

United Global Growth Fund

Annual Report

for the financial year ended
31 December 2022



Right By You

United Global Growth Fund
(Constituted under a Trust Deed in the Republic of Singapore)

MANAGER

UOB Asset Management Ltd

Registered Address:

80 Raffles Place

UOB Plaza

Singapore 048624

Company Registration No. : 198600120Z

Tel: 1800 22 22 228

DIRECTORS OF UOB ASSET MANAGEMENT LTD

Lee Wai Fai

Peh Kian Heng

Thio Boon Kiat

Lam Sai Yoke (Appointed 1 February 2022)

Edmund Leong Kok Mun (Appointed 1 February 2022)

Eric Tham Kah Jin (Resigned 31 January 2022)

TRUSTEE

State Street Trust (SG) Limited

168 Robinson Road

#33-01, Capital Tower

Singapore 068912

CUSTODIAN / ADMINISTRATOR / REGISTRAR

State Street Bank and Trust Company, acting through its Singapore Branch

168 Robinson Road

#33-01, Capital Tower

Singapore 068912

AUDITOR

PricewaterhouseCoopers LLP

7 Straits View, Marina One

East Tower, Level 12

Singapore 018936

SUB-MANAGER

Baillie Gifford Overseas Limited

Calton Square, 1 Greenside Row

Edinburgh, EH1 3AN

United Global Growth Fund
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A) Fund Performance

Class A1 SGD Acc

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1 yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 7 April 1995 Ann Comp Ret
United Global Growth Fund	2.45	-1.75	-23.09	3.41	6.05	8.06	4.69
Benchmark	2.60	-1.43	-18.78	3.91	5.30	8.99	4.21

Source: Morningstar.

Note: The performance returns of the Fund are in Singapore Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.

The benchmark of the Fund: Apr 95 – Dec 96: DBS 50 Index; Jan 97 – Dec 97: MSCI AC Far East; Jan 98 – Present: MSCI AC World.

Class A SGD Acc (Hedged)

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1 yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 9 March 2022 Ann Comp Ret
United Global Growth Fund	8.83	0.68	N/A	N/A	N/A	N/A	-11.30
Benchmark	2.60	-1.43	N/A	N/A	N/A	N/A	-7.92

Source: Morningstar.

Note: The performance returns of the Fund are in Singapore Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.

The benchmark of the Fund: Apr 95 – Dec 96: DBS 50 Index; Jan 97 – Dec 97: MSCI AC Far East; Jan 98 – Present: MSCI AC World.

For the year ended 31 December 2022, the net asset value of Class A1 SGD Acc of the Fund **decreased by 23.09%** against -18.78% for the benchmark MSCI All Country World Index in Singapore Dollar terms.

The Fund's underperformance was attributed to security selection. Weak selection in **Communication Services** and **Industrials** was partially offset by strong selection in **Materials** and **Financials**. Sector allocation contributed to relative performance. The Fund's *underweights* to **Energy** and **Consumer Staples** detracted the most. This was partially offset by *underweights* to **Information Technology** and *overweight* to **Financials**, which contributed. In terms of country exposure, investments in **United States**, **United Kingdom** and **Singapore** detracted the most from the Fund's performance, while **China** contributed.

The key detractors were **Alphabet Inc - Class C**, **Amazon.com Inc**, **Meta Platforms Inc - Class A**, **Microsoft Corp** and **Tesla Inc**.

A) Fund Performance (continued)

The top positive relative contributors to returns were *Prosus NV, Alnylam Pharmaceuticals Inc, Arthur J Gallagher & Co, Moderna Inc* and *Elevance Health Inc*.

As of the end of December, the Fund had the following country asset allocation: **United States** (57.03%), **Japan** (6.40%), **Ireland** (4.62%), **Netherlands** (4.41%), **United Kingdom** (4.04%), **China** (3.08%), **Australia** (2.38%), **Hong Kong** (2.20%), others (12.59%) and cash (3.25%).

Economic and Market Review

Pronounced uncertainty and a pick-up in volatility have characterised the past 12 months, and as result, the MSCI ACWI Index declined by 18.78% (in SGD) over the period.

The process of normalisation from the COVID-19 pandemic inevitably presented challenges for investors, as behavioural changes, policy responses and the speed of reopening varied across the world. While this would be challenging to navigate in isolation, it has coincided with increasingly fraught geopolitics, a seismic shift in global monetary policy, Russian-instigated war in **Europe** and the rise of some commodities not seen since the 1970s. Any of these factors individually would be significant, but in concert they have underpinned a period of extreme dislocation and led to surging inflation and faster-than-expected rises in interest rates.

China has also been in the news in one way or another for most of the year. Until the last few weeks of the year, the narrative was almost entirely negative. We've had further bouts of regulation of the Chinese online platforms while aggressive COVID-19 lockdowns, notably in Shanghai, disrupted supply chains and eroded consumer confidence. Finally, in October, the Communist Party Congress confirmed President Xi's iron grip on the party and the government. This may have marked the nadir of negative sentiment towards **China**. Subsequently, Xi's meeting with President Biden in Bali appears to have taken some of the heat out of Sino-American relations and raises the possibility of cooperation between the **US** and **China**. Perhaps most dramatically, the recent zero-COVID protests in **China** have led to a rapid dismantling of the pre-existing policy, showing even Xi must factor popular pressure into his decision-making.

Against this uncertain backdrop, and with time horizons shortening commensurately, there has been a marked impact on the valuation of growth equities. Companies with values based on profits expected in the future have suffered the most, whereas those with more of their value derived from near-term cash flows have held up far better. In particular, energy companies and banks have experienced windfall profits harvested from rising rates and commodities.

A) Fund Performance (continued)

Outlook and Fund Strategy

This may sound somewhat counterintuitive given the backdrop of the past 12 months, but our optimism about the future remains undimmed. That sentiment is founded on the basis that all market environments present opportunities and our broad church of growth allows us to embrace ideas across a range of different industries and growth types.

