

United Global Select Portfolios

- United Global Innovation Fund
- United Sustainable Credit Income Fund

Annual Report

for the financial year ended
31 December 2022



Right By You

United Global Select Portfolios
(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 (UNITED GLOBAL INNOVATION FUND)

Wellington Management Singapore Pte. Ltd.

8 Marina Boulevard

#03-01, Tower 1, Marina Bay Financial Centre

Singapore 018981

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

A) Fund Performance

Class A SGD Acc

	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 6 August 2019 Ann Comp Ret
Fund Performance/ Benchmark Returns							
United Global Innovation Fund	-3.74	-4.84	-37.66	-2.16	N/A	N/A	0.06
Benchmark	2.60	-1.43	-18.78	3.91	N/A	N/A	6.39

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 reference benchmark of the Fund: MSCI All Countries World Index.

Class A SGD Acc (Hedged)

	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 6 August 2019 Ann Comp Ret
Fund Performance/ Benchmark Returns							
United Global Innovation Fund	2.79	-1.88	-37.95	-2.97	N/A	N/A	-0.21
Benchmark	2.60	-1.43	-18.78	3.91	N/A	N/A	6.39

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 reference benchmark of the Fund: MSCI All Countries World Index.

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A) Fund Performance (continued)

Class A USD Acc

	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 6 August 2019 Ann Comp Ret
Fund Performance/ Benchmark Returns							
United Global Innovation Fund	3.02	-1.25	-37.35	-2.06	N/A	N/A	0.91
Benchmark	9.76	2.28	-18.36	4.00	N/A	N/A	7.30

Source: Morningstar.

Note: The performance returns of the Fund are in United States Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.
The reference benchmark of the Fund: MSCI All Countries World Index.

For the trailing one-year period, 1 January 2022 through 31 December 2022, the net asset value (NAV) of Class A SGD Acc and Class A SGD Acc (Hedged) of the Fund **decreased by 37.66%** and **37.95%** respectively against a decrease of 18.78% for the benchmark MSCI All Countries World Index (in Singapore Dollar terms), while the net asset value (NAV) of Class A UDS Acc of the Fund **decreased by 37.35%** against a decrease of 18.36% for the benchmark MSCI All Countries World Index (in United States Dollar terms).

The Fund's underperformance was mainly attributed to weak stock selection within the **Communication Services** and **Consumer Discretionary** sectors, which was partially offset by strong selection within the **Consumer Staples** and **Utilities** sectors. Allocation effects were also negative for the period due primarily to the Fund's lack of exposure to **Energy** and an *overweight* in **Consumer Discretionary**. In terms of country exposure, investments in the **United States**, **Canada** and **China** generated most of the underperformance.

Amazon.Com Inc, **Roku Inc**, **Meta Platforms Inc - Class A**, **Match Group Inc** and **Snap Inc** were the primary detractors on a relative basis.

The top relative contributors to returns were **Eli Lilly & Co**, **UnitedHealth Group Inc**, **First Solar Inc**, not owning **Tesla**, and **AstraZeneca Plc - Sponsored ADR**.

As of the end of December, the Fund had the following country asset allocation: **United States** (79.21%), **United Kingdom** (5.68%), **Ireland** (3.75%), **Japan** (3.18%), **China** (2.50%), **Brazil** (1.09%), **Canada** (0.50%) and cash (4.09%).

A) Fund Performance (continued)

Economic and Market Review

Global equities declined in 2022 as markets were rattled by slowing global economic growth, increased inflation, rising interest rates, and COVID-19 resurgences in some countries. Equities opened the year lower as volatility spiked sharply driven by rising geopolitical instability and tighter monetary policy to address accelerating inflation. **Russia's** large-scale military attack on **Ukraine** forced over four million people to flee **Ukraine** as fighting intensified and living conditions deteriorated rapidly in many cities. **US** and NATO allies imposed severe economic sanctions on **Russia**, largely cutting off the Russian economy from global financial markets and limiting the ability of the Russian central bank to take counteractive measures. Global equities fell sharply in the second quarter, with continued elevated volatility as investors grew increasingly concerned about the economic toll of persistent geopolitical instability, soaring inflation, and constrained supply chains. Energy prices continued to rise as the ongoing crisis in **Ukraine** severely pressured oil and natural gas supplies. Global equities fell in the third quarter as risk-off sentiment was driven by higher inflation, rising interest rates, geopolitical turmoil, and growing signs of a global economic slowdown. The US Federal Reserve (Fed) hiked its target interest rate by 150 basis points over the quarter in an effort to rein in decades-high inflation. The European Central Bank ended its negative interest rate policy, raising rates by 125 bps over the quarter. Stocks rallied in the fourth quarter as Investors were encouraged by milder inflation, which provided greater scope for some major central banks to slow their pace of interest rate hikes. In contrast, market sentiment was dented by anxiety about tighter central bank policy amid weakening global economic growth and cautious corporate commentary that added to signs of recession. Chinese equities soared after investors grew bullish on **China's** economic outlook in 2023 following the government's abrupt COVID pivot that ended mass testing, lockdowns, and quarantine for international travellers.

Outlook and Fund Strategy

Our sector positioning is driven by bottom-up, stock-by-stock decisions. The Fund is *overweight* **Consumer Discretionary, Health Care, Information Technology, Communication Services** and **Real Estate**, an indication of where we currently see attractive structural growth opportunities. We invest with a long-term view, focusing on companies that are driving or benefiting from innovation and/or exposed to strong secular or structural trends.

Today, we continue to find such stocks across a wide range of themes, such as advancements in artificial intelligence and machine learning, the shift in consumer preferences from items to experiences, the electrification of cars and opportunities across the alternative-energy supply chain, as well as digital banking and the democratisation of finance.

At the end of the period, our largest *overweights* were **Health Care** and **Consumer Discretionary**. We were most *underweight* to **Financials** and **Industrials**. From a regional perspective, our largest *overweight* was **North America**, and we were most *underweight* to **Europe** and **Emerging Markets**.

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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
Brazil	123,012	1.09
Canada	56,795	0.50
China	282,666	2.50
Ireland	424,450	3.75
Japan	360,304	3.18
United Kingdom	642,323	5.68
United States	8,963,210	79.21
Portfolio of investments	10,852,760	95.91
Other net assets/(liabilities)	463,209	4.09
Total	11,315,969	100.00

ii) Industry

	Fair Value (S\$)	% of NAV
Communication Services	1,257,716	11.11
Consumer Discretionary	2,304,490	20.37
Consumer Staples	285,961	2.53
Financials	123,012	1.09
Health Care	2,622,818	23.18
Industrials	200,467	1.77
Information Technology	2,988,487	26.41
Materials	298,964	2.64
Real Estate	520,691	4.60
Unit Trusts	250,154	2.21
Portfolio of investments	10,852,760	95.91
Other net assets/(liabilities)	463,209	4.09
Total	11,315,969	100.00

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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)

iii) Asset Class

	Fair Value (S\$)	% of NAV
Quoted unit trusts	250,154	2.21
Quoted equities	10,602,606	93.70
Other net assets/(liabilities)	<u>463,209</u>	<u>4.09</u>
Total	<u>11,315,969</u>	<u>100.00</u>

iv) Credit rating of quoted bonds

N/A

C) Top Ten Holdings

10 largest holdings as at 31 December 2022

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
VISA INC - CLASS A SHARES	589,340	5.21
UNITEDHEALTH GROUP INC	572,417	5.06
AMAZON.COM INC	511,593	4.52
ELI LILLY & CO	464,659	4.11
PROLOGIS INC REIT	418,352	3.70
MASTERCARD INC	402,016	3.55
ALPHABET INC - CLASS A	391,686	3.46
CHIPOTLE MEXICAN GRILL INC	370,319	3.27
MICROSOFT CORP	342,554	3.03
CERIDIAN HCM HOLDING INC	289,002	2.55

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C) Top Ten Holdings (continued)

10 largest holdings as at 31 December 2021

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
AMAZON.COM INC	1,200,216	5.60
PROLOGIS INC	966,912	4.51
ALPHABET INC - CLASS A	843,619	3.93
CHIPOTLE MEXICAN GRILL INC	789,563	3.68
UNITEDHEALTH GROUP INC	787,982	3.68
VISA INC - CLASS A SHARES	761,071	3.55
META PLATFORMS INC - CLASS A	681,536	3.18
ELI LILLY & CO	640,132	2.99
UBER TECHNOLOGIES INC	617,229	2.88
NVIDIA CORP	581,276	2.71

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	3,955,000	142,979	1.26	2,045	0.02

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D) Exposure to derivatives (continued)

- ii) There was a net realised loss of SGD 203,632 on derivative contracts during the financial year ended 31 December 2022.
- iii) There was a net unrealised gain of SGD 140,934 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

Please refer to the Statements of Portfolio.

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	4,180,509
Total amount of subscriptions	SGD	1,510,527

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

Please refer to Note 12 of the Notes to the Financial Statements.

