

United Real Estate Multi Strategy Funds

- United Global Real Estate Income Fund (formerly known as United Global Real Estate Securities Fund)
- United Asia Pacific Real Estate Income Fund

Annual Report

for the financial year ended
30 June 2019

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

MANAGER

UOB Asset Management Ltd

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AUDITOR

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SUB-MANAGER (UNITED GLOBAL REAL ESTATE INCOME FUND (FORMERLY KNOWN AS UNITED GLOBAL REAL ESTATE SECURITIES FUND))

Wellington Management Singapore Pte. Ltd.

8 Marina Boulevard

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

Singapore 018981

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

SUB-MANAGER (UNITED ASIA PACIFIC REAL ESTATE INCOME FUND)

Sumitomo Mitsui DS Asset Management Company, Limited

Atago Green Hills Mori Tower 28th Floor

2-5-1 Atago Minato-ku

Tokyo 105-6228, Japan

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

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

A) Fund Performance

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 4 May 2005 Ann Comp Ret
United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)	-0.59	11.58	5.14	0.99	2.64	5.93	1.52
Benchmark	-0.07	13.35	5.96	4.70	6.66	10.09	4.59

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: S&P Developed Property Index.

For the twelve months ended 30 June 2019, the Fund **rose 5.14%** on a net asset value basis in Singapore Dollar terms, compared to the benchmark, the S&P Developed Property Net Return Index, which increased 5.96% during the same period.

The Fund's performance reflected positive contribution from security selection within the **Real Estate** sector, in particular from holdings in the **United States**, **Australia** and **Singapore** but selection in **Japan** detracted from performance. At the security level, top contributors to performance were **Realty Income Corp**, **CapitaLand Mall Trust** and **Welltower Inc** while top detractors were **Unibail Rodamco Westfield**, **British Land Co Plc** and **Daiwa House Industry Co Ltd**.

As at 30 June 2019, the Fund was positioned 52.07% in the **United States**, 11.51% in **Japan**, 7.05% in **Hong Kong**, 5.31% in **Australia**, 3.43% in **Sweden**, 3.42% in **United Kingdom**, 3.17% in **Germany**, 13.78% in other regions and 0.26% in cash.

The Fund is sub-managed by Wellington Management Singapore Pte Ltd and the commentary that follows reflects the views of the sub-manager.

Economic and Market Review

Global equities ended first half 2019 in positive territory after recording positive gains in both quarters and rebounding from a sharp decline in Q4 2018. Equities surged to their best quarterly return since September 2009 buoyed by productive trade negotiations between the US and China, and by dovish rhetoric and policy actions from the major central banks. Equities gained in Q2 but to a lesser extent as sluggish global growth and geopolitical events weighed on investor sentiment. Trade tensions between China and the US escalated in May but eased in June after the two countries agreed to resume trade negotiations. In 2H 2018, equities declined on concerns over the prospect of tighter monetary policy in the US, US-China trade tensions, softening global economic data and geopolitical concerns relating to Brexit, negotiations on Italian fiscal deficits and unrest in France.

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

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A) Fund Performance (continued)

Global listed real estate outperformed the broader market with the S&P Developed Property Net Return Index returning 5.96% in Singapore Dollar terms compared to 5.0% for the MSCI All Country World Net Total Return Index over the review period. The asset class, which delivers regular dividend distribution and was often seen as “bond like”, strongly outperformed global equities during the Q4 equity sell-off. Even as global equities recovered in 1H 2019, the asset class performed well returning 13.4% during the 6-month period and slightly underperforming the MSCI ACWI by 2.0%. Performance for the asset class has been underpinned by jitters over the US-China trade tensions and low bond yields after major central banks have turned or remained dovish amid softening global economic data.

Outlook and Fund Strategy

We believe real estate is well positioned in the near-term. The combination of easy money, low interest rates, higher inflation and slowing but positive economic growth creates a supportive environment for the asset class. Supply, for the most part, remains in check. With increased construction costs, mostly labour related, we are starting to see a decline in start activity, a potential tailwind for asset prices. Given full occupancies and positive GDP growth, pricing power remains good, but not great. Interest rates and hence borrowing costs remain low, and with cap rates stable, investment spreads remain healthy. However, term premiums are compressed, and we are watching credit spreads closely to see if they widen, a potential risk for highly-levered property owners. The amount of dry powder in real state private equity is staggering; we estimate around \$250 billion. With lots of market participants chasing deals, we believe there is better value in public listed real estate today, where REITs generally have better operating platforms and balance sheets. As we have noted in the past, REITs tend to outperform most sectors in a late cycle economy due to higher certainty of income derived from contractual leases. REIT earnings growth looks favourable compared to the broader market as REITs are less susceptible to margin compression from expense pressures. With the recent decline in rates, REITs have gotten a favourable cost of capital back, improving their external growth prospects. Finally, we would note that despite outperforming broader equities year-to-date, on a trailing twelve-month basis the group has only recently started outperforming the MSCI All Country World Index. Consequently, given a more favourable backdrop, we still believe REITs are relatively attractive.

Our approach to real estate investing is based on a bottom-up analysis of factors affecting individual securities combined with a top-down analysis of the real estate market. We use intensive financial analysis and evaluation of individual competitive positions to identify securities with the most attractive characteristics, building a concentrated global portfolio across all real estate sub-sectors and major geographies.

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

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

B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 30 June 2019 under review classified by

i) Country

	Fair Value (S\$)	% of NAV
Australia	282,878	5.31
Belgium	70,005	1.31
Canada	55,289	1.04
China	69,583	1.30
Finland	85,635	1.61
France	34,104	0.64
Germany	168,950	3.17
Hong Kong	375,937	7.05
Ireland	65,859	1.24
Japan	613,626	11.51
Netherlands	68,768	1.29
Philippines	82,111	1.54
Spain	130,202	2.44
Sweden	182,868	3.43
Switzerland	72,832	1.37
United Kingdom	182,525	3.42
United States	2,775,886	52.07
Portfolio of investments	5,317,058	99.74
Other net assets/(liabilities)	13,673	0.26
Total	5,330,731	100.00

ii) Industry

	Fair Value (S\$)	% of NAV
Communication Services	199,785	3.75
Consumer Discretionary	276,746	5.19
Information Technology	68,768	1.29
Real Estate	4,771,759	89.51
Portfolio of investments	5,317,058	99.74
Other net assets/(liabilities)	13,673	0.26
Total	5,330,731	100.00

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

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B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 30 June 2019 under review classified by (continued)

iii) Asset Class

	Fair Value (S\$)	% of NAV
Quoted equities	5,317,058	99.74
Other net assets/(liabilities)	13,673	0.26
Total	<u>5,330,731</u>	<u>100.00</u>

iv) Credit rating of quoted bonds

N/A

C) Top Ten Holdings

10 largest holdings as at 30 June 2019

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
LINK REIT	182,876	3.43
EQUINIX INC	182,851	3.43
HCP INC	180,944	3.39
PROLOGIS INC	166,567	3.12
AMERICAN TOWER CORP	147,987	2.78
ALEXANDRIA REAL ESTATE EQUITIES INC	145,647	2.73
SIMON PROPERTY GROUP INC	142,225	2.67
GOODMAN GROUP	135,593	2.54
PUBLIC STORAGE	130,826	2.45
CELLNEX TELECOM SA	130,202	2.44

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

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

C) Top Ten Holdings (continued)

10 largest holdings as at 30 June 2018

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
SIMON PROPERTY GROUP INC	223,004	3.77
AEON REIT INVESTMENT CORP	204,356	3.46
SCENTRE GROUP	193,890	3.28
WP CAREY INC	181,479	3.07
SHAFTESBURY PLC	177,230	3.00
HOST HOTELS & RESORTS INC	174,126	2.95
RETAIL OPPORTUNITY INVESTMENTS CORP	168,870	2.86
VENTAS INC	167,960	2.84
PUBLIC STORAGE	166,107	2.81
JAPAN PRIME REALTY INVESTMENT CORP	163,506	2.77

D) Exposure to derivatives

i) Fair value of derivative contracts and as a percentage of NAV as at 30 June 2019

	Contract or underlying principal amount \$	Positive fair value \$	% of NAV	Negative fair value \$	% of NAV
Foreign currency contracts	40,466	1	-*	45	-*

* denotes amount less than 0.01%

ii) There was a net realised loss of SGD 1,379 on derivative contracts during the financial year ended 30 June 2019.

iii) There was a net unrealised loss of SGD 44 on outstanding derivative contracts marked to market as at 30 June 2019.

