



United Global Quality Equity Fund

**Semi-Annual Report
31 December 2023**

UNITED GLOBAL QUALITY EQUITY FUND

Unaudited Semi-Annual Report and Financial Statements For the Financial Period ended 31 December 2023

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(A) MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited accounts of United Global Quality Equity Fund (the "Fund") for the financial period from 1 July 2023 to 31 December 2023.

(1) Key Data of the Fund

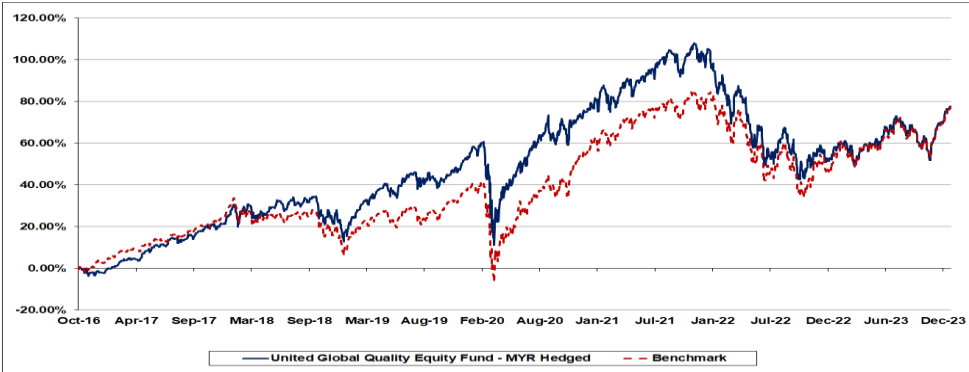
1.1	Fund name	United Global Quality Equity Fund
1.2	Name of target fund	United Global Quality Growth Fund
1.3	Fund category	Equity (feeder fund)
1.4	Fund type	Growth
1.5	Investment objective	The Fund seeks to provide Long Term (i.e. a period of at least five (5) years) capital appreciation by investing in the United Global Quality Growth Fund ("Target Fund") which invests in equities and equity-related securities of companies listed and traded on stock exchanges globally.
1.6	Performance benchmark	Morgan Stanley Capital Investment All Country World Index ("MSCI All Country World Index"), which is also the performance benchmark of the Target Fund.
1.7	Duration	The Fund was launched on 26 September 2016 and shall exist for as long as it appears to the Manager and Trustee that it is in the interests of the unit holders for it to continue. In some circumstances, the unit holders can resolve at a meeting to terminate the Fund.
1.8	Distribution policy	Subject to the availability of income, distribution is incidental. 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.

(2) Performance Data of the Fund

2.1	Portfolio composition	Details of portfolio composition of the Fund for the financial period as at 31 December are as follows:			
		Sectors, category of investments & cash holdings	As at 31 December 2023 (%)	As at 31 December 2022 (%)	As at 31 December 2021 (%)
		Foreign collective investment scheme	98.48	97.84	91.47
		Cash	1.52	2.16	8.53
		Total	100.00	100.00	100.00
2.2	Performance details	Performance details of the Fund for the financial period ended 31 December are as follows:			
			As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
		Net Asset Value ("NAV") (RM)			
		- MYR hedged Class	913,228,569	738,273,193	793,054,873
		- USD Class	48,351,887	51,228,211	87,041,264
		- SGD hedged Class	44,835,495	39,339,027	45,495,701
- AUD hedged Class	34,425,275	32,006,165	38,985,836		

2.2	Performance details (continued)	NAV per unit in RM			
		- MYR hedged Class	0.7379	0.6337	0.8595
		- USD Class	3.4462	2.7758	3.5231
		- SGD hedged Class	2.1685	1.7522	2.2498
		- AUD hedged Class	1.6078	1.3273	1.8322
		NAV per unit in respective currencies			
		- MYR hedged Class (RM)	0.7379	0.6337	0.8595
		- USD Class (USD)	0.7508	0.6309	0.8461
		- SGD hedged Class (SGD)	0.6233	0.5342	0.7284
		- AUD hedged Class (AUD)	0.5134	0.4448	0.6053
		Units in circulation			
		- MYR hedged Class	1,237,554,564	1,164,986,734	922,723,734
		- USD Class	14,030,340	18,454,964	24,705,602
		- SGD hedged Class	20,675,616	22,451,135	20,222,393
		- AUD hedged Class	21,411,926	24,113,739	21,277,947
		Highest NAV per unit in respective currencies			
		- MYR hedged Class (RM)	0.7390	0.6972	0.8812
		- USD Class (USD)	0.7514	0.6844	0.8684
		- SGD hedged Class (SGD)	0.6238	0.5857	0.7475
		- AUD hedged Class (AUD)	0.5137	0.4880	0.6218
		Lowest NAV per unit in respective currencies			
		- MYR hedged Class (RM)	0.6316	0.5935	0.8126
		- USD Class (USD)	0.6384	0.5835	0.8022
		- SGD hedged Class (SGD)	0.5336	0.4984	0.6907
		- AUD hedged Class (AUD)	0.4403	0.4157	0.5747
		Total return (%)			
		- MYR hedged Class	5.20	-0.75	6.24
- USD Class	6.98	0.59	5.54		
- SGD hedged Class	5.63	-0.56	5.53		
- AUD hedged Class	4.93	-0.80	4.75		
Capital growth (%)					
- MYR hedged Class	5.20	-0.75	4.30		
- USD Class	6.98	0.59	3.60		
- SGD hedged Class	6.63	-0.56	3.60		
- AUD hedged Class	4.93	-0.80	2.82		
Income distribution (%)					
- MYR hedged Class	--	--	1.94		
- USD Class	--	--	1.94		
- SGD hedged Class	--	--	1.93		
- AUD hedged Class	--	--	1.93		
Gross distribution (sen per unit) in respective currencies					
- MYR hedged Class (RM)	--	--	1.56		
- USD Class (USD)	--	--	1.54		
- SGD hedged Class (SGD)	--	--	1.33		
- AUD hedged Class (AUD)	--	--	1.11		

2.2	Performance details (continued)	Net distribution (sen per unit) in respective currencies				
		- MYR hedged Class (RM)	--	--	1.56	
		- USD Class (USD)	--	--	1.54	
		- SGD hedged Class (SGD)	--	--	1.33	
		- AUD hedged Class (AUD)	--	--	1.11	
		Total expense ratio ("TER") (%)	0.93 ¹	0.93	0.93	
		Portfolio turnover ratio ("PTR") (times)	0.04 ²	0.04	0.12	
		<i>Notes:</i>				
		¹ The TER for the financial period was consistent with the previous financial period.				
		² The PTR for the financial period was consistent with the previous financial period.				
Average total return (annualised) for the following periods ended 31 December 2023						
			The Fund (%)	Benchmark* (%)		
Since commencement (17 October 2016)						
- MYR hedged Class			8.29	8.23		
- USD Class			8.55	8.23		
Since commencement (31 July 2017)						
- SGD hedged Class			6.52	6.77		
Since commencement (20 August 2019)						
- AUD hedged Class			2.51	8.63		
1 year						
- MYR hedged Class			16.57	20.21		
- USD Class			19.13	20.21		
- SGD hedged Class			16.78	20.21		
- AUD hedged Class			15.51	20.21		
3 years						
- MYR hedged Class			0.14	4.01		
- USD Class			0.81	4.01		
- SGD hedged Class			-0.41	4.01		
- AUD hedged Class			-1.54	4.01		
5 years						
- MYR hedged Class			8.40	9.80		
- USD Class			8.96	9.80		
- SGD hedged Class			7.53	9.80		
- AUD hedged Class			--	--		
Annual total return						
Financial years ended 30 June			The Fund (%)	Benchmark* (%)		
2023						
- MYR hedged Class			9.88	14.42		
- USD Class			11.91	14.42		
- SGD hedged Class			9.85	14.42		
- AUD hedged Class			9.12	14.42		

