

United Short Duration High Yield Bond Fund : USDHY

Annual Report
(For the period of 2020/2021)

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Message from the Company

To Unitholders

Market Summary

Global economy slows down as Covid-19 pandemic remains and economic activities are still below normal level. Nonetheless, central banks and governments still maintained stimulus packages to combat such impacts which could support global economy. Capital markets recovered after good results of vaccine development. Expectation of economic recovery led to a rise in bond yields although policy rates are likely to maintain at low level. Easing monetary policy in major countries will reduce headwind for risk assets. For US High Yield, the Fed has announced certain measurements that benefit this section of the market directly. As a results, the return of the high yield bonds has increased since the announcement.

Fund's Investment Strategy

The fund would invest in the units AXA IM Fixed Income Investment Strategies - US Short Duration High Yield (Class A) at the annual average of not less than 80% of its total net asset value. The master fund is registered in Luxembourg and seeks to achieve primarily high attractive income and secondly capital growth by investing in US high yield debt securities over a medium term period.

Allocation in ten major sectors as at February 28, 2021

Sector	%/NAV
Media	12.98
Services	10.12
Telecommunications	10.04
Technology & Electronics	9.68
Healthcare	9.09
Consumer Goods	8.98
Financial Services	7.62
Capital goods	7.09
Energy	4.77
Basic Industry	4.69

Performance Review

For the period ended February 28, 2021, the net asset value of the fund increased by 2.04%.

United Short Duration High Yield Bond Fund	Return During Mar 1, 2020 – Feb 28, 2021	Return During Mar 1, 2019 – Feb 29, 2020
Fund	2.04%	2.01%

As of February 28, 2021, the master fund positioned to have a modified duration of 1.07 years, yield to worst of 3.03% and linear average credit rating of B+

As we have managed United Short Duration High Yield Bond Fund for a period of one year on February 28, 2021, we would like to inform the net value to unit holder, United Short Duration High Yield Bond Fund – A has a net asset value 67,312,990.77 Baht in asset value or its earning per unit is at 10.7465 Baht and United Short Duration High Yield Bond Fund – N has a net asset value 30,408,562.36 Baht in asset value or its earning per unit is at 10.7471 Baht.(As of February 25, 2021)

In this connection, we would like to express our sincere thanks to the trust of all Unitholders has been extended to us for your investment. United Short Duration High Yield Bond Fund. Should you have any further question or need more information, You can monitor or follow the announcement the net asset value of the Fund in the company website.

UOB Asset Management (Thailand) Co., Ltd.



(Mr. Vana Bulbon)

Chief Executive Officer

List of Board of Directors and Management Team
UOB Asset Management (Thailand) Co., Ltd.

Board of Directors

- | | |
|------------------------------|----------------------------|
| 1. Mr. Lee Wai Fai | Chairman Board of Director |
| 2. Mr. Thio Boon Kiat | Director |
| 3. Mr. Sanchai Apisaksirikul | Director |
| 4. Mrs.Kanlika Buspavanich | Director |
| 5. Mr. Vana Bulbon | Director and CEO |

Management Team

- | | | |
|-----------------|--------------|---|
| 1. Mr. Vana | Bulbon | Chief Executive Officer |
| 2. Mrs. Sunaree | Piboonsakkul | Senior Director (Operation Division) |
| 3. Mr. Jerdphan | Nithayayon | Senior Director (Investment Division) |
| 4. Ms. Rachada | Tangharat | Senior Director (Business Development Division) |

Office Location

UOB Asset Management (Thailand) Co., Ltd.
23A, 25 Floor, Asia Centre Building, 173/27-30, 32-33
South Sathon Road, Thungmahamek, Sathon,
Bangkok 10120, Thailand
Tel : +66 2786 2222
Fax : +66 2786 2377



ธนาคารกสิกรไทย
开泰银行 KASIKORNBANK



Dear : The Unit holders of United Short Duration High Yield Bond Fund

Mutual Fund Supervisor Opinion

We, The Kasikornbank Public Company Limited, as the Mutual Fund Supervisor of United Short Duration High Yield Bond Fund by UOB Asset Management (Thailand) Co., Ltd. from March 1, 2020 until February 28, 2021 consider that UOB Asset Management (Thailand) Co., Ltd. has well performed and fully completed its duties pursuant to its project and Securities and Exchange Act B.E. 2535.