I) Expense ratios

Please refer to Note 13 of the Notes to the Financial Statements.

J) Turnover ratios

Please refer to Note 13 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

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- L) For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme (“the underlying scheme”)¹ should be disclosed as well**
- i) Top 10 holdings at fair value and as percentage of NAV as at 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.

Wellington Management (including the Sub-Manager, Wellington Management Singapore Pte Ltd) utilises external research from broker/dealers and independent or “third party” research firms in its investment decision-making process. Some portion of that research is bundled with trade execution services provided by broker/dealers. In other instances, broker/dealers provide Wellington Management with research from independent firms as a result of trade executions it places with them. While the commissions on those trades are paid by Wellington Management’s clients’ accounts, these commissions pay for research and execution services (“Research Services”) provided to Wellington Management. These Research Services, in turn, assist Wellington Management in its efforts to maximise investment returns in client accounts.

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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

United Sustainable Credit Income Fund
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A) Fund Performance

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 13 April 2020 Ann Comp Ret
United Sustainable Credit Income Fund	4.97	-0.11	-11.23	N/A	N/A	N/A	-3.24
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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: There is currently no appropriate benchmark for the Sub-Fund.

Class A SGD Dist (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 13 April 2020 Ann Comp Ret
United Sustainable Credit Income Fund	5.08	-0.05	-11.14	N/A	N/A	N/A	-3.08
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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: There is currently no appropriate benchmark for the Sub-Fund.

United Sustainable Credit Income Fund
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A) Fund Performance (continued)

Class A USD 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 5 August 2020 Ann Comp Ret
United Sustainable Credit Income Fund	5.02	0.00	-11.15	N/A	N/A	N/A	-4.29
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Morningstar.

Note: The performance returns of the Fund are in United States Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.
The benchmark of the Fund: There is currently no appropriate benchmark for the Sub-Fund.

Class A USD Dist

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 13 April 2020 Ann Comp Ret
United Sustainable Credit Income Fund	5.05	-0.04	-11.15	N/A	N/A	N/A	-3.11
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Morningstar.

Note: The performance returns of the Fund are in United States Dollar based on a NAV-to-NAV basis with dividends and distributions reinvested, if any.
The benchmark of the Fund: There is currently no appropriate benchmark for the Sub-Fund.

United Sustainable Credit Income Fund
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A) Fund Performance (continued)

Class B 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 1 February 2021 Ann Comp Ret
United Sustainable Credit Income Fund	5.01	0.00	-11.28	N/A	N/A	N/A	-6.61
Benchmark	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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: There is currently no appropriate benchmark for the Sub-Fund.

For the 12 months period ended 31 Dec 2022, the net asset value (NAV) of Class A SGD Acc (Hedged), Class A SGD Dist (Hedged) and Class B SGD Acc (Hedged) of the Fund **returned -11.23%, -11.14% and -11.28%** respectively in Singapore Dollar (SGD) terms; the net asset value (NAV) of Class A USD Acc and Class A USD Dist of the Fund both **returned -11.15%** in United States Dollar (USD) terms.

In Q1, the Fund reported a negative total return. The Fund started with a relatively low duration but added duration in the second half of the quarter. Therefore, total duration exposure made a large negative contribution due to the steep rise in Treasury yields. The contribution from credit excess returns was also negative over the quarter. The holdings in Brazilian banks made a positive contribution. LATAM credits showed a strong performance as the region has seen little impact from the Russia-Ukraine conflict and is a beneficiary of higher commodity prices.

In Q2, the Fund reported a negative total return as Treasury yields continued to rise during the second quarter. The widening of credit spreads also negatively impacted the portfolio's return, although the Fund did perform better in excess returns terms than global high yield and emerging credits. The largest detractors on an individual issuer level were holdings in telecom companies **Cellnex** and **Millicom** and European financials **Raiffeisen**, **Deutsche Bank AG** and automotive part producers **ZF Friedrichshafen** and **Faurecia**.

In Q3, the Fund reported a negative return as performance was negatively impacted by the strong rise in treasury yields, but the credit exposure was a positive contributor. The Fund outperformed global investment grade credit and emerging credit over the quarter but lagged the global high yield markets. Among the largest positive contributors were our holdings in **Altice**, **ZF Friedrichshafen** and **Cemex**.

United Sustainable Credit Income Fund

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A) Fund Performance (continued)

In Q4, the Fund reported positive return benefitting from decline in US treasury yields and tightening credit spreads. Bonds in the **Banking** sector did very well in the rally in the fourth quarter. Subordinated bonds of **Deutsche Bank AG** rallied as the company got a rating uplift that qualified its tier 2 bonds for investment grade indices. **Banco De Sabadell SA** reported earnings that confirmed that the bank is on track to improve its profitability. Mobile telecom company Millicom continued to report decent results and seems committed to further deleveraging. Spreads on bonds issued by French automotive parts supplier **Faurecia** tightened from very elevated levels as investors became less concerned about **Europe's** energy situation. French insurer **La Mondiale** saw a strong recovery in spreads as investors realised that the turmoil in the **UK** pension market towards the end of the third quarter would not have an impact on the broader **Insurance** sector.

Economic and Market Review

2022 was a volatile year with news flow driven by high inflation, hawkish central banks, recession fears and geopolitical developments. Inflation continues to be high and central banks have no other option than to continue tightening financial conditions. The Fed did a series of 75 bps hikes in 2022. In **Europe**, the ECB did its first ever 75 bps hike in September, on top of the 50 bps increase in July.

Europe's energy situation came under pressure. Russian gas deliveries are below 10% of 2021 volumes. The Nord Stream gas pipeline was ruptured in three separate places after explosions under the Baltic Sea. Energy prices in **Europe** continue to be high, leading to high inflation numbers like the 17% inflation number in the **Netherlands**. Some energy intensive facilities stopped producing due to high energy costs. On top of the energy situation, political risk also increased after Giorgia Meloni won the Italian elections with her Brothers of Italy party.

In the last week of September, the mini-budget in the **UK** caused a lot of market volatility with a large increase in Gilt yields and sterling weakening. The BoE had to step in to control the rise in 30-year Gilt yields as pension funds became forced sellers. This also led to a lot of volatility in bonds from insurance companies.

While most central banks are tightening, in contrast to the economic environment in the West, the People's Bank of China continues to ease lending standards to facilitate the slowing economy and property market. Nancy Pelosi's visit to **Taiwan** in August increased tensions between **China** and the **US**, pointing to potential geopolitical risks in this part of the world.

After three weak quarters, the fourth quarter was a strong quarter for credit markets. Inflation remains elevated and central banks have no option than to continue tightening financial conditions. Headline CPI numbers came down and the peak is most likely behind. This has prompted the Fed to moderate its last hike to 50 bps. However, in speeches, the Fed remained very hawkish, with the key message that rates will remain higher for longer. The ECB increased rates by 125 bps over the quarter and stated that they will reduce their balance sheets and become less active in markets. In **Europe**, this led to tightening of swap spread.

A) Fund Performance (continued)

The economic outlook has started to deteriorate. The market view has shifted quickly from a no-recession outlook in the **US** only six months ago, to a 60% probability of a recession in 2023. In **Europe**, the energy situation continues to be a drag on economic growth. Russian gas deliveries are near zero. Energy prices have come off peak levels but remain elevated. Asian markets were weak but it turned in November. This was driven by developments in **China**, where the government stepped up efforts to support economic growth and the troubled **Real Estate** sector. On top of that, the Chinese government changed its COVID policies. The lifting of lockdowns will be beneficial for economic growth.

Outlook and Fund Strategy

A hiking cycle often ends in recession with rates typically peaking before credit spreads do. We believe we are in the valley between the two peaks. Rates have started to come down and may have peaked in some markets, while inflation is now easing. Credit spreads have also rallied a lot since mid-October but could widen when markets start anticipating a recession that would hit corporate health.

The probability of a recession is rising and is increasingly becoming part of the consensus view. Once recession is fully priced in and spreads reach their peak, it would be the time to go outright long across credit classes. After the strong rally in the fourth quarter, we want to keep some dry gunpowder.

Although spreads have tightened in the fourth quarter, spreads are still relatively wide compared to historical levels.

In some areas, like **Banking** and **Insurance**, valuations continue to be very attractive. Fundamentals in these sectors are also solid. With the more uncertain economic outlook we are more cautious on cyclical sectors. This is especially the case in the high yield part of the market, where current valuations also do not provide a lot of compensation for the recession risk.

Treasury yields have been relatively unchanged over the last quarter. At current levels Treasury yields still offer downside protection in negative credit markets. This makes us even more comfortable that it is very likely that the Fund will generate solid positive total returns in the next 12 months.