2.2	Performance details (continued)	2022 - MYR hedged Class - USD Class - SGD hedged Class - AUD hedged Class 2021 - MYR hedged Class - USD Class - SGD hedged Class - AUD hedged Class 2020 - MYR hedged Class - USD Class - SGD hedged Class Since commencement (20 August 2019) - 30 June 2020 - AUD hedged Class 2019 - MYR hedged Class - USD Class - SGD hedged Class	-20.35 -21.07 -21.46 -22.02 27.06 27.05 26.70 23.14 6.49 7.06 4.44 1.34 10.86 9.70 10.11	-17.11 -17.11 -17.11 -17.11 37.16 37.16 37.16 37.16 0.28 0.28 0.28 3.61 3.61 3.61
		<p>* The benchmark of the Fund is MSCI All Country World Index.</p> <p>Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures have been extracted from Bloomberg.</p>		
2.3	Performance review	<p><u>MYR hedged Class</u></p> <p>For the financial period under review, the Class registered a return of 5.20% against the benchmark return of 6.47%.</p> <p>For the period under review, the NAV per unit of the Class increased by 5.20% from RM 0.7017 to RM 0.7382.</p> <p>The line chart below shows comparison between the performance of the Class and its benchmark from the commencement date of the Class to 31 December 2023.</p>  <p>Source: UOBAM(M) as at 31 December 2023.</p>		

	1-month	3-months	6-months	12-months	Since commencement (17 Oct 2016)
The Fund	4.81%	11.34%	5.20%	16.47%	77.54%
Benchmark*	4.70%	10.68%	6.47%	20.09%	76.80%

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

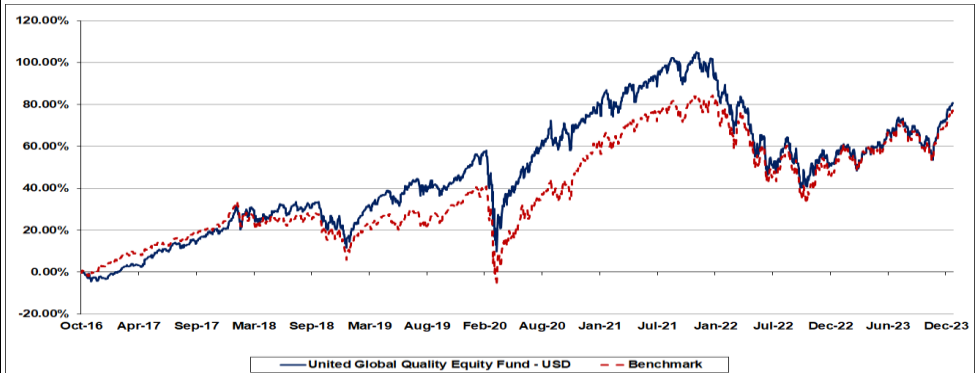
* The benchmark of the Fund is MSCI All Country World Index.

USD Class

For the financial period under review, the Class registered a return of 6.98% against the benchmark return of 6.47%.

For the period under review, the NAV per unit of the Class increased by 6.98% from USD 0.7019 to USD 0.7509.

The line chart below shows comparison between the performance of the Class and its benchmark from the commencement date of the Class to 31 December 2023.



Source: UOBAM(M) as at 31 December 2023.

	1-month	3-months	6-months	12-months	Since commencement (17 Oct 2016)
The Fund	5.21%	12.34%	6.98%	19.02%	80.57%
Benchmark*	4.70%	10.68%	6.47%	20.09%	76.80%

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

* The benchmark of the Fund is MSCI All Country World Index.

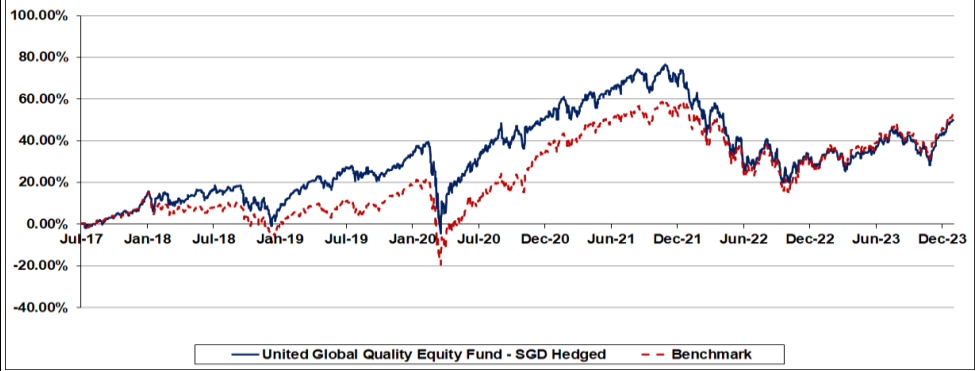
SGD hedged Class

For the financial period under review, the Class registered a return of 5.63% against the benchmark return of 6.47%.

For the period under review, the NAV per unit of the Class increased by 5.63% from SGD 0.5902 to SGD 0.6234.

2.3 Performance review (continued)

The line chart below shows comparison between the performance of the Class and its benchmark from the commencement date of the Class to 31 December 2023.



Source: UOBAM(M) as at 31 December 2023.

	1-month	3-months	6-months	12-months	Since commencement (1 Aug 2017)
The Fund	4.86%	11.34%	5.63%	16.68%	49.96%
Benchmark*	4.70%	10.68%	6.47%	20.09%	52.23%

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

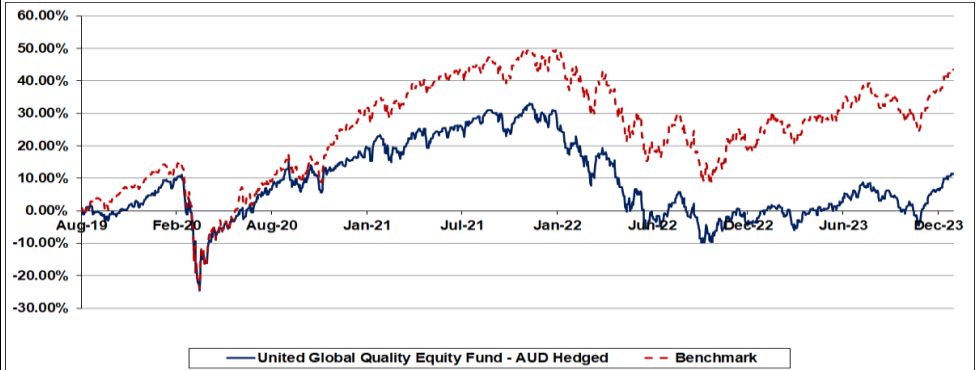
* The benchmark of the Fund is MSCI All Country World Index.

AUD hedged Class

For the financial period under review, the Class registered a return of 4.93% against the benchmark return of 6.47%.

For the period under review, the NAV per unit of the Class increased by 4.93% from AUD 0.4893 to AUD 0.5134.

The line chart below shows comparison between the performance of the Class and its benchmark from the commencement date of the Class 31 December 2023.



Source: UOBAM(M) as at 31 December 2023.

	1-month	3-months	6-months	12-months	Since commencement (21 Aug 2019)
The Fund	4.86%	11.08%	4.93%	15.42%	11.41%
Benchmark*	4.70%	10.68%	6.47%	20.09%	43.50%

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

* The benchmark of the Fund is MSCI All Country World Index.