E) Amount and percentage of NAV invested in other schemes as at 30 June 2019

N/A

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

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F) Amount and percentage of borrowings to NAV as at 30 June 2019

N/A

G) Amount of redemptions and subscriptions for the financial year ended 30 June 2019

Total amount of redemptions	SGD	946,437
Total amount of subscriptions	SGD	322,788

H) The amount and terms of related-party transactions for the financial year ended 30 June 2019

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

I) Expense ratios

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

J) Turnover ratios

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

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

N/A

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

i) Top 10 holdings at fair value and as percentage of NAV as at 30 June 2019 and 30 June 2018

N/A

ii) Expense ratios for the financial year ended 30 June 2019 and 30 June 2018

N/A

iii) Turnover ratios for the financial year ended 30 June 2019 and 30 June 2018

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.

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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.

The Sub-Manager, Wellington Management Singapore Pte Ltd and their affiliates (collectively, the "Wellington Management group") may utilise external research provided by broker/dealers and independent, or third-party research firms in their investment decision-making process ("Research Services"). These Research Services include written research material, conversations with analysts at the research firms, meetings with corporate management and access to experts in a variety of fields, such as government officials, doctors, researchers, lawyers and scientists.

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 Asia Pacific Real Estate Income Fund
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A) Fund Performance

Class SGD Acc

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1 yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 17 June 2013 Ann Comp Ret
United Asia Pacific Real Estate Income Fund	4.83	15.64	18.16	7.79	8.60	N/A	8.40
Benchmark	5.22	16.76	19.66	8.67	10.37	N/A	10.77

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: S&P Asia Pacific REITs Index.

Class SGD 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 17 June 2013 Ann Comp Ret
United Asia Pacific Real Estate Income Fund	4.87	15.71	18.21	7.80	8.61	N/A	8.35
Benchmark	5.22	16.76	19.66	8.67	10.37	N/A	10.77

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: S&P Asia Pacific REITs Index.

United Asia Pacific Real Estate Income Fund
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A) Fund Performance (continued)

Class 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 25 November 2014 Ann Comp Ret
United Asia Pacific Real Estate Income Fund	4.92	17.17	25.51	9.50	N/A	N/A	9.01
Benchmark	5.34	17.63	20.59	8.48	N/A	N/A	9.77

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: S&P Asia Pacific REITs Index.

SGD Accumulated Class

For the year ended 30 June 2019, the Fund **rose by 18.16%**, compared with a 19.66% gain in the benchmark S&P Asia Pacific REITs Index, in Singapore Dollar terms.

SGD Distributed Class

For the year ended 30 June 2019, the Fund **rose by 18.21%**, compared with a 19.66% gain in the benchmark S&P Asia Pacific REITs Index, in Singapore Dollar terms.

USD Distributed Class

For the year ended 30 June 2019, the Fund **rose by 25.51%**, compared with a 20.59% gain in the benchmark S&P Asia Pacific REITs Index, in United States Dollar terms.

Positive stock selection in **Japan** and **Singapore** contributed positively to the performance.

Contributors to performance include **MCUBS Midcity Investment Corp (Japan)**, **CapitaLand Commercial Trust (Singapore)**, **Mirvac Group (Australia)** and **Premier Investment Corp (Japan)**. The key detractors from performance were **Unibail-Rodamco-Westfield (Australia)** and **Japan Rental Housing Investment Inc (Japan)**.

During the period under review, the Fund increased its weight to **Japan** and **Singapore** in view of attractive valuations. The Fund reduced its exposure in **Australia**.

As at 30 June 2019, the Fund was positioned 44.04% in **Japan**, 27.58% in **Australia**, 19.11% in **Singapore**, 6.85% in **Hong Kong** with the remainder (2.42%) in cash.

A) Fund Performance (continued)

Economic and Market Review

Investor concerns were largely glued to the ebb and flow of headlines surrounding the US-China trade war. Against this continuing saga, the US raised tariffs on US\$200 billion worth of Chinese imports and Chinese telecommunications giant **Huawei** found itself on a trade blacklist amid allegations of spying for the Chinese government. The 10-year US Treasury yield fell to the lowest level in nearly 20 months (during June 2019) with investors alert to prospects of a full-blown trade war. A meeting at the G-20 summit between the Presidents of both countries subsequently lifted markets and resulted in a truce following a meeting between their leaders.

Against this backdrop, most of the major economies were dragged down by weak global manufacturing data. As uncertainties of US-China trade relations weighed upon the global economy, investors turned their attention toward monetary policy. The language used by the US Federal Reserve (Fed) tilted increasingly dovish and the decision to keep interest rates on hold at its Federal Open Market Committee in June revealed the possibility of rate cuts and markets rose. Other central banks followed suit by iterating either an accommodative or neutral monetary policy stance. The Bank of Japan left monetary policy unchanged in the second quarter. Reserve Bank of Australia switched from neutral to accommodative mode and cut cash rate by 25bp to 1.25% in June 2019.

The jitters over US-China trade tensions and low bond yields have prompted investors to move into REITs for the regular dividends and relatively stable income. Asia Pacific REITs rallied during the period under the review and outperformed the broad equity market.

The best performing Asia Pacific REIT market for the period under review was **Singapore**. Leasing market condition improved against the backdrop of diminishing new supply. Retail and office REITs reported positive rental reversion. Commercial assets in Singapore were highly sought after with some transactions changed hand at low cap rates. Given limited opportunities in the home market, S-REITs continued to make acquisitions overseas.

In **Hong Kong**, office rents in prime CBD peaked as ample supply outside the Central area and wide rental gap have led to relocation while demand from mainland corporates has weakened. Nonetheless, REITs continued to rise as the sector reported positive rental reversion and distribution per unit growth. The protests and political grievances also prompted investors to seek shelter in the REITs.

During the period under review, **Japan** REITs essentially experienced tailwind thanks to solid fundamentals, especially in the office market. The office vacancy rate in Tokyo's five major wards declined to the historically lowest level and this has supported strong rental growth. Accommodating monetary policy, BOJ's J-REIT purchasing programme, as well as strong interest from foreign investors, underpinned the performance of J-REITs.

In **Australia**, the REITs rallied after the Liberal National party won the Federal Election unexpectedly in May 2019. Re-election of the Liberal government removed policy overhang in the residential sector. The sentiment in the residential sector was also boosted by Australia Prudential Regulation Authority (APRA)'s announcement to loosen the mortgage criteria. The REITs continued to rise after Reserve Bank of Australia reduced cash rate and signaled further cuts in June 2019.

A) Fund Performance (continued)

Outlook and Fund Strategy

2019 has been dominated by twists and turns in the US-China trade talks, which have had a major impact on the markets. Right now, there appears to be a trade truce post the June 2019 G20 meeting as both parties continue to resume talks after falling out in May. However, elevated tariffs remain and the overhang **Huawei** is not completely removed despite President Trump giving a reprieve to allow US companies to continue doing business with them. Despite some recent good news on the US-China trade talks, we are still doubtful if they will reach a trade resolution soon.

Moving forward, a dampened outlook on the macroeconomic front would drag down corporate growth and earnings. Continuing trade wars will raise levels of volatility. The slowdown is likely to tilt global monetary policy increasingly accommodative.

The combination of weak global economic data and declining bond yields makes the perfect investment case for REITs. REITs offer investors regular income payments from a steady rental stream earned by underlying real estate assets with lower volatility versus investing in the broad equity market. Asia Pacific REITs offer attractive headline dividend yields and yield spreads over the 10-year government bond yields. The accommodative monetary stance adopted by the Central Banks in this region means long bond yields will stay low. Historically, REITs delivered good returns in the low interest rates environment.

Favourable supply-demand dynamic supports the leasing markets in the major cities in Asia Pacific. Strong investment demand in the physical property market could lead to further cap rate compression and lift the NAV of the REITs. We focus on REITs that can deliver above average growth from rental increases as well as those active in asset acquisitions, asset enhancement or capital recycling.

We continue to favour **Japan** REITs. Bank of Japan (BoJ) is likely to maintain its accommodative monetary policy as inflation rate remains low. Japan REITs are trading on attractive dividend yield spread. We expect robust organic growth supported by the solid office market and inorganic growth from acquisitions. Further upside is expected since the REITs can grow DPU by acquiring properties that can perform better than implied cap rates.

In **Singapore**, ease in supply pressure should support cyclical upturn across the different property submarkets. Positive rental reversion will drive distribution per units (DPUs) growth. Singapore REITs are trading on attractive absolute yields. We prefer REITs that are well-positioned in the rental upcycle and have the ability to make accretive acquisitions.

