

United Global Technology Fund

As at 31 October 2022

Performance Update and Portfolio Review

For the month of October, the Fund MYRH class registered a return of -2.02%.

Our stock choices in internet detracted from relative returns the most. Our position in Amazon.com hampered relative performance during the period. Shares fell as the company's most recent earnings report missed expectations on revenue and operating margins, with underperformance in its Amazon Web Services (AWS) division causing some concern for investors as that business unit was meant to be a ballast for weakening consumer trends for the company. Even so, we believe the company has significant room to grow both in its retail and AWS divisions, which should help drive margins once advertising costs and fulfillment overcapacity normalize. The portfolio's position in DoorDash, a leading online food delivery service, also pulled down relative returns. A combination of ongoing investor concerns over weakening consumer demand and a challenging inflationary environment, plus potential labor classification changes that could change gig workers into employees as opposed to contractors, pressured shares during the period. We believe demand for DoorDash's service will continue in a more challenging economic landscape and post-pandemic society, creating the potential for increased digital penetration into restaurants and sustained earnings growth.

Our stock selection in industrials weighed on relative results. Shares of Tesla, the leading manufacturer of electric vehicles, fell as founder Elon Musk's ongoing effort to buy Twitter, multiple federal investigations into Tesla's autopilot technology, and an earnings miss all weighed on investor sentiment. We are constructive on Tesla's ability to leverage its advantages in manufacturing, software, and brand, and we expect it to eventually be able to move down the cost curve and unlock new parts of the market while increasing unit margins

Within software, stock selection and an overweight position hurt relative returns. Alternatively, security selection in media and entertainment contributed to relative performance. Our position in Netflix, the leading global streaming platform, also benefited relative performance as shares rose sharply after a clean earnings report came in above expectations with beats on net adds, revenue, and operating income despite a challenging macroeconomic environment. We believe these data set the company up well in advance of its ad-supported tier's pending launch and that its efforts to better monetize its user base can lead to reaccelerating growth after a challenging stretch.

An underweight position in semiconductors also modestly aided relative gains as the subsector advanced but underperformed the broader index.

Strategy Moving Forward

Within the portfolio, we maintain a bias toward companies that we believe possess intrinsic growth drivers. Our positioning in the portfolio is most concentrated in enterprise software, where forces of digital transformation showed signs of deceleration. We continue to believe the secular trends around digital transformation and cloud computing are still early in their runway, but we acknowledge that even the most resilient businesses are not immune from the broader macroeconomic environment. What gives us confidence is the strong pricing power and high gross margins that these businesses possess, which we believe should enable them to navigate the inflationary environment better than most industries in the broader economy. We don't believe that the strong negative stock

reactions we've seen in response to recent cyclical macroeconomic pressures discredit our investment theses. We continue to look for companies with positive secular and idiosyncratic stories that we believe can help offset the cyclical headwinds.

We remain underweight in the semiconductor space but are looking to become more constructive in the industry as many leading indicators we track on inventory and demand are deteriorating. Within the subsector, our positioning is centered on leading edge technology, where we expect growth through the cycle or where we have greater visibility on order books. We continue to hold meaningful positions in internet, and our holdings reflect our preference for companies most levered to offline-to-online share shift in retail spend and on premise to public cloud migration.

As we move forward, what we believe will matter most for this portfolio is the individual thesis of stocks playing out, not macro or factor bets.

Stock Commentary

Stocks	Country	Sector	Remarks
Roblox	United States	Video Gaming	<ul style="list-style-type: none"> • Roblox Corporation is a technology company that operates a human co-experience platform or Roblox Platform, where users interact with each other to explore and develop, user-generated and 3D experiences. • The Company operates the Roblox Platform as live services that allow users to play and socialize with others for free. • Shares of popular social media and gaming platform ROBLOX advanced during the period as accelerating growth in daily active users and hours engaged backed up the company's claims that trends would improve in the second half of 2022. • We find these engagements and booking trajectories very encouraging, and we remain attracted to the powerful social network effects ROBLOX utilizes in drawing in new active users and creators. • We believe this sets up a positive feedback loop and helps the platform widen its moat, expand its addressable market, and potentially deliver durable earnings.
Atlassian	United States	Collaboration and Productivity Software	<ul style="list-style-type: none"> • Atlassian Corporation is a global software company that designs, develops, licenses, and maintains software and provisions software hosting services. • Atlassian is a software company whose suite of tools, including application development platform Jira and collaboration tools Confluence and Trello, are standard for programmers worldwide.

			<ul style="list-style-type: none"> • Shares declined as ongoing investor concerns over weakening IT spend for companies in a deteriorating macroeconomic landscape continued to pull down businesses with exposure to that end market, such as Atlassian. • We believe in Atlassian’s management team and feel the company maintains a significant growth platform through its ongoing cloud conversion.
--	--	--	--

Fund Classes

Fund Classes			
MYR Class	MYR Hedged Class	USD Class	SGD Hedged Class

Important Notice and Disclaimers

This information shall not be copied, or relied upon by any person for whatever purpose. The information herein is given on a general basis without obligation and is strictly for information only.

These documents are for general information only and do not take into account your objectives, financial situations or needs. These slides are not an offer, solicitation, recommendation or advice to buy or sell any investment product, including any collective investment schemes or shares of companies mentioned within. The information contained in these slides, including any data, projections and underlying assumptions are based upon certain assumptions, management forecasts and analysis of information available and reflects prevailing conditions and our views as of the date of the document, all of which are subject to change at any time without notice.

You should be aware that investments carry risks. Please consider the fees and charges involved before investing. UOB Asset Management (Malaysia) Berhad does not guarantee any returns on the investments.

In preparing these slides, UOBAM(M) has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was otherwise reviewed by UOBAM(M). UOBAM(M) does not warrant the accuracy, adequacy, timeliness or completeness of the information herein for any particular purpose, and expressly disclaims liability for any error, inaccuracy or omission. UOBAM(M) and its employees shall not be held liable for any decision or action taken based on the views expressed or information contained within this publication. Any opinion, projection and other forward looking statement regarding future events or performance of, including but not limited to, countries, markets or companies is not necessarily indicative of, and may differ from actual events or results. Nothing in this publication constitutes accounting, legal, regulatory, tax or other advice. The information herein has no regard to the specific objectives, financial situation and particular needs of any specific person. You may wish to seek advice from a professional or an independent financial adviser about the issues discussed herein or before investing in any investment product. Should you choose not to seek such advice, you should consider carefully whether the investment or product is suitable for you or your organization.

UOB Asset Management (Malaysia) Berhad (Company No. 199101009166 (219478-X))