Around 20% of the Fund is invested in what can broadly be defined as opportunities related to changes in healthcare. This category spans a broad spectrum of activity, from insurance providers to medical equipment manufacturers. Also included in this cohort are the biotechnology companies that are radically reshaping the future of drug discovery.

Another 20% of the Fund is invested in what we would broadly describe as 'Digital Transformation'. This is a category that captures companies physically enabling technological change (semiconductor manufacturers, for example), those that operate our new cloud computing infrastructure, eCommerce providers and online entertainment streamers.

The portfolio also retains a significant allocation to the emerging middle classes. The Asia-Pacific region now accounts for nearly 40% of world GDP and, with some exceptions, is growing faster and has lower inflation than most developed markets. The exposure here is broad-based, encompassing different countries and different types of economic activity. From Asian eCommerce and gaming platforms to Indian mortgage providers, the companies we hold typically benefit from rising incomes driving rising consumption levels.

The final cohort is what we might call Franchise Compounders or Brand Power businesses. They are typically well-known names with established pedigrees that facilitate a degree of pricing power. The growth on offer from such established companies may not appear spectacular compared to a rapidly scaling, early-stage technology business. However, the value of this growth, when compounded many years into the future, is often underappreciated.

As we look forward, there will undoubtedly be bumps along the way, but ultimately the drivers of growth we are investing behind remain compelling, and a scarcer capital environment will separate the best businesses from the also-rans. Great companies are made in difficult times. This is when stock picking really matters.

United Global Growth Fund

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B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 31 December 2022 under review classified by

i) Country

	Fair Value (S\$)	% of NAV
Australia	844,551	2.38
Brazil	370,134	1.04
Canada	269,682	0.76
China	1,092,766	3.08
Denmark	339,657	0.96
Germany	507,869	1.43
Hong Kong	778,599	2.20
India	492,614	1.39
Ireland	1,637,432	4.62
Japan	2,270,272	6.40
Luxembourg	73,910	0.21
Netherlands	1,564,049	4.41
Norway	357,236	1.01
Sweden	710,935	2.01
Switzerland	568,367	1.60
Taiwan	771,892	2.18
United Kingdom	1,430,962	4.04
United States	<u>20,222,957</u>	<u>57.03</u>
Portfolio of investments	<u>34,303,884</u>	<u>96.75</u>
Other net assets/(liabilities)	<u>1,153,717</u>	<u>3.25</u>
Total	<u>35,457,601</u>	<u>100.00</u>

United Global Growth Fund

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B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 31 December 2022 under review classified by (continued)

ii) Industry

	Fair Value (S\$)	% of NAV
Communication Services	2,246,962	6.34
Consumer Discretionary	6,322,886	17.83
Consumer Staples	979,883	2.76
Financials	6,346,729	17.90
Health Care	6,260,801	17.66
Industrials	3,058,076	8.63
Information Technology	5,388,436	15.20
Materials	3,128,309	8.82
Real Estate	571,802	1.61
Portfolio of investments	34,303,884	96.75
Other net assets/(liabilities)	1,153,717	3.25
Total	35,457,601	100.00

iii) Asset Class

	Fair Value (S\$)	% of NAV
Quoted equities	34,303,884	96.75
Other net assets/(liabilities)	1,153,717	3.25
Total	35,457,601	100.00

iv) Credit rating of quoted bonds

N/A

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C) Top Ten Holdings

10 largest holdings as at 31 December 2022

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
ELEVANCE HEALTH INC	1,674,581	4.72
PROSUS NV	1,333,523	3.76
MARTIN MARIETTA MATERIALS INC	1,096,044	3.09
MICROSOFT CORP	1,085,879	3.06
MOODY'S CORP	1,070,234	3.02
SERVICE CORP INTERNATIONAL	981,275	2.77
ALPHABET INC - CLASS C	898,604	2.53
BHP GROUP LTD (BHP LN)	844,551	2.38
ARTHUR J GALLAGHER & CO	843,321	2.38
AIA GROUP LTD	778,599	2.20

10 largest holdings as at 31 December 2021

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
MICROSOFT CORP	2,681,466	4.85
ALPHABET INC - CLASS C	2,200,160	3.98
AMAZON.COM INC	1,685,696	3.05
META PLATFORMS INC - CLASS A	1,249,256	2.26
UNITED GLOBAL INNOVATION FUND - CLASS A USD ACC	1,220,480	2.21
UNITEDHEALTH GROUP INC	1,028,302	1.86
JPMORGAN CHASE & CO	1,006,983	1.82
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	988,929	1.79
ELI LILLY & CO	984,216	1.78
ACCENTURE PLC - CLASS A	905,378	1.64

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D) Exposure to derivatives

The global exposure relating to derivative instruments is calculated using the commitment approach:

- (i) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (ii) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (iii) the sum of the values of cash collateral received under certain cases.

i) Fair value of derivative contracts and as a percentage of NAV as at 31 December 2022

	Contract or underlying principal amount	Positive fair value	% of NAV	Negative fair value	% of NAV
	\$	\$		\$	
Foreign currency contracts	11,236,000	327,385	0.92	67,308	0.19

ii) There was a net realised loss of SGD 347,183 on derivative contracts during the financial year ended 31 December 2022.

iii) There was a net unrealised gain of SGD 260,077 on outstanding derivative contracts marked to market as at 31 December 2022.

E) Amount and percentage of NAV invested in other schemes as at 31 December 2022

N/A

F) Amount and percentage of borrowings to NAV as at 31 December 2022

N/A

G) Amount of redemptions and subscriptions for the financial year ended 31 December 2022

Total amount of redemptions	SGD	20,293,624
Total amount of subscriptions	SGD	13,127,238

H) The amount and terms of related-party transactions for the financial year ended 31 December 2022

Please refer to Note 10 of the Notes to the Financial Statements.

I) Expense ratios

Please refer to Note 11 of the Notes to the Financial Statements.

J) Turnover ratios

Please refer to Note 11 of the Notes to the Financial Statements.