8538

Signature

Mutual Fund Supervisor

March 5, 2021

K-Contact Center 02-8888888
www.kasikornbank.com

บริการทุกระดับประทับใจ

ทะเบียนเลขที่ 0107536000315

United Short Duration High Yield Bond Fund

Name List of Fund Manager

For the period of March 1, 2020 to February 28, 2021

No.	Name List of Fund Manager
1	Ms. Vannachan Ungthavorn*
2	Mr. Kittiphong Kangwankiattichai*
3	Mr. Thitirat Ratanasingha*
4	Ms. Sirianong Peyasantiwong
5	Mr. Nopphon Narasri

* Fund manager and portfolio manager in derivatives (if any)

Fund Performance

Registration Date

Mar 22, 2017

Ending Date of Accounting Period

Feb 28, 2021

United Short Duration High Yield Bond Fund : USDHY-N

[illegible]

United Short Duration High Yield Bond Fund : USDHY-A

[illegible]

Remark : 1. Return per period

2. Return per year

3. If since inception < 1 Year Return per period, If Since inception \geq 1 Year Return per year

- Benchmark : Nil because of Management company of Master Fund believes that there are no benchmark that are suitable for Master Fund investment.
- Performance measures used in this annual report comply with AIMC performance presentation standards.
- Past Performance/performance comparison relating to a capital market product is not a guarantee of future results.

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield

(Class A)

MONTHLY REPORT
26/02/2021

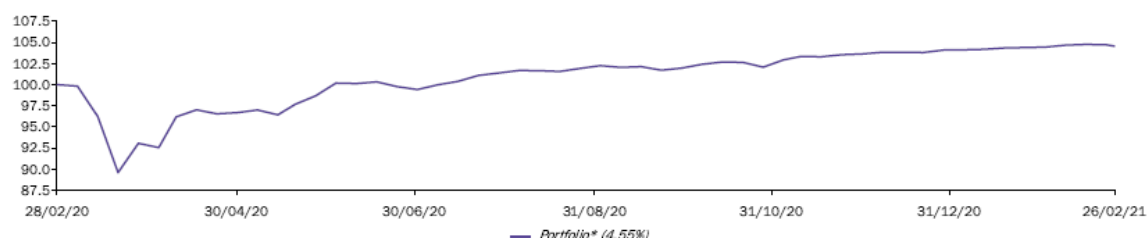
FIXED INCOME

AXA IM FIIS US Short Duration High Yield A USD

Key figures (in USD)

Total assets under management (in million)	4 544.74	Current NAV (A)	212.7
Dividend (net Amount)	1.80	12 month NAV price High	213.18
Ex-Dividend Date	30/12/20	12 month NAV price Low	178.76
		Current NAV (I)	87.47
		12 month NAV price High	88.89
		12 month NAV price Low	76.65

Performance evolution (in USD)



Data is rebased to 100 by AXA IM on the graph start date.

Cumulative performance

	1 M.	3 M.	YTD	1 Y.	3 Y.	5 Y.	10 Y.	Launch
Portfolio*	0.18%	0.98%	0.40%	4.55%	13.57%	24.17%	45.52%	112.70%
Benchmark**	-	-	-	-	-	-	-	-

Annualized performance

	1 Y.	3 Y.	5 Y.	10 Y.	Launch
Portfolio*	4.56%	4.34%	4.43%	3.82%	4.56%
Benchmark**	-	-	-	-	-

Annual performance

	2020	2019	2018	2017	2016	2015	2014
Portfolio*	3.74%	7.87%	1.14%	3.39%	5.80%	0.72%	0.85%
Benchmark**	-	-	-	-	-	-	-

The figures provided relate to previous months or years and past performance is not a reliable indicator as to future performance.