United Sustainable Credit Income 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
Luxembourg	13,715,306	94.97
Portfolio of investments	13,715,306	94.97
Other net assets/(liabilities)	726,108	5.03
Total	14,441,414	100.00

ii) Industry

N/A

iii) Asset Class

	Fair Value (S\$)	% of NAV
Quoted unit trusts	13,715,306	94.97
Other net assets/(liabilities)	726,108	5.03
Total	14,441,414	100.00

iv) Credit rating of quoted bonds

N/A

C) Top Ten Holdings

10 largest holdings as at 31 December 2022

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
ROBECOSAM SDG CREDIT INCOME IBX USD	13,715,306	94.97

There was only 1 holding as at 31 December 2022.

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C) Top Ten Holdings (continued)

10 largest holdings as at 31 December 2021

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
ROBECOSAM SDG CREDIT INCOME IBX USD	20,388,961	98.77

There was only 1 holding as at 31 December 2021.

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	14,516,100	355,007	2.46	20,857	0.14

- ii) There was a net realised loss of SGD 394,110 on derivative contracts during the financial year ended 31 December 2022.
- iii) There was a net unrealised gain of SGD 334,150 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

Please refer to the Statements of Portfolio.

United Sustainable Credit Income Fund
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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	6,731,191
Total amount of subscriptions	SGD	3,038,879

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

Please refer to Note 12 of the Notes to the Financial Statements.

I) Expense ratios

Please refer to Note 13 of the Notes to the Financial Statements.

J) Turnover ratios

Please refer to Note 13 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

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

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

10 largest holdings as at 31 December 2022

	RobecoSAM SDG Credit Income IBx USD	
	Fair Value (US\$)	Percentage of total net assets attributable to unitholders %
CELANESE US HOLDINGS LLC	14,556,791	1.57
VOLKSWAGEN FINANCIAL SERVICES NV	14,185,917	1.53
STANDARD CHARTERED PLC	13,722,325	1.48
DEUTSCHE BANK AG	13,536,888	1.46
BANCO BILBAO VIZCAYA ARGENTARIA SA	12,887,859	1.39
SANTANDER UK GROUP HOLDINGS PLC	12,238,830	1.32
ROTHESAY LIFE PLC	12,238,830	1.32
BANCO COMERCIAL PORTUGUES SA	11,682,520	1.26
ATHORA NETHERLANDS NV	11,404,365	1.23
BANCO SANTANDER MEXICO SA INSTITUCION DE BANCA MULTIPLE	11,218,928	1.21

United Sustainable Credit Income Fund
(Constituted under a Trust Deed in the Republic of Singapore)

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 (continued)

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

10 largest holdings as at 31 December 2021

	RobecoSAM SDG Credit Income IBx USD	
	Fair Value (US\$)	Percentage of total net assets attributable to unitholders %
CLOVERIE PLC FOR ZURICH INSURANCE CO LTD	18,722,788	1.47
CAIXABANK SA	17,576,495	1.38
GRAPHIC PACKAGING INTERNATIONAL LLC	17,449,129	1.37
ZF FINANCE GMBH	16,812,300	1.32
BANCO DE SABADELL SA	16,812,300	1.32
CREDIT AGRICOLE ASSURANCES SA	16,557,568	1.30
INTERCONTINENTAL HOTELS GROUP PLC	16,048,104	1.26
BRASKEM NETHERLANDS FINANCE BV	15,920,738	1.25
CROWN EUROPEAN HOLDINGS SA	15,920,738	1.25
STANDARD CHARTERED PLC	15,666,007	1.23

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

RobecoSAM SDG Credit Income IBx USD

31 December 2022	0.63%
31 December 2021	0.63%

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

RobecoSAM SDG Credit Income IBx USD

31 December 2022	68.54%
31 December 2021	62.58%

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.

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

REPORT OF THE TRUSTEE

The Trustee is under a duty to take into custody and hold the assets of the sub-funds of United Global Select Portfolios, namely United Global Innovation Fund and United Sustainable Credit Income Fund (collectively referred to as the "Sub-Funds") 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 Sub-Funds during the financial year covered by these financial statements, set out on pages 28 to 89, 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 Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENT BY THE MANAGER

In the opinion of UOB Asset Management Ltd, the accompanying financial statements set out on pages 28 to 89, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and portfolio holdings of the sub-funds of United Global Select Portfolios, namely United Global Innovation Fund and United Sustainable Credit Income Fund (collectively referred to as the "Sub-Funds") 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 Sub-Funds will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager
UOB ASSET MANAGEMENT LTD

THIO BOON KIAT
Authorised signatory
23 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUNDS OF UNITED GLOBAL SELECT PORTFOLIOS

Our Opinion

In our opinion, the accompanying financial statements of the sub-funds of United Global Select Portfolios, namely United Global Innovation Fund and United Sustainable Credit Income Fund (collectively referred to as the "Sub-Funds"), 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 positions and portfolio holdings of the Sub-Funds as at 31 December 2022, and the financial performance and movements of unitholders' funds for the financial year ended 31 December 2022.

What we have audited

The financial statements of the Sub-Funds comprise:

- the Statements of Total Return for the financial year ended 31 December 2022;
- the Statements of Financial Position as at 31 December 2022;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2022;
- the Statements 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 Sub-Funds 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUNDS OF UNITED GLOBAL SELECT PORTFOLIOS

Other Information

The Sub-Funds' 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.

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 Sub-Funds' 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 Sub-Funds or to cease the Sub-Funds' operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Funds' 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUNDS OF UNITED GLOBAL SELECT PORTFOLIOS

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.
- 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 Sub-Funds' 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 Sub-Funds' 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 Sub-Funds 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUNDS OF UNITED GLOBAL SELECT PORTFOLIOS

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

STATEMENTS OF TOTAL RETURN

For the financial year ended 31 December 2022

	Note	United Global Innovation Fund		United Sustainable Credit Income Fund	
		2022	2021	2022	2021
		\$	\$	\$	\$
Income					
Dividends		74,392	112,428	704,864	657,102
Interest		614	-	607	-
Other income		-	5	-	-
Total		75,006	112,433	705,471	657,102
Less: Expenses					
Management fee	12	242,626	466,959	162,503	195,949
Less: Management fee rebate		-	-	(93,739)	(47,550)
Trustee fee	12	5,200	9,241	5,230	5,736
Audit fee		14,724	14,715	15,774	15,758
Registrar fee	12	17,442	33,354	21,265	22,496
Valuation fee	12	17,331	33,354	21,378	22,816
Administration fee	12	10,398	20,013	12,827	13,689
Custody fee	12	16,188	57,936	9,493	14,002
Transaction costs		4,587	18,430	-	-
Other expenses		125,264	38,844	41,457	38,209
Total		453,760	692,846	196,188	281,105
Net income/(losses)		(378,754)	(580,413)	509,283	375,997
Net gains/(losses) on value of investments and financial derivatives					
Net gains/(losses) on investments		(6,999,407)	2,555,789	(2,638,758)	(284,529)
Net gains/(losses) on financial derivatives		(62,698)	(155,911)	(59,960)	(174,547)
Net foreign exchange gains/(losses)		6,536	(18,711)	2,506	(17,454)
		(7,055,569)	2,381,167	(2,696,212)	(476,530)
Total return/(deficit) for the financial year before income tax		(7,434,323)	1,800,754	(2,186,929)	(100,533)
Less: Income tax	3	(17,578)	(20,306)	-	(26,478)
Total return/(deficit) for the financial year		(7,451,901)	1,780,448	(2,186,929)	(127,011)

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	United Global Innovation Fund		United Sustainable Credit Income Fund	
		2022	2021	2022	2021
		\$	\$	\$	\$
Assets					
Portfolio of investments		10,852,760	20,595,183	13,715,306	20,388,961
Receivables	6	164,802	556,360	17,549	90,975
Cash and bank balances		242,082	480,994	467,502	323,762
Financial derivatives at fair value	8	142,979	56,872	355,007	92,341
Total assets		<u>11,402,623</u>	<u>21,689,409</u>	<u>14,555,364</u>	<u>20,896,039</u>
Liabilities					
Purchases awaiting settlement		-	74,639	-	-
Payables	7	84,609	176,918	73,292	209,533
Distribution payable	5	-	-	19,801	42,914
Financial derivatives at fair value	8	2,045	-	20,857	102
Total liabilities		<u>86,654</u>	<u>251,557</u>	<u>113,950</u>	<u>252,549</u>
Equity					
Net assets attributable to unitholders	9	<u>11,315,969</u>	<u>21,437,852</u>	<u>14,441,414</u>	<u>20,643,490</u>

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2022

	Note	United Global Innovation Fund		United Sustainable Credit Income Fund	
		2022	2021	2022	2021
		\$	\$	\$	\$
Net assets attributable to unitholders at the beginning of the financial year		21,437,852	20,686,108	20,643,490	10,260,661
Operations					
Change in net assets attributable to unitholders resulting from operations		(7,451,901)	1,780,448	(2,186,929)	(127,011)
Unitholders' contributions/(withdrawals)					
Creation of units		1,510,527	23,686,664	3,038,879	23,749,724
Cancellation of units		(4,180,509)	(24,715,368)	(6,731,191)	(12,682,908)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(2,669,982)	(1,028,704)	(3,692,312)	11,066,816
Distributions	5	-	-	(322,835)	(556,976)
Total increase/(decrease) in net assets attributable to unitholders		(10,121,883)	751,744	(6,202,076)	10,382,829
Net assets attributable to unitholders at the end of the financial year	9	11,315,969	21,437,852	14,441,414	20,643,490