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

N/A

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

i) Top 10 holdings at fair value and as percentage of NAV as at 31 December 2022 and 31 December 2021

N/A

ii) Expense ratios for the financial year ended 31 December 2022 and 31 December 2021

N/A

iii) Turnover ratios for the financial year ended 31 December 2022 and 31 December 2021

N/A

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

M) Soft dollar commissions/arrangements

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

M) Soft dollar commissions/arrangements (continued)

Baillie Gifford Overseas Limited, the Sub-Manager, has a fiduciary duty to act in the best interests of its clients. The Sub-Manager obtains certain execution services from brokers which are permitted under regulatory guidelines. These are paid for by the Sub-Manager's clients by way of dealing commissions on equity trades. The Sub-Manager does not permit the payment for research services or any other goods or services out of client commission. Such services are paid for directly by the Sub-Manager. The Sub-Manager does not operate any research payment accounts or participate in any commission sharing arrangements with brokers.

N) Where the scheme offers pre-determined payouts, an explanation on the calculation of the actual payouts received by participants and any significant deviation from the pre-determined payouts

N/A

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REPORT OF THE TRUSTEE

The Trustee is under a duty to take into custody and hold the assets of United Global Growth Fund (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 16 to 50, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
STATE STREET TRUST (SG) LIMITED

Authorised signatory
24 March 2023

United Global Growth Fund
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STATEMENT BY THE MANAGER

In the opinion of UOB Asset Management Ltd, the accompanying financial statements set out on pages 16 to 50, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio holdings of United Global Growth Fund (the "Fund") as at 31 December 2022, and the financial performance and movements of unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
UOB ASSET MANAGEMENT LTD

THIO BOON KIAT
Authorised signatory
24 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF UNITED GLOBAL GROWTH FUND

Our Opinion

In our opinion, the accompanying financial statements of United Global Growth Fund (the "Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2022, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2022;
- the Statement of Financial Position as at 31 December 2022;
- the Statement of Movements of Unitholders' Funds for the financial year ended 31 December 2022;
- the Statement of Portfolio as at 31 December 2022; and
- the Notes to the Financial Statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's 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 audit opinion.

Independence

We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

The Fund's Manager (the "Manager") is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF UNITED GLOBAL GROWTH FUND

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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. We have nothing to report in this regard.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF UNITED GLOBAL GROWTH FUND

- 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 the 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 auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 24 March 2023

United Global Growth Fund
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENT OF TOTAL RETURN

For the financial year ended 31 December 2022

	Note	2022 \$	2021 \$
Income			
Dividends		459,494	534,178
Other income		<u>3</u>	<u>18</u>
Total		<u>459,497</u>	<u>534,196</u>
Less: Expenses			
Management fee	10	443,938	556,536
Less: Management fee rebate	10	(2,735)	(21,567)
Trustee fee	10	14,423	19,288
Audit fee		18,006	17,996
Registrar fee	10	15,000	14,979
Valuation fee	10	51,726	69,567
Custody fee	10	32,144	22,536
Transaction costs		63,886	105,603
Other expenses		<u>82,149</u>	<u>46,483</u>
Total		<u>718,537</u>	<u>831,421</u>
Net income/(losses)		<u>(259,040)</u>	<u>(297,225)</u>
Net gains/(losses) on value of investments and financial derivatives			
Net gains/(losses) on investments		(12,285,384)	11,441,609
Net gains/(losses) on financial derivatives		(87,106)	(64,548)
Net foreign exchange gains/(losses)		<u>68,380</u>	<u>62,939</u>
		<u>(12,304,110)</u>	<u>11,440,000</u>
Total return/(deficit) for the financial year before income tax			
		(12,563,150)	11,142,775
Less: Income tax	3	<u>(69,747)</u>	<u>(132,718)</u>
Total return/(deficit) for the financial year		<u>(12,632,897)</u>	<u>11,010,057</u>

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

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	2022 \$	2021 \$
Assets			
Portfolio of investments		34,303,884	54,136,188
Sales awaiting settlement		1,018	-
Receivables	4	42,910	146,048
Cash and bank balances		1,083,446	1,223,282
Financial derivatives at fair value	6	<u>327,385</u>	<u>-</u>
Total assets		<u>35,758,643</u>	<u>55,505,518</u>
Liabilities			
Payables	5	233,734	248,634
Financial derivatives at fair value	6	<u>67,308</u>	<u>-</u>
Total liabilities		<u>301,042</u>	<u>248,634</u>
Equity			
Net assets attributable to unitholders	7	<u>35,457,601</u>	<u>55,256,884</u>

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

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STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2022

	Note	2022 \$	2021 \$
Net assets attributable to unitholders at the beginning of the financial year		55,256,884	55,113,875
Operations			
Change in net assets attributable to unitholders resulting from operations		(12,632,897)	11,010,057
Unitholders' contributions/(withdrawals)			
Creation of units		13,127,238	4,039,604
Cancellation of units		(20,293,624)	(14,906,652)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(7,166,386)	(10,867,048)
Total increase/(decrease) in net assets attributable to unitholders		(19,799,283)	143,009
Net assets attributable to unitholders at the end of the financial year	7	35,457,601	55,256,884

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

United Global Growth Fund
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STATEMENT OF PORTFOLIO

As at 31 December 2022

	Holdings at 31 December 2022	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
By Geography - Primary			
Quoted equities			
AUSTRALIA			
BHP GROUP LTD (BHP LN)	20,369	844,551	2.38
BRAZIL			
B3 SA BRASIL BOLSA BALCAO	110,300	370,134	1.04
CANADA			
SHOPIFY INC - CLASS A (SHOP US)	5,793	269,682	0.76
CHINA			
ALIBABA GROUP HOLDING LTD	24,900	369,047	1.04
LI AUTO INC - CLASS A	15,644	206,458	0.58
MEITUAN - CLASS B	5,700	171,116	0.48
PING AN INSURANCE GROUP CO OF CHINA - H	39,000	<u>346,145</u>	<u>0.98</u>
TOTAL CHINA		<u>1,092,766</u>	<u>3.08</u>
DENMARK			
GENMAB A/S	600	339,657	0.96
GERMANY			
ADIDAS AG	1,059	193,210	0.54
DEUTSCHE BOERSE AG	1,362	<u>314,659</u>	<u>0.89</u>
TOTAL GERMANY		<u>507,869</u>	<u>1.43</u>

