of United Global Technology Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of United Global Technology Fund ("the Fund"), which comprise the statement of financial position of the Fund as at 31 January 2023, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 18 to 49.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 January 2023 and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with approved standards of auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

**Independent auditors' report to the unitholders of
United Global Technology Fund**

Report on the audit of the financial statements (continued)

Information other than the financial statements and auditors' report thereon (continued)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation and fair presentation of the financial statements of the Fund in accordance with MFRS and IFRS. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Independent auditors' report to the unitholders of
United Global Technology Fund**

Report on the audit of the financial statements (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with approved standards of auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the unitholders of
United Global Technology Fund**

Report on the audit of the financial statements (continued)

Other Matter

This report is made solely to the unitholders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework by the Securities Commission Malaysia, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
29 March 2023

Yeo Beng Yean
No. 03013/10/2024 J
Chartered Accountant

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2023

| | Note | 2023 USD | 2022 USD |
|---|----------|-------------------|-------------------|
| ASSETS | | | |
| Investments | 3 | 18,667,149 | 27,502,480 |
| Forward foreign currency contracts | 4 | 194,161 | 123,122 |
| Amount due from Manager | 5 | 123,952 | 531,804 |
| Cash at bank | | 1,966,969 | 1,917,934 |
| TOTAL ASSETS | | 20,952,231 | 30,075,340 |
| LIABILITIES | | | |
| Amount due to Investment Manager of the Target Fund | | 944,000 | - |
| Amount due to Trustee | 6 | 958 | 1,509 |
| Accruals | | 3,715 | 3,823 |
| TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS) | | 948,673 | 5,332 |
| NET ASSET VALUE (“NAV”) ATTRIBUTABLE TO UNITHOLDERS | | 20,003,558 | 30,070,008 |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE: | | | |
| Unitholders’ capital | 7 | 28,405,168 | 26,633,847 |
| Retained earnings/(accumulated losses) | 7 | (8,401,610) | 3,436,161 |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | 7 | 20,003,558 | 30,070,008 |
| TOTAL NAV AND LIABILITIES | | 20,952,231 | 30,075,340 |

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

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2023 (CONTINUED)

| | Note | 2023 USD | 2022 USD |
|--|------|-------------------|-------------------|
| NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS | | | |
| - MYR CLASS | | 4,639,336 | 7,645,097 |
| - MYR HEDGED CLASS | | 14,317,224 | 20,299,008 |
| - SGD HEDGED CLASS | | 24,761 | 353,755 |
| - USD CLASS | | 1,022,237 | 1,772,148 |
| | | <u>20,003,558</u> | <u>30,070,008</u> |
| UNITS IN CIRCULATION | | | |
| - MYR CLASS | 7(a) | 35,178,728 | 36,980,626 |
| - MYR HEDGED CLASS | 7(b) | 114,489,082 | 98,369,332 |
| - SGD HEDGED CLASS | 7(c) | 63,910 | 668,233 |
| - USD CLASS | 7(d) | 1,845,706 | 2,041,174 |
| NET ASSET VALUE PER UNIT IN USD | | | |
| - MYR CLASS | | 0.1319 | 0.2067 |
| - MYR HEDGED CLASS | | 0.1251 | 0.2064 |
| - SGD HEDGED CLASS | | 0.3874 | 0.5294 |
| - USD CLASS | | 0.5538 | 0.8682 |
| NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES | | | |
| - MYR CLASS (MYR) | | 0.5622 | 0.8650 |
| - MYR HEDGED CLASS (MYR) | | 0.5331 | 0.8634 |
| - SGD HEDGED CLASS (SGD) | | 0.5091 | 0.7156 |
| - USD CLASS (USD) | | 0.5538 | 0.8682 |

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

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

| | Note | 2023 USD | 2022 USD |
|--|------|----------------------------|---------------------------|
| INVESTMENT INCOME/(LOSS) | | | |
| Interest income from deposits with licensed financial institutions | | 9,385 | 9,798 |
| Net gain/(loss) on investments at fair value through profit or loss ("FVTPL"): | 3 | | |
| - net realised gain/(loss) on sale of investments at FVTPL | | (1,879,382) | 4,922,634 |
| - net unrealised gain/(loss) on changes in fair value | 7(f) | (8,515,253) | (7,671,831) |
| Net realised gain/(loss) on foreign currency exchange | | (98,073) | (10,600) |
| Net realised gain/(loss) on forward foreign currency contracts | | (1,023,302) | (612,269) |
| Net unrealised gain/(loss) on forward foreign currency contracts | 7(f) | 71,039 | 70,802 |
| Net unrealised gain/(loss) on foreign currency exchange | 7(f) | (1,835) | 613 |
| | | <u>(11,437,421)</u> | <u>(3,290,853)</u> |
| EXPENSES | | | |
| Manager's fee | 8 | 383,236 | 572,605 |
| Trustee's fee | 9 | 12,775 | 19,087 |
| Auditors' remuneration | | 2,223 | 2,300 |
| Tax agent's fee | | 931 | 964 |
| Other expenses | | 1,185 | 826 |
| | | <u>400,350</u> | <u>595,782</u> |
| NET INCOME/(LOSS) BEFORE TAXATION | | (11,837,771) | (3,886,635) |
| Tax expense | 10 | - | - |
| NET INCOME/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR | | <u>(11,837,771)</u> | <u>(3,886,635)</u> |
| Net income/(loss) after taxation is made up of the following: | | | |
| Realised amount | 7(e) | (3,391,722) | 3,713,781 |
| Unrealised amount | 7(f) | (8,446,049) | (7,600,416) |
| | | <u>(11,837,771)</u> | <u>(3,886,635)</u> |