2.3	Performance review (continued)	Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures have been extracted from Bloomberg.																																															
2.4	Target Fund performance	<p><u>Target Fund performance review</u></p> <p>For the six months ended 31 December 2023, the net asset value of the Fund – Class Z USD Dist increased 8.39% against an increase of 7.26% for the benchmark MSCI All Country World Index (in US dollar terms).</p> <p>The Fund’s outperformance was mainly attributed to security selection. Positive selection in Information Technology, Communication Services and Consumer Discretionary are the top contributor to the Fund’s outperformance, which was partially offset by weak selection in Health Care, Financials and Utilities. In terms of country exposure, investments in Japan, Netherlands and Switzerland contributed the most to the Fund’s outperformance.</p> <p>On stock level, the top positive absolute contributor to returns was Toei Animation, Alphabet and Partners. The key absolute detractor was Aon Plc, a global insurance broker and consultant whose shares fell after the company announced plans to acquire NFP, a United States of America ("U.S.") centric risk and benefits broker.</p> <p><i>Source: UOB Asset Management Ltd</i></p> <p><u>Target Fund performance data</u></p> <table border="1" data-bbox="483 974 1453 1213"> <thead> <tr> <th></th> <th>1-month</th> <th>3-months</th> <th>6-months</th> <th>12-months</th> <th>Since commencement (7 Apr 2020)</th> </tr> </thead> <tbody> <tr> <td>Target Fund (Z USD Dist)</td> <td>5.44%</td> <td>13.04%</td> <td>8.39%</td> <td>21.77%</td> <td>12.08%</td> </tr> <tr> <td>Benchmark (USD)*</td> <td>4.80%</td> <td>11.03%</td> <td>7.26%</td> <td>22.20%</td> <td>15.40%</td> </tr> </tbody> </table> <p><i>* The benchmark of the Target Fund is MSCI All Country World Index (available at www.msci.com).</i></p> <p><i>Source: UOB Asset Management Ltd, Morningstar</i></p>					1-month	3-months	6-months	12-months	Since commencement (7 Apr 2020)	Target Fund (Z USD Dist)	5.44%	13.04%	8.39%	21.77%	12.08%	Benchmark (USD)*	4.80%	11.03%	7.26%	22.20%	15.40%																										
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2.5	Target Fund's top 10 holdings	<table border="1" data-bbox="483 1329 1453 1879"> <thead> <tr> <th>No.</th> <th>Equity</th> <th>Sector (GICS)</th> <th>Weighting</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>MICROSOFT CORP</td> <td>Information Technology</td> <td>4.93%</td> </tr> <tr> <td>2</td> <td>ALPHABET INC</td> <td>Communication Services</td> <td>4.87%</td> </tr> <tr> <td>3</td> <td>S&P GLOBAL INC</td> <td>Financials</td> <td>3.96%</td> </tr> <tr> <td>4</td> <td>ACCENTURE PLC</td> <td>Information Technology</td> <td>3.60%</td> </tr> <tr> <td>5</td> <td>AON GLOBAL LTD</td> <td>Financials</td> <td>3.23%</td> </tr> <tr> <td>6</td> <td>VISA INC</td> <td>Financials</td> <td>3.19%</td> </tr> <tr> <td>7</td> <td>INTUIT INC</td> <td>Information Technology</td> <td>3.07%</td> </tr> <tr> <td>8</td> <td>IQVIA HOLDINGS INC</td> <td>Health Care</td> <td>2.99%</td> </tr> <tr> <td>9</td> <td>ZOETIS INC</td> <td>Health Care</td> <td>2.99%</td> </tr> <tr> <td>10</td> <td>DOLLARAMA INC</td> <td>Consumer Discretionary</td> <td>2.89%</td> </tr> </tbody> </table>				No.	Equity	Sector (GICS)	Weighting	1	MICROSOFT CORP	Information Technology	4.93%	2	ALPHABET INC	Communication Services	4.87%	3	S&P GLOBAL INC	Financials	3.96%	4	ACCENTURE PLC	Information Technology	3.60%	5	AON GLOBAL LTD	Financials	3.23%	6	VISA INC	Financials	3.19%	7	INTUIT INC	Information Technology	3.07%	8	IQVIA HOLDINGS INC	Health Care	2.99%	9	ZOETIS INC	Health Care	2.99%	10	DOLLARAMA INC	Consumer Discretionary	2.89%
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2.6	Strategies and policies employed	<p><u>Strategies and policies of the Target Fund</u></p> <p>Before 1 September 2023:</p> <ul style="list-style-type: none"> • The Fund seeks to invest in market-leading companies with growing industry market share, quality balance sheets and strong management teams and companies with positive long-term revisions, operating efficiency, and the ability to generate increasing return on capital. • Investments are identified based on a balance of metrics such as quality, growth, valuation and capital returns. • The Fund invests primarily in equity securities and may invest in other securities including, exchange traded funds and equity-related securities such as depositary receipts. • While the Fund is not constrained by market capitalisation, country, sector or industry, the companies it seeks to invest in typically have market capitalisation exceeding US\$3 billion with sufficient trading volume. • In the event of extreme market conditions, severe market stress or disruptions, or if there are no suitable investment opportunities, up to 100% of the Fund's assets may be temporarily held in cash and/or placed in cash deposits and/or invested in money market instruments. <p>From 1 September 2023:</p> <ul style="list-style-type: none"> • The Fund focuses on identifying market-leading companies with the capability of sustaining high levels of financial productivity and that are in a position to reinvest cashflows back into their business at similarly attractive rates of return. • The Fund invests primarily in equity securities and may invest in other securities including exchange traded funds and equity-related securities such as depositary receipts. • While the Fund is not constrained by market capitalisation, country, sector or industry, the companies it seeks to invest in typically have market capitalisation exceeding US\$3 billion with sufficient trading volume. • Potential investments are filtered through a team of research analysts and a proprietary investment tool that identifies companies with patterns of financial productivity metrics that meet the threshold levels for the Fund's portfolio. The Fund considers a range of information such as company financial statements, earnings, industry analysis and academic studies along with other sources such as company suppliers, competitors or regulators. • FDIs may be used or invested in for the purposes of hedging existing positions, EPM, or a combination of both purposes. <p>Strategies and policies of the Fund</p> <p>For the financial period under review, 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.</p> <p><i>Source: UOB Asset Management Ltd</i></p>
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2.7	Asset allocation	<p>This table below shows the asset allocation of the Fund for the financial period as at 31 December:</p> <table border="1" data-bbox="485 201 1453 436"> <thead> <tr> <th data-bbox="485 201 818 302">Assets</th> <th data-bbox="818 201 1032 302">As at 31 Dec 2023 (%)</th> <th data-bbox="1032 201 1260 302">As at 31 Dec 2022 (%)</th> <th data-bbox="1260 201 1453 302">Changes (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 302 818 369">Foreign collective investment scheme</td> <td data-bbox="818 302 1032 369">98.48</td> <td data-bbox="1032 302 1260 369">97.84</td> <td data-bbox="1260 302 1453 369">0.64</td> </tr> <tr> <td data-bbox="485 369 818 401">Cash</td> <td data-bbox="818 369 1032 401">1.52</td> <td data-bbox="1032 369 1260 401">2.16</td> <td data-bbox="1260 369 1453 401">-0.64</td> </tr> <tr> <td data-bbox="485 401 818 436">Total</td> <td data-bbox="818 401 1032 436">100.00</td> <td data-bbox="1032 401 1260 436">100.00</td> <td data-bbox="1260 401 1453 436">--</td> </tr> </tbody> </table> <p data-bbox="485 474 1453 646">Reason for the differences in asset allocation As at 31 December 2023, the asset allocation of the Fund stood at 98.48% in foreign collective investment scheme and 1.52% in cash. The Fund's asset allocation is within its investment objective of investing a minimum of 90% of the Fund's NAV in the Target Fund.</p>	Assets	As at 31 Dec 2023 (%)	As at 31 Dec 2022 (%)	Changes (%)	Foreign collective investment scheme	98.48	97.84	0.64	Cash	1.52	2.16	-0.64	Total	100.00	100.00	--
Assets	As at 31 Dec 2023 (%)	As at 31 Dec 2022 (%)	Changes (%)															
Foreign collective investment scheme	98.48	97.84	0.64															
Cash	1.52	2.16	-0.64															
Total	100.00	100.00	--															
2.8	Income distribution/ Unit splits	There was no income distribution and unit split declared during the financial period under review.																
2.9	State of affairs	There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the financial period under review.																
2.10	Securities Financing Transaction and Cross Trade Transactions	The Fund has not undertaken any securities lending or repurchase transactions. There were no cross trade transactions carried out during the financial period under review.																
2.11	Rebates and soft commission	<p>It is our policy to pay all rebates to the Fund. Soft commissions received from brokers/dealers are retained by the Manager only if the goods and services provided are of demonstrable benefit to unit holders of the Fund.</p> <p>The Manager will retain the soft commissions that are deemed to be beneficial to the unitholders of the Fund in the form of research and advisory services from any broker or dealer by virtue of transactions conducted for the fund that can assist in the decision making process in relation to the Fund such as technical analysis software, data and quotation services and computer software incidental to investment management of the Fund.</p> <p>During the financial period under review, the Manager had not received any soft commissions.</p>																