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

United Global Growth Fund
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STATEMENT OF PORTFOLIO

As at 31 December 2022

	Holdings at 31 December 2022	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
By Geography - Primary (continued)			
Quoted equities			
HONG KONG			
AIA GROUP LTD	52,200	778,599	2.20
INDIA			
HDFC BANK LTD - ADR	5,369	492,614	1.39
IRELAND			
CRH PLC	13,796	734,275	2.07
EATON CORP PLC	930	195,766	0.55
RYANAIR HOLDINGS PLC - SPONSORED ADR	7,055	<u>707,391</u>	<u>2.00</u>
TOTAL IRELAND		<u>1,637,432</u>	<u>4.62</u>
JAPAN			
CYBERAGENT INC	16,400	194,710	0.55
DENSO CORP	3,200	212,600	0.60
HOSHIZAKI CORP	2,700	127,757	0.36
OLYMPUS CORP	26,900	643,117	1.81
SHISEIDO CO LTD	7,000	460,437	1.30
SMC CORP	600	338,977	0.96
SYSMEX CORP	3,600	<u>292,674</u>	<u>0.82</u>
TOTAL JAPAN		<u>2,270,272</u>	<u>6.40</u>
LUXEMBOURG			
SPOTIFY TECHNOLOGY S.A.	698	73,910	0.21

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

United Global Growth Fund
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2022

	Holdings at 31 December 2022	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
By Geography - Primary (continued)			
Quoted equities			
NETHERLANDS			
ADYEN NV	125	230,526	0.65
PROSUS NV	14,455	<u>1,333,523</u>	<u>3.76</u>
TOTAL NETHERLANDS		<u>1,564,049</u>	<u>4.41</u>
NORWAY			
ADEVINTA ASA	15,357	137,159	0.39
SCHIBSTED ASA - CLASS A	8,714	<u>220,077</u>	<u>0.62</u>
TOTAL NORWAY		<u>357,236</u>	<u>1.01</u>
SWEDEN			
ATLAS COPCO AB - B SHARES	29,272	418,613	1.18
EPIROC AB - B	13,546	<u>292,322</u>	<u>0.83</u>
TOTAL SWEDEN		<u>710,935</u>	<u>2.01</u>
SWITZERLAND			
CIE FINANCIERE RICHEMONT SA	2,643	459,382	1.29
WIZZ AIR HOLDINGS PLC	3,547	<u>108,985</u>	<u>0.31</u>
TOTAL SWITZERLAND		<u>568,367</u>	<u>1.60</u>
TAIWAN			
SEA LTD - ADR	3,489	243,472	0.69

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	Holdings at 31 December 2022	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
By Geography - Primary (continued)			
Quoted equities			
TAIWAN (continued)			
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	27,000	<u>528,420</u>	<u>1.49</u>
TOTAL TAIWAN		<u>771,892</u>	<u>2.18</u>
UNITED KINGDOM			
FARFETCH LTD - CLASS A	17,702	112,299	0.32
PRUDENTIAL PLC	40,813	742,401	2.09
ROYALTY PHARMA PLC - CLASS A	10,872	<u>576,262</u>	<u>1.63</u>
TOTAL UNITED KINGDOM		<u>1,430,962</u>	<u>4.04</u>
UNITED STATES			
ADOBE INC	547	246,891	0.70
ALBEMARLE CORP	1,559	453,439	1.28
ALNYLAM PHARMACEUTICALS INC	2,369	755,086	2.13
ALPHABET INC - CLASS C	7,551	898,604	2.53
AMAZON.COM INC	4,661	525,112	1.48
ANALOG DEVICES INC	1,601	352,215	0.99
ARTHUR J GALLAGHER & CO	3,335	843,321	2.38
AXON ENTERPRISE INC	1,214	270,170	0.76
BOOKING HOLDINGS INC	181	489,224	1.38
BROADRIDGE FINANCIAL SOLUTIONS INC	2,149	386,595	1.09
CBRE GROUP INC	3,659	377,677	1.06
CERTARA INC	6,636	143,026	0.40
CHEGG INC	2,941	99,677	0.28
CHEWY INC - CLASS A	5,852	291,030	0.82

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	Holdings at 31 December 2022	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
By Geography - Primary (continued)			
Quoted equities			
UNITED STATES (continued)			
CLOUDFLARE INC - CLASS A	2,588	156,925	0.44
CONTRA ABIOMED INC	663	-	-
COSTAR GROUP INC	3,387	351,056	0.99
COUPANG INC	10,870	214,455	0.60
DATADOG INC - CLASS A	1,910	188,284	0.53
DOORDASH INC	2,307	151,056	0.43
ELEVANCE HEALTH INC	2,434	1,674,581	4.72
ENTEGRIS INC	1,875	164,942	0.47
ESTEE LAUDER COMPANIES INC - CLASS A	1,561	519,446	1.46
EXACT SCIENCES CORP	1,591	105,647	0.30
HOWARD HUGHES CORP	1,894	194,125	0.55
IAC INC	996	59,311	0.17
ILLUMINA INC	1,057	286,648	0.81
MARKEL CORP	213	376,375	1.06
MARTIN MARIETTA MATERIALS INC	2,418	1,096,044	3.09
MASTERCARD INC	1,651	769,986	2.17
MERCADOLIBRE INC	159	180,461	0.51
META PLATFORMS INC - CLASS A	1,439	232,255	0.65
MICROSOFT CORP	3,376	1,085,879	3.06
MODERNA INC	2,265	545,653	1.54
MOODY'S CORP	2,864	1,070,234	3.02
NETFLIX INC	474	187,464	0.53
NOVOCURE LTD	2,102	206,788	0.58
S&P GLOBAL INC	954	428,557	1.21
SERVICE CORP INTERNATIONAL	10,582	981,275	2.77
SITEONE LANDSCAPE SUPPLY INC	1,570	247,039	0.70