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

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

| | | Unitholders' capital USD | Retained earnings/ (accumulated losses) USD | Total net asset value USD |
|---|-------------|---|--|--|
| | Note | | | |
| Balance as at 1 February 2021 | | 8,933,821 | 7,322,796 | 16,256,617 |
| Movement in net asset value: | | | | |
| Total comprehensive income/(loss) for the financial year | | - | (3,886,635) | (3,886,635) |
| Creation of units | | | | |
| - MYR CLASS | 7(a) | 15,654,426 | - | 15,654,426 |
| - MYR HEDGED CLASS | 7(b) | 52,297,467 | - | 52,297,467 |
| - SGD HEDGED CLASS | 7(c) | 746,758 | - | 746,758 |
| - USD CLASS | 7(d) | 2,355,685 | - | 2,355,685 |
| Cancellation of units | | | | |
| - MYR CLASS | 7(a) | (10,157,670) | - | (10,157,670) |
| - MYR HEDGED CLASS | 7(b) | (41,291,341) | - | (41,291,341) |
| - SGD HEDGED CLASS | 7(c) | (385,910) | - | (385,910) |
| - USD CLASS | 7(d) | (1,519,389) | - | (1,519,389) |
| Balance as at 31 January 2022 | | <u>26,633,847</u> | <u>3,436,161</u> | <u>30,070,008</u> |

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

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023 (CONTINUED)

| | | Unitholders' capital USD | Retained earnings/ (accumulated losses) USD | Total net asset value USD |
|---|------|--------------------------------|---|---------------------------------|
| | Note | | | |
| Balance as at 1 February 2022 | | 26,633,847 | 3,436,161 | 30,070,008 |
| Movement in net asset value: | | | | |
| Total comprehensive income/(loss) for the financial year | | - | (11,837,771) | (11,837,771) |
| Creation of units | | | | |
| - MYR CLASS | 7(a) | 1,700,030 | - | 1,700,030 |
| - MYR HEDGED CLASS | 7(b) | 5,347,482 | - | 5,347,482 |
| - SGD HEDGED CLASS | 7(c) | 291,520 | - | 291,520 |
| - USD CLASS | 7(d) | 109,005 | - | 109,005 |
| Cancellation of units | | | | |
| - MYR CLASS | 7(a) | (2,008,091) | - | (2,008,091) |
| - MYR HEDGED CLASS | 7(b) | (2,908,398) | - | (2,908,398) |
| - SGD HEDGED CLASS | 7(c) | (499,251) | - | (499,251) |
| - USD CLASS | 7(d) | (260,976) | - | (260,976) |
| Balance as at 31 January 2023 | | <u>28,405,168</u> | <u>(8,401,610)</u> | <u>20,003,558</u> |

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

UNITED GLOBAL TECHNOLOGY FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2023

| | 2023 USD | 2022 USD |
|---|-------------|--------------|
| CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES | | |
| Proceeds from sale of investments | 2,382,696 | 28,046,997 |
| Purchase of investments | (2,998,000) | (45,405,200) |
| Interest received from deposits with licensed financial institutions | 9,385 | 9,798 |
| Manager's fee paid | (399,774) | (548,249) |
| Trustee's fee paid | (13,326) | (18,275) |
| Auditors' remuneration paid | (2,300) | (2,270) |
| Tax agent's fee paid | (932) | (1,885) |
| Payment of other fees and expenses | (1,216) | (2,226) |
| Net realised gain/(loss) on foreign currency exchange | (98,073) | (10,600) |
| Net realised gain/(loss) on forward foreign currency contracts | (1,023,302) | (612,269) |
| Net cash generated from/(used in) operating and investing activities | (2,144,842) | (18,544,179) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from creation of units | 7,881,750 | 73,277,883 |
| Payment for cancellation of units | (5,687,873) | (53,680,477) |
| Net cash generated from/(used in) financing activities | 2,193,877 | 19,597,406 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 49,035 | 1,053,227 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | 1,917,934 | 864,707 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | 1,966,969 | 1,917,934 |
| Cash and cash equivalents comprises the following: | | |
| Cash at bank | 1,966,969 | 1,917,934 |

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

UNITED GLOBAL TECHNOLOGY FUND

NOTES TO THE FINANCIAL STATEMENTS

1. INFORMATION ON THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The United Global Technology Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of the Deed dated 9 October 2017 between UOB Asset Management (Malaysia) Berhad (“the Manager”) and Deutsche Trustees Malaysia Berhad (“the Trustee”).

The Fund seeks to provide long term capital appreciation by investing in the T.Rowe Price Funds SICAV - Global Technology Equity Fund (“Target Fund”) which invests in a diversified portfolio of stocks of global technology companies. The Fund was launched on 23 October 2017 and commenced for operations on 13 November 2017. As provided in the Master Deed, the accrual period or financial year shall end on 31 January.

The Manager is a subsidiary of UOB Asset Management Limited, headquartered in Singapore.

The financial statements were authorised for issue by the Manager on 29 March 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”) and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below and are presented in United States Dollar (“USD”).

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on or after 1 February 2022 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial year beginning on or after 1 February 2023 are applicable to the financial statements of the Fund.

2.2 Changes in accounting policies

The accounting policies adopted that could have material impact to the financial statements are consistent with those of the previous financial year.