In **Hong Kong**, domestic consumption and economy are set to slow down on the back of trade tension and massive protests. Although overall retail sales are likely to moderate further, retail sales of non-discretionary items should remain stable across business cycles. We like retail REITs with a portfolio of suburban malls.

We are turning more positive on **Australia** REITs. The Reserve Bank of Australia (RBA) will maintain accommodative monetary policy to boost the economy. The easing of mortgage criteria and improved sentiment post the re-election of coalition government is likely to reduce downside risk in the housing market. Rental outlook in the office and logistics markets in the key cities remained positive due to tight supply.

United Asia Pacific Real Estate Income Fund
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A) Fund Performance (continued)

The Asia Pacific REIT market still presents an attractive investment proposition from a total return perspective, with a combination of stable dividend yield supported by predictable cash flow and upside potential for capital values. REITs offer investors liquidity and pure exposure to commercial real estate, which had typically been only been available through direct investment to large, long-term institutional investors. Hence we believe Asia Pacific REITs should feature as a key investment component in investors' diversified portfolios.

United Asia Pacific Real Estate Income Fund
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B) Investments at fair value and as a percentage of net asset value (“NAV”) as at 30 June 2019 under review classified by

i) Country

	Fair Value (S\$)	% of NAV
Australia	1,941,068	27.58
Hong Kong	482,126	6.85
Japan	3,098,712	44.04
Singapore	<u>1,344,406</u>	<u>19.11</u>
Portfolio of investments	6,866,312	97.58
Other net assets/(liabilities)	<u>170,254</u>	<u>2.42</u>
Total	<u><u>7,036,566</u></u>	<u><u>100.00</u></u>

ii) Industry

	Fair Value (S\$)	% of NAV
Real Estate	<u>6,866,312</u>	<u>97.58</u>
Portfolio of investments	6,866,312	97.58
Other net assets/(liabilities)	<u>170,254</u>	<u>2.42</u>
Total	<u><u>7,036,566</u></u>	<u><u>100.00</u></u>

iii) Asset Class

	Fair Value (S\$)	% of NAV
Quoted equities	6,866,312	97.58
Other net assets/(liabilities)	<u>170,254</u>	<u>2.42</u>
Total	<u><u>7,036,566</u></u>	<u><u>100.00</u></u>

iv) Credit rating of quoted bonds

N/A

United Asia Pacific Real Estate Income Fund
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C) Top Ten Holdings

10 largest holdings as at 30 June 2019

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
LINK REIT	482,126	6.85
LASALLE LOGIPOINT REIT	328,480	4.67
GOODMAN GROUP	328,209	4.66
MCUBS MIDCITY INVESTMENT CORP	325,974	4.63
DEXUS	285,600	4.06
MITSUI FUDOSAN LOGISTICS PARK INC	280,743	3.99
ORIX JREIT INC	269,101	3.82
THE GPT GROUP	262,160	3.73
GLP J-REIT	262,151	3.73
FRASERS CENTREPOINT TRUST	252,525	3.59

10 largest holdings as at 30 June 2018

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
LINK REIT	510,549	7.17
SCENTRE GROUP	482,061	6.76
GOODMAN GROUP	358,582	5.03
NIPPON BUILDING FUND INC	322,506	4.53
ORIX JREIT INC	285,267	4.00
JAPAN RETAIL FUND INC	270,275	3.79
NIPPON REIT INC	261,203	3.67
THE GPT GROUP	254,878	3.58
DEXUS	254,334	3.57
SEKISUI HOUSE REIT INC	244,872	3.44

United Asia Pacific Real Estate Income Fund
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D) Exposure to derivatives

i) Fair value of derivative contracts and as a percentage of NAV as at 30 June 2019

	Contract or underlying principal amount	Positive fair value	% of NAV	Negative fair value	% of NAV
	\$	\$		\$	
Foreign currency contracts	38,889	-	-	84	-*

* denotes amount less than 0.01%

ii) There was a net realised loss of SGD 11,687 on derivative contracts during the financial year ended 30 June 2019.

iii) There was a net unrealised loss of SGD 84 on outstanding derivative contracts marked to market as at 30 June 2019.

E) Amount and percentage of NAV invested in other schemes as at 30 June 2019

N/A

F) Amount and percentage of borrowings to NAV as at 30 June 2019

N/A

G) Amount of redemptions and subscriptions for the financial year ended 30 June 2019

Total amount of redemptions	SGD	8,287,513
Total amount of subscriptions	SGD	7,499,973

H) The amount and terms of related-party transactions for the financial year ended 30 June 2019

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

I) Expense ratios

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

J) Turnover ratios

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

United Asia Pacific Real Estate Income Fund
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K) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A

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

i) Top 10 holdings at fair value and as percentage of NAV as at 30 June 2019 and 30 June 2018

N/A

ii) Expense ratios for the financial year ended 30 June 2019 and 30 June 2018

N/A

iii) Turnover ratios for the financial year ended 30 June 2019 and 30 June 2018

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.

The Sub-Manager (Sumitomo Mitsui DS Asset Management Company, Limited) does not receive or enter into soft-dollar commissions/arrangements in respect of the sub-management of the Sub-Fund.

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 Real Estate Multi Strategy Funds
(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 Real Estate Multi Strategy Funds, namely United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund) and United Asia Pacific Real Estate Income Fund (collectively referred to as the "Sub-Funds") in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), 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 25 to 77, 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
20 September 2019

United Real Estate Multi Strategy Funds
(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 25 to 77, 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 Real Estate Multi Strategy Funds, namely United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund) and United Asia Pacific Real Estate Income Fund (collectively referred to as the "Sub-Funds") as at 30 June 2019, 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 Unit Trusts" 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
20 September 2019

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE SUB-FUNDS OF UNITED REAL ESTATE MULTI STRATEGY FUNDS

Our Opinion

In our opinion, the accompanying financial statements of the sub-funds of United Real Estate Multi Strategy Funds, namely United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund) and United Asia Pacific Real Estate 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 Unit Trusts" 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 30 June 2019, and of the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Sub-Funds comprise:

- the Statements of Total Return for the financial year ended 30 June 2019;
- the Statements of Financial Position as at 30 June 2019;
- the Statements of Movements of Unitholders' Funds for the financial year ended 30 June 2019;
- the Statements of Portfolio as at 30 June 2019; 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 REAL ESTATE MULTI STRATEGY FUNDS

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 Unit Trusts" 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 REAL ESTATE MULTI STRATEGY FUNDS

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 REAL ESTATE MULTI STRATEGY FUNDS

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, 20 September 2019

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the financial year ended 30 June 2019

	Note	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
		2019 \$	2018 \$	2019 \$	2018 \$
Income					
Dividends		249,009	270,093	230,093	296,896
Interest		60	32	-	52
Total		<u>249,069</u>	<u>270,125</u>	<u>230,093</u>	<u>296,948</u>
Less: Expenses					
Management fee	10	72,677	80,752	89,384	101,923
Trustee fee	10	5,014	5,032	5,014	5,032
Audit fee		14,042	14,000	14,050	15,701
Registrar fee	10	15,041	15,041	15,041	15,041
Valuation fee	10	6,988	7,765	7,449	8,494
Custody fee	10	8,033	13,525	21,966	13,453
Transaction costs		16,221	26,346	34,878	25,890
Interest expenses		-	-	58	-
Other expenses		38,853	41,915	8,160	24,932
Total		<u>176,869</u>	<u>204,376</u>	<u>196,000</u>	<u>210,466</u>
Net income/(losses)		<u>72,200</u>	<u>65,749</u>	<u>34,093</u>	<u>86,482</u>
Net gains/(losses) on value of investments and financial derivatives					
Net gains/(losses) on investments		252,315	162,186	938,582	399,399
Net gains/(losses) on financial derivatives		(1,423)	(3,403)	(11,771)	(2,996)
Net foreign exchange gains/(losses)		(497)	(4,885)	(9,380)	(3,599)
		<u>250,395</u>	<u>153,898</u>	<u>917,431</u>	<u>392,804</u>
Total return/(deficit) for the year before income tax		<u>322,595</u>	<u>219,647</u>	<u>951,524</u>	<u>479,286</u>
Less: Income tax	3	(53,703)	(56,539)	(26,649)	(35,471)
Total return/(deficit) for the year		<u>268,892</u>	<u>163,108</u>	<u>924,875</u>	<u>443,815</u>