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United Global Growth Fund
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STATEMENT OF PORTFOLIO

As at 31 December 2022

	Holdings at 31 December 2022	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
By Geography - Primary (continued)			
Quoted equities			
UNITED STATES (continued)			
SNOWFLAKE INC - CLASS A	849	163,446	0.46
STAAR SURGICAL CO	1,639	106,702	0.30
TERADYNE INC	3,443	403,361	1.14
TESLA INC	1,656	273,586	0.77
THE CHARLES SCHWAB CORP	5,227	583,690	1.65
THE TRADE DESK INC - CLASS A	5,593	336,285	0.95
THERMO FISHER SCIENTIFIC INC	792	584,960	1.65
TWILIO INC	1,599	104,999	0.30
WAYFAIR INC - CLASS A	1,346	59,375	0.17
TOTAL UNITED STATES		20,222,957	57.03
Total Equities		34,303,884	96.75
Portfolio of investments		34,303,884	96.75
Other net assets/(liabilities)		1,153,717	3.25
Net assets attributable to unitholders		35,457,601	100.00

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

United Global Growth Fund
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STATEMENT OF PORTFOLIO

As at 31 December 2022

	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
By Geography - Primary (Summary)		
Quoted equities and unit trusts		
Australia	2.38	1.13
Brazil	1.04	-
Canada	0.76	-
China	3.08	2.82
Denmark	0.96	1.07
France	-	3.44
Germany	1.43	-
Hong Kong	2.20	1.08
India	1.39	-
Ireland	4.62	6.72
Japan	6.40	2.21
Luxembourg	0.21	1.01
Netherlands	4.41	1.35
Norway	1.01	-
Singapore	-	2.21
Spain	-	1.24
Sweden	2.01	1.04
Switzerland	1.60	2.53
Taiwan	2.18	3.16
United Kingdom	4.04	1.35
United States	57.03	65.61
Portfolio of investments	96.75	97.97
Other net assets/(liabilities)	3.25	2.03
Net assets attributable to unitholders	100.00	100.00

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

United Global Growth Fund
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2022

	Fair value at 31 December 2022 \$	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
By Industry - Secondary			
Quoted equities and unit trusts			
Communication Services	2,246,962	6.34	9.45
Consumer Discretionary	6,322,886	17.83	9.76
Consumer Staples	979,883	2.76	1.30
Financials	6,346,729	17.90	17.39
Health Care	6,260,801	17.66	14.22
Industrials	3,058,076	8.63	13.30
Information Technology	5,388,436	15.20	26.58
Materials	3,128,309	8.82	-
Real Estate	571,802	1.61	2.52
Unit Trusts	-	-	2.21
Utilities	-	-	1.24
Portfolio of investments	34,303,884	96.75	97.97
Other net assets/(liabilities)	1,153,717	3.25	2.03
Net assets attributable to unitholders	35,457,601	100.00	100.00

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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

1 General

United Global Growth Fund (the “Fund”) is a Singapore-registered trust fund constituted under a Trust Deed between UOB Asset Management Ltd (the “Manager”) and State Street Trust (SG) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore.

The investment objective of the Fund is to invest mainly in shares in global developed and emerging markets, identified by the Manager as having good prospects for growth. The Fund offers twenty-one classes of units for subscription, namely Class A1 SGD Acc, Class A RMB Acc (Hedged), Class A RMB Dist (Hedged), Class A SGD Acc (Hedged), Class A SGD Dist (Hedged), Class A USD Acc, Class A USD Dist, Class B SGD Acc (Hedged), Class B SGD Dist (Hedged), Class B USD Acc, Class B USD Dist, Class D SGD Acc (Hedged), Class D SGD Dist (Hedged), Class D USD Acc, Class D USD Dist, Class T USD Acc, Class T USD Dist, Class Z SGD Acc (Hedged), Class Z SGD Dist (Hedged), Class Z USD Acc and Class Z USD Dist.

“Acc” refers to accumulation classes which do not declare or pay distributions but accumulate investment gains and income in their net asset values (“NAV”).

“Dist” refers to distribution classes which declare and pay distributions in accordance with the applicable distribution policies of the Fund.

Hedged classes allow the Manager to adopt currency hedging strategies and use currency hedging transactions to reduce the effect of exchange rate fluctuations between the currency in which the relevant Hedged classes is denominated against the currency in which the underlying investments are denominated. The costs and expenses associated with the hedging transactions and any benefits of the hedging transactions will accrue to the hedged classes only.

Subscriptions and redemptions of the units are denominated in the Singapore Dollar, the Chinese Yuan and the United States Dollar.

As at 31 December 2022, the Fund has issued Class A1 SGD Acc and Class A SGD Acc (Hedged) units.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of financial instruments at fair value, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP7") issued by the Institute of Singapore Chartered Accountants.

(b) Recognition of income

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

(c) Investments

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

(i) Initial recognition

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

(ii) Subsequent measurement

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

(iii) Derecognition

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

(d) Basis of valuation of investments

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the financial year end date. The quoted market price used for investments held by the Fund is the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(d) Basis of valuation of investments (continued)

The fair value of investments held in the Investee Fund is the quoted net asset value of the Investee Fund as determined by the Investee Fund's administrator. Net changes in fair value of investments are included in the Statement of Total Return in the year in which they arise.

(e) Foreign currency translation

(i) Functional and presentation currency

The performance of the Fund is measured and reported to the investors in the Singapore Dollar. The Manager considers the Singapore Dollar as the currency of the primary economic environment in which the Fund operates. The financial statements are presented in the Singapore Dollar, which is the Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statement of Total Return within "Net gains/losses on investments".

(f) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(g) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(h) Cash and bank balances

Cash and bank balances comprise cash at banks which are subject to an insignificant risk of changes in value.

(i) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

(j) Management fee rebates

The management fees charged on investments in the Investee Fund managed by the Manager are rebated to the Fund.

(k) Financial derivatives

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

Financial derivatives outstanding on the financial year end date are valued at the forward rate or at the current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statement of Total Return.