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies

(a) Financial instruments

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provision of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification

The Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(a) Financial instruments (continued)

Financial assets

The Fund classifies its financial assets as measured at amortised cost or measured at fair value through profit or loss (“FVTPL”) on the basis of both the entity’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

(i) Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. The Fund includes in this category amount due from Manager and bank balances.

(ii) Financial assets at FVTPL

A financial asset is measured at FVTPL if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are SPPI on the principal amount outstanding; or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Fund includes in this category collective investment scheme and derivatives. This includes investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(a) Financial instruments (continued)

Financial liabilities

(i) Financial liabilities measured at FVTPL

A financial liability is measured at FVTPL if it meets the definition of held for trading. The Fund includes in this category derivatives liabilities.

(ii) Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at FVTPL. The Fund includes in this category amount due to Investment Manager of the Target Fund and amount due to Trustee.

Impairment of financial assets

The Fund holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (“ECL”) under MFRS 9 to all its trade receivables. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Fund’s approach to ECL reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Derecognition of financial assets and financial liabilities

A financial asset is derecognised when:

- (i) The contractual rights to receive cash flows from the financial asset have expired;
- (ii) The Fund has transferred its contractual rights to receive cash flows from the financial asset or have assumed contractual obligation to pay the received cash flows in full without material delay to one or more third parties under a “pass through” arrangement; and either:
 - (a) the Fund has transferred substantially all the risks and rewards of ownership of the financial asset; or
 - (b) the Fund has neither transferred nor retained substantially all the risks and rewards, but has transferred control of the financial asset.

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(a) Financial instruments (continued)

Derecognition of financial assets and financial liabilities (continued)

A financial asset is derecognised when (continued):

On derecognition of financial assets at amortised cost, gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

A financial liability is derecognised when the obligation under the financial liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(b) Classification of realised and unrealised gains and losses

Unrealised gains and losses comprise changes in the fair value of financial instruments at FVTPL. Realised gains and losses on disposals of financial instruments at FVTPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Return on investments, foreign exchange translation differences of cash at bank balances denominated in foreign currencies and accrued interest on deposits which have not matured as at the reporting date are classified as realised income in the financial statements.

(c) Derivative financial instruments

Derivatives are financial assets or liabilities at fair value through profit or loss categorised as held for trading unless they are designated hedges.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held for trading and accounted for in accordance with the accounting policy for instruments carried at FVTPL.

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(d) Functional and presentation currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (“the functional currency”). The financial statements are presented in USD, which is also the Fund’s functional currency.

(e) Foreign currency translation

Transactions in currencies other than the Fund’s functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the transaction dates. At each reporting date, foreign currency monetary items are translated into USD at exchange rates ruling at the reporting date. All exchange gains or losses are recognised in the profit or loss.

(f) Unitholders’ capital

The unitholders’ capital to the Fund are classified as liabilities under MFRS 132 *Financial Instruments: Presentation*.

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund’s NAV per unit at the time of creation or cancellation. The Fund’s NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

(g) Distribution of income

Any distribution to the Fund’s unitholders is recognised in the statement of comprehensive income, as the unitholders’ capital are classified as financial liability as per Note 2.3(f). A proposed dividend is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment of units is based on the NAV per unit on the income payment date which is also the time of creation.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank which have an insignificant risk of changes in value.

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(i) Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Interest income from deposits with licensed financial institutions is recognised using the effective interest method.

(j) Net asset value attributable to unitholders

Net asset value attributable to unitholders represents the redemption amount that would be payable if the unitholder exercised the right to redeem units of the Fund at the end of the reporting year.

(k) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in the profit or loss except to the extent that the tax relates to items recognised outside the profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

(l) Segment reporting

For internal management reporting purposes, all of the investments of the Fund are managed as one portfolio and reviewed as such by the Manager. The Manager is the decision maker for performance assessment purposes and makes decisions about resource allocation. Accordingly, the Fund does not have any operating segment information to be disclosed in the financial statements.

UNITED GLOBAL TECHNOLOGY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(m) Significant accounting estimates and judgements

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

No major judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(n) Determination of fair value

For investment in collective investment scheme ("CIS"), fair value is determined based on the closing NAV per unit of the foreign CIS. Purchase cost is the price that the Fund paid when buying its investments. The difference between adjusted cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unreliaised gains or losses recognised in profit or loss are not distributable in nature.

For investments in forward foreign currency contracts, the fair value is calculated by making reference to prevailing forward exchange rates for contracts with similar maturity profiles in the market. Forward foreign currency contracts are presented as assets when the fair value is positive (net gain position) or as liabilities when the fair value is negative (net loss position).

UNITED GLOBAL TECHNOLOGY FUND

3. INVESTMENTS

| | 2023 USD | 2022 USD |
|--|---------------------|--------------------|
| Investments designated as FVTPL: | | |
| - collective investment scheme - foreign | 18,667,149 | 27,502,480 |
| Net gain/(loss) on investments at FVTPL comprised: | | |
| - net realised gain/(loss) on sale of investments at FVTPL | (1,879,382) | 4,922,634 |
| - net unrealised gain/(loss) on changes in fair value | (8,515,253) | (7,671,831) |
| | <u>(10,394,635)</u> | <u>(2,749,197)</u> |

| Name of counter | Quantity | Cost USD | Fair value USD | Fair value expressed as a percentage of value of the Fund % |
|-----------------|----------|-------------|-------------------|--|
|-----------------|----------|-------------|-------------------|--|

COLLECTIVE INVESTMENT SCHEME - FOREIGN

| | | | | |
|----------------------------|-----------|------------|------------|-------|
| T. Rowe Price Funds SICAV | | | | |
| - Global Technology Equity | | | | |
| Fund Class S | | | | |
| ("Target Fund") | 1,234,600 | 31,869,402 | 18,667,149 | 93.32 |

EXCESS/(SHORTFALL) OF FAIR VALUE OVER COST:

| | |
|---|---------------------|
| - UNREALISED GAIN/(LOSS) ON FAIR VALUE | <u>(13,202,253)</u> |
| TOTAL INVESTMENTS AT FVTPL | <u>18,667,149</u> |

UNITED GLOBAL TECHNOLOGY FUND

4. FORWARD FOREIGN CURRENCY CONTRACTS

As at the reporting date, there are 6 (2022: 7) forward foreign currency contracts outstanding.