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

United Global Innovation Fund

	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 unit trusts			
UNITED STATES			
VANGUARD TOTAL WORLD STOCK ETF	2,164	250,154	2.21
Quoted equities			
BRAZIL			
XP INC - CLASS A	5,979	123,012	1.09
CANADA			
SHOPIFY INC - CLASS A (SHOP US)	1,220	56,795	0.50
CHINA			
ANTA SPORTS PRODUCTS LTD	11,000	193,371	1.71
SG MICRO CORP	1,757	58,508	0.52
WILL SEMICONDUCTOR CO LTD	2,070	<u>30,787</u>	<u>0.27</u>
TOTAL CHINA		<u>282,666</u>	<u>2.50</u>
IRELAND			
ICON PLC	796	207,380	1.83
SMURFIT KAPPA GROUP PLC	4,388	<u>217,070</u>	<u>1.92</u>
TOTAL IRELAND		<u>424,450</u>	<u>3.75</u>
JAPAN			
DAIICHI SANKYO CO LTD	3,900	168,482	1.49

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

United Global Innovation Fund

	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			
JAPAN (continued)			
KEYENCE CORP	367	<u>191,822</u>	<u>1.69</u>
TOTAL JAPAN		<u>360,304</u>	<u>3.18</u>
UNITED KINGDOM			
ASTRAZENECA PLC - SPONSORED ADR	2,961	269,254	2.38
GENUS PLC	4,446	214,038	1.89
TRAINLINE PLC	35,897	<u>159,031</u>	<u>1.41</u>
TOTAL UNITED KINGDOM		<u>642,323</u>	<u>5.68</u>
UNITED STATES			
AIRBNB INC - CLASS A	1,724	197,696	1.75
ALPHABET INC - CLASS A	3,310	391,686	3.46
AMAZON.COM INC	4,541	511,593	4.52
APTIV PLC	2,064	257,806	2.28
BLOCK INC	1,509	127,180	1.12
CARGURUS INC	6,293	118,247	1.04
CERIDIAN HCM HOLDING INC	3,359	289,002	2.55
CHIPOTLE MEXICAN GRILL INC	199	370,319	3.27
COGNEX CORP	1,995	126,052	1.11
COUPANG INC	7,109	140,254	1.24
DYNATRACE INC	3,491	179,326	1.58
ELI LILLY & CO	947	464,659	4.11
FIRST SOLAR INC	651	130,785	1.16
HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL INC REIT	2,633	102,339	0.90

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

United Global Innovation Fund

	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)			
HEALTH CATALYST INC	4,729	67,421	0.60
ILLUMINA INC	923	250,309	2.21
INTUITIVE SURGICAL INC	787	280,083	2.48
LIVENT CORP	3,073	81,894	0.72
MASTERCARD INC	862	402,016	3.55
MATCH GROUP INC	2,136	118,861	1.05
MERCADOLIBRE INC	103	116,903	1.03
MICROSOFT CORP	1,065	342,554	3.03
MONGODB INC	448	118,273	1.05
MONSTER BEVERAGE CORP	2,100	285,961	2.53
NETFLIX INC	491	194,187	1.72
NVIDIA CORP	1,121	219,719	1.94
PROLOGIS INC REIT	2,767	418,352	3.70
QUALTRICS INTERNATIONAL INC - CLASS A	6,588	91,716	0.81
REVOLUTION MEDICINES INC	2,121	67,760	0.60
RINGCENTRAL INC - CLASS A	729	34,612	0.31
ROBLOX CORP - CLASS A	1,250	47,713	0.42
ROKU INC	586	31,988	0.28
SEAGEN INC	354	61,015	0.54
SHAKE SHACK INC - CLASS A	1,380	76,866	0.68
SKYLINE CHAMPION CORP	2,096	144,803	1.28
SNAP INC	9,415	113,015	1.00
THE WALT DISNEY CO	2,077	242,019	2.14
UBER TECHNOLOGIES INC	6,044	200,467	1.77
UNITEDHEALTH GROUP INC	805	572,417	5.06
VISA INC - CLASS A SHARES	2,115	589,340	5.21

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

United Global Innovation Fund

	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)			
WINGSTOP INC	736	<u>135,848</u>	<u>1.20</u>
TOTAL UNITED STATES		<u>8,713,056</u>	<u>77.00</u>
Total Equities		<u>10,602,606</u>	<u>93.70</u>
Portfolio of investments		10,852,760	95.91
Other net assets/(liabilities)		<u>463,209</u>	<u>4.09</u>
Net assets attributable to unitholders		<u>11,315,969</u>	<u>100.00</u>

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

	United Global Innovation Fund	
	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		
Brazil	1.09	1.34
Canada	0.50	1.39
China	2.50	2.63
Ireland	3.75	3.27
Japan	3.18	2.12
Taiwan	-	0.45
United Kingdom	5.68	4.31
United States	79.21	80.56
Portfolio of investments	95.91	96.07
Other net assets/(liabilities)	4.09	3.93
Net assets attributable to unitholders	100.00	100.00

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

United Global Innovation Fund

	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	1,257,716	11.11	17.63
Consumer Discretionary	2,304,490	20.37	22.88
Consumer Staples	285,961	2.53	1.56
Financials	123,012	1.09	1.34
Health Care	2,622,818	23.18	16.51
Industrials	200,467	1.77	2.88
Information Technology	2,988,487	26.41	24.12
Materials	298,964	2.64	2.74
Real Estate	520,691	4.60	4.91
Unit Trusts	250,154	2.21	1.50
Portfolio of investments	10,852,760	95.91	96.07
Other net assets/(liabilities)	463,209	4.09	3.93
Net assets attributable to unitholders	11,315,969	100.00	100.00

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

	United Sustainable Credit Income Fund		
	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 unit trusts			
LUXEMBOURG			
ROBECOSAM SDG CREDIT INCOME IBX USD	118,194	<u>13,715,306</u>	<u>94.97</u>
Portfolio of investments		13,715,306	94.97
Other net assets/(liabilities)		<u>726,108</u>	<u>5.03</u>
Net assets attributable to unitholders		<u>14,441,414</u>	<u>100.00</u>

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

United Global Select Portfolios
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

	United Sustainable Credit Income Fund	
	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 unit trusts		
Luxembourg	94.97	98.77
Portfolio of investments	94.97	98.77
Other net assets/(liabilities)	5.03	1.23
Net assets attributable to unitholders	100.00	100.00

As the Sub-Fund is invested wholly into a quoted unit trust, it is not meaningful to classify the investments into industry segment.

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 Select Portfolios (the “Fund”) is a Singapore-registered umbrella 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 Fund comprises two sub-funds, namely United Global Innovation Fund and United Sustainable Credit Income Fund (collectively referred to as the “Sub-Funds” or individually referred to as the “Sub-Fund”).

The Sub-Funds’ investment objectives are stated below:

United Global Innovation Fund

The investment objective of the Sub-Fund is to achieve long-term capital appreciation by investing in companies that are believed to be innovative and beneficiaries of innovation and trend.

The following classes of units have been established within the Sub-Fund:

- Class A SGD Acc
- Class A SGD Dist
- Class A SGD Acc (Hedged)
- Class A SGD Dist (Hedged)
- Class A USD Acc
- Class A USD Dist

“Acc” refers to Accumulation classes which do not declare or pay distribution but accumulate investment gains and income in their net asset values.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

1 General (continued)

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 and the United States Dollar.

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

United Sustainable Credit Income Fund

The investment objective of the Sub-Fund is to achieve income with the prospect of capital growth from a multi-sector portfolio of fixed income instruments.

The following classes of units have been established within the Sub-Fund:

- 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 Z USD Acc
- 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.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

1 General (continued)

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 and the United States Dollar.

As at 31 December 2022, the Sub-Fund has issued Class A SGD Acc (Hedged), Class A SGD Dist (Hedged), Class A USD Acc, Class A USD Dist and Class B SGD Acc (Hedged) units.

2 Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as 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 Statements of Total Return in the year in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(c) Investments (continued)

(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 Statements 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 Sub-Funds 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.

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

(e) Foreign currency translation

(i) Functional and presentation currency

The performance of the Sub-Funds 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 Sub-Funds operate. The financial statements are presented in the Singapore Dollar, which is the Sub-Funds' 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 Statements of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statements of Total Return within "Net gains/losses on investments".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(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 Statements of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(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 Robeco Institutional Asset Management B.V. are rebated to the Sub-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 Statements of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(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 Sub-Funds. 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.

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements 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 Sub-Funds 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 Sub-Funds consider their investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Sub-Funds invest in Investee Funds whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The Investee Funds are managed by unrelated asset managers and the Investee Funds apply various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their 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 Sub-Funds hold redeemable shares in each of its Investee Funds.