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2019

	Note	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
		2019	2018	2019	2018
		\$	\$	\$	\$
Assets					
Portfolio of investments		5,317,058	5,880,442	6,866,312	6,701,112
Sales awaiting settlement		41,001	-	38,973	408,569
Receivables	5	33,961	28,821	125,029	179,610
Cash and bank balances		133,833	121,670	450,295	422,603
Financial derivatives at fair value	7	1	6	-	-
Total assets		<u>5,525,854</u>	<u>6,030,939</u>	<u>7,480,609</u>	<u>7,711,894</u>
Liabilities					
Purchases awaiting settlement		25,069	-	98,430	477,049
Payables	6	116,753	62,581	329,679	81,691
Distribution payable	4	53,256	60,234	15,850	27,779
Financial derivatives at fair value	7	45	6	84	-
Total liabilities		<u>195,123</u>	<u>122,821</u>	<u>444,043</u>	<u>586,519</u>
Equity					
Net assets attributable to unitholders	8	<u>5,330,731</u>	<u>5,908,118</u>	<u>7,036,566</u>	<u>7,125,375</u>

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 30 June 2019

	Note	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
		2019	2018	2019	2018
		\$	\$	\$	\$
Net assets attributable to unitholders at the beginning of the financial year		5,908,118	6,434,727	7,125,375	6,651,815
Operations					
Change in net assets attributable to unitholders resulting from operations		268,892	163,108	924,875	443,815
Unitholders' contributions/(withdrawals)					
Creation of units		322,788	652,679	7,499,973	1,654,240
Cancellation of units		(946,437)	(1,092,697)	(8,287,513)	(1,316,502)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(623,649)	(440,018)	(787,540)	337,738
Distributions	4	(222,630)	(249,699)	(226,144)	(307,993)
Total increase/(decrease) in net assets attributable to unitholders		(577,387)	(526,609)	(88,809)	473,560
Net assets attributable to unitholders at the end of the financial year	8	5,330,731	5,908,118	7,036,566	7,125,375

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

**United Global Real Estate Income Fund (Formerly
known as United Global Real Estate Securities
Fund)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
By Geography - Primary			
Quoted equities			
AUSTRALIA			
CHARTER HALL EDUCATION TRUST	19,254	66,541	1.25
DEXUS	6,552	80,744	1.52
GOODMAN GROUP	9,502	<u>135,593</u>	<u>2.54</u>
TOTAL AUSTRALIA		<u>282,878</u>	<u>5.31</u>
BELGIUM			
WAREHOUSES DE PAUW CVA	307	70,005	1.31
CANADA			
KILLAM APARTMENT REAL ESTATE INVESTMENT TRUST	2,842	55,289	1.04
CHINA			
CHINA TOWER CORP LTD	196,000	69,583	1.30
FINLAND			
KOJAMO OYJ	4,282	85,635	1.61
FRANCE			
KAUFMAN & BROAD SA	658	34,104	0.64
GERMANY			
LEG IMMOBILIEN AG	356	54,411	1.02

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

**United Global Real Estate Income Fund (Formerly
known as United Global Real Estate Securities
Fund)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
By Geography - Primary (continued)			
Quoted equities			
GERMANY (continued)			
VONOVIA SE	1,770	<u>114,539</u>	<u>2.15</u>
TOTAL GERMANY		<u>168,950</u>	<u>3.17</u>
HONG KONG			
CHINA OVERSEAS LAND & INVESTMENT LTD	8,200	40,898	0.77
CK ASSET HOLDINGS LTD	9,300	98,485	1.85
HENDERSON LAND DEVELOPMENT CO LINK REIT	7,200	53,678	1.00
	11,000	<u>182,876</u>	<u>3.43</u>
TOTAL HONG KONG		<u>375,937</u>	<u>7.05</u>
IRELAND			
IRISH RESIDENTIAL PROPERTIES REIT PLC	25,353	65,859	1.24
JAPAN			
COMFORIA RESIDENTIAL REIT INC	21	81,618	1.53
ICHIGO OFFICE REIT INVESTMENT	74	95,063	1.78
JAPAN ORIENTAL LAND CO LTD	311	52,098	0.98
KYORITSU MAINTENANCE CO LTD	1,100	69,481	1.30
MITSUI FUDOSAN CO LTD	3,470	113,839	2.14
NIPPON ACCOMMODATIONS FUND INC	13	98,602	1.85

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

**United Global Real Estate Income Fund (Formerly
known as United Global Real Estate Securities
Fund)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
By Geography - Primary (continued)			
Quoted equities			
JAPAN (continued)			
SUMITOMO REALTY & DEVELOPMENT CO LTD	2,130	<u>102,925</u>	<u>1.93</u>
TOTAL JAPAN		<u>613,626</u>	<u>11.51</u>
NETHERLANDS			
INTERXION HOLDING NV	668	68,768	1.29
PHILIPPINES			
AYALA LAND INC	61,210	82,111	1.54
SPAIN			
CELLNEX TELECOM SA	2,597	130,202	2.44
SWEDEN			
CATENA AB	2,089	88,949	1.67
FASTIGHETS AB BALDER	2,079	<u>93,919</u>	<u>1.76</u>
TOTAL SWEDEN		<u>182,868</u>	<u>3.43</u>
SWITZERLAND			
PSP SWISS PROPERTY AG	460	72,832	1.37
UNITED KINGDOM			
DERWENT LONDON PLC	932	50,006	0.94

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

**United Global Real Estate Income Fund (Formerly
known as United Global Real Estate Securities
Fund)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
By Geography - Primary (continued)			
Quoted equities			
UNITED KINGDOM (continued)			
SAFESTORE HOLDINGS PLC	6,337	66,943	1.25
THE UNITE GROUP PLC	3,908	65,576	1.23
TOTAL UNITED KINGDOM		182,525	3.42
UNITED STATES			
AGREE REALTY CORP	539	46,708	0.88
ALEXANDRIA REAL ESTATE EQUITIES INC	763	145,647	2.73
AMERICAN ASSETS TRUST INC	1,271	81,028	1.52
AMERICAN TOWER CORP	535	147,987	2.78
AMERICOLD REALTY TRUST	1,250	54,828	1.03
BOSTON PROPERTIES INC	570	99,482	1.87
BRIXMOR PROPERTY GROUP INC	2,276	55,058	1.03
CAMDEN PROPERTY TRUST	739	104,372	1.96
CROWN CASTLE INTERNATIONAL CORP	409	72,130	1.35
DOUGLAS EMMETT INC	1,535	82,739	1.55
EQUINIX INC	268	182,851	3.43
EQUITY LIFESTYLE PROPERTIES INC	490	80,442	1.51
ESSEX PROPERTY TRUST INC	300	118,490	2.22
EXTRA SPACE STORAGE INC	565	81,105	1.52
HCP INC	4,182	180,944	3.39
HUDSON PACIFIC PROPERTIES INC	1,643	73,956	1.39
HYATT HOTELS CORP	677	69,731	1.31
KENNEDY-WILSON HOLDINGS INC	870	24,212	0.45
NEXPOINT RESIDENTIAL TRUST INC	939	52,595	0.99

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

**United Global Real Estate Income Fund (Formerly
known as United Global Real Estate Securities
Fund)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
By Geography - Primary (continued)			
Quoted equities			
UNITED STATES (continued)			
PROLOGIS INC	1,537	166,567	3.12
PS BUSINESS PARKS INC	290	66,124	1.24
PUBLIC STORAGE	406	130,826	2.45
REXFORD INDUSTRIAL REALTY INC	1,805	98,587	1.85
SIMON PROPERTY GROUP INC	658	142,225	2.67
STORE CAPITAL CORP	2,224	99,867	1.87
SUN COMMUNITIES INC	534	92,614	1.74
UDR INC	1,524	92,558	1.74
VAIL RESORTS INC	170	51,332	0.96
VICI PROPERTIES INC	915	27,284	0.51
XENIA HOTELS & RESORTS INC	1,900	53,597	1.01
TOTAL UNITED STATES		2,775,886	52.07
Total Equities		5,317,058	99.74
Portfolio of investments		5,317,058	99.74
Other net assets/(liabilities)		13,673	0.26
Net assets attributable to unitholders		5,330,731	100.00

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)	
	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 30 June 2018 %
By Geography - Primary (Summary)		
Quoted equities		
Australia	5.31	6.88
Belgium	1.31	-
Canada	1.04	1.94
China	1.30	-
Finland	1.61	-
France	0.64	4.21
Germany	3.17	2.06
Hong Kong	7.05	9.98
Ireland	1.24	-
Japan	11.51	14.66
Netherlands	1.29	-
Philippines	1.54	-
Singapore	-	2.39
Spain	2.44	-
Sweden	3.43	1.68
Switzerland	1.37	-
United Kingdom	3.42	5.63
United States	52.07	50.10
Portfolio of investments	99.74	99.53
Other net assets/(liabilities)	0.26	0.47
Net assets attributable to unitholders	100.00	100.00