The notional principal amount of the outstanding forward foreign currency contracts amounted to USD17,519,280 (2022: USD29,177,680).

The forward foreign currency contracts entered into were for hedging against the currency exposure arising from the subscriptions in classes denominated in MYR and SGD.

As the Fund has not adopted hedge accounting, the changes in fair value of the forward foreign currency contracts are recognised immediately in the profit or loss.

5. AMOUNT DUE FROM/(TO) MANAGER

| | 2023 | 2022 |
|-----------------------|----------------|----------------|
| | USD | USD |
| Creation of units | 239,758 | 675,772 |
| Cancellation of units | (87,075) | (98,699) |
| Manager's fee payable | (28,731) | (45,269) |
| | <u>123,952</u> | <u>531,804</u> |

The normal credit period for the Manager's fee payable is one month (2022: one month).

6. AMOUNT DUE TO TRUSTEE

| | 2023 | 2022 |
|-----------------------|-------------|--------------|
| | USD | USD |
| Trustee's fee payable | <u>958</u> | <u>1,509</u> |

The normal credit period for the Trustee's fee payable is one month (2022: one month).

UNITED GLOBAL TECHNOLOGY FUND

7. NET ASSET VALUE (“NAV”) ATTRIBUTABLE TO UNITHOLDERS

Unitholders should note that the NAV of the Fund is determined by deducting the value of all the Fund’s liabilities from the value of all the Fund’s assets, at a particular valuation point. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and the trustee fee for the relevant day.

The NAV per Unit of a Class of Units is the NAV of the Fund attributable to a Class of Units divided by the number of units in circulation for that particular Class of Units, at the same valuation point. The valuation of the Fund will be carried out in the base currency (USD). Accordingly, all assets that are not denominated in USD will be translated to USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid foreign exchange rate quoted by Reuters or other reputable information service providers at 4.00 p.m. United Kingdom time as at the valuation point of the Fund or such rate or method as may be prescribed under the relevant laws from time to time.

Due to multiple Classes of Units in the Fund, the indirect fees and/or charges for the Fund are apportioned by using the multi-class ratio, which is based on the value of the Class of Units of the Fund (quoted in the base currency) relative to the value of the whole Fund (quoted in the base currency). As at 31 January 2023, the multi-class ratio used in apportionment for MYR Class is 23.19 (2022: 25.42), MYR Hedged Class is 71.57 (2022: 67.51), USD Class is 5.11 (2022: 5.89) and SGD Hedged Class is 0.13 (2022: 1.18).

Net asset value attributable to unitholders is represented by:

| | Note | 2023 USD | 2022 USD |
|--|------|--------------------|-------------------|
| Unitholders’ capital | | | |
| - MYR CLASS | (a) | 7,266,825 | 7,574,886 |
| - MYR HEDGED CLASS | (b) | 19,995,251 | 17,556,167 |
| - SGD HEDGED CLASS | (c) | 166,252 | 373,983 |
| - USD CLASS | (d) | 976,840 | 1,128,811 |
| | | <u>28,405,168</u> | <u>26,633,847</u> |
| Retained earnings/(accumulated losses) | | | |
| - Realised gain/(loss) | (e) | 4,606,997 | 7,998,719 |
| - Unrealised gain/(loss) | (f) | (13,008,607) | (4,562,558) |
| | | <u>(8,401,610)</u> | <u>3,436,161</u> |
| NAV attributable to unitholders | | <u>20,003,558</u> | <u>30,070,008</u> |

UNITED GLOBAL TECHNOLOGY FUND

7. NET ASSET VALUE (“NAV”) ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)

(a) UNITHOLDERS’ CAPITAL/UNITS IN CIRCULATION - MYR CLASS

| | Units | 2023 USD | Units | 2022 USD |
|---|-------------------|------------------|-------------------|------------------|
| At the beginning of the financial year | 36,980,626 | 7,574,886 | 14,099,606 | 2,078,130 |
| Creation of units during the financial year | 11,148,009 | 1,700,030 | 61,613,692 | 15,654,426 |
| Cancellation of units during the financial year | (12,949,907) | (2,008,091) | (38,732,672) | (10,157,670) |
| At the end of the financial year | <u>35,178,728</u> | <u>7,266,825</u> | <u>36,980,626</u> | <u>7,574,886</u> |

The Manager and parties related to the Manager did not hold any units in the class of the Fund as at 31 January 2023 (2022: nil).