2.12	Market review	<p>Equity markets retreated in the third quarter of 2023, as investors reset expectations for the global interest rate outlook. The period was marked by a sharp rise in bond yields that pressured stocks amid expectations that key central banks were prepared to keep interest rates elevated for a longer period. The Federal Reserve ("Fed") signalled then that it may lift rates once more for the year and that it was adopting a “higher for longer” stance, disappointing investors. Similarly, after raising interest rates to multi decade highs in August, both the European Central Bank ("ECB") and Bank of England ("BOE") paused raising rates in September but indicated that they needed to remain elevated for a sustained period. Equities in both developed and developing markets declined as a result. However, Japanese equities gained, as the combination of a weakened yen, hopes that economic growth will strengthen, and expectations of governance reforms boosted local stocks. Meanwhile, Chinese equities also declined on economic concerns, especially in the real estate sector.</p> <p>Global equities rose sharply in the fourth quarter, as investor optimism was stoked amid encouraging inflation data and a changing outlook for interest rates. U.S. stocks rallied late in the quarter as a sustained slowdown in inflation sparked hopes amongst investors that the U.S. Fed would end its rate hiking campaign and perhaps even begin cutting rates next year. The U.S. economy continued to show resilience, with a revised reading of third quarter Gross Domestic Product ("GDP") coming in higher than initially anticipated at 5.2% and the country continuing to add more jobs than expected. In Europe, the ECB left interest rates unchanged in the fourth quarter, amid signs that the central bank 's efforts to reduce inflation had made significant progress. Despite the ECB's vow to maintain a restrictive monetary policy for a sustained period of time, many investors nevertheless anticipated it would reduce rates in 2024 as the region's growth outlook is expected to be weaker than its counterpart across the Atlantic. Equity markets in both the developed and developing worlds advanced in the fourth quarter, with the former outperforming the latter. The U.S. market outperformed while European equities performed in line with the broader global market. In Japan, equities gained but underperformed, as a stronger yen sapped some of the momentum from the Japanese stock market rally. Meanwhile, in China, equities declined due to concerns over property companies and the country's slower than expected economic recovery.</p> <p><i>Source: UOB Asset Management Ltd</i></p>
2.13	Market outlook	<p>The Manager expects continued volatility as the Fed and other central banks seek to balance the goals of maintaining financial stability and controlling inflation. While AI has the potential to transform the way companies operate over the long term, the Manager is cautious that the exuberance surrounding the technology has the potential to drive valuations in certain stocks to unsustainable levels in the short term. A broadening out of index participation presents a better environment for quality investing. The Fund remains focused on the philosophy of investing in quality companies that can sustain elevated levels of financial productivity.</p> <p><i>Source: UOB Asset Management Ltd</i></p>
2.14	Additional Information	<p>The Sixth Supplementary Master Prospectus dated 1 September 2023 have been issued. Please refer to Appendix A for the changes made.</p>

Kuala Lumpur, Malaysia
UOB Asset Management (Malaysia) Berhad

27 February 2024

(B) TRUSTEE’S REPORT

TO THE UNITHOLDERS OF UNITED GLOBAL QUALITY EQUITY FUND (“FUND”)

We have acted as Trustee of the Fund for the financial period ended 31 December 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 period covered by these financial statements in accordance with the following:-

- (a) limitations imposed on the investment powers of the management company under the deed, the securities laws and the Guidelines on Unit Trust Funds;
- (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 TMF Trustees Malaysia Berhad
(Company No: 610812-W)

Norhayati Binti Azit
Director - Fund Services

Kuala Lumpur, Malaysia
27 February 2024

UNITED GLOBAL QUALITY EQUITY FUND

(C) 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 Quality Equity Fund** as at 31 December 2023 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial period 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

27 February 2024

UNITED GLOBAL QUALITY EQUITY FUND

(D) FINANCIAL STATEMENTS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	31.12.2023 RM	30.06.2023 RM
ASSETS			
Investments	3	1,005,166,341	997,247,162
Forward foreign currency contracts	4	23,014,732	-
Amount due from Manager	5	1,902,009	341,069
Cash at bank		12,055,235	9,805,681
TOTAL ASSETS		1,042,138,317	1,007,393,912
LIABILITIES			
Forward foreign currency contracts	4	-	47,140,455
Amount due to Trustee	6	34,514	30,841
Tax payable		1,236,170	9,583
Accruals		26,407	29,491
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		1,297,091	47,210,370
NET ASSET VALUE (“NAV”) ATTRIBUTABLE TO UNITHOLDERS		1,040,841,226	960,183,542
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders’ capital	7	987,525,761	959,105,321
Retained earnings/(accumulated losses)	7	53,315,465	1,078,221
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	7	1,040,841,226	960,183,542
TOTAL NAV AND LIABILITIES		1,042,138,317	1,007,393,912
NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS			
- AUD HEDGED CLASS		34,425,275	35,399,771
- MYR HEDGED CLASS		913,228,569	829,315,223
- SGD HEDGED CLASS		44,835,495	42,779,077
- USD CLASS		48,351,887	52,689,471
		1,040,841,226	960,183,542

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

UNITED GLOBAL QUALITY EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (CONTINUED)

	Note	31.12.2023 RM	30.06.2023 RM
UNITS IN CIRCULATION			
- AUD HEDGED CLASS	7(a)	21,411,926	23,301,923
- MYR HEDGED CLASS	7(b)	1,237,554,564	1,181,811,445
- SGD HEDGED CLASS	7(c)	20,675,616	21,031,321
- USD CLASS	7(d)	14,030,340	16,091,308
NET ASSET VALUE PER UNIT IN MYR			
- AUD HEDGED CLASS		1.6078	1.5192
- MYR HEDGED CLASS		0.7379	0.7017
- SGD HEDGED CLASS		2.1685	2.0341
- USD CLASS		3.4462	3.2744
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD HEDGED CLASS (AUD)		0.5134	0.4893
- MYR HEDGED CLASS (MYR)		0.7379	0.7017
- SGD HEDGED CLASS (SGD)		0.6233	0.5902
- USD CLASS (USD)		0.7508	0.7019

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

UNITED GLOBAL QUALITY EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIXTH MONTH FINANCIAL PERIOD ENDED 31 DECEMBER 2023

		01.07.2023 to 31.12.2023	01.07.2022 to 31.12.2022
	Note	RM	RM
INVESTMENT INCOME/(LOSS)			
Income distribution from investment at fair value through profit or loss (“FVTPL”)		9,972,472	2,582,121
Interest income from deposit with licensed financial institution		98,867	50,281
Net gain/(loss) on investments at FVTPL:	3		
- net realised gain/(loss) on sale of investments at FVTPL		4,996,143	(4,457,518)
- net unrealised gain/(loss) on changes in fair value	7(f)	46,606,930	12,191,611
Net realised gain/(loss) on foreign currency exchange		(380,464)	51,455
Net realised gain/(loss) on forward foreign currency contracts		(68,985,790)	(87,999,522)
Net unrealised gain/(loss) on foreign currency exchange	7(f)	(2,824)	280
Net unrealised gain/(loss) on forward foreign currency contracts	7(f)	70,155,186	81,512,715
		<u>62,460,520</u>	<u>3,931,423</u>
EXPENSES			
Manager’s fee	8	8,676,088	7,882,920
Trustee’s fee	9	192,802	175,176
Auditors’ remuneration		5,027	4,688
Tax agent’s fee		2,383	1,965
Other expenses		9,976	14,516
		<u>8,886,276</u>	<u>8,079,265</u>
NET INCOME/(LOSS) BEFORE TAXATION		53,574,244	(4,147,842)
Tax expense	10	<u>1,337,000</u>	<u>319,228</u>
NET INCOME/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>52,237,244</u>	<u>(4,467,070)</u>