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

**United Global Real Estate Income Fund (Formerly
known as United Global Real Estate Securities
Fund)**

	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 30 June 2018 %
By Industry - Secondary Quoted equities			
Communication Services	199,785	3.75	-
Consumer Discretionary	276,746	5.19	-
Information Technology	68,768	1.29	-
Real Estate	<u>4,771,759</u>	<u>89.51</u>	<u>99.53</u>
Portfolio of investments	5,317,058	99.74	99.53
Other net assets/(liabilities)	<u>13,673</u>	<u>0.26</u>	<u>0.47</u>
Net assets attributable to unitholders	<u>5,330,731</u>	<u>100.00</u>	<u>100.00</u>

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

	United Asia Pacific Real Estate Income Fund		
	Holdings at	Fair value at	Percentage of
	30 June	30 June	total net assets
	2019	2019	attributable to
		\$	unitholders at
			30 June
			2019
			%
By Geography - Primary			
Quoted equities			
AUSTRALIA			
CHARTER HALL GROUP	17,000	174,800	2.48
CHARTER HALL LONG WALE REIT	17,439	82,951	1.18
DEXUS	23,175	285,600	4.06
GOODMAN GROUP	23,000	328,209	4.66
GROWTHPOINT PROPERTIES AUSTRALIA LTD	22,000	86,057	1.22
GROWTHPOINT PROPERTIES AUSTRALIA LTD - INSTITUTIONAL PLACEMENT	12,594	47,470	0.68
MIRVAC GROUP	76,054	226,012	3.21
SCENTRE GROUP	44,000	160,416	2.28
STOCKLAND	25,000	98,978	1.40
THE GPT GROUP	44,898	262,160	3.73
VICINITY CENTRES	81,000	<u>188,415</u>	<u>2.68</u>
TOTAL AUSTRALIA		<u>1,941,068</u>	<u>27.58</u>
HONG KONG			
LINK REIT	29,000	482,126	6.85
JAPAN			
ACTIVIA PROPERTIES INC	31	182,574	2.60
COMFORIA RESIDENTIAL REIT INC	32	124,370	1.77
GLOBAL ONE REAL ESTATE INVESTMENT CORP	54	91,070	1.29
GLP J-REIT	170	262,151	3.73
ICHIGO OFFICE REIT INVESTMENT	103	132,318	1.88
INVESCO OFFICE J-REIT INC	712	161,206	2.29

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

	United Asia Pacific Real Estate Income Fund		
	Holdings at	Fair value at	Percentage of
	30 June	30 June	total net assets
	2019	2019	attributable to
		\$	unitholders at
			30 June
			2019
			%
By Geography - Primary (continued)			
Quoted equities			
JAPAN (continued)			
INVINCIBLE INVESTMENT CORP	313	219,323	3.12
JAPAN RENTAL HOUSING INVESTMENT	160	168,372	2.39
KENEDIX OFFICE INC	16	154,910	2.20
LASALLE LOGIPOINT REIT	205	328,480	4.67
MCUBS MIDCITY INVESTMENT CORP	256	325,974	4.63
MITSUI FUDOSAN LOGISTICS PARK INC	61	280,743	3.99
ORIX JREIT INC	109	269,101	3.82
PREMIER INVESTMENT CORP	109	194,092	2.76
SANKEI REAL ESTATE INC	37	55,244	0.79
SEKISUI HOUSE REIT INC	147	148,784	2.11
TOTAL JAPAN		3,098,712	44.04
SINGAPORE			
CAPITALAND COMMERCIAL TRUST	112,000	243,040	3.45
CAPITALAND MALL TRUST	42,000	110,460	1.57
FAR EAST HOSPITALITY TRUST STAPLED SECURITY	102,000	67,830	0.96
FORTUNE REAL ESTATE INVESTMENT TRUST	74,000	137,635	1.96
FRASERS CENTREPOINT TRUST	97,125	252,525	3.59
MANULIFE US REAL ESTATE INVESTMENT TRUST	67,000	78,410	1.11
MAPLETREE INDUSTRIAL TRUST	42,000	94,080	1.34
MAPLETREE LOGISTICS TRUST	75,000	119,250	1.70
MAPLETREE NORTH ASIA COMMERCIAL TRUST	55,300	80,738	1.15

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

United Asia Pacific Real Estate Income Fund

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
By Geography - Primary (continued)			
Quoted equities			
SINGAPORE (continued)			
SUNTEC REAL ESTATE INVESTMENT TRUST	82,700	<u>160,438</u>	<u>2.28</u>
TOTAL SINGAPORE		<u>1,344,406</u>	<u>19.11</u>
Total Equities		<u>6,866,312</u>	<u>97.58</u>
Portfolio of investments		6,866,312	97.58
Other net assets/(liabilities)		<u>170,254</u>	<u>2.42</u>
Net assets attributable to unitholders		<u>7,036,566</u>	<u>100.00</u>

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

	United Asia Pacific Real Estate Income Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 30 June 2018 %
By Geography - Primary (Summary)		
Quoted equities		
Australia	27.58	27.18
France	-	1.99
Hong Kong	6.85	7.17
Japan	44.04	41.16
Singapore	19.11	16.55
Portfolio of investments	97.58	94.05
Other net assets/(liabilities)	2.42	5.95
Net assets attributable to unitholders	100.00	100.00

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

STATEMENTS OF PORTFOLIO

As at 30 June 2019

United Asia Pacific Real Estate Income Fund

	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 30 June 2018 %
By Industry - Secondary			
Quoted equities			
Real Estate	<u>6,866,312</u>	<u>97.58</u>	<u>94.05</u>
Portfolio of investments	<u>6,866,312</u>	<u>97.58</u>	<u>94.05</u>
Other net assets/(liabilities)	<u>170,254</u>	<u>2.42</u>	<u>5.95</u>
Net assets attributable to unitholders	<u>7,036,566</u>	<u>100.00</u>	<u>100.00</u>

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

United Real Estate Multi Strategy Funds

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

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

1 General

United Real Estate Multi Strategy Funds (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 of two sub-funds, namely United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund) and United Asia Pacific Real Estate Income Fund (collectively referred to as the “Sub-Funds” or individually referred to as the “Sub-Fund”) which are denominated in the Singapore Dollar.

The primary activities of the Sub-Funds are that of investment trading. The Sub-Funds’ investment objectives are stated below:

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

With effect from 14 June 2019, the name of the Sub-Fund has changed from “United Global Real Estate Securities Fund” to “United Global Real Estate Income Fund”. During the financial year ended 30 June 2019, the Sub-Fund has appointed Wellington Management Singapore Pte. Ltd. as its sub-manager.

The investment objective of this Sub-Fund is to seek total return consisting of income and capital appreciation over time. The Sub-Fund will invest in, and at the same time seek to provide diversified exposure to, the global Real Estate market; this will be done primarily through investment in Real Estate Investment Trusts (“REITS”) (including business trusts) and dividend paying equity securities and debt securities of companies which are principally engaged in the real estate industry.

Subscriptions and redemptions of the units are denominated in the Singapore Dollar (“SGD”), the United States Dollar (“USD”). Investors may subscribe in USD at the applicable rate of exchange from SGD.

United Asia Pacific Real Estate Income Fund

The investment objective of this Sub-Fund is to seek total return consisting of income and capital appreciation over the medium to long term by investing primarily in REITS listed in the Asia Pacific region (including Japan, Australia and New Zealand).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

1 General (continued)

United Asia Pacific Real Estate Income Fund (continued)

The Sub-Fund offers the following classes of units for subscription:

- Class SGD Acc
- Class SGD Dist
- Class USD Acc
- Class USD Dist
- Class JPY Acc
- Class JPY Dist

There is no difference in these classes of units, save for their class currency, distribution policy, minimum amount for initial and subsequent subscription.

“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 declares and pays distribution in accordance with the applicable distribution policies of the Sub-Fund.

As at 30 June 2019, the Sub-Fund has issued Class SGD Acc, Class SGD Dist and Class USD Dist 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 assets held at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

2 Significant accounting policies (continued)

(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.

(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 are 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.

(e) Foreign currency translation

(i) Functional and presentation currency

The Sub-Funds' investors are mainly from Singapore with the subscriptions and redemptions of the units denominated in the Singapore Dollar and the United States Dollar, except for United Asia Pacific Real Estate Income Fund, which the units can be subscribed and redeemed in the Japanese Yen as well.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

2 Significant accounting policies (continued)

(e) Foreign currency translation (continued)

(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".