(b) UNITHOLDERS’ CAPITAL/UNITS IN CIRCULATION - MYR HEDGED CLASS

| | Units | 2023 USD | Units | 2022 USD |
|---|--------------------|-------------------|-------------------|-------------------|
| At the beginning of the financial year | 98,369,332 | 17,556,167 | 46,978,016 | 6,550,041 |
| Creation of units during the financial year | 38,023,501 | 5,347,482 | 203,266,860 | 52,297,467 |
| Cancellation of units during the financial year | (21,903,751) | (2,908,398) | (151,875,544) | (41,291,341) |
| At the end of the financial year | <u>114,489,082</u> | <u>19,995,251</u> | <u>98,369,332</u> | <u>17,556,167</u> |

The Manager and parties related to the Manager did not hold any units in the class of the Fund as at 31 January 2023 (2022: nil).

UNITED GLOBAL TECHNOLOGY FUND

7. NET ASSET VALUE (“NAV”) ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)

(c) UNITHOLDERS’ CAPITAL/UNITS IN CIRCULATION - SGD HEDGED CLASS

| | Units | 2023 USD | Units | 2022 USD |
|---|--------------------|------------------|------------------|------------------|
| At the beginning of the financial year | 668,233 | 373,983 | 25,773 | 13,135 |
| Creation of units during the financial year | 868,097 | 291,520 | 1,163,459 | 746,758 |
| Cancellation of units during the financial year | <u>(1,472,420)</u> | <u>(499,251)</u> | <u>(520,999)</u> | <u>(385,910)</u> |
| At the end of the financial year | <u>63,910</u> | <u>166,252</u> | <u>668,233</u> | <u>373,983</u> |

The units held by the Manager and party related to the Manager as at 31 January 2023 and 31 January 2022 are disclosed in Note 11.

(d) UNITHOLDERS’ CAPITAL/UNITS IN CIRCULATION - USD CLASS

| | Units | 2023 USD | Units | 2022 USD |
|---|------------------|------------------|--------------------|--------------------|
| At the beginning of the financial year | 2,041,174 | 1,128,811 | 1,144,919 | 292,515 |
| Creation of units during the financial year | 168,604 | 109,005 | 2,273,355 | 2,355,685 |
| Cancellation of units during the financial year | <u>(364,072)</u> | <u>(260,976)</u> | <u>(1,377,100)</u> | <u>(1,519,389)</u> |
| At the end of the financial year | <u>1,845,706</u> | <u>976,840</u> | <u>2,041,174</u> | <u>1,128,811</u> |

The Manager and parties related to the Manager did not hold any units in the class of the Fund as at 31 January 2023 (2022: nil).

UNITED GLOBAL TECHNOLOGY FUND

7. NET ASSET VALUE (“NAV”) ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)

(e) RETAINED EARNINGS/(ACCUMULATED LOSSES) - REALISED

| | 2023 USD | 2022 USD |
|--|--------------|-------------|
| At the beginning of the financial year | 7,998,719 | 4,284,938 |
| Total comprehensive income/(loss) for the financial year | (11,837,771) | (3,886,635) |
| Net unrealised (gain)/loss attributable to investments and others held transferred to unrealised reserve | 8,446,049 | 7,600,416 |
| Net increase/(decrease) in realised reserve for the financial year | (3,391,722) | 3,713,781 |
| At the end of the financial year | 4,606,997 | 7,998,719 |

(f) RETAINED EARNINGS/(ACCUMULATED LOSSES) - UNREALISED

| | 2023 USD | 2022 USD |
|--|--------------|-------------|
| At the beginning of the financial year | (4,562,558) | 3,037,858 |
| Net unrealised gain/(loss) attributable to investments and others held transferred to unrealised reserve | | |
| - Investments at FVTPL | (8,515,253) | (7,671,831) |
| - Forward foreign currency contracts | 71,039 | 70,802 |
| - Foreign currency exchange | (1,835) | 613 |
| | (8,446,049) | (7,600,416) |
| At the end of the financial year | (13,008,607) | (4,562,558) |

8. MANAGER’S FEE

Schedule 8 of the Deed provides that the Manager shall be entitled to a fee at a rate agreed between the Manager and the Trustee which the rate shall not exceed 2.00% (2022: 2.00%) per annum of the net asset value of the Fund, calculated on a daily basis.

The management fee provided in the financial statements is 1.80% (2022: 1.80% per annum) based on the net asset value of the Fund, calculated on a daily basis for the financial year.

There will be no further liability to the Manager in respect of Manager’s fee other than the amount recognised in the financial statements.

UNITED GLOBAL TECHNOLOGY FUND

9. TRUSTEE'S FEE

Schedule 9 of the Deed provides that the Trustee shall be entitled to a fee at a rate agreed between the Manager and the Trustee which the rate shall not exceed 0.20% (2022: 0.20%) per annum of the net asset value of the Fund, calculated on a daily basis; subject to a minimum fee of RM15,000 (2022: RM15,000) per annum (excluding foreign custodian fee and charges).

The Trustee's fee provided in the financial statements is 0.06% (2022: 0.06%) per annum based on the net asset value of the Fund subject to a minimum fee of RM15,000 (2022: RM15,000) per annum, calculated on a daily basis for the financial year.

There will be no further liability to the Trustee in respect of Trustee's fee other than the amount recognised in the financial statements.

10. INCOME TAX EXPENSE

Income from deposit placements is exempted from tax in accordance with Schedule 6, Paragraph 35A of the Income Tax Act, 1967 ("ITA"), subject to certain exclusion. Distribution income derived from sources outside Malaysia and received in Malaysia is not exempted from tax. Pursuant to Section 61(1)(b) of the ITA, gains from realisation of investment will not be treated as income of the Fund and hence are not subject to income tax.