The changes in fair value of the Investee Funds are included in the Statements of Total Return within "Net gains/losses on investments".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

(o) Income taxes

Current income tax for current year is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Statements of Financial Position date. The Manager periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the Statements of Financial Position date.

Current and deferred income taxes are recognised as income or expenses in the Statements of Total Return, except to the extent that the tax arises from a transaction which is recognised directly in net assets attributable to unitholders.

United Global Select Portfolios
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For the financial year ended 31 December 2022

3 Income tax

	United Global Innovation Fund		United Sustainable Credit Income Fund	
	2022	2021	2022	2021
	\$	\$	\$	\$
Tax expense attributable to profit is made up of:				
- Deferred income tax (Note 4)	-	-	-	-
Under/(over) provision in prior financial year				
- Current income tax	-	-	-	(522)
- Deferred income tax (Note 4)	-	-	-	27,000
Singapore income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,478</u>
Add:				
- Overseas income tax	<u>17,578</u>	<u>20,306</u>	-	-
Total income tax	<u>17,578</u>	<u>20,306</u>	-	<u>26,478</u>

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

The Singapore income tax is levied at a flat rate of 17% on chargeable income.

United Global Innovation Fund

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3 Income tax (continued)

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.

United Global Innovation 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 Sub-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 reporting period. 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 Sub-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 Sub-Fund has uncertain tax 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.

United Sustainable Credit Income Fund

The Sub-Fund is not under DUT Scheme nor does it have the Enhanced-Tier Fund ("ETF") status.

The Manager had obtained clarification from the Inland Revenue Authority of Singapore ("IRAS") and the Sub-Fund is required to comply with the tax treatment under FRS 109 for accounting purpose.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3 Income tax (continued)

(a) Income tax expense

The tax on profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	United Sustainable Credit Income Fund	
	2022	2021
	\$	\$
Profit before tax	<u>(2,186,929)</u>	<u>(100,533)</u>
Tax calculated at tax rate of 17%	(371,778)	(17,091)
Effects of:		
- unutilised tax losses not carried forward	371,778	17,091
- under/(over) provision of tax	-	(522)
- reversal of deferred tax	<u>-</u>	<u>27,000</u>
Tax charge	<u>-</u>	<u>26,478</u>

(b) Movements in current income tax liabilities

	United Sustainable Credit Income Fund	
	2022	2021
	\$	\$
Beginning of financial year	-	63,000
Income tax paid	-	(62,478)
Under/(over) provision in prior financial year	<u>-</u>	<u>(522)</u>
End of financial year	<u>-</u>	<u>-</u>

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For the financial year ended 31 December 2022

4 Deferred income tax

United Global Innovation Fund

The Sub-Fund does not have deferred income tax liabilities provision nor does it have income tax liabilities.

United Sustainable Credit Income Fund

	United Sustainable Credit Income Fund	
	2022	2021
	\$	\$
Beginning of financial year	-	(27,000)
Tax charged to:		
- Profit or loss	-	27,000
End of financial year	-	-

The Sub-Fund has not met the conditions for application of tax exemption and thus the income tax liabilities provision is uncertain. In the event that the Sub-Fund is able to obtain the approval from the Inland Revenue Authority of Singapore ("IRAS") for the tax exemption, the deferred income tax liabilities provision will be revised.

The movement in deferred income tax assets (prior to offsetting of balances) during the financial year is as follows:

Deferred income tax assets

	United Sustainable Credit Income Fund	
	Unrealised losses	
	2022	2021
	\$	\$
Beginning of financial year	-	(27,000)
Tax charged to:		
- Profit or loss	-	27,000
End of financial year	-	-

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5 Distributions

	United Sustainable Credit Income Fund					
	2022			2021		
	Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$
Class A SGD Dist (Hedged)						
January interim distribution on units outstanding as at 3 February 2022 (2021: 1 February 2021)	0.275	28,105	28,105	0.336	27,508	27,508
February interim distribution on units outstanding as at 1 March 2022 (2021: 1 March 2021)	0.267	25,573	25,573	0.334	34,052	34,052
March interim distribution on units outstanding as at 1 April 2022 (2021: 1 April 2021)	0.262	24,062	24,062	0.332	41,183	41,183
April interim distribution on units outstanding as at 4 May 2022 (2021: 3 May 2021)	0.253	22,967	22,967	0.333	46,691	46,691
May interim distribution on units outstanding as at 1 June 2022 (2021: 1 June 2021)	0.254	22,965	22,965	0.332	34,560	34,560
June interim distribution on units outstanding as at 1 July 2022 (2021: 1 July 2021)	0.245	22,220	22,220	0.331	34,057	34,057
July interim distribution on units outstanding as at 1 August 2022 (2021: 2 August 2021)	0.250	22,461	22,461	0.331	41,474	41,474
August interim distribution on units outstanding as at 1 September 2022 (2021: 1 September 2021)	0.247	21,535	21,535	0.330	41,117	41,117
September interim distribution on units outstanding as at 3 October 2022 (2021: 1 October 2021)	0.231	20,088	20,088	0.328	42,403	42,403
October interim distribution on units outstanding as at 1 November 2022 (2021: 1 November 2021)	0.230	19,893	19,893	0.324	38,189	38,189
November interim distribution on units outstanding as at 1 December 2022 (2021: 1 December 2021)	0.239	17,185	17,185	0.320	36,049	36,049

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5 Distributions (continued)

	United Sustainable Credit Income Fund					
	2022			2021		
Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$	
December final distribution on units outstanding as at 3 January 2023 (2021: 4 January 2022)	0.241	17,340	<u>17,340</u>	0.321	34,905	<u>34,905</u>
			<u>264,394</u>			<u>452,188</u>

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5 Distributions (continued)

	United Sustainable Credit Income Fund					
	2022			2021		
	Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$
Class A USD Dist						
January interim distribution on units outstanding as at 3 February 2022 (2021: 1 February 2021)	0.277	5,082	6,872	0.339	4,127	5,477
February interim distribution on units outstanding as at 1 March 2022 (2021: 1 March 2021)	0.270	4,944	6,712	0.338	5,699	7,578
March interim distribution on units outstanding as at 1 April 2022 (2021: 1 April 2021)	0.264	4,457	6,031	0.335	8,619	11,580
April interim distribution on units outstanding as at 4 May 2022 (2021: 3 May 2021)	0.255	4,150	5,731	0.336	8,126	10,811
May interim distribution on units outstanding as at 1 June 2022 (2021: 1 June 2021)	0.256	4,164	5,708	0.335	7,737	10,237
June interim distribution on units outstanding as at 1 July 2022 (2021: 1 July 2021)	0.247	4,022	5,598	0.334	7,140	9,598
July interim distribution on units outstanding as at 1 August 2022 (2021: 2 August 2021)	0.252	3,857	5,334	0.334	7,276	9,853
August interim distribution on units outstanding as at 1 September 2022 (2021: 1 September 2021)	0.248	3,421	4,773	0.333	7,223	9,716
September interim distribution on units outstanding as at 3 October 2022 (2021: 1 October 2021)	0.233	2,976	4,271	0.330	4,495	6,103
October interim distribution on units outstanding as at 1 November 2022 (2021: 1 November 2021)	0.232	1,745	2,470	0.327	5,887	7,938
November interim distribution on units outstanding as at 1 December 2022 (2021: 1 December 2021)	0.240	1,810	2,480	0.323	5,753	7,888

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5 Distributions (continued)

	United Sustainable Credit Income Fund					
	2022			2021		
	Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$
December final distribution on units outstanding as at 3 January 2023 (2021: 4 January 2022)	0.242	1,829	<u>2,461</u>	0.323	5,923	<u>8,009</u>
			<u>58,441</u>			<u>104,788</u>
			<u>322,835</u>			<u>556,976</u>

6 Receivables

	United Global Innovation Fund		United Sustainable Credit Income Fund	
	2022	2021	2022	2021
	\$	\$	\$	\$
Amounts receivable for creation of units	70,010	395,216	12,264	83,257
Dividends receivable	1,325	572	-	-
Management fee rebate receivable	-	-	5,285	7,718
Other receivables	<u>93,467</u>	<u>160,572</u>	<u>-</u>	<u>-</u>
	<u>164,802</u>	<u>556,360</u>	<u>17,549</u>	<u>90,975</u>

United Global Select Portfolios
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NOTES TO THE FINANCIAL STATEMENTS

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7 Payables

	United Global Innovation Fund		United Sustainable Credit Income Fund	
	2022	2021	2022	2021
	\$	\$	\$	\$
Amounts payable for cancellation of units	1	2,861	7,566	107,491
Amount due to the Manager	55,523	105,495	38,711	59,343
Amount due to Trustee	1,260	1,969	1,260	1,572
Tax payables	399	172	-	-
Other creditors and accrued expenses	27,426	66,421	25,755	41,127
	84,609	176,918	73,292	209,533

8 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.