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

UNITED GLOBAL QUALITY EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIXTH MONTH FINANCIAL PERIOD ENDED 31 DECEMBER 2023 (CONTINUED)

		01.07.2023	01.07.2022
		to 31.12.2023	to 31.12.2022
	Note	RM	RM
Net income/(loss) after taxation is made up of the following:			
Realised amount	7(e)	(64,522,048)	(98,171,676)
Unrealised amount	7(f)	116,759,292	93,704,606
		<u>52,237,244</u>	<u>(4,467,070)</u>

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

UNITED GLOBAL QUALITY EQUITY FUND**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE SIXTH MONTH FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	Unitholders' capital RM	Retained earnings/ (accumulated losses) RM	Total net asset value RM
Balance as at 1 July 2022	958,814,261	(93,180,239)	865,634,022
Movement in net asset value:			
Total comprehensive income/(loss) for the financial period	-	(4,467,070)	(4,467,070)
Creation of units			
- MYR HEDGED CLASS	46,297,441	-	46,297,441
- SGD HEDGED CLASS	117,773	-	117,773
Cancellation of units			
- AUD HEDGED CLASS	(467,817)	-	(467,817)
- MYR HEDGED CLASS	(31,791,443)	-	(31,791,443)
- SGD HEDGED CLASS	(1,341,241)	-	(1,341,241)
- USD CLASS	(13,135,069)	-	(13,135,069)
Balance as at 31 December 2022	<u>958,493,905</u>	<u>(97,647,309)</u>	<u>860,846,596</u>

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

UNITED GLOBAL QUALITY EQUITY FUND

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
UNITHOLDERS FOR THE SIXTH MONTH FINANCIAL PERIOD ENDED 31
DECEMBER 2023 (CONTINUED)**

	Note	Unitholders' capital RM	Retained earnings/ (accumulated losses) RM	Total net asset value RM
Balance as at 1 July 2023		959,105,321	1,078,221	960,183,542
Movement in net asset value:				
Total comprehensive income/(loss) for the financial period		-	52,237,244	52,237,244
Creation of units				
- AUD HEDGED CLASS	7(a)	1,081,305	-	1,081,305
- MYR HEDGED CLASS	7(b)	92,318,765	-	92,318,765
- SGD HEDGED CLASS	7(c)	1,508,850	-	1,508,850
- USD CLASS	7(d)	784,371	-	784,371
Cancellation of units				
- AUD HEDGED CLASS	7(a)	(3,754,568)	-	(3,754,568)
- MYR HEDGED CLASS	7(b)	(53,790,243)	-	(53,790,243)
- SGD HEDGED CLASS	7(c)	(2,229,397)	-	(2,229,397)
- USD CLASS	7(d)	(7,498,643)	-	(7,498,643)
Balance as at 31 December 2023		<u>987,525,761</u>	<u>53,315,465</u>	<u>1,040,841,226</u>

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

UNITED GLOBAL QUALITY EQUITY FUND**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIXTH MONTH FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	60,232,894	67,276,153
Purchase of investments	(16,549,000)	(757,832)
Income distribution from investment at FVTPL	9,972,472	2,582,121
Interest received from deposit with licensed financial institution	98,867	50,281
Manager's fee paid	(8,510,784)	(7,878,962)
Trustee's fee paid	(189,129)	(175,088)
Auditors' remuneration paid	(9,300)	(18,600)
Payment of other fees and expenses	(11,170)	(14,514)
Tax paid	(110,413)	(421,956)
Net realised gain/(loss) on foreign currency exchange	(380,464)	51,455
Net realised gain/(loss) on forward foreign currency contracts	(68,985,790)	(87,999,522)
Net cash generated from/(used in) operating and investing activities	<u>(24,441,817)</u>	<u>(27,306,464)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	93,300,030	46,001,260
Payment for cancellation of units	(66,608,659)	(46,975,345)
Net cash generated from/(used in) financing activities	<u>26,691,371</u>	<u>(974,085)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,249,554	(28,280,549)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>9,805,681</u>	<u>44,489,625</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>12,055,235</u>	<u>16,209,076</u>
Cash and cash equivalents comprise the following:		
Cash at bank	<u>12,055,235</u>	<u>16,209,076</u>

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

UNITED GLOBAL QUALITY EQUITY FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

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

The United Global Quality Equity Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of the Deed dated 6 June 2016 between UOB Asset Management (Malaysia) Berhad (“the Manager”) and TMF Trustees Malaysia Berhad (“the Trustee”).

The Fund seeks to provide investors with long term capital appreciation by investing in the United Global Quality Growth Fund which invests in equity and equity-related securities of companies listed and traded on stock exchanges globally. The Fund was launched on 26 September 2016 and commenced for operations on 17 October 2016. As provided in the Deed, the accrual period or financial year shall end on 30 June.

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

The financial statements were authorised for issue by the Manager on 27 February 2024.

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 a historical cost basis except as disclosed in the accounting policies below and are presented in Ringgit Malaysia (“RM”).

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on or after 1 July 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 July 2023 are applicable to 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 QUALITY EQUITY 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; 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 QUALITY EQUITY 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 flow characteristics of the financial asset.

(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 asset 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

(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 held within a business model whose objective is to 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 investment in collective investment scheme and derivatives. These include 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 QUALITY EQUITY 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 does not have such liabilities at this juncture.

(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 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

UNITED GLOBAL QUALITY EQUITY 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)

(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: (continued)

(b) the Fund has neither transferred nor retained substantially all the risks and rewards, but has transferred control of the financial asset.

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, distribution from foreign collective investment scheme, 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 FVTPL 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.

UNITED GLOBAL QUALITY EQUITY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(c) Derivative financial instruments (continued)

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 on FVTPL.

(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 RM, 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 RM 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.

UNITED GLOBAL QUALITY EQUITY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(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 liabilities as per Note 2.3(f). A proposed dividend is recognised as a liability in the period in which it is approved. Distributions are 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.

(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 deposit with licensed financial institution is recognised using the effective interest method. Distribution income from investments is recognised when it has been declared with the right to receive the income established.

(j) Net asset value attributable to unitholders

Net asset value attributable to unitholders represents the redemption amount that would be payable if the unitholders 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.

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

UNITED GLOBAL QUALITY EQUITY FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(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.

(m) Significant accounting estimates and judgments

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 investments in collective investment scheme ("CIS"), fair value is determined based on the closing NAV per unit of the CIS.

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 QUALITY EQUITY FUND

3. INVESTMENTS

	31.12.2023	30.06.2023
	RM	RM
Investments designated as FVTPL:		
- collective investment scheme - foreign	1,005,166,341	997,247,162
	01.07.2023	01.07.2022
	to 31.12.2023	to 31.12.2022
	RM	RM
Net gain on investments at FVTPL comprised:		
- net realised gain/(loss) on sale of investments at FVTPL	4,996,143	(4,457,518)
- net unrealised gain/(loss) on changes in fair value	46,606,930	12,191,611
	<u>51,603,073</u>	<u>7,734,093</u>

Investments designated as FVTPL as at 31 December 2023 are as follows:

Name of counter	Quantity	Cost RM	Fair value RM	Fair value
				expressed as a percentage of value of the Fund %

COLLECTIVE INVESTMENT SCHEME - FOREIGN

United Global Quality Growth Fund - USD Distribution Class ("Target Fund")*	156,869,977	850,939,678	1,005,166,341	<u>96.57</u>
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EXCESS/(SHORTFALL) OF FAIR VALUE OVER COST:

- UNREALISED GAIN/(LOSS) ON FAIR VALUE	<u>79,404,704</u>
- UNREALISED GAIN/(LOSS) ON FOREIGN EXCHANGE	<u>74,821,959</u>
TOTAL INVESTMENTS AT FVTPL	<u>1,005,166,341</u>

* Collective investment scheme related to the Manager.