A reconciliation of income tax expense applicable to net income/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

| | 2023 USD | 2022 USD |
|--|--------------|-------------|
| Net income/(loss) before taxation | (11,837,771) | (3,886,635) |
| Taxation at Malaysian statutory rate of 24% (2022: 24%) | (2,841,065) | (932,792) |
| Tax effects of: | | |
| (Income not subject to tax)/loss not deductible for tax purposes | 2,744,981 | 789,805 |
| Restriction on tax deductible expenses for funds | 92,510 | 137,977 |
| Expenses not deductible for tax purposes | 3,574 | 5,010 |
| Tax expense for the financial year | - | - |

UNITED GLOBAL TECHNOLOGY FUND

11. UNITS HELD BY THE MANAGER AND PARTY RELATED TO THE MANAGER

The related party of and its relationship with the class of the Fund are as follows:

| Related party | Relationship |
|--|-------------------------|
| Director of UOB Asset Management (Malaysia) Berhad | Director of the Manager |

The units held by the Director of the Manager as at the date of the financial year as follows:

| | Units | 2023 USD | Units | 2022 USD |
|---|--------|-------------|--------|-------------|
| <u>Party related to the Manager</u> | | | | |
| SGD HEDGED CLASS | | | | |
| - Director of UOB Asset Management (Malaysia) Berhad (The units are held legally and beneficially) | 10,000 | 3,874 | 10,000 | 5,294 |

The Directors of the Manager are of the opinion that any transactions with the related party have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated party. These dealings with related party have been transacted at arm's length basis.

12. TRANSACTIONS WITH INVESTMENT MANAGER OF THE TARGET FUND

Details of transactions with Investment Manager of the Target Fund for the financial year ended 31 January 2023 are as follows:

| | Value of trade USD | Percentage of total trade % |
|--|--------------------------|--------------------------------------|
| Investment Manager of the Target Fund | | |
| T. Rowe Price (Luxembourg) Management Sarl | 6,324,696 | 100.00 |

UNITED GLOBAL TECHNOLOGY FUND

13. TOTAL EXPENSE RATIO (“TER”)

| | 2023 % | 2022 % |
|----------------|-------------|-------------|
| Manager’s fee | 1.80 | 1.80 |
| Trustee’s fee | 0.06 | 0.06 |
| Other expenses | 0.02 | 0.01 |
| Total TER | <u>1.88</u> | <u>1.87</u> |

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis.

14. PORTFOLIO TURNOVER RATIO (“PTR”)

| | 2023 | 2022 |
|-------------|-------------|-------------|
| PTR (times) | <u>0.15</u> | <u>1.14</u> |

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis.

15. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund’s financial assets and financial liabilities are measured on an ongoing basis based on their respective classification. The significant accounting policies in Note 2.3 describes how the classes of financial instruments are measured, and how income and expenses are recognised:

- (i) the Fund’s investments, comprising foreign collective investment scheme, are classified as financial assets at FVTPL which are measured at fair value;
- (ii) the Fund’s financial assets, comprising amount due from Manager and cash at bank, are classified as other financial assets which are measured at amortised cost;
- (iii) all of the Fund’s financial liabilities, comprising amount due to Investment Manager of the Target Fund and amount due to Trustee, are classified as other financial liabilities which are measured at amortised cost; and

UNITED GLOBAL TECHNOLOGY FUND

15. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

(iv) the Fund's forward foreign currency contracts are derivatives which are measured at FVTPL; and

(v) the Fund's NAV attributable to unitholders are carried in the financial statements based on the residual value of the net assets of the Fund.

| | Financial assets at FVTPL USD | Financial assets at amortised cost USD | Financial liabilities at amortised cost USD | Derivatives at FVTPL USD | Total USD |
|---|--|--|---|--------------------------------|--------------|
| 2023 | | | | | |
| Financial assets | | | | | |
| Investments | 18,667,149 | - | - | - | 18,667,149 |
| Forward foreign currency contracts | - | - | - | 194,161 | 194,161 |
| Amount due from Manager | - | 123,952 | - | - | 123,952 |
| Cash at bank | - | 1,966,969 | - | - | 1,966,969 |
| Total financial assets | 18,667,149 | 2,090,921 | - | 194,161 | 20,952,231 |
| Financial liabilities | | | | | |
| Amount due to Investment Manager of the Target Fund | - | - | 944,000 | - | 944,000 |
| Amount due to Trustee | - | - | 958 | - | 958 |
| Total financial liabilities | - | - | 944,958 | - | 944,958 |

UNITED GLOBAL TECHNOLOGY FUND

15. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

| | Financial assets at FVTPL USD | Financial assets at amortised cost USD | Financial liabilities at amortised cost USD | Derivatives at FVTPL USD | Total USD |
|---|--|--|---|--------------------------------|-------------------|
| 2022 | | | | | |
| Financial assets | | | | | |
| Investments | 27,502,480 | - | - | - | 27,502,480 |
| Forward foreign currency contracts | - | - | - | 123,122 | 123,122 |
| Amount due from Manager | - | 531,804 | - | - | 531,804 |
| Cash at bank | - | 1,917,934 | - | - | 1,917,934 |
| Total financial assets | <u>27,502,480</u> | <u>2,449,738</u> | <u>-</u> | <u>123,122</u> | <u>30,075,340</u> |
| Financial liabilities | | | | | |
| Amount due to Trustee | - | - | 1,509 | - | 1,509 |
| Total financial liabilities | <u>-</u> | <u>-</u> | <u>1,509</u> | <u>-</u> | <u>1,509</u> |