	United Global Innovation Fund		
	2022		
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	3,955,000	142,979	2,045
		2021	
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	6,812,000	56,872	-

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For the financial year ended 31 December 2022

8 Financial derivatives at fair value (continued)

	United Sustainable Credit Income Fund 2022		
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	14,516,100	355,007	20,857
		2021	
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	17,167,100	92,341	102

United Global Select Portfolios
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NOTES TO THE FINANCIAL STATEMENTS

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9 Units in issue

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

	United Global Innovation Fund			
	Class A SGD Acc		Class A SGD Acc (Hedged)	
	2022	2021	2022	2021
Units at the beginning of the financial year	3,542,721	4,753,698	4,250,883	4,011,003
Units created	297,888	1,333,488	195,494	6,211,246
Units cancelled	(934,311)	(2,544,465)	(855,626)	(5,971,366)
Units at the end of the financial year	<u>2,906,298</u>	<u>3,542,721</u>	<u>3,590,751</u>	<u>4,250,883</u>
	\$	\$	\$	\$
Net assets attributable to unitholders (SGD equivalent)	2,916,607	5,703,625	3,570,423	6,810,480
Net assets value per unit (SGD equivalent)	1.003	1.609	0.994	1.602
Net assets attributable to unitholders (Class Currency)	2,916,607	5,703,625	3,570,423	6,810,480
Net assets value per unit (Class Currency)	1.003	1.609	0.994	1.602

United Global Select Portfolios
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For the financial year ended 31 December 2022

9 Units in issue (continued)

	United Global Innovation Fund	
	Class A USD Acc	
	2022	2021
Units at the beginning of the financial year	4,044,227	3,560,979
Units created	558,247	5,216,850
Units cancelled	(1,091,262)	(4,733,602)
Units at the end of the financial year	<u>3,511,212</u>	<u>4,044,227</u>
	\$	\$
Net assets attributable to unitholders (SGD equivalent)	4,828,939	8,923,747
Net assets value per unit (SGD equivalent)	1.375	2.206
Net assets attributable to unitholders (Class Currency)	3,600,462	6,619,254
Net assets value per unit (Class Currency)	1.025	1.636

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.

United Global Select Portfolios
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9 Units in issue (continued)

	United Sustainable Credit Income Fund			
	Class A SGD Acc (Hedged)		Class A SGD Dist (Hedged)	
	2022	2021	2022	2021
Units at the beginning of the financial year	1,068,851	1,594,391	10,882,894	6,964,953
Units created	24,163	947,953	849,567	11,879,859
Units cancelled	(151,486)	(1,473,493)	(4,526,988)	(7,961,918)
Units at the end of the financial year	941,528	1,068,851	7,205,473	10,882,894
	\$	\$	\$	\$
Net assets attributable to unitholders (SGD equivalent)	857,515	1,095,326	5,939,147	10,436,415
Net assets value per unit (SGD equivalent)	0.910	1.024	0.824	0.958
Net assets attributable to unitholders (Class Currency)	857,515	1,095,326	5,939,147	10,436,415
Net assets value per unit (Class Currency)	0.910	1.024	0.824	0.958

United Global Select Portfolios
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9 Units in issue (continued)

	United Sustainable Credit Income Fund			
	Class A USD Acc		Class A USD Dist	
	2022	2021	2022	2021
Units at the beginning of the financial year	652,904	126,595	1,833,446	1,071,656
Units created	2,184	528,141	7,739	2,462,623
Units cancelled	(116,692)	(1,832)	(1,086,786)	(1,700,833)
Units at the end of the financial year	538,396	652,904	754,399	1,833,446
	\$	\$	\$	\$
Net assets attributable to unitholders (SGD equivalent)	651,094	892,633	839,967	2,389,194
Net assets value per unit (SGD equivalent)	1.209	1.367	1.113	1.303
Net assets attributable to unitholders (Class Currency)	485,456	662,117	626,280	1,772,202
Net assets value per unit (Class Currency)	0.901	1.014	0.830	0.966

United Global Select Portfolios
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9 Units in issue (continued)

	United Sustainable Credit Income Fund	
	Class B SGD Acc (Hedged)**	
	2022	2021
Units at the beginning of the financial year	5,869,072	-
Units created	2,400,932	6,886,779
Units cancelled	(1,297,892)	<u>(1,017,707)</u>
Units at the end of the financial year	<u>6,972,112</u>	<u>5,869,072</u>
	\$	\$
Net assets attributable to unitholders (SGD equivalent)	6,153,691	5,829,922
Net assets value per unit (SGD equivalent)	0.882	0.993
Net assets attributable to unitholders (Class Currency)	6,153,691	5,829,922
Net assets value per unit (Class Currency)	0.882	0.993

** *Prior year disclosure for Class B SGD Acc (Hedged) is covering the period from 1 February 2021 (date of inception) to 31 December 2021.*

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, for the purpose of determining the accounting net asset values in the financial statements.

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9 Units in issue (continued)

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the financial year end date is prepared below:

	United Sustainable Credit Income Fund			
	Class A SGD Acc (Hedged)		Class A SGD Dist (Hedged)	
	2022	2021	2022	2021
	\$	\$	\$	\$
Net assets attributable to unitholders per financial statements per unit	0.910	1.024	0.824	0.958
Effect of distribution payable	-	-	0.002	0.004
Effect of movement in the NAV between the last dealing date and the end of the reporting period*	(0.001)	-	(0.001)	-
Effect of preliminary expenses	-	-	-	-
Net assets attributable to unitholders for issuing/redeeming per unit	0.909	1.024	0.825	0.962
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	0.909	1.024	0.825	0.962

* *The net asset value for the purpose of processing unit subscription and redemption was established in accordance with the methodology indicated in the Sub-Fund's Prospectus. This item reflects the movement in net asset value between such date and the end of the financial year.*

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9 Units in issue (continued)

	United Sustainable Credit Income Fund			
	Class A USD Acc		Class A USD Dist	
	2022	2021	2022	2021
	\$	\$	\$	\$
Net assets attributable to unitholders per financial statements per unit	1.209	1.367	1.113	1.303
Effect of distribution payable	-	-	0.003	0.004
Effect of movement in the NAV between the last dealing date and the end of the reporting period*	0.002	0.003	0.003	0.003
Effect of preliminary expenses	-	0.001	-	0.001
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.211</u>	<u>1.371</u>	<u>1.119</u>	<u>1.311</u>
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	<u>0.900</u>	<u>1.013</u>	<u>0.831</u>	<u>0.969</u>

* *The net asset value for the purpose of processing unit subscription and redemption was established in accordance with the methodology indicated in the Sub-Fund's Prospectus. This item reflects the movement in net asset value between such date and the end of the financial year.*

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9 Units in issue (continued)

	United Sustainable Credit Income Fund Class B SGD Acc (Hedged)**	
	2022	2021
	\$	\$
Net assets attributable to unitholders per financial statements per unit	0.882	0.993
Effect of distribution payable	-	-
Effect of movement in the NAV between the last dealing date and the end of the reporting period*	(0.001)	-
Effect of preliminary expenses	-	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u>0.881</u>	<u>0.993</u>
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	<u>0.881</u>	<u>0.993</u>

* *The net asset value for the purpose of processing unit subscription and redemption was established in accordance with the methodology indicated in the Sub-Fund's Prospectus. This item reflects the movement in net asset value between such date and the end of the financial year.*

** *Prior year disclosure for Class B SGD Acc (Hedged) is covering the period from 1 February 2021 (date of inception) to 31 December 2021.*

As at 31 December 2021, effect of movement in the NAV between the last dealing date and the end of the reporting period and effect of preliminary expenses for Class A SGD Acc (Hedged), Class A SGD Dist (Hedged) and Class B SGD Acc (Hedged) are less than 0.001.

10 Financial risk management

The Sub-Funds' activities expose them to a variety of market risk (including foreign exchange risk, price risk and interest rate risk), liquidity risk and credit risk. The Sub-Funds' overall risk management programme seeks to minimise potential adverse effects on the Sub-Funds' financial performance. The Sub-Funds may use financial futures contracts, financial options contracts and/or 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 Sub-Funds at any time as part of the overall financial risk management to reduce the Sub-Funds' risk exposures.

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

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10 Financial risk management (continued)

(a) Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investor's expectation etc. which may have significant impact on the value of the investments. The Sub-Funds' investments are substantially dependent on changes in market prices 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 Sub-Funds. Guidelines are set to reduce the Sub-Funds' risk exposures to market volatility such as diversifying the portfolio by investing across various geographies and industries, alternatively, the Sub-Funds may be hedged using derivative strategies.

(i) Foreign exchange risk

The Sub-Funds have 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 Sub-Funds.

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10 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The tables below summarise the Sub-Funds' exposures to foreign currencies at the end of the financial year.