UNITED GLOBAL QUALITY EQUITY FUND

4. FORWARD FOREIGN CURRENCY CONTRACTS

As at the reporting date, there are 17 (30.06.2023: 9) forward foreign currency contracts outstanding.

The notional principal amount of the outstanding forward foreign currency contracts amounted to RM877,762,477 (30.06.2023: RM772,145,222).

The forward foreign currency contracts entered into were for hedging against the currency exposure arising from the investments denominated in USD.

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

	31.12.2023	30.06.2023
	RM	RM
Creation of units	4,879,898	2,489,666
Cancellation of units	(1,424,761)	(760,773)
Manager's fee payable	(1,553,128)	(1,387,824)
	<u>1,902,009</u>	<u>341,069</u>

The normal credit period for the Manager's fee payable is one month (30.06.2023: one month).

6. AMOUNT DUE TO TRUSTEE

	31.12.2023	30.06.2023
	RM	RM
Trustee's fee payable	<u>34,514</u>	<u>30,841</u>

Amount due to Trustee represents Trustee's fee payable.

The normal credit period for the Trustee's fee payable is one month (30.06.2023: one month).

UNITED GLOBAL QUALITY EQUITY 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 the Fund at a valuation point is determined by dividing the NAV of the Fund at that valuation point by the number of units in circulation of the Fund at the same valuation point.

Due to multiple Classes of Units in the Fund, the income and/or expenses 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 December 2023, the multi-class ratio used in apportionment for AUD Hedged Class is 3.31 (30.06.2023: 3.69), MYR Hedged Class is 87.74 (30.06.2023: 86.37), SGD Hedged Class is 4.31 (30.06.2023: 4.46) and USD Class is 4.65 (30.06.2023: 5.49).

Net asset value attributable to unitholders is represented by:

	Note	31.12.2023 RM	30.06.2023 RM
Unitholders’ capital			
- AUD HEDGED CLASS	(a)	33,485,224	36,158,487
- MYR HEDGED CLASS	(b)	880,820,130	842,291,608
- SGD HEDGED CLASS	(c)	36,959,866	37,680,413
- USD CLASS	(d)	36,260,541	42,974,813
		<u>987,525,761</u>	<u>959,105,321</u>
Retained earnings/(accumulated losses)			
- Realised gain/(loss)	(e)	(123,923,026)	(59,400,978)
- Unrealised gain/(loss)	(f)	177,238,491	60,479,199
		<u>53,315,465</u>	<u>1,078,221</u>
Total NAV attributable to unitholders		<u>1,040,841,226</u>	<u>960,183,542</u>

UNITED GLOBAL QUALITY EQUITY FUND

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

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

	31.12.2023		30.06.2023	
	Units	RM	Units	RM
At the beginning of the financial period/ year	23,301,923	36,158,487	24,462,465	37,738,030
Creation of units during the financial period/ year	725,626	1,081,305	416	604
Cancellation of units during the financial period/ year	(2,615,623)	(3,754,568)	(1,160,958)	(1,580,147)
At the end of the financial period/ year	21,411,926	33,485,224	23,301,923	36,158,487

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

	31.12.2023		30.06.2023	
	Units	RM	Units	RM
At the beginning of the financial period/ year	1,181,811,445	842,291,608	1,142,265,694	816,496,845
Creation of units during the financial period/ year	133,430,192	92,318,765	151,059,628	98,482,080
Cancellation of units during the financial period/ year	(77,687,073)	(53,790,243)	(111,513,877)	(72,687,317)
At the end of the financial period/ year	1,237,554,564	880,820,130	1,181,811,445	842,291,608

UNITED GLOBAL QUALITY EQUITY FUND

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

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

	31.12.2023		30.06.2023	
	Units	RM	Units	RM
At the beginning of the financial period/ year	21,031,321	37,680,413	23,140,349	41,533,033
Creation of units during the financial period/ year	744,552	1,508,850	70,479	125,913
Cancellation of units during the financial period/ year	(1,100,257)	(2,229,397)	(2,179,507)	(3,978,533)
At the end of the financial period/ year	20,675,616	36,959,866	21,031,321	37,680,413

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

	31.12.2023		30.06.2023	
	Units	RM	Units	RM
At the beginning of the financial period/ year	16,091,308	42,974,813	23,027,230	63,046,353
Creation of units during the financial period/ year	239,190	784,371	-	-
Cancellation of units during the financial period/ year	(2,300,158)	(7,498,643)	(6,935,922)	(20,071,540)
At the end of the financial period/ year	14,030,340	36,260,541	16,091,308	42,974,813

The Manager and parties related to the Manager did not hold any units in the Fund as at 31 December 2023 (30.06.2023: nil).

UNITED GLOBAL QUALITY EQUITY FUND

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

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

	31.12.2023 RM	30.06.2023 RM
At the beginning of the financial period/year	(59,400,978)	8,964,045
Total comprehensive income/(loss) for the financial period/year	52,237,244	94,258,460
Net unrealised (gain)/loss attributable to investments and others held transferred to unrealised reserve	(116,759,292)	(162,623,483)
Net increase/(decrease) in realised reserve for the financial period/year	(64,522,048)	(68,365,023)
At the end of the financial period/year	<u>(123,923,026)</u>	<u>(59,400,978)</u>

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

	31.12.2023 RM	30.06.2023 RM
At the beginning of the financial period/year	60,479,199	(102,144,284)
Net unrealised gain/(loss) attributable to investments and others held transferred to unrealised reserve		
- Investments at FVTPL	46,606,930	171,700,353
- Forward foreign currency contracts	70,155,186	(9,077,071)
- Foreign currency exchange	(2,824)	201
	<u>116,759,292</u>	<u>162,623,483</u>
At the end of the financial period/year	<u>177,238,491</u>	<u>60,479,199</u>

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 1.80% (01.07.2022 - 31.12.2022: 1.80%) 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% (01.07.2022 - 31.12.2022: 1.80%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

As the Fund is investing in the Target Fund, the Target Fund Manager’s fee is charged at nil (01.07.2022 - 31.12.2022: nil) per annum of the net asset value of the Target Fund. There will be no double charging of annual management fee.

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 QUALITY EQUITY 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 0.06% (01.07.2022 - 31.12.2022: 0.06%) per annum of the net asset value of the Fund, calculated on a daily basis; subject to a minimum fee of RM15,000 (01.07.2022 - 31.12.2022: RM15,000) per annum (excluding foreign custodian fee and charges).

The Trustee's fee provided in the financial statements is 0.04% (01.07.2022 - 31.12.2022: 0.04%) based on the net asset value of the Fund, subject to a minimum fee of RM15,000 (01.07.2022 - 31.12.2022: 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. In accordance with Sections 61 and 63B of the ITA, 1967, interest income and gain on sale of investment are exempted from 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:

	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
Net income/(loss) before taxation	53,574,244	(4,147,842)
Taxation at Malaysian statutory rate of 24% (01.07.2022 - 31.12.2022: 24%)	12,857,819	(995,482)
Tax effects of:		
(Income not subject to tax)/loss not deductible for tax purposes	(14,990,525)	(943,541)
Restriction on tax deductible expenses for unit trust funds	2,083,468	1,893,033
Expenses not deductible for tax purposes	49,238	45,990
	-	-
Foreign income subject to tax	1,337,000	319,228
Tax expense for the financial period	1,337,000	319,228

UNITED GLOBAL QUALITY EQUITY FUND

11. TRANSACTIONS WITH INVESTMENT MANAGER OF THE TARGET FUND

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

Investment Manager of the Target Fund	Value of trade RM	Percentage of total trade %
UOB Asset Management Ltd, Singapore*	76,781,894	100.00

*A company related to the Manager.

