

Our ref: UOBAM(M)/2023/PDMC/143

Date: 22 May 2023

Dear Valued Unit Holder,

United Global Quality Equity Fund – Change of Sub-Manager of the United Global Quality Growth Fund (“Target Fund”)

Thank you for investing in the United Global Quality Equity Fund (“Fund”).

We wish to inform you that the Target Fund will be changing its Sub-Manager, and consequent to this change, the Target Fund’s investment strategy will be amended accordingly. To clarify, there are no changes at the Fund level.

Changes at Target Fund level:

To boost capacity (to lower the Target Fund’s expense ratio for the benefit of all Unit Holders), a full review of the Target Fund was conducted by UOB Asset Management Ltd (“Target Fund Manager”), following which the Target Fund Manager has decided to make the following changes to the Target Fund:

- (i) Lazard Asset Management LLC (“Lazard” or the “Sub-Manager”) will be appointed as the new sub-manager of the Target Fund in place of Wellington Management Singapore Pte. Ltd. and Lazard Asset Management Limited will be appointed the new sub-investment manager (“LAML” or the “Sub-Investment Manager”). The Target Fund Manager decided to appoint Lazard and LAML following a rigorous due diligence process, during which they considered various factors such as group track record, experience, and capability in managing strategies similar to that of the Target Fund’s investment strategy.

Lazard and LAML are part of the asset management business of Lazard Ltd. Lazard Ltd. is a Bermuda corporation with shares that are publicly traded on the New York Stock Exchange under the symbol “LAZ”.

Lazard, domiciled in the United States of America and headquartered in New York, is the principal asset management subsidiary of Lazard Ltd. With more than 300 investment professionals and offices in 24 cities across 17 countries, Lazard offers investors an array of traditional and alternative investment solutions. Lazard Asset Management LLC is registered with the SEC pursuant to the US Investment Advisers Act of 1940 (SEC file number 801-61701).

LAML, domiciled in the United Kingdom (“UK”), is a wholly owned subsidiary of Lazard and is the London-based investment management, client servicing and marketing arm of Lazard. LAML caters to institutions, local authorities and third-party distributors in the UK, Northern Europe and the Middle East. LAML is a UK limited company authorised and regulated by the Financial Conduct Authority.

For the avoidance of doubt, the fees of the Sub-Manager and Sub-Investment Manager will not be paid out of the assets of the Target Fund.

- (ii) Consequent to the appointment of the Sub-Manager, the investment focus and approach of the Target Fund will be amended in the manner set out in Appendix 1 of this letter.

For the avoidance of doubt, there is no change to the Target Fund’s investment objective.



The above changes will be effective from 1 September 2023. In relation to that, the Sixth Supplementary Master Prospectus which reflects the changes will be made available on our website at www.uobam.com.my on 1 September 2023.

Should you have any enquiries, please do not hesitate to contact us at 03-27790011.

We look forward to your continuous support.

Thank you.

Yours sincerely,

Ms. Lim Suet Ling
Executive Director/Chief Executive Officer
UOB Asset Management (Malaysia) Berhad

This letter is computer-generated; signature is not required.