Risk analysis

	1 Y.	3 Y.	5 Y.	Launch
Annualized volatility				
Portfolio*	10.05%	4.68%	3.72%	4.06%
Benchmark**	-	-	-	-
Relative risk ('Tracking Error')				
Portfolio*	0.49	0.74	1.01	0.88
Benchmark**	-	-	-	-
Information ratio				
Portfolio*	-	-	-	-
Benchmark**	-	-	-	-

* 1st NAV date: 01/04/2004

** Benchmark : Please refer to the Benchmark section in the characteristics/disclaimers part of the document.

Source(s): AXA Investment Managers as at 26/02/2021
Editor: AXA Investment Managers Paris



www.axa-im.com

AXA IM FIIS US Short Duration High Yield A USD

Portfolio analysis

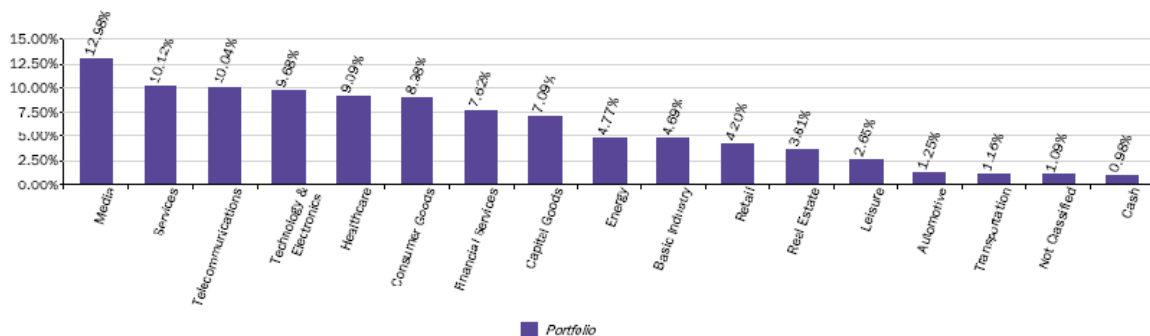
Fund indicators

	Portfolio
Cash	0.98%
Number of Holdings	249
Number of Issuers	158
Linear Average Rating	B+
Exponential Average Rating	B+
Years to Maturity	3.67

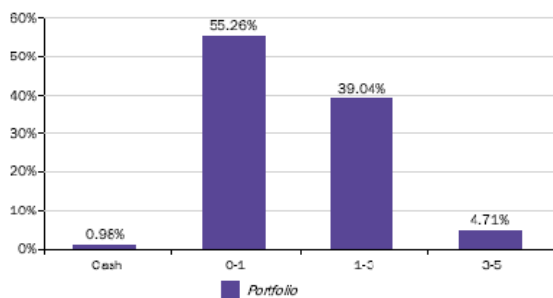
Fund indicators

	Portfolio
Modified duration to worst	1.07
Average Coupon	5.87%
Current yield	5.60
Yield To Worst	3.03
Option Adjusted Spread	283

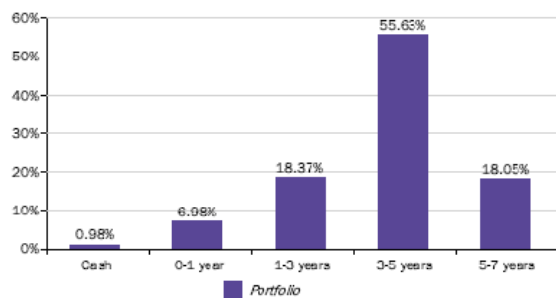
Sector breakdown



Modified duration to worst breakdown



Maturity breakdown



Source(s): AXA Investment Managers as at 26/02/2021

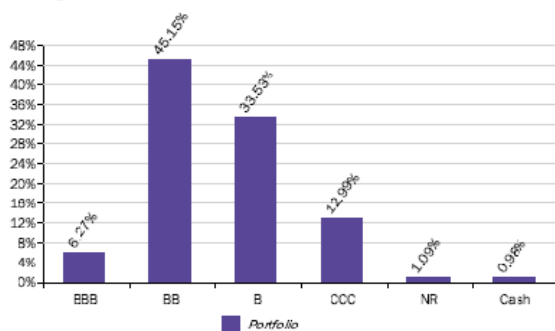
AXA IM FIIS US Short Duration High Yield A USD