12. TOTAL EXPENSE RATIO (“TER”)

	01.07.2023 to 31.12.2023	01.07.2022 to 31.12.2022
	%	%
Manager’s fee	0.91	0.91
Trustee’s fee	0.02	0.02
Other expenses	-*	-*
Total TER	0.93	0.93

* Represents less than 0.01%

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.

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.07.2023 to 31.12.2023	01.07.2022 to 31.12.2022
PTR (times)	0.04	0.04

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

UNITED GLOBAL QUALITY EQUITY FUND

14. 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 describe 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 other financial assets, comprising amount due from Manager and cash at bank, are classified as financial assets which are measured at amortised cost;
- (iii) the Fund's financial liabilities (excluding NAV attributable to unitholders), comprising amount due to Trustee, are classified as other financial liabilities which is measured at amortised cost;
- (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 RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Derivatives at FVTPL RM	Total RM
31.12.2023					
Financial assets					
Investments	1,005,166,341	-	-	-	1,005,166,341
Forward foreign currency contracts	-	-	-	23,014,732	23,014,732
Amount due from Manager	-	1,902,009	-	-	1,902,009
Cash at bank	-	12,055,235	-	-	12,055,235
Total financial assets	1,005,166,341	13,957,244	-	23,014,732	1,042,138,317
Financial liabilities					
Amount due to Trustee	-	-	34,514	-	34,514
Total financial liabilities	-	-	34,514	-	34,514

UNITED GLOBAL QUALITY EQUITY FUND

14. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Derivatives at FVTPL RM	Total RM
30.06.2023					
Financial assets					
Investments	997,247,162	-	-	-	997,247,162
Amount due from Manager	341,069				341,069
Cash at bank	-	9,805,681	-	-	9,805,681
Total financial assets	997,588,231	9,805,681	-	-	1,007,393,912
Financial liabilities					
Forward foreign currency contracts	-	-	-	47,140,455	47,140,455
Amount due to Trustee	-	-	30,841	-	30,841
Total financial liabilities	-	-	30,841	47,140,455	47,171,296

(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 QUALITY EQUITY FUND

14. 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 RM	Level 2 RM	Level 3 RM	Total RM
31.12.2023				
Financial instruments				
Collective				
investment scheme	-	1,005,166,341	-	1,005,166,341
Forward foreign				
currency contracts	-	23,014,732	-	23,014,732
Total financial instruments	-	1,028,181,073	-	1,028,181,073
30.06.2023				
Financial instruments				
Collective				
investment scheme	997,247,162	-	-	997,247,162
Forward foreign				
currency contracts	-	(47,140,455)	-	(47,140,455)
Total financial instruments	997,247,162	(47,140,455)	-	950,106,707

(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/(to) Manager
- Cash at bank
- 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 QUALITY EQUITY FUND

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including market risk, manager risk, inflation 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 instruments, 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 in turn affect the market prices of the investments 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:

	31.12.2023	30.06.2023
	RM	RM
Investments at FVTPL	<u>1,005,166,341</u>	<u>997,247,162</u>

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 RM	Impact on net income/ (loss) after taxation and NAV RM
31.12.2023	-5	954,908,024	(50,258,317)
	0	1,005,166,341	-
	5	1,055,424,658	50,258,317
30.06.2023	-5	947,384,804	(49,862,358)
	0	997,247,162	-
	5	1,047,109,520	49,862,358

UNITED GLOBAL QUALITY EQUITY FUND

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Manager risk

The performance of the Fund depends on, amongst other things, the expertise of the Manager. A failure on the part of the Manager to display the requisite experience and expertise expected of them in making investment decisions for the Fund may jeopardise the Fund's performance and returns.

(c) Inflation risk

Inflation risk is a risk of an investor's investment not growing at a rate that keeps pace with the inflation rate, thereby decreasing the investor's purchasing power even though the investment in monetary terms may have increased.

(d) Non-compliance risk

Non-adherence with laws, rules, regulations, prescribed practices, internal policies and procedures may result in tarnished reputation, limited business opportunities and reduced expansion potential for the Manager. 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.

(e) Credit risk

Credit concentration risk is associated with the number of underlying investments or financial institutions 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.

UNITED GLOBAL QUALITY EQUITY FUND

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Credit risk (continued)

The following table sets out maximum exposure to credit risk and the credit risk concentrations of the Fund.

	Investments RM	Cash at bank RM	Derivatives at FVTPL RM	Total RM	As a percentage of NAV %
31.12.2023					
AA1	-	12,055,235	-	12,055,235	1.16
AA3	-	-	11,586,743	11,586,743	1.11
AAA	-	-	11,480,869	11,480,869	1.10
Non-rated	1,005,166,341	-	-	1,005,166,341	96.58
	<u>1,005,166,341</u>	<u>12,055,235</u>	<u>23,067,612</u>	<u>1,040,289,188</u>	<u>99.95</u>
30.06.2023					
AA1	-	9,805,681	-	9,805,681	1.02
AA3	-	-	(26,159,587)	(26,159,587)	(2.72)
AAA	-	-	(20,980,868)	(20,980,868)	(2.19)
Non-rated	997,247,162	-	-	997,247,162	103.86
	<u>997,247,162</u>	<u>9,805,681</u>	<u>(47,140,455)</u>	<u>959,912,388</u>	<u>99.97</u>

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

(f) 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.

(g) Currency risk

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

UNITED GLOBAL QUALITY EQUITY FUND

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(g) Currency risk (continued)

For the AUD hedged Class/MYR hedged Class/SGD hedged Class

The Fund will be investing in the Class USD distribution of the Target Fund which is denominated in USD, however, investors in the AUD hedged Class/MYR hedged Class/SGD hedged Class will be subject to a lower currency risk at the Fund level as the Manager will mitigate this risk by hedging the foreign currency exposure. Investors should note that by employing this hedging, investors would not be able to enjoy the additional currency gains when USD moves favourably against the RM. Additional transaction costs of hedging will also be borne by investors in the AUD hedged Class/MYR hedged Class/SGD hedged Class.

For the USD Class

As the Fund is investing in the Class USD distribution of the Target Fund which is denominated in USD, hence unitholders in this USD Class will be exposed to currency risk against the base currency of the Fund, changes in the exchange rate between the base currency of the Fund and the currency of denomination of the USD Class may adversely affect the value of the units of the USD Class.

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

		31.12.2023		30.06.2023
		Percentage		Percentage
	RM	of NAV	RM	of NAV
		%		%
Australian Dollar (“AUD”)				
Amount due from Manager	181,366	0.02	-	-
Cash at bank	250,767	0.02	169,371	0.02
Forward foreign currency contracts	2,112,343	0.20	(369,996)	(0.04)
Net asset value attributable to unitholders	34,425,275	3.31	35,399,771	3.69
	36,969,751	3.55	35,199,146	3.67
Singapore Dollar (“SGD”)				
Amount due from Manager	312,885	0.03	-	-
Cash at bank	590,852	0.06	784,106	0.08
Forward foreign currency contracts	1,268,597	0.12	(897,123)	(0.09)
Net asset value attributable to unitholders	44,835,495	4.31	42,779,077	4.45
	47,007,829	4.52	42,666,060	4.44

UNITED GLOBAL QUALITY EQUITY FUND

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(g) Currency risk (continued)

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

		31.12.2023		30.06.2023
		Percentage		Percentage
	RM	of NAV	RM	of NAV
		%		%
United States Dollar (“USD”)				
Investments at FVTPL	1,005,166,341	96.57	997,247,163	103.86
Amount due from Manager	142,345	0.01	(132,823)	(0.01)
Cash at bank	2,130,798	0.20	2,842,925	0.30
Net asset value attributable to unitholders	48,351,887	4.65	52,689,471	5.48
	<u>1,055,791,371</u>	<u>101.44</u>	<u>1,052,646,736</u>	<u>109.63</u>

The following table 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.