(f) Receivables

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

(g) Sales and purchases awaiting settlement

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

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand 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) Expenses charged to the Sub-Funds

All direct expenses relating to the Sub-Funds are charged directly to the Statements of Total Return against the values of the respective Sub-Fund.

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

2 Significant accounting policies (continued)

(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.

(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.

3 Income tax

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
	2019	2018	2019	2018
	\$	\$	\$	\$
Singapore income tax	1,607	1,922	3,922	10,494
Overseas income tax	<u>52,096</u>	<u>54,617</u>	<u>22,727</u>	<u>24,977</u>
Total income tax	<u>53,703</u>	<u>56,539</u>	<u>26,649</u>	<u>35,471</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

3 Income tax (continued)

The Sub-Funds were granted the status of Designated Unit Trust ("DUT") in Singapore. The Trustee of the Sub-Funds ensures that the Sub-Funds fulfill their reporting obligations under the DUT Scheme.

Under the DUT Scheme, subject to certain conditions and reporting obligations being met, certain income of the DUT Fund is not taxable in accordance with Sections 35(12) and 35(12A) of the Income Tax Act. 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);
- (iii) dividends derived from outside Singapore and received in Singapore;
- (iv) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (v) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (vi) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

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

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

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

4 Distributions

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)					
	2019			2018		
Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$	
September interim distribution on units outstanding as at 1 October 2018 (2018: 2 October 2017)	0.689	57,610	57,610	0.698	64,594	64,594
December interim distribution on units outstanding as at 2 January 2019 (2018: 2 January 2018)	0.689	56,616	56,616	0.698	62,512	62,512
March interim distribution on units outstanding as at 1 April 2019 (2018: 2 April 2018)	0.689	55,148	55,148	0.698	62,359	62,359
June final distribution on units outstanding as at 1 July 2019 (2018: 2 July 2018)	0.689	53,256	<u>53,256</u>	0.698	60,234	<u>60,234</u>
			<u>222,630</u>			<u>249,699</u>

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

4 Distributions (continued)

	United Asia Pacific Real Estate Income Fund					
	2019			2018		
Per 100 units	Amount	Amount	Amount	Per 100 units	Amount	Amount
Class	Class	Class	\$	Class	Class	\$
currency	currency	currency	\$	currency	currency	\$
Class SGD Dist						
July interim distribution on units outstanding as at 1 August 2018 (2018: 1 August 2017)	0.457	16,853	16,853	0.451	13,431	13,431
August interim distribution on units outstanding as at 3 September 2018 (2018: 4 September 2017)	0.460	17,675	17,675	0.449	13,505	13,505
September interim distribution on units outstanding as at 1 October 2018 (2018: 2 October 2017)	0.453	15,440	15,440	0.441	12,520	12,520
October interim distribution on units outstanding as at 1 November 2018 (2018: 1 November 2017)	0.443	14,846	14,846	0.442	12,487	12,487
November interim distribution on units outstanding as at 3 December 2018 (2018: 1 December 2017)	0.451	15,528	15,528	0.453	12,788	12,788
December interim distribution on units outstanding as at 2 January 2019 (2018: 2 January 2018)	0.451	15,729	15,729	0.451	12,717	12,717
January interim distribution on units outstanding as at 1 February 2019 (2018: 1 February 2018)	0.473	16,681	16,681	0.457	12,875	12,875
February interim distribution on units outstanding as at 1 March 2019 (2018: 1 March 2018)	0.471	16,651	16,651	0.444	12,542	12,542
March interim distribution on units outstanding as at 1 April 2019 (2018: 2 April 2018)	0.491	14,674	14,674	0.439	16,494	16,494
April interim distribution on units outstanding as at 2 May 2019 (2018: 2 May 2018)	0.489	13,843	13,843	0.442	15,038	15,038
May interim distribution on units outstanding as at 3 June 2019 (2018: 1 June 2018)	0.497	15,208	15,208	0.452	14,318	14,318

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

4 Distributions (continued)

	United Asia Pacific Real Estate Income Fund					
	2019			2018		
Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$	
June final distribution on units outstanding as at 1 July 2019 (2018: 2 July 2018)	0.509	15,829	<u>15,829</u>	0.453	15,684	<u>15,684</u>
			<u>188,957</u>			<u>164,399</u>

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

4 Distributions (continued)

	United Asia Pacific Real Estate Income Fund					
	2019			2018		
	Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$
Class USD Dist						
July interim distribution on units outstanding as at 1 August 2018 (2018: 1 August 2017)	0.415	8,960	12,198	0.412	8,888	12,063
August interim distribution on units outstanding as at 3 September 2018 (2018: 4 September 2017)	0.416	8,978	12,300	0.410	8,843	12,009
September interim distribution on units outstanding as at 1 October 2018 (2018: 2 October 2017)	0.410	8,861	12,108	0.402	8,681	11,789
October interim distribution on units outstanding as at 1 November 2018 (2018: 1 November 2017)	0.415	85	117	0.401	8,663	11,803
November interim distribution on units outstanding as at 3 December 2018 (2018: 1 December 2017)	0.428	87	120	0.416	8,978	12,093
December interim distribution on units outstanding as at 2 January 2019 (2018: 2 January 2018)	0.429	87	119	0.418	9,023	12,059
January interim distribution on units outstanding as at 1 February 2019 (2018: 1 February 2018)	0.458	93	125	0.432	9,329	12,213
February interim distribution on units outstanding as at 1 March 2019 (2018: 1 March 2018)	0.455	14	19	0.415	8,969	11,864
March interim distribution on units outstanding as at 1 April 2019 (2018: 2 April 2018)	0.473	15	20	0.414	8,942	11,726
April interim distribution on units outstanding as at 2 May 2019 (2018: 2 May 2018)	0.469	15	20	0.413	8,915	11,812
May interim distribution on units outstanding as at 3 June 2019 (2018: 1 June 2018)	0.471	15	20	0.418	9,023	12,068

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

4 Distributions (continued)

	United Asia Pacific Real Estate Income Fund					
	2019			2018		
	Per 100 units Class currency	Amount Class currency	Amount \$	Per 100 units Class currency	Amount Class currency	Amount \$
June final distribution on units outstanding as at 1 July 2019 (2018: 2 July 2018)	0.490	16	<u>21</u>	0.411	8,870	<u>12,095</u>
			<u>37,187</u>			<u>143,594</u>
			<u>226,144</u>			<u>307,993</u>

5 Receivables

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
	2019	2018	2019	2018
	\$	\$	\$	\$
Amounts receivable for creation of units	2,018	1,162	40,073	98,885
Dividends receivable	16,574	27,659	67,533	80,725
Other receivables	<u>15,369</u>	<u>-</u>	<u>17,423</u>	<u>-</u>
	<u>33,961</u>	<u>28,821</u>	<u>125,029</u>	<u>179,610</u>

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

6 Payables

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
	2019	2018	2019	2018
	\$	\$	\$	\$
Amount payable for cancellation of units	70,472	14,591	260,842	11,383
Amount due to the Manager	20,116	21,354	24,955	29,531
Amount due to Trustee	1,274	1,260	1,274	1,260
Tax payables	4,561	7,594	19,717	21,736
Other creditors and accrued expenses	20,330	17,782	22,891	17,781
	<u>116,753</u>	<u>62,581</u>	<u>329,679</u>	<u>81,691</u>

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

7 Fair value of financial derivatives

Financial derivatives contracts comprise 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 Real Estate Income Fund
(Formerly known as United Global Real Estate Securities Fund)**

	2019		
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	40,466	1	45

	2018		
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	9,026	6	6

United Asia Pacific Real Estate Income Fund

	2019		
	Contract or underlying principal amount	Positive fair value	Negative fair value
	\$	\$	\$
Foreign currency contracts	38,889	-	84

There was no derivative outstanding as at 30 June 2018 for United Asia Pacific Real Estate Income Fund.

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

8 Units in issue

During the financial year ended 30 June 2019 and 2018, the numbers of units issued, redeemed and outstanding were as follows:

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)	
	2019	2018
Units at the beginning of the financial year	8,654,744	9,306,264
Units created	479,418	955,602
Units cancelled	<u>(1,385,808)</u>	<u>(1,607,122)</u>
Units at the end of the financial year*	<u>7,748,354</u>	<u>8,654,744</u>
*Included above are units denominated in USD	2,264,569	2,632,742
	\$	\$
Net assets attributable to unitholders	5,330,731	5,908,118
Net assets value per unit	0.687	0.682

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.