Portfolio analysis

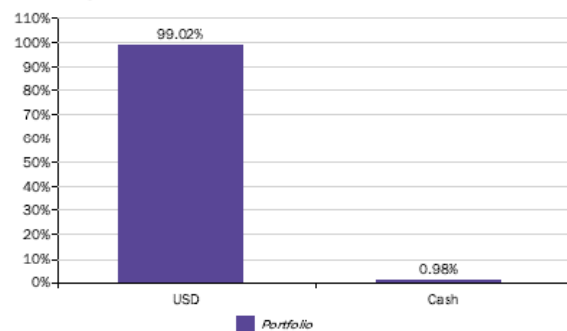
Top 10 holdings

Issuer	Coupon rate	Maturity	Sector	Modified duration to worst	Rating	Weight
CCO HLDGS LLC/CAP CORP	5.750	15/02/26	Media	0.09	BB	1.26%
LEVEL 3 FINANCING INC	5.250	15/03/26	Telecommunications	0.09	BB	1.13%
WESCO DISTRIBUTION INC	7.125	15/06/25	Services	1.25	B	1.12%
SOLERA LLC / SOLERA FINA	10.500	01/03/24	Technology & Electronics	0.09	CCC	1.12%
COMMSCOPE INC	5.500	01/03/24	Technology & Electronics	1.88	B	1.11%
ZAYO GROUP LLC/ZAYO CAP	6.000	01/04/23	Telecommunications	1.95	CCC	1.08%
DELL INT LLC / EMC CORP	7.125	15/06/24	Technology & Electronics	0.30	BB	1.05%
BAUSCH HEALTH COS INC	7.000	15/03/24	Healthcare	0.09	BB	1.04%
CSC HOLDINGS LLC	5.500	15/05/26	Media	0.22	BB	1.03%
NIELSEN CO LUX SARL/THE	5.000	01/02/25	Media	0.92	B	1.02%
Number of Holdings		249				

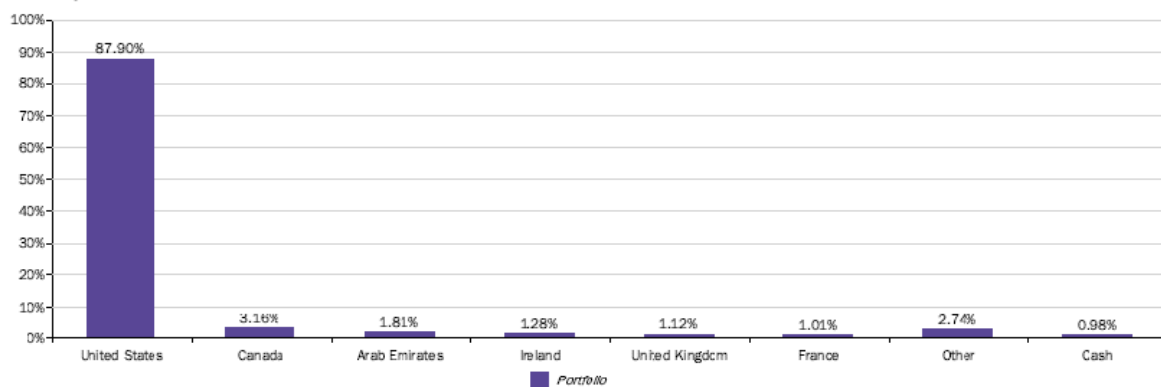
Rating breakdown



Currency breakdown



Country Breakdown



Source(s): AXA Investment Managers as at 26/02/2021

www.axa-im.com



United Short Duration High Yield Bond Fund

Total Expenses as called from fund Table

From March 1, 2020 to February 28, 2021

Called expenses from fund (Fund's direct expense)	Amount Unit : Thousand	Percentage of Net Assets Value
Management fee	742.13	0.7792
Trustee fee	30.50	0.0321
Transaction fee	-	-
Registrar fee	203.35	0.2140
Advisory fee	-	-
Sale Promotion - IPO	-	-
Sale Promotion - After IPO	-	-
Auditing Fee	46.00	0.0483
Other Expenses*	4.40	0.0046
Total Expenses**	1,026.38	1.0782