(b) Financial instruments that are carried at fair value

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical asset or liability that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

UNITED GLOBAL TECHNOLOGY FUND

15. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial instruments that are carried at fair value (continued)

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|--------------------------------------|----------------|----------------|----------------|--------------|
| 2023 | | | | |
| Financial instruments | | | | |
| Foreign collective investment scheme | 18,667,149 | - | - | 18,667,149 |
| Forward foreign currency contracts | - | 194,161 | - | 194,161 |
| Total financial instruments | 18,667,149 | 194,161 | - | 18,861,310 |
| 2022 | | | | |
| Financial instruments | | | | |
| Foreign collective investment scheme | 27,502,480 | - | - | 27,502,480 |
| Forward foreign currency contracts | - | 123,122 | - | 123,122 |
| Total financial instruments | 27,502,480 | 123,122 | - | 27,625,602 |

(c) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value due to their short period to maturity or short credit period:

- Amount due from Manager
- Cash at bank
- Amount due to Investment Manager of the Target Fund
- Amount due to Trustee
- NAV attributable to unitholders

There were no financial instruments which are not carried at fair values and whose carrying amounts are not reasonable approximation of their respective fair values.

UNITED GLOBAL TECHNOLOGY FUND

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including market risk, non-compliance risk, credit risk, passive strategy risk, currency risk and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instrument, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. Specific guidelines on exposures to individual securities and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

(a) Market risk

Market risk refers to potential losses that may arise from changes in the market conditions which may affect the market prices of the financial instruments of the Fund and hence the NAV of the Fund. Market conditions are generally affected by, amongst others, social environment, political and economic stability.

The Fund's overall exposure to market risk was as follows:

| | 2023 | 2022 |
|----------------------|-------------|-------------|
| | USD | USD |
| Investments at FVTPL | 18,667,149 | 27,502,480 |

The table below summarises the sensitivity of the Fund's net asset value and net income after taxation to movements in prices of investments. The analysis is based on the assumption that the price of the investments fluctuates by 5% with all other variables held constant.

| | Change in price of investments % | Market value USD | Impact on net income/(loss) after taxation and NAV USD |
|-------------|---|---------------------------------|---|
| 2023 | | | |
| | -5 | 17,733,792 | (933,357) |
| | 0 | 18,667,149 | - |
| | 5 | 19,600,506 | 933,357 |
| 2022 | | | |
| | -5 | 26,127,356 | (1,375,124) |
| | 0 | 27,502,480 | - |
| | 5 | 28,877,604 | 1,375,124 |

UNITED GLOBAL TECHNOLOGY FUND

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Non-compliance risk

Non-adherence with laws, rules, regulations, prescribed practices, internal policies and procedures may adversely affect the Fund's investment when the Manager takes action to rectify the non-compliance. Investment goals may also be affected should the Manager not adhere to the investment mandate (such as the Fund's investment objective and investment policy and strategy). The non-adherence may be the outcome from human error (for instance the oversight of the Manager) or system failure (causing unnecessary downtime). The magnitude of such risk and its impact on the Fund and/or unitholders are dependent on the nature and severity of the non-compliance. In order to mitigate this risk, the Manager has stringent internal controls and ensures that compliance monitoring processes are undertaken.

(c) Credit risk

Credit concentration risk is associated with the number of underlying investments or financial institution which a Fund invests in or places deposits with. For example a Fund which invests its assets in a single underlying instrument or places deposits with a single institution is more risky compared to a Fund with two or more underlying investments or institutions. This is because if the single issuer/financial institution default, it would have a significant impact to that Fund.

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Analysis of the Fund's financial instruments which are exposed to credit risk by rating agency designation is as follows:

| | Cash at bank USD | Derivatives assets at FVTPL USD | Other financial assets* USD | Total USD | As a percentage of NAV % |
|-------------|------------------------|--|--------------------------------------|--------------|-----------------------------------|
| 2023 | | | | | |
| AAA | - | 66,198 | - | 66,198 | 0.33 |
| AA | - | 127,963 | - | 127,963 | 0.64 |
| AA1 | 1,966,969 | - | - | 1,966,969 | 9.83 |
| Non-rated | - | - | 123,952 | 123,952 | 0.62 |
| | 1,966,969 | 194,161 | 123,952 | 2,285,082 | 11.42 |

* Comprise amount due from Manager.

UNITED GLOBAL TECHNOLOGY FUND

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

Analysis of the Fund's financial instruments which are exposed to credit risk by rating agency designation is as follows: (continued)

| | Cash at bank USD | Derivatives assets at FVTPL USD | Other financial assets* USD | Total USD | As a percentage of NAV % |
|-------------|------------------------|--|--------------------------------------|------------------|-----------------------------------|
| 2022 | | | | | |
| AAA | - | 19,676 | - | 19,676 | 0.07 |
| AA | - | 56,156 | - | 56,156 | 0.19 |
| AA1 | 1,917,934 | 47,290 | - | 1,965,224 | 6.54 |
| Non-rated | - | - | 531,804 | 531,804 | 1.77 |
| | <u>1,917,934</u> | <u>123,122</u> | <u>531,804</u> | <u>2,572,860</u> | <u>8.56</u> |

* Comprise amount due from Manager.

The financial assets of the Fund are neither past due nor impaired.

(d) Passive strategy risk

The Fund adopts a passive strategy of investing a minimum of 90% of its NAV into the Target Fund at all times. This passive strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's net asset value declines. All investment decisions on the Target Fund are left with the Target Fund's Investment Manager.