(l) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account, to be paid out on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the financial year end date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

(n) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers its investments in another fund (“Investee Fund”) to be investments in unconsolidated structured entities. The Fund invests in an Investee Fund whose objective is to achieve long-term capital appreciation by investing in companies that are believed to be innovative and beneficiaries of innovation and trend. The Investee Fund is managed by related asset managers and the Investee Fund applies various investment strategies to accomplish its investment objective. The Investee Fund finances its operations by issuing redeemable shares which are puttable at the holder’s option and entitles the holder to a proportional stake in the respective fund’s net assets. The Fund holds redeemable shares in the Investee Fund.

The change in fair value of the Investee Fund is included in the Statement of Total Return within “Net gains/losses on investments”.

United Global Growth Fund
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3 Income tax

	2022	2021
	\$	\$
Singapore income tax refund	(4,453)	(5,130)
Overseas income tax	<u>74,200</u>	<u>137,848</u>
Total income tax	<u>69,747</u>	<u>132,718</u>

The Trustee of the Fund has assessed and is satisfied that the Fund has met the requisite conditions under the Designated Unit Trust (“DUT”) Scheme for the current financial year. The Trustee of the Fund will ensure that the Fund fulfills its reporting obligations under the DUT Scheme.

Under the DUT Scheme, subject to certain conditions and reporting obligations being met, certain income of the DUT Fund is not taxable in accordance with Sections 35(12) and 35(12A) of the Income Tax Act 1947. Such income includes:

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act 1947);
- (iii) dividends derived from outside Singapore and received in Singapore;
- (iv) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (v) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (vi) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

The Singapore income tax represents tax deducted at source for Singapore sourced dividends.

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3 Income tax (continued)

The Fund is required to recognise a tax liability when it is probable that the tax laws of foreign countries require a tax liability to be assessed on the Fund's gains on investments sourced from such foreign countries, assuming the relevant taxing authorities have full knowledge of all the facts and circumstances. The tax liability is then measured at the amount expected to be paid to the relevant taxation authorities using the tax laws and rates that have been enacted or substantively enacted by the end of the financial year. There is sometimes uncertainty about the way enacted tax law is applied to offshore investment funds. This creates uncertainty about whether or not a tax liability will ultimately be paid by the Fund. Therefore when measuring any uncertain tax liabilities, management considers all of the relevant facts and circumstances available at the time which could influence the likelihood of payment, including any formal or informal practices of the relevant tax authorities.

As at 31 December 2022 and 2021, the Fund has uncertain taxes exposure with respect to gains on investment of which the tax liability is estimated to be insignificant. While this represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

4 Receivables

	2022	2021
	\$	\$
Amounts receivable for creation of units	10,359	34,684
Dividends receivable	12,640	33,667
Management fee rebate receivable	-	5,484
Other receivables	19,911	72,213
	<u>42,910</u>	<u>146,048</u>

5 Payables

	2022	2021
	\$	\$
Amounts payable for cancellation of units	73,555	32,227
Amount due to the Manager	115,551	155,813
Amount due to Trustee	3,295	4,847
Tax payables	2,600	6,763
Other creditors and accrued expenses	38,733	48,984
	<u>233,734</u>	<u>248,634</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

6 Financial derivatives at fair value

Financial derivatives contracts comprise of foreign currency contracts for the sale and purchase of foreign currencies. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at the financial year end date are analysed below.

	Contract or underlying principal amount	2022	
		Positive fair value	Negative fair value
		\$	\$
Foreign currency contracts	11,236,000	327,385	67,308

There were no outstanding financial derivatives as at 31 December 2021.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

7 Units in issue

During the financial years ended 31 December 2022 and 2021, the numbers of units issued, redeemed and outstanding were as follows:

	Class A1 SGD Acc 2022	2021	Class A SGD Acc (Hedged)** 2022
Units at the beginning of the financial year	12,395,155	15,065,935	-
Units created	233,088	964,251	12,154,026
Units cancelled	(4,185,827)	(3,635,031)	(4,819,704)
Units at the end of the financial year*	8,442,416	12,395,155	7,334,322
*Included above are units denominated in USD	256,571	281,166	-
	\$	\$	\$
Net assets attributable to unitholders (SGD equivalent)	28,946,241	55,256,884	6,511,360
Net assets value per unit (SGD equivalent)	3.428	4.457	0.887

** *Curent year disclosure for Class A SGD Acc (Hedged) is covering the period from 9 March 2022 (date of inception) to 31 December 2022.*

There is no difference between the net assets attributable to unitholders per unit per financial statements and the net assets attributable to unitholders per unit for issuing/redeeming of units.

8 Financial risk management

The Fund's activities expose it to a variety of market risk (including foreign exchange risk, price risk and interest rate risk), liquidity risk and credit risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use financial futures contracts, financial options contracts and/or foreign currency contracts subject to the terms of the Trust Deed to moderate certain risk exposures. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

The Fund's assets principally consist of financial instruments such as equity investments, investments in open-ended collective investment schemes which are also managed by the Manager and cash. They are held in accordance with the published investment policies of the Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve its investment objectives.

(a) Market risk

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

(i) Foreign exchange risk

The Fund has monetary financial assets and liabilities denominated in currencies other than the Singapore Dollar and it may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Singapore Dollar and such other currencies. The Manager may at his discretion, implement a currency management strategy either to reduce currency volatility or to hedge the currency exposures of the Fund.

United Global Growth Fund
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The tables below summarise the Fund's exposure to foreign currencies at the end of the financial year.