APPENDIX 1

Investment focus and approach of the Target Fund

	Before the Effective Date	From the Effective Date
Investment focus and approach	<p>The Target Fund Manager has delegated the investment management of the Target Fund's assets to the Sub-Manager.</p> <p>The Target Fund focuses on identifying market-leading companies with growing industry market share, quality balance sheets and strong management teams. These companies often have a history of successful new products, innovative ways of doing business, or having opportunities to expand globally. The Target Fund also seeks to invest in companies with positive long-term revisions, operating efficiency, and the ability to generate increasing return on capital.</p> <p>The Target Fund invests primarily in equity securities. Subject to the foregoing, the Target Fund may invest in other securities including, without limitation, exchange traded funds and equity-related securities such as depositary receipts. While the Target Fund is not constrained by market capitalisation, country, sector or industry, the companies it seeks to invest in typically have market capitalisation exceeding US\$3 billion with sufficient trading volume.</p> <p>The Target Fund's investment process first begins with screening the broad universe of securities included in global equity indices. From there, the investable universe is reduced to approximately 750 companies.</p> <p>The Target Fund then employs a bottom-up investment approach to identify companies based on a balance of metrics such as quality, growth, valuation and capital returns:</p> <ul style="list-style-type: none"> • Quality: The Target Fund looks for companies with high and improving free-cash-flow margins and the ability to generate attractive return on capital employed (ROCE). • Growth: The Target Fund seeks companies that generate high organic revenue growth as compared to global Gross Domestic Product (GDP) growth. Often, they operate in sectors/industries with improving fundamentals and benefit from improving trends relative to competitors. This improvement is often 	<p>The Target Fund Manager has delegated the investment management of the Target Fund's assets to the Sub-Manager.</p> <p>The Target Fund focuses on identifying market-leading companies ("Quality Growth Companies"), which the Sub-Investment Manager believes have the capability of sustaining high levels of financial productivity (which is assessed by return on capital measures such as return on equity or cash flow return on investment) and that are in a position to reinvest cashflows back into their business at similarly attractive rates of return.</p> <p>The Target Fund invests primarily in equity securities. Subject to the foregoing, the Target Fund may invest in other securities including, without limitation, exchange traded funds and equity-related securities such as depositary receipts. While the Target Fund is not constrained by market capitalisation, country, sector or industry, the companies it seeks to invest in typically have market capitalisation exceeding US\$3 billion with sufficient trading volume.</p> <p>The Target Fund's investment process first begins with screening the broad universe of securities.</p> <p>From there, the investable universe is reduced to a set of potential investment ideas which are filtered through a team of research analysts and through a proprietary investment tool that identifies companies with patterns of financial productivity metrics that meet the threshold levels for the Target Fund's portfolio.</p> <p>The Target Fund then employs a bottom-up investment approach and proprietary fundamental research to identify Quality Growth Companies that meet its investment focus. The Target Fund considers a range of information across databases such as company financial statements, earnings, industry analysis and academic studies along with other sources such as company suppliers, competitors or regulators. The Target Fund will also consider metrics such as quality and valuation.</p> <p>Quality: The Target Fund seeks to identify companies with the capability of sustaining high levels of financial productivity and the opportunity to reinvest in the business.</p>

	<p>reflected in positive earnings revisions that are not fully reflected in broker estimates.</p> <ul style="list-style-type: none"> Valuation: The Target Fund employs a discounted free cash flow model utilising in-house long term revenue growth estimates, normalised operating margins, and capital requirements of the business to estimate the fair value for each company. Capital return: The Target Fund looks at how companies deploy their free cash flow, favouring those with high dividend payouts and share repurchase programs. <p>Financial derivatives instruments, such as forward contracts, futures contracts, options contracts and swaps, may be used or invested in for the purposes of hedging existing positions, efficient portfolio management, or a combination of both purposes.</p> <p>In the event of extreme market conditions or severe market stress or disruptions, or if there are no suitable investment opportunities for the Target Fund at any time, up to 100% of the Target Fund's assets may be temporarily held in cash and/or placed in cash deposits and/or invested in money market instruments. A portion of the Target Fund's assets may also be retained in liquid investments or cash for liquidity purposes.</p>	<p>Valuation: The Sub-Manager incorporates the results of its fundamental analysis into a set of expectations for future financial productivity with a view to identifying companies that are trading below their intrinsic value.</p> <p>Financial derivatives instruments, such as forward contracts, futures contracts, options contracts and swaps, may be used or invested in for the purposes of hedging existing positions, efficient portfolio management, or a combination of both purposes.</p> <p>A portion of the Target Fund's assets may also be retained in liquid investments or cash for liquidity purposes.</p>
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