United Global Innovation Fund

As at 31 December 2022

	SGD \$	HKD \$	USD \$	Others \$	Total \$
Assets					
Portfolio of investments	-	193,371	9,619,650	1,039,739	10,852,760
Receivables	93,467	-	71,335	-	164,802
Cash and bank balances	33,333	-	208,749	-	242,082
Total Assets	<u>126,800</u>	<u>193,371</u>	<u>9,899,734</u>	<u>1,039,739</u>	<u>11,259,644</u>
Liabilities					
Payables	84,210	-	399	-	84,609
Total Liabilities	<u>84,210</u>	<u>-</u>	<u>399</u>	<u>-</u>	<u>84,609</u>
Net Assets	42,590	193,371	9,899,335	1,039,739	
Foreign currency contracts (notional value)	3,535,000	-	(3,535,000)	-	
Net currency exposure	<u>3,577,590</u>	<u>193,371</u>	<u>6,364,335</u>	<u>1,039,739</u>	

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10 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Global Innovation Fund
As at 31 December 2021

	SGD \$	HKD \$	USD \$	Others \$	Total \$
Assets					
Portfolio of investments	-	350,283	18,552,380	1,692,520	20,595,183
Receivables	161,073	-	395,287	-	556,360
Cash and bank balances	<u>56,875</u>	<u>-</u>	<u>424,119</u>	<u>-</u>	<u>480,994</u>
Total Assets	<u>217,948</u>	<u>350,283</u>	<u>19,371,786</u>	<u>1,692,520</u>	<u>21,632,537</u>
Liabilities					
Purchases awaiting settlement	-	-	74,639	-	74,639
Payables	<u>176,746</u>	<u>-</u>	<u>172</u>	<u>-</u>	<u>176,918</u>
Total Liabilities	<u>176,746</u>	<u>-</u>	<u>74,811</u>	<u>-</u>	<u>251,557</u>
Net Assets	41,202	350,283	19,296,975	1,692,520	
Foreign currency contracts (notional value)	<u>6,812,000</u>	<u>-</u>	<u>(6,812,000)</u>	<u>-</u>	
Net currency exposure	<u>6,853,202</u>	<u>350,283</u>	<u>12,484,975</u>	<u>1,692,520</u>	

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10 Financial risk management (continued)

(a) Market risk (continued)

(i) *Foreign exchange risk* (continued)

United Sustainable Credit Income Fund

As at 31 December 2022

	SGD \$	USD \$	Total \$
Assets			
Portfolio of investments	-	13,715,306	13,715,306
Receivables	12,264	5,285	17,549
Cash and bank balances	119,336	348,166	467,502
Total Assets	<u>131,600</u>	<u>14,068,757</u>	<u>14,200,357</u>
Liabilities			
Payables	73,292	-	73,292
Distribution payable	17,340	2,461	19,801
Total Liabilities	<u>90,632</u>	<u>2,461</u>	<u>93,093</u>
Net Assets			
Foreign currency contracts (notional value)	12,796,100	(12,796,100)	
Net currency exposure	<u>12,837,068</u>	<u>1,270,196</u>	

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For the financial year ended 31 December 2022

10 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Sustainable Credit Income Fund

As at 31 December 2021

	SGD \$	USD \$	Total \$
Assets			
Portfolio of investments	-	20,388,961	20,388,961
Receivables	83,257	7,718	90,975
Cash and bank balances	<u>157,524</u>	<u>166,238</u>	<u>323,762</u>
Total Assets	<u>240,781</u>	<u>20,562,917</u>	<u>20,803,698</u>
Liabilities			
Payables	209,533	-	209,533
Distribution payable	<u>34,905</u>	<u>8,009</u>	<u>42,914</u>
Total Liabilities	<u>244,438</u>	<u>8,009</u>	<u>252,447</u>
Net Assets			
	(3,657)	20,554,908	
Foreign currency contracts (notional value)	<u>17,167,100</u>	<u>(17,167,100)</u>	
Net currency exposure	<u>17,163,443</u>	<u>3,387,808</u>	

Investments, which is the significant item in the Statements 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 Sub-Funds' 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:

United Global Innovation Fund

Currency	2022		2021	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
USD	5	162,766	4	242,696

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10 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Sustainable Credit Income Fund

Currency	2022		2021	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
USD	5	622,255	4	680,046

(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 Sub-Funds. 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.

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10 Financial risk management (continued)

(a) Market risk (continued)

(ii) Price risk (continued)

The table below summarises the impact of increases/decreases from the Sub-Funds' investments in equities and Investee Funds on the Sub-Funds' 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 prices of the Investee Funds increased/decreased by a reasonable possible shift, with all other variables held constant and that the prices of the Sub-Funds' investments and the Investee Funds 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 \$
United Global Innovation Fund				
MSCI All Countries World Index	20	2,514,406	20	4,655,170
United Sustainable Credit Income Fund				
1/3 Bloomberg Barclays Global Aggregate Corporate Index (Hedged into USD); 1/3 Bloomberg Barclays US Corporate High Yield + Pan Euro HY ex Financials 2.5% Issuer cap (Hedged into USD); 1/3 JPM Corporate EMBI Broad Diversified Index (Hedged into USD)	20	2,291,279	20	3,406,180

(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.

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For the financial year ended 31 December 2022

10 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

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 Sub-Funds' portfolio investments accordingly. However, the effects of changes in interest rates in the Sub-Funds' 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 Sub-Funds' financial assets and liabilities are largely non-interest bearing.

Hence, no sensitivity analysis has been presented separately.

(b) Liquidity risk

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

The Sub-Funds' investments in quoted securities are considered to be readily realisable as they are quoted on established regional stock exchanges. The Sub-Funds' investments in the Investee Funds 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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10 Financial risk management (continued)

(b) Liquidity risk (continued)

The tables below analyse the Sub-Funds' financial liabilities into relevant maturity groupings based on the remaining period at the 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.

	United Global Innovation Fund		
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 31 December 2022			
Payables	84,609	-	-
Financial derivatives at fair value			
- Foreign currency contracts	2,045	-	-
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 31 December 2021			
Purchases awaiting settlement	74,639	-	-
Payables	176,918	-	-

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10 Financial risk management (continued)

(b) Liquidity risk (continued)

	United Sustainable Credit Income Fund		
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 31 December 2022			
Payables	73,292	-	-
Distribution payable	19,801	-	-
Financial derivatives at fair value			
- Foreign currency contracts	20,857	-	-
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 31 December 2021			
Payables	209,533	-	-
Distribution payable	42,914	-	-
Financial derivatives at fair value			
- Foreign currency contracts	102	-	-

The tables below analyse the Sub-Funds' 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 Statements of Financial Position date to the contractual maturity date.

	United Global Innovation Fund		
	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	210,000	-	-
- outflow	(212,045)	-	-

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10 Financial risk management (continued)

(b) Liquidity risk (continued)

	United Sustainable Credit Income Fund		
	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	860,000	-	-
- outflow	(880,857)	-	-
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 31 December 2021			
Financial derivatives at fair value			
- Foreign currency contracts			
- inflow	204,000	-	-
- outflow	(204,102)	-	-

There are no financial derivatives in a liability position as at 31 December 2021 for United Global Innovation Fund.

(c) Credit risk

The Sub-Funds takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Sub-Funds' 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 are regularly assessed and updated by the Manager.

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10 Financial risk management (continued)

(c) Credit risk (continued)

The tables below summarise the credit rating of banks and custodians in which the Sub-Funds' assets are held as at 31 December 2022 and 2021.

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

United Global Innovation Fund

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

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

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10 Financial risk management (continued)

(c) Credit risk (continued)

United Sustainable Credit Income Fund

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

The custodian of the Investee Fund is J.P. Morgan Bank Luxembourg S.A.. As at 31 December 2022, J.P. Morgan Bank Luxembourg S.A. is rated aa- (31 December 2021: aa-) based on the Viability ratings by Fitch.

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 Statements of Financial Position.

For purposes of impairment assessment, the Sub-Funds' 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.