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 Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)	
	2019	2018
	\$	\$
Net assets attributable to unitholders per financial statements per unit	0.687	0.682
Effect of distribution payable	0.007	0.007
Effect of bid/ask price adjustment	<u>0.001</u>	<u>-</u>
Net assets attributable to unitholders for issuing/redeeming per unit	<u>0.695</u>	<u>0.689</u>

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

8 Units in issue (continued)

	United Asia Pacific Real Estate Income Fund			
	Class SGD Acc		Class SGD Dist	
	2019	2018	2019	2018
Units at the beginning of the financial year	352,753	486,178	3,465,840	2,970,892
Units created	3,183,215	112,908	2,366,797	1,421,672
Units cancelled	(1,539,710)	(246,333)	(2,721,568)	(926,724)
Units at the end of the financial year	<u>1,996,258</u>	<u>352,753</u>	<u>3,111,069</u>	<u>3,465,840</u>
	\$	\$	\$	\$
Net assets attributable to unitholders (SGD equivalent)	3,248,342	485,762	3,783,205	3,749,096
Net assets value per unit (SGD equivalent)	1.627	1.377	1.216	1.081
Net assets attributable to unitholders (Class Currency)	3,248,342	485,762	3,783,205	3,749,096
Net asset value per unit (Class Currency)	1.627	1.377	1.216	1.081

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

8 Units in issue (continued)

	United Asia Pacific Real Estate Income Fund	
	Class USD Dist	
	2019	2018
Units at the beginning of the financial year	2,158,913	2,158,913
Units created	3,163	-
Units cancelled	(2,158,913)	-
Units at the end of the financial year	3,163	2,158,913
	\$	\$
Net assets attributable to unitholders (SGD equivalent)	5,019	2,890,517
Net assets value per unit (SGD equivalent)	1.586	1.338
Net assets attributable to unitholders (Class Currency)	3,710	2,119,924
Net asset value per unit (Class Currency)	1.172	0.981

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.

United Real Estate Multi Strategy Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

8 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 Asia Pacific Real Estate Income Fund			
	Class SGD Acc		Class SGD Dist	
	2019	2018	2019	2018
	\$	\$	\$	\$
Net assets attributable to unitholders per financial statements per unit	1.627	1.377	1.216	1.081
Effect of distribution payable	<u>-</u>	<u>-</u>	<u>0.005</u>	<u>0.005</u>
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.627</u>	<u>1.377</u>	<u>1.221</u>	<u>1.086</u>
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	<u>1.627</u>	<u>1.377</u>	<u>1.221</u>	<u>1.086</u>

	United Asia Pacific Real Estate Income Fund	
	Class USD Dist	
	2019	2018
	\$	\$
Net assets attributable to unitholders per financial statements per unit	1.586	1.338
Effect of distribution payable	<u>0.007</u>	<u>0.006</u>
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.593</u>	<u>1.344</u>
Net assets attributable to unitholders for issuing/redeeming per unit (Class Currency)	<u>1.177</u>	<u>0.986</u>

9 Financial risk management

The Sub-Funds' activities expose them to a variety of market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 Financial risk management (continued)

The Sub-Funds' assets principally consist of financial instruments such as equity investments 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.

(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, 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.

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 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 Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)
As at 30 June 2019

	USD	SGD	JPY	HKD	EUR	Others	Total
	\$	\$	\$	\$	\$	\$	\$
Assets							
Portfolio of investments	2,844,654	-	613,626	445,519	554,756	858,503	5,317,058
Sales awaiting settlement	-	-	-	-	20,912	20,089	41,001
Receivables	10,797	16,195	-	3,154	-	3,815	33,961
Cash and bank balances	47,072	86,173	563	-	15	10	133,833
Total Assets	<u>2,902,523</u>	<u>102,368</u>	<u>614,189</u>	<u>448,673</u>	<u>575,683</u>	<u>882,417</u>	<u>5,525,853</u>
Liabilities							
Purchases awaiting settlement	-	-	-	17,850	7,219	-	25,069
Payables	69,769	45,306	-	-	-	1,678	116,753
Distribution payable	15,472	37,784	-	-	-	-	53,256
Total Liabilities	<u>85,241</u>	<u>83,090</u>	<u>-</u>	<u>17,850</u>	<u>7,219</u>	<u>1,678</u>	<u>195,078</u>
Net Assets	2,817,282	19,278	614,189	430,823	568,464	880,739	
Foreign currency contracts (notional value)	1,124	1,644	(562)	17,845	-	(20,051)	
Net currency exposure	<u>2,818,406</u>	<u>20,922</u>	<u>613,627</u>	<u>448,668</u>	<u>568,464</u>	<u>860,688</u>	

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9 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)
As at 30 June 2018

	USD \$	SGD \$	JPY \$	HKD \$	Others \$	Total \$
Assets						
Portfolio of investments	2,960,164	141,381	866,178	589,284	1,323,435	5,880,442
Receivables	16,993	714	2,941	2,452	5,721	28,821
Cash and bank balances	<u>8,686</u>	<u>108,073</u>	<u>4,393</u>	<u>-</u>	<u>518</u>	<u>121,670</u>
Total Assets	<u>2,985,843</u>	<u>250,168</u>	<u>873,512</u>	<u>591,736</u>	<u>1,329,674</u>	<u>6,030,933</u>
Liabilities						
Payables	7,701	52,249	453	-	2,178	62,581
Distribution payable	<u>18,200</u>	<u>42,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,234</u>
Total Liabilities	<u>25,901</u>	<u>94,283</u>	<u>453</u>	<u>-</u>	<u>2,178</u>	<u>122,815</u>
Net Assets	2,959,942	155,885	873,059	591,736	1,327,496	
Foreign currency contracts (notional value)	<u>(2,232)</u>	<u>7,112</u>	<u>(4,391)</u>	<u>-</u>	<u>(489)</u>	
Net currency exposure	<u>2,957,710</u>	<u>162,997</u>	<u>868,668</u>	<u>591,736</u>	<u>1,327,007</u>	

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9 Financial risk management (continued)

(a) Market risk (continued)

(i) *Foreign exchange risk* (continued)

United Asia Pacific Real Estate Income Fund
As at 30 June 2019

	HKD	SGD	JPY	AUD	USD	Total
	\$	\$	\$	\$	\$	\$
Assets						
Portfolio of investments	619,761	1,128,361	3,098,712	1,941,068	78,410	6,866,312
Sales awaiting settlement	-	-	-	38,973	-	38,973
Receivables	6,572	59,191	22,859	34,958	1,449	125,029
Cash and bank balances	876	263,719	183,636	619	1,445	450,295
Total Assets	627,209	1,451,271	3,305,207	2,015,618	81,304	7,480,609
Liabilities						
Purchases awaiting settlement	-	-	50,960	47,470	-	98,430
Payables	-	310,248	3,472	15,712	247	329,679
Distribution payable	-	15,829	-	-	21	15,850
Total Liabilities	-	326,077	54,432	63,182	268	443,959
Net Assets						
Foreign currency contracts (notional value)	-	38,889	-	(38,889)	-	-
Net currency exposure	627,209	1,164,083	3,250,775	1,952,436	81,036	81,036

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

United Asia Pacific Real Estate Income Fund
As at 30 June 2018

	HKD	SGD	JPY	AUD	USD	Total
	\$	\$	\$	\$	\$	\$
Assets						
Portfolio of investments	625,921	984,332	2,933,042	2,078,310	79,507	6,701,112
Sales awaiting settlement	59,702	132,923	215,944	-	-	408,569
Receivables	8,026	105,399	30,120	36,065	-	179,610
Cash and bank balances	<u>6,553</u>	<u>162,850</u>	<u>156,104</u>	<u>96,063</u>	<u>1,033</u>	<u>422,603</u>
Total Assets	<u>700,202</u>	<u>1,385,504</u>	<u>3,335,210</u>	<u>2,210,438</u>	<u>80,540</u>	<u>7,711,894</u>
Liabilities						
Purchases awaiting settlement	62,721	59,959	354,369	-	-	477,049
Payables	-	60,869	4,618	16,204	-	81,691
Distribution payable	<u>-</u>	<u>15,684</u>	<u>-</u>	<u>-</u>	<u>12,095</u>	<u>27,779</u>
Total Liabilities	<u>62,721</u>	<u>136,512</u>	<u>358,987</u>	<u>16,204</u>	<u>12,095</u>	<u>586,519</u>
Net currency exposure	<u>637,481</u>	<u>1,248,992</u>	<u>2,976,223</u>	<u>2,194,234</u>	<u>68,445</u>	

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For the financial year ended 30 June 2019

9 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

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 non-monetary investments, hence foreign exchange risk sensitivity analysis has not been presented on the remaining financial assets, except for the following:

United Asia Pacific Real Estate Income Fund

Currency	2019		2018	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
AUD	n/a	-*	7	8,115
JPY	7	10,644	n/a	-*

* denotes amount less than 0.1% of NAV

(ii) Price risk

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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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 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 on the Sub-Funds' net assets attributable to unitholders at 30 June 2019 and 2018. The analysis is based on the assumption that the index components within the benchmark increased/decreased by a reasonable possible shift, with all other variables held constant and that the prices of the Sub-Funds' investments moved according to the historical correlation with the index.