(e) Currency risk

This risk is associated with investments denominated in currencies different from the base currency. As the Fund is denominated in USD, investments in other currencies other than USD will cause the Fund to be exposed to currency risks. Fluctuations in the exchange rates of other currencies against the USD may affect the NAV of the Fund and consequently the NAV per unit of the Fund.

UNITED GLOBAL TECHNOLOGY FUND

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Currency risk (continued)

For the MYR Class

Investors in the MYR Class will be exposed to currency risk at the Class level in addition to any currency risks on the investments at the Fund level as the Manager will not hedge the currency exposure of the Class against the base currency of the Fund. When MYR moves favourably against the USD, the Class may face currency loss which will affect the NAV of the Class, and consequently the NAV per unit of the Class.

For the MYR hedged Class/SGD hedged Class

Investors in the MYR hedged Class/SGD hedged Class are subject to minimal currency risk as the Manager will as much as practicable mitigate this risk by hedging these currencies against the base currency of the Fund. Investors should note that by employing this hedging, investors would not be able to enjoy the additional currency gains when USD moves favourably against these currencies. Additional transaction costs of hedging will also be borne by investors in these Class(es) of units.

For the USD Class

As the USD Class is denominated in the same currency as the base currency of the Fund, hence investors in the USD Class should not be subjected to any currency risk at the Class level. However, sophisticated investors who intend to invest in the USD Class should be aware that as there are other hedge Class(es) of units which will be offered for sale, any unrealised gain or loss on the currency forward for those hedged Class(es) of units will have an impact on the Fund when calculating the fees and charges of the Fund, and consequently it will affect the NAV of the Class as well as the NAV per unit of the Class.

The following table sets out the foreign currency risk concentrations of the Fund.

| | 2023 | 2022 |
|------------------------------------|------------------|------------------|
| | USD | USD |
| Malaysian Ringgit (“MYR”) | | |
| Amount due from Manager | 230,428 | 509,821 |
| Forward foreign currency contracts | 194,117 | 122,132 |
| Cash at bank | 1,919,776 | 1,596,693 |
| Amount due to Manager | (87,075) | (98,699) |
| | <u>2,257,246</u> | <u>2,129,948</u> |

UNITED GLOBAL TECHNOLOGY FUND

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Currency risk (continued)

The following table sets out the foreign currency risk concentrations of the Fund. (continued)

| | 2023 USD | 2022 USD |
|------------------------------------|---------------|----------------|
| Singapore Dollar (“SGD”) | | |
| Amount due from Manager | - | 153,268 |
| Forward foreign currency contracts | 44 | 990 |
| Cash at bank | 16,583 | 29,764 |
| | <u>16,627</u> | <u>184,022</u> |

The table below summarises the sensitivity of the Fund’s net asset value and profit after tax to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 5%, with all other variables remaining constant. Any increase/decrease in foreign exchange rate will result in a corresponding decrease/increase in the net assets attributable to unitholders by approximately 5%. Disclosures below are shown in absolute terms, changes and impact could be positive or negative.

| | Change in foreign exchange rate % | 2023 Impact on net income/(loss) after taxation and NAV USD | Change in foreign exchange rate % | 2022 Impact on net income/(loss) after taxation and NAV USD |
|-----|--|--|--|--|
| MYR | +5 | 112,862 | +5 | 106,497 |
| | -5 | (112,862) | -5 | (106,497) |
| SGD | +5 | 831 | +5 | 9,201 |
| | -5 | (831) | -5 | (9,201) |

UNITED GLOBAL TECHNOLOGY FUND

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(f) Liquidity risk

In the event of unexpectedly large realisations of units, there may be a possibility that the assets of the Target Fund may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. The Investment Manager of the Target Fund will ensure that a sufficient portion of the Target Fund will be in liquid assets such as cash and cash equivalents to meet expected realisations, net of new subscriptions.

Investments by the Target Fund in some Asian and/or emerging markets often involve a greater degree of risk due to the nature of such markets which do not have fully developed services such as custodian and settlement services often taken for granted in more developed markets. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and lack of liquidity which are inherent characteristics of these markets.

The natures of undiscounted contractual cash flows for financial assets of the Fund are not presented as:

- (i) The investments have no maturity period; and
- (ii) Other financial assets and financial liabilities will contractually mature less than one year from the reporting date at amounts not significantly different from that presented on the statement of financial position.

17. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund's units in issue at the end of the financial year are disclosed in Notes 7(a) to 7(d).

No changes were made to the Fund's objectives, policies or processes during the current and previous financial year.

CORPORATE INFORMATION

| | |
|--|---|
| Manager | UOB Asset Management (Malaysia) Berhad 199101009166 (219478-X) |
| Registered & Principal Office | Level 20, UOB Plaza 1 7 Jalan Raja Laut 50350 Kuala Lumpur Tel: 03-2779 0011 Fax: 03-2602 1011 Website: www.uobam.com.my |
| Board of Directors | Mr Wong Kim Choong Mr Thio Boon Kiat (alternate to Mr Wong Kim Choong) Mr Seow Lun Hoo Mr Seow Voon Ping (alternate to Mr Seow Lun Hoo) Pn. Zalinah binti A Hamid Mr Lim Kheng Swee Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar Ms Lim Suet Ling (Executive Director & CEO) |
| Trustee | Deutsche Trustees Malaysia Berhad 200701005591 (763590-H) |
| Auditor of the Fund | Ernst & Young PLT |
| Tax Advisers for the Fund | Deloitte Tax Services Sdn Bhd |

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