(d) Capital management

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

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10 Financial risk management (continued)

(e) Fair value estimation

The Sub-Funds classify 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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10 Financial risk management (continued)

(e) Fair value estimation (continued)

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

	United Global Innovation Fund			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 31 December 2022				
Assets				
Portfolio of investments				
- Quoted equities	10,602,606	-	-	10,602,606
- Quoted unit trusts	250,154	-	-	250,154
Financial derivatives at fair value	-	142,979	-	142,979
Total	<u>10,852,760</u>	<u>142,979</u>	-	<u>10,995,739</u>
Liabilities				
Financial derivatives at fair value	-	2,045	-	2,045
Total	-	<u>2,045</u>	-	<u>2,045</u>
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 31 December 2021				
Assets				
Portfolio of investments				
- Quoted equities	20,272,788	-	-	20,272,788
- Quoted unit trusts	322,395	-	-	322,395
Financial derivatives at fair value	-	56,872	-	56,872
Total	<u>20,595,183</u>	<u>56,872</u>	-	<u>20,652,055</u>

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10 Financial risk management (continued)

(e) Fair value estimation (continued)

	United Sustainable Credit Income Fund			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 31 December 2022				
Assets				
Portfolio of investments				
- Quoted unit trusts	13,715,306	-	-	13,715,306
Financial derivatives at fair value	-	355,007	-	355,007
Total	<u>13,715,306</u>	<u>355,007</u>	-	<u>14,070,313</u>
Liabilities				
Financial derivatives at fair value	-	20,857	-	20,857
Total	-	<u>20,857</u>	-	<u>20,857</u>
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 31 December 2021				
Assets				
Portfolio of investments				
- Quoted unit trusts	20,388,961	-	-	20,388,961
Financial derivatives at fair value	-	92,341	-	92,341
Total	<u>20,388,961</u>	<u>92,341</u>	-	<u>20,481,302</u>
Liabilities				
Financial derivatives at fair value	-	102	-	102
Total	-	<u>102</u>	-	<u>102</u>

Investment whose values are based on quoted market prices in active markets and therefore classified within Level 1, comprise listed equities. The Sub-Funds do not adjust the quoted price for these instruments.

Investments in open-ended investment funds whose net assets value 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.

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10 Financial risk management (continued)

(e) Fair value estimation (continued)

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.

Except for cash and bank balances which are classified as Level 1, the Sub-Funds' 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.

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10 Financial risk management (continued)

(f) Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the Statements 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 Statements of Financial Position are disclosed in the first three columns of the tables below.

United Global Innovation Fund

Financial assets	Effects of offsetting on the Statements of Financial Position			Related amounts not offset		
	Gross amounts of financial assets	Statements of Financial Position	Net amount of financial assets set off in the Statements of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
31 December 2022						
Derivative financial instruments	142,979	-	142,979	(2,045)	-	140,934
Total	142,979	-	142,979	(2,045)	-	140,934
31 December 2021						
Derivative financial instruments	56,872	-	56,872	-	-	56,872
Total	56,872	-	56,872	-	-	56,872

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For the financial year ended 31 December 2022

10 Financial risk management (continued)

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

United Global Innovation Fund

Financial liabilities	Effects of offsetting on the Statements of Financial Position			Related amounts not offset		
	Gross amounts of financial liabilities	Statements of Financial Position	Net amount of financial liabilities presented in the Statements of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
31 December 2022						
Derivative financial instruments	2,045	-	2,045	(2,045)	-	-
Total	2,045	-	2,045	(2,045)	-	-
31 December 2021						
Derivative financial instruments	-	-	-	-	-	-
Total	-	-	-	-	-	-

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For the financial year ended 31 December 2022

10 Financial risk management (continued)

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

United Sustainable Credit Income Fund

Financial assets	Effects of offsetting on the Statements of Financial Position			Related amounts not offset		
	Gross amounts of financial assets	Statements of Financial Position	Net amount of financial assets set off in the Statements of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
31 December 2022						
Derivative financial instruments	355,007	-	355,007	(20,857)	-	334,150
Total	355,007	-	355,007	(20,857)	-	334,150
31 December 2021						
Derivative financial instruments	92,341	-	92,341	(102)	-	92,239
Total	92,341	-	92,341	(102)	-	92,239

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10 Financial risk management (continued)

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

United Sustainable Credit Income Fund

Financial liabilities	Effects of offsetting on the Statements of Financial Position			Related amounts not offset		
	Gross amounts of financial liabilities	Gross amounts set off in the Statements of Financial Position	Net amount of financial liabilities presented in the Statements of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
31 December 2022						
Derivative financial instruments	20,857	-	20,857	(20,857)	-	-
Total	20,857	-	20,857	(20,857)	-	-
31 December 2021						
Derivative financial instruments	102	-	102	(102)	-	-
Total	102	-	102	(102)	-	-

11 Structured entities

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

The Sub-Funds have the right to request redemption of its investments in the Investee Funds on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

11 Structured entities (continued)

The exposure to investments in the Investee Funds at fair value is disclosed under the Statements of Portfolio. These investments are included within "Portfolio of Investments" in the Statements of Financial Position.

The Sub-Funds' 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 Sub-Funds may, at any point in time, hold a majority of an Investee Fund's total units in issue.

The Sub-Funds' maximum exposure to loss from their interests in the Investee Funds is equal to the total fair value of their investments in Investee Funds.

Once the Sub-Funds have disposed of their shares in an Investee Fund, the Sub-Funds cease to be exposed to any risk from it.

12 Related party transactions

(a) The Manager and the Trustee of the Sub-Funds 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, valuation fee and administration fee are paid to the Manager for the financial year. 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 Sub-Funds shown in the Statements of Total Return and in the respective Notes to the Financial Statements are on terms set out in the Trust Deed. All other related party transactions are shown elsewhere in the financial statements.

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12 Related party transactions (continued)

(b) As at the end of the financial year, the Sub-Funds maintained the following accounts with their related parties:

	United Global Innovation Fund		United Sustainable Credit Income Fund	
	2022	2021	2022	2021
	\$	\$	\$	\$
State Street Bank and Trust Company, Singapore Branch				
Cash and bank balances	242,082	480,994	467,502	323,762

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

	United Global Innovation Fund		United Sustainable Credit Income Fund	
	2022	2021	2022	2021
	\$	\$	\$	\$
State Street Bank and Trust Company, Singapore Branch				
Interest income	614	-	607	-
United Overseas Bank Limited				
Bank charges	2,157	5,742	3,684	4,876

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13 Financial ratios

United Sustainable Credit Income Fund

Prior year disclosure for Class B SGD Acc (Hedged) is covering the period from 1 February 2021 (date of inception) to 31 December 2021.

	United Global Innovation Fund	
	2022	2021
	\$	\$
Class A SGD Acc		
Total operating expenses	119,524	168,353
Average daily net assets value	<u>3,687,780</u>	<u>6,652,333</u>
Expense ratio ¹	<u>3.24%</u>	<u>2.53%</u>
Class A SGD Acc (Hedged)		
Total operating expenses	144,688	226,706
Average daily net assets value	<u>4,436,138</u>	<u>8,978,524</u>
Expense ratio ¹	<u>3.26%</u>	<u>2.52%</u>
Class A USD Acc		
Total operating expenses	184,961	279,357
Average daily net assets value	<u>5,670,794</u>	<u>11,039,368</u>
Expense ratio ¹	<u>3.26%</u>	<u>2.53%</u>
Lower of total value of purchases or sales	6,703,264	27,607,707
Average daily net assets value	<u>13,794,712</u>	<u>26,670,225</u>
Turnover ratio ²	<u>48.59%</u>	<u>103.52%</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 Sub-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 Sub-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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13 Financial ratios (continued)

	United Sustainable Credit Income Fund	
	2022	2021
	\$	\$
Class A SGD Acc (Hedged)		
Total operating expenses	11,320	21,065
Average daily net assets value	930,691	1,313,709
Investee Fund's expense ratio	<u>0.63%</u>	<u>0.63%</u>
Expense ratio ¹	<u>1.85%</u>	<u>2.23%</u>
Class A SGD Dist (Hedged)		
Total operating expenses	88,503	180,648
Average daily net assets value	7,752,229	11,287,637
Investee Fund's expense ratio	<u>0.63%</u>	<u>0.63%</u>
Expense ratio ¹	<u>1.77%</u>	<u>2.23%</u>
Class A USD Acc		
Total operating expenses	9,255	10,630
Average daily net assets value	747,990	653,316
Investee Fund's expense ratio	<u>0.63%</u>	<u>0.63%</u>
Expense ratio ¹	<u>1.87%</u>	<u>2.26%</u>
Class A USD Dist		
Total operating expenses	19,107	41,293
Average daily net assets value	1,724,081	2,604,873
Investee Fund's expense ratio	<u>0.63%</u>	<u>0.63%</u>
Expense ratio ¹	<u>1.74%</u>	<u>2.22%</u>
Class B SGD Acc (Hedged)		
Total operating expenses	68,003	27,469
Average daily net assets value	5,940,742	2,645,760
Investee Fund's expense ratio	<u>0.63%</u>	<u>0.63%</u>
Expense ratio (annualised) ¹	<u>1.77%</u>	<u>1.76%</u>

¹ *The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Sub-Fund's expense ratio and the weighted average of the Investee Fund's unaudited expense ratio. The unaudited expense ratio of the Investee Fund is obtained from Investee Fund's manager. The calculation of the Sub-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 Sub-Fund does not pay any performance fee. The average net assets value is based on the daily balances.*

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13 Financial ratios (continued)

	United Sustainable Credit Income Fund	
	2022	2021
	\$	\$
Lower of total value of purchases or sales [#]	4,034,897	5,819,386
Average daily net assets value	<u>17,095,733</u>	<u>18,505,295</u>
Turnover ratio ²	<u>23.60%</u>	<u>31.45%</u>

There were no purchases during the financial year ended 31 December 2022. Therefore, the total value of sales was used in the calculation of portfolio turnover ratio.

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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