As at 31 December 2022

	SGD	USD	EUR	GBP	CHF	Others	Total
	\$	\$	\$	\$	\$	\$	\$
Assets							
Portfolio of investments	-	22,894,352	2,071,918	2,430,212	459,382	6,448,020	34,303,884
Sales awaiting settlement	-	1,018	-	-	-	-	1,018
Receivables	30,007	3,503	-	-	-	9,400	42,910
Cash and bank balances	556,318	526,450	-	-	-	678	1,083,446
Total Assets	586,325	23,425,323	2,071,918	2,430,212	459,382	6,458,098	35,431,258
Liabilities							
Payables	222,332	9,778	-	-	-	1,624	233,734
Total Liabilities	222,332	9,778	-	-	-	1,624	233,734
Net Assets	363,993	23,415,545	2,071,918	2,430,212	459,382	6,456,474	
Foreign currency contracts (notional value)	6,576,000	(6,576,000)	-	-	-	-	
Net currency exposure	6,939,993	16,839,545	2,071,918	2,430,212	459,382	6,456,474	

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

As at 31 December 2021

	SGD	USD	EUR	GBP	CHF	Others	Total
	\$	\$	\$	\$	\$	\$	\$
Assets							
Portfolio of investments	-	40,702,586	3,334,021	1,791,707	1,398,394	6,909,480	54,136,188
Receivables	100,524	15,565	-	21,995	-	7,964	146,048
Cash and bank balances	860,016	358,959	-	854	221	3,232	1,223,282
Total Assets	960,540	41,077,110	3,334,021	1,814,556	1,398,615	6,920,676	55,505,518
Liabilities							
Payables	219,479	23,352	-	3,275	-	2,528	248,634
Total Liabilities	219,479	23,352	-	3,275	-	2,528	248,634
Net currency exposure	741,061	41,053,758	3,334,021	1,811,281	1,398,615	6,918,148	

Investments, which is the significant item in the Statement of Financial Position, is exposed to foreign exchange risk and other price risk. Other price risk sensitivity analysis includes the impact of foreign exchange risk on non-monetary investments. The Fund's net financial assets comprise significantly of non-monetary investments, hence foreign exchange risk sensitivity analysis has not been presented on the remaining financial assets, except for the following:

Currency	2022		2021	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
USD	5	302,740	4	-*

* denotes amount less than 0.1% of NAV

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk

The COVID-19 pandemic continues to evolve and develop. The situation is dynamic with various cities and countries around the world responding in different ways to address the pandemic. As a result of the COVID-19 pandemic, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility on the portfolio of the Fund. The Manager is closely monitoring the development of the COVID-19 pandemic and its related impact.

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

The table below summarises the impact of increases/decreases from the Fund's investments in equities and Investee Fund on the Fund's net assets attributable to unitholders at 31 December 2022 and 2021. The analysis is based on the assumption that the index components within the benchmark and the price of the Investee Fund increased/decreased by a reasonable possible shift, with all other variables held constant and that the prices of the Fund's investments and the Investee Fund moved according to the historical correlation with the index.

Benchmark component	2022		2021	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
MSCI AC World	20	7,114,673	20	10,054,653

(iii) Interest rate risk

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

Investment funds that invest in equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly. However, the effects of changes in interest rates in the Fund's portfolio may not be quantified as the relationship between the interest rates and the value of equity securities is indirect.

Other than cash and bank balances which are at short term market interest rates, and therefore subject to insignificant interest rate risk, the Fund's financial assets and liabilities are largely non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

Hence, no sensitivity analysis has been presented separately.

(b) Liquidity risk

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

The Fund's investments in quoted securities are considered to be readily realisable as they are quoted on established regional stock exchanges. The Fund's investments in the Investee Fund are considered to be readily realisable as the net asset value is struck daily, and units are redeemable on demand at the published price.

The Manager may from time to time employ derivatives to implement a portfolio strategy to reduce risk or for the purpose of efficient portfolio management. Market liquidity of complex derivatives are significantly less than traditional investment instruments and such positions may therefore require a longer time to reverse than would typically be expected for traditional investment instruments.

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8 Financial risk management (continued)

(b) Liquidity risk (continued)

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

	Less than 3 months \$	3 months to 1 year \$	Over 1 year \$
As at 31 December 2022			
Payables	233,734	-	-
Financial derivatives at fair value			
- Foreign currency contracts	67,308	-	-
	Less than 3 months \$	3 months to 1 year \$	Over 1 year \$
As at 31 December 2021			
Payables	248,634	-	-

The table below analyses the Fund's derivatives financial instruments in a loss position that will be settled on a gross basis into relevant maturity groups based on the remaining period at the Statement of Financial Position date to the contractual maturity date.

	Less than 3 months \$	3 months to 1 year \$	Over 1 year \$
As at 31 December 2022			
Financial derivatives at fair value			
- Foreign currency contracts			
- inflow	2,330,000	-	-
- outflow	(2,397,308)	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(c) Credit risk

The Fund takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Fund's credit risk is concentrated on cash and bank balances and amounts or securities receivable on the sale and purchase of investments respectively. In order to mitigate exposure to credit risk, all transactions in listed securities are settled/paid for upon delivery and transacted with approved counterparties using an approved list of brokers that is regularly assessed and updated by the Manager.

The table below summarises the credit rating of banks and custodians in which the Fund's assets are held as at 31 December 2022 and 2021.

The credit ratings are based on the Viability ratings published by Fitch.

Bank and custodian	Credit rating as at 31 December 2022	Credit rating as at 31 December 2021
State Street Bank and Trust Company	aa-	aa-
Counterparties of foreign currency contracts		
Australia and New Zealand Banking Group	a+	n/a*
BNP Paribas	a+	n/a*
State Street Bank and Trust Company	aa-	n/a*
Westpac Banking Corporation	a+	n/a*

* *The Fund has no exposure to the counterparties as at 31 December 2021.*

The custodian of the Investee Fund is also State Street Bank and Trust Company, with credit ratings disclosed in the table above.

The maximum exposure to credit risk at the financial year end date is the carrying amount of the portfolio of investments and cash and bank balances as presented in Statement of Financial Position.