Benchmark component	2019		2018	
	Volatility %	Net impact to net assets attributable to unitholders \$	Volatility %	Net impact to net assets attributable to unitholders \$
United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)				
S&P Developed Property Index	20	1,108,679	20	1,251,483
United Asia Pacific Real Estate Income Fund				
S&P Asia Pacific REITs Index	20	1,222,728	20	1,240,329

(iii) Interest rate risk

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

Investment funds that invest in equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

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 cash equivalents 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 listed securities are considered to be readily realisable as they are listed on established regional stock exchanges.

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For the financial year ended 30 June 2019

9 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 Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 30 June 2019			
Purchases awaiting settlement	25,069	-	-
Payables	116,753	-	-
Distribution payable	53,256	-	-
Financial derivatives at fair value			
- Foreign currency contracts	45	-	-
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 30 June 2018			
Payables	62,581	-	-
Distribution payable	60,234	-	-
Financial derivatives at fair value			
- Foreign currency contracts	6	-	-

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

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9 Financial risk management (continued)

(b) Liquidity risk (continued)

	United Asia Pacific Real Estate Income Fund		
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 30 June 2019			
Purchases awaiting settlement	98,430	-	-
Payables	329,679	-	-
Distribution payable	15,850	-	-
Financial derivatives at fair value			
- Foreign currency contracts	84	-	-
	Less than 3 months	3 months to 1 year	Over 1 year
	\$	\$	\$
As at 30 June 2018			
Purchases awaiting settlement	477,049	-	-
Payables	81,691	-	-
Distribution payable	27,779	-	-

(c) Credit risk

The Sub-Funds take 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.

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 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 30 June 2019 and 2018.

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

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

	Credit rating as at 30 June 2019	Credit rating as at 30 June 2018
Bank and custodian		
State Street Bank and Trust Company	aa-	aa-
Counterparties of foreign currency contracts		
State Street Bank and Trust Company	aa-	aa-
Bank of Montreal	aa-	n/a
BNP Paribas	a+	n/a

United Asia Pacific Real Estate Income Fund

	Credit rating as at 30 June 2019	Credit rating as at 30 June 2018
Bank and custodian		
State Street Bank and Trust Company	aa-	aa-
Counterparty of foreign currency contracts		
State Street Bank and Trust Company	aa-	n/a

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 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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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 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 30 June 2019 and 2018:

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 30 June 2019				
Assets				
Portfolio of investments				
- Quoted equities	5,317,058	-	-	5,317,058
Financial derivatives at fair value	-	1	-	1
Total	<u>5,317,058</u>	<u>1</u>	<u>-</u>	<u>5,317,059</u>
Liabilities				
Financial derivatives at fair value	-	45	-	45
Total	<u>-</u>	<u>45</u>	<u>-</u>	<u>45</u>
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 30 June 2018				
Assets				
Portfolio of investments				
- Quoted equities	5,880,442	-	-	5,880,442
Financial derivatives at fair value	-	6	-	6
Total	<u>5,880,442</u>	<u>6</u>	<u>-</u>	<u>5,880,448</u>
Liabilities				
Financial derivatives at fair value	-	6	-	6
Total	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 Financial risk management (continued)

(e) Fair value estimation (continued)

United Asia Pacific Real Estate Income Fund				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 30 June 2019				
Assets				
Portfolio of investments				
- Quoted equities	<u>6,818,842</u>	<u>47,470</u>	-	<u>6,866,312</u>
Total	<u>6,818,842</u>	<u>47,470</u>	-	<u>6,866,312</u>
Liabilities				
Financial derivatives at fair value	-	84	-	84
Total	-	84	-	84
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at 30 June 2018				
Assets				
Portfolio of investments				
- Quoted equities	<u>6,701,112</u>	-	-	<u>6,701,112</u>
Total	<u>6,701,112</u>	-	-	<u>6,701,112</u>

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

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.

Except for cash and bank balances which are classified as Level 1, the Sub-Funds' assets and liabilities not measured at fair value at 30 June 2019 and 2018 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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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 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 Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)

Financial assets	Effects of offsetting on the Statements of Financial Position			Related amount 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
	\$	\$	\$	\$	\$	\$
30 June 2019						
Derivative financial instruments	1	-	1	-	-	1
Total	1	-	1	-	-	1
30 June 2018						
Derivative financial instruments	6	-	6	(6)	-	-
Total	6	-	6	(6)	-	-

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 Financial risk management (continued)

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

United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities 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 set off in the Statements of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
30 June 2019						
Derivative financial instruments	45	-	45	-	-	45
Total	45	-	45	-	-	45
30 June 2018						
Derivative financial instruments	6	-	6	(6)	-	-
Total	6	-	6	(6)	-	-

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

9 Financial risk management (continued)

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

United Asia Pacific Real Estate Income 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 set off in the Statements of Financial Position	Financial instruments	Collateral pledged/received	Net amount
	\$	\$	\$	\$	\$	\$
30 June 2019						
Derivative financial instruments	84	-	84	-	-	84
Total	84	-	84	-	-	84
30 June 2018						
Derivative financial instruments	-	-	-	-	-	-
Total	-	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

10 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 and valuation 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.

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

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
	2019	2018	2019	2018
	\$	\$	\$	\$
State Street Bank and Trust Company, Singapore Branch				
Cash and bank balances	133,833	121,670	450,295	422,603

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

10 Related party transactions (continued)

(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 Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)		United Asia Pacific Real Estate Income Fund	
	2019	2018	2019	2018
	\$	\$	\$	\$
State Street Bank and Trust Company, Singapore Branch				
Interest income	60	32	-	52
Brokerage charges	116	11,683	-	-
United Overseas Bank Limited				
Bank charges	10,355	6,771	3,319	1,192
Interest expense	-	-	58	-

(d) UOB Kay Hian Pte Ltd is an affiliated company of United Overseas Bank Limited.

During the financial year, the following Sub-Fund has brokerage fee paid or payable to UOB Kay Hian Pte Ltd as follows:

	United Asia Pacific Real Estate Income Fund	
	2019	2018
	\$	\$
Brokerage charges	-	86

United Real Estate Multi Strategy Funds
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

11 Financial ratios

	United Global Real Estate Income Fund (Formerly known as United Global Real Estate Securities Fund)	
	2019	2018
	\$	\$
Total operating expenses	160,648	178,030
Average daily net asset value	<u>5,589,648</u>	<u>6,209,162</u>
Expense ratio ¹	<u>2.87%</u>	<u>2.87%</u>
Lower of total value of purchases or sales	7,436,387	12,421,235
Average daily net assets value	<u>5,589,648</u>	<u>6,209,162</u>
Turnover ratio ²	<u>133.04%</u>	<u>200.05%</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 asset 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 asset 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 asset value.*

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

11 Financial ratios (continued)

	United Asia Pacific Real Estate Income Fund	
	2019	2018
	\$	\$
Class SGD Acc		
Total operating expenses	38,355	17,956
Average daily net asset value	<u>1,314,210</u>	<u>652,518</u>
Expense ratio ¹	<u>2.92%</u>	<u>2.75%</u>
Class SGD Dist		
Total operating expenses	102,785	88,641
Average daily net asset value	<u>3,775,282</u>	<u>3,290,416</u>
Expense ratio ¹	<u>2.72%</u>	<u>2.69%</u>
Class USD Dist		
Total operating expenses	19,924	77,979
Average daily net asset value	<u>907,679</u>	<u>2,856,688</u>
Expense ratio ¹	<u>2.20%</u>	<u>2.73%</u>
Lower of total value of purchases or sales	12,495,174	14,224,444
Average daily net assets value	<u>5,997,171</u>	<u>6,799,622</u>
Turnover ratio ²	<u>208.35%</u>	<u>209.19%</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 asset 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 asset 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 asset value.

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