		31.12.2023	30.06.2023
		Impact on	Impact on
		net income/	net income/
		(loss) after	(loss) after
	Change in	taxation and	taxation and
	foreign	NAV	NAV
	exchange rate	RM	RM
	%		
AUD	+5	1,848,488	1,759,957
	-5	(1,848,488)	(1,759,957)
SGD	+5	2,350,391	2,133,303
	-5	(2,350,391)	(2,133,303)
USD	+5	52,789,569	52,632,337
	-5	(52,789,569)	(52,632,337)

UNITED GLOBAL QUALITY EQUITY FUND

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(h) 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 may be listed 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:

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

16. 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 period 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 periods.

Appendix A

This Sixth Supplementary Master Prospectus dated 1 September 2023 was issued to reflect the following changes:-

No.	Section/ Chapter	Current	Revised
1	<p>1.8.3 General Authorised Investments and Guidelines</p> <p><i>Investment Restrictions</i></p>	<p>The investment guidelines issued by the Monetary Authority of Singapore under Appendix 1 to the Code, which the guidelines may be amended from time to time, shall apply to the Target Fund. For further details on the Code issued by the Monetary Authority of Singapore, please visit www.mas.gov.sg.</p> <p>For the purpose of investment in respect of the Target Fund, the Investment Manager of the Target Fund has confirmed the following:</p> <p>(a) the regulatory authority of the countries that the Target Fund will invest in will be an ordinary or associate member of the IOSCO;</p> <p>(b) the Target Fund will not hold warrants except acquired through corporate action, restructuring or a related event. In any event warrants are held in the Target Fund, it will carry the right in respect of a security traded in or under the rules of organised exchange of IOSCO countries;</p> <p>(c) the Target Fund will not invest in structured warrants;</p> <p>(d) the Target Fund will not invest in direct real estate or commodities but will invest in real-estate investment trusts (REITs). In any event the Target Fund is investing in REITs, it will be kept to a maximum of 10% of the net asset value of the Target Fund for a single REIT;</p>	<p>The investment guidelines issued by the Monetary Authority of Singapore under Appendix 1 to the Code, which the guidelines may be amended from time to time, shall apply to the Target Fund. For further details on the Code issued by the Monetary Authority of Singapore, please visit www.mas.gov.sg.</p> <p>For the purpose of investment in respect of the Target Fund, the Investment Manager of the Target Fund has confirmed the following:</p> <p>(a) the Target Fund will not hold warrants except acquired through corporate action, restructuring or a related event. In any event warrants are held in the Target Fund, it will carry the right in respect of a security traded in or under the rules of an Eligible Market;</p> <p>(b) the Target Fund will not invest in structured warrants;</p> <p>(c) the Target Fund will not invest in direct real estate or physical commodities but may invest in real-estate investment trusts (REITs). In any event the Target Fund is investing in REITs, it will be kept to a maximum of 15% of the net asset value of the Target Fund for a single REIT;</p> <p>(d) the Target Fund will not invest in any forms of debt securities;</p>

	<ul style="list-style-type: none"> (e) the Target Fund will not invest in fund-of-funds; (f) the Target Fund will not invest in debt securities; (g) the Target Fund will not invest in commodity-backed debt securities; (h) the Target Fund will not write option and will not be using covered call; (i) the Target Fund will not invest in transferable security or money market instrument which embeds with financial derivative; (j) collateralized debt obligations will not be used for the purpose of this investment; (k) the Target Fund currently does not intend to carry out securities lending or repurchase transactions but may in the future do so, in accordance with the applicable provisions of the Code. Accordingly, the Target Fund may at such time in the future become subject to the provisions on securities lending and repurchase transactions as set out in the Code; (l) in any event that the single entity limit of transferable securities or money market instruments is allowed to raise above 10% of the net asset value of the Target Fund, the Target Fund will keep the single entity limit to a maximum of 15% of the net asset value of the Target Fund; (m) the Target Fund does not intend to use financial derivative instruments except for participatory notes. In any event the Target Fund intends to access certain IOSCO countries 	<ul style="list-style-type: none"> (e) the Target Fund will not invest in transferable security or money market instrument which embeds with financial derivative; (f) the Target Fund currently does not intend to carry out securities lending or repurchase transactions but may do so in the future in accordance with the provisions of the Code. Accordingly, the Target Fund may at such time in the future become subject to the provisions on securities lending and repurchase transactions as set out in the Code; (g) in any event that the single entity limit of transferable securities or money market instruments is allowed to raise above 10% of the net asset value of the Target Fund, the Target Fund will keep the single entity limit to a maximum of 15% of the net asset value of the Target Fund; (h) the financial derivative instruments used by the Target Fund are only allowed for the purposes of hedging, efficient portfolio management, or a combination of both purposes. The definition of efficient portfolio management is as defined in the Code. Proper policy and procedure is in place to monitor and manage the financial derivative instruments to ensure that the utilisation of financial derivative instruments comply with the requirements in the SC's Guidelines on Unit Trust Funds; (i) the Target Fund's global exposure from derivatives position will not exceed the Target Fund's net asset value at all times;
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		<p>through participatory notes, the exposure of the Target Fund in participatory notes will not exceed 10% of the Target Fund's net asset value;</p> <p>(n) the Target Fund's exposure from derivatives position will not exceed the Target Fund's net asset value at all times; and</p> <p>(o) the value of the Target Fund over-the-counter (OTC) derivative transaction with any single counterparty will not exceed 10% of the Target Fund's net asset value.</p>	<p>(j) for OTC derivatives, the maximum exposure of the Target Fund to any single counterparty must not exceed 10% of the Target Fund's net asset value; and</p> <p>(k) where the Target Fund invests into collective investment schemes, the Target Fund shall ensure that the collective investment scheme(s) complies with the SC's Guidelines on Unit Trust Funds requirements in relation to collective investment schemes such as providing the level of investor protection that is at least equivalent to that offered in Malaysia and that the rules on investments, borrowing and lending that apply to the collective investment scheme(s) are substantially similar to the requirements in the SC's Guidelines on Unit Trust Funds.</p>
2	4.3 Board of Directors	<p>The functions of the board of directors are to elaborate, decide, endorse or resolve all matters pertaining to us and the Fund at the board meetings that are held formally four times yearly or as and when circumstances require.</p> <ul style="list-style-type: none"> • Mr Wong Kim Choong (non-independent director) • Mr Thio Boon Kiat (alternate to Mr Wong Kim Choong) (non-independent director) • Ms Lim Suet Ling (non-independent director) • Mr Seow Lun Hoo (non-independent director) • Mr Seow Voon Ping (alternate to Mr Seow Lun Hoo) (non-independent director) • Mr Lim Kheng Swee (non-independent director) • Encik Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (independent director) 	<p>The functions of the Board of Directors are to elaborate, decide, endorse or resolve all matters pertaining to us and the Funds at the board meetings that are held formally four times yearly or as and when circumstances require.</p> <p>Please refer to https://www.uobam.com.my/about-us/leadership/our-board-of-directors.page for more information on our board of directors.</p>

		<ul style="list-style-type: none"> • Mr Wong Yoke Leong (independent director) 	
3	<p>Other changes include:</p> <ol style="list-style-type: none"> 1) updates in information on: <ul style="list-style-type: none"> - telephone number, facsimile number and address of the Manager; and 2) insertion of the email address of the Deutsche Trustees Malaysia Berhad in the Corporate Directory section. 		

(E) CORPORATE INFORMATION

Manager	UOB Asset Management (Malaysia) Berhad 199101009166 (219478-X) 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 Cheah Shu Kheem Mr Thio Boon Kiat (alternate to Mr Cheah Shu Kheem) Ms Fan Lee Boey Mr Seow Voon Ping Puan Zalinah binti A Hamid Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar Ms Lim Suet Ling (Executive Director & CEO)
Trustee	TMF Trustees Malaysia Berhad 200301008392 (610812-W)
Auditor of the Fund	Ernst & Young PLT
Tax Adviser of the Fund	Deloitte Tax Services Sdn Bhd
Investment Manager of the Target Fund	UOB Asset Management Ltd
Sub-Manager of the Target Fund	Lazard Asset Management LLC

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