For purposes of impairment assessment, the Fund's assets which are measured at amortised cost are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ("ECL"). The ECL for these assets as at the end of the reporting period is not significant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(d) Capital management

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

(e) Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(e) Fair value estimation (continued)

The following tables analyse within the fair value hierarchy, the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2022 and 2021:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
As at 31 December 2022				
Assets				
Portfolio of investments				
- Quoted equities	34,303,884	-	-	34,303,884
Financial derivatives at fair value	-	327,385	-	327,385
Total	<u>34,303,884</u>	<u>327,385</u>	-	<u>34,631,269</u>

Liabilities

Financial derivatives at fair value	-	67,308	-	67,308
Total	-	<u>67,308</u>	-	<u>67,308</u>

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
As at 31 December 2021				
Assets				
Portfolio of investments				
- Quoted equities	52,915,708	-	-	52,915,708
- Quoted unit trusts	1,220,480	-	-	1,220,480
Total	<u>54,136,188</u>	-	-	<u>54,136,188</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, comprise of listed equities. The Fund does not adjust the quoted price for these instruments.

Investments in open-ended investment funds whose net asset values are struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within Level 1. The quoted price for these financial instruments is not adjusted.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include over-the-counter derivatives.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(e) Fair value estimation (continued)

Except for cash and bank balances which are classified as Level 1, the Fund's assets and liabilities not measured at fair value at 31 December 2022 and 2021 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the financial year end date.

Due to the acquisition through a merger of purchaser with and into Contra Abiomed, on 21 December 2022, the company requested that the NASDAQ Global Select Market ("NASDAQ") suspend the company shares from trading effective as of the close of business and remove the company shares from listing on NASDAQ. Hence, subsequently, the stock was delisted and FV is 0.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(f) Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the Statement of Financial Position are disclosed in the first three columns of the tables below.

Financial assets	Effects of offsetting on the Statement of Financial Position			Related amounts not offset		
	Gross amounts of financial assets	Gross amounts set off in the Statement of Financial Position	Net amount of financial assets presented in the Statement of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
31 December 2022						
Derivative financial instruments	327,385	-	327,385	(67,274)	-	260,111
Total	327,385	-	327,385	(67,274)	-	260,111
31 December 2021						
Derivative financial instruments	-	-	-	-	-	-
Total	-	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8 Financial risk management (continued)

(f) Offsetting financial assets and financial liabilities (continued)

Financial liabilities	Effects of offsetting on the Statement of Financial Position			Related amounts not offset		
	Gross amounts of financial liabilities	Gross amounts set off in the Statement of Financial Position	Net amount of financial liabilities presented in the Statement of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
31 December 2022						
Derivative financial instruments	67,308	-	67,308	(67,274)	-	34
Total	67,308	-	67,308	(67,274)	-	34
31 December 2021						
Derivative financial instruments	-	-	-	-	-	-
Total	-	-	-	-	-	-

9 Structured entities

The Fund's investments in the Investee Fund are subject to the terms and conditions of the Investee Fund's offering documentation and is susceptible to market price risk arising from uncertainties about the future value of the Investee Fund. The Manager makes investment decisions after extensive due diligence of the Investee Fund, its strategy and the overall quality of the Investee Fund's manager. The Investee Fund's portfolio manager is compensated by the Investee Fund for its services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Fund's investments in the Investee Fund.

The Fund has the right to request redemption of its investments in the Investee Fund on a daily basis.

The exposure to investments in the Investee Fund at fair value is disclosed under the Statement of Portfolio. The investments are included within "Portfolio of investments" in the Statement of Financial Position.

United Global Growth Fund
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9 Structured entities (continued)

The Fund's holdings in an Investee Fund, as a percentage of the Investee Fund's total net asset value, will vary from time to time, dependent on the volume of subscriptions and redemptions at the Investee Fund level. It is possible that the Fund may, at any point in time, hold a majority of an Investee Fund's total units in issue.

The Fund's maximum exposure to loss from its interests in the Investee Fund is equal to the total fair value of its investments in the Investee Fund.

Once the Fund has disposed of its shares in the Investee Fund, the Fund ceases to be exposed to any risk from it.

10 Related party transactions

(a) The Manager and the Trustee of the Fund are UOB Asset Management Ltd and State Street Trust (SG) Limited, respectively. The Manager is a subsidiary of United Overseas Bank Limited while the Trustee is a subsidiary of State Street Bank and Trust Company.

Management fee and valuation fee are paid to the Manager for the financial year. Management fee rebates are received from the Manager in respect of Investee Fund that is managed by the Manager. Trustee fee is paid to the Trustee while registrar fee and custody fee are paid to State Street Bank and Trust Company, Singapore Branch.

These fees paid or payable by the Fund shown in the Statement of Total Return and in the respective Notes to the Financial Statements are on terms set out in the Trust Deed. All other related party transactions are shown elsewhere in the financial statements.

(b) As at the end of the financial year, the Fund maintained the following accounts with the related parties:

	2022	2021
	\$	\$
State Street Bank and Trust Company, Singapore Branch		
Cash and bank balances	1,083,446	1,223,282

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

10 Related party transactions (continued)

(c) The following transactions took place during the financial year between the Fund and related parties at terms agreed between the parties:

	2022	2021
	\$	\$
United Overseas Bank Limited		
Bank charges	9,498	11,012

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

11 Financial ratios

Current year disclosure for Class A SGD Acc (Hedged) is covering the period from 9 March 2022 (date of inception) to 31 December 2022.

	2022 \$	2021 \$
Class A1 SGD Acc		
Total operating expenses	533,108	725,818
Average daily net assets value	<u>35,137,592</u>	<u>55,633,522</u>
Expense ratio ¹	<u>1.52%</u>	<u>1.30%</u>
Class A SGD Acc (Hedged)		
Total operating expenses	121,543	-
Average daily net assets value	<u>7,385,887</u>	<u>-</u>
Expense ratio (annualised) ¹	<u>2.00%</u>	<u>-</u>
Lower of total value of purchases or sales	42,441,963	35,344,332
Average daily net assets value	<u>42,523,479</u>	<u>55,633,522</u>
Turnover ratio ²	<u>99.81%</u>	<u>63.53%</u>

¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the Fund's expense ratio at financial year end was based on total operating expenses divided by the average net assets value respectively for the financial year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net assets value is based on the daily balances.

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net assets value.

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