Remark * Other expense which each items is less than 0.01% of NAV

** Included VAT (if any) and not included brokerage fee

United Short Duration High Yield Bond Fund
Details of Investment ,Borrowing and Obligations
As of February 28, 2021

	Market Value	%NAV
Domestic : Assets and Securities List		
<u>Deposits</u>	<u>1,908,636.61</u>	<u>1.95</u>
KASIKORNBANK PUBLIC COMPANY LIMITED	1,908,236.45	1.95
KASIKORNBANK PUBLIC COMPANY LIMITED (USD)	400.16	0.00
<u>Others</u>	<u>-118,341.41</u>	<u>-0.12</u>
Other Assets	0.00	0.00
Other Liabilities	-118,341.41	-0.12
LUXEMBOURG : Assets and Securities List		
<u>Common Stocks</u>	<u>95,965,389.82</u>	<u>98.21</u>
Non Listed Securities	95,965,389.82	98.21
Unit Trust	95,965,389.82	98.21
AXASDHY	95,965,389.82	98.21
Futures Contracts		
<u>Forward Contracts</u>	<u>-45,577.75</u>	<u>-0.05</u>
Forward Contracts	-45,577.75	-0.05
Net Asset Value	97,710,107.27	100.00

Details of Instruments and the Ranking of Credit of respective Instruments in the Portfolio
United Short Duration High Yield Bond Fund
As of February 28, 2021

Detail of investment in the Futures contracts

<u>Type of Contract</u>	<u>Counter Party</u>	<u>Rating</u>	<u>Objective</u>	<u>Market Value</u>	<u>%NAV</u>	<u>Maturity Date</u>	<u>(net gain/loss)</u>
Currency Derivatives Contracts							
Forward Contracts	BANK OF AYUDHYA PUBLIC COMPANY LIMITED	AAA	Hedging	529,540.83	0.54	19/03/2021	529,540.83
	BANK OF AYUDHYA PUBLIC COMPANY LIMITED	AAA	Hedging	-13,858.50	-0.01	18/06/2021	-13,858.50
	THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED	AA+	Hedging	-357,628.88	-0.37	18/06/2021	-357,628.88
	KIATNAKIN PHATRA BANK PUBLIC COMPANY LIMITED	A	Hedging	-203,631.20	-0.21	16/07/2021	-203,631.20

Portfolio Turnover Ratio (PTR)

United Short Duration High Yield Bond Fund

For the period of March 1, 2020 to February 28, 2021

30.86%

Credit rating of the bank or financial institution

United Short Duration High Yield Bond Fund

As of February 28, 2021

Bank of deposit	Credit ratings by international institution	Credit ratings by domestic institution
-None-	-	-

List of Soft Commission

No.	Brokerage	Soft Commission	Reason for receiving
-	-None-	-	-

List of Connected Person with transaction

For the Period of March 1, 2020 to February 28, 2021

List of Connected Persons who had transactions with Fund
-None-

Remark :

The investors can verify the Connected Persons' transactions of fund directly at
UOB Asset Management (Thailand) Co., Ltd. or through the website of the Company (www.uobam.co.th)
or The Securities and Exchange Commission (www.sec.or.th)

Report on non-compliance of investment limit

United Short Duration High Yield Bond Fund

For the Period of March 1, 2020 to February 28, 2021

Date	Fund Name	Ratio at the end of the day (%NAV)	Ratios of the project (%NAV)	cause	performance
-None-	-	-	-	-	-

Voting right and voting right exercising

Investors should examine guidance on voting right and voting right exercising via Asset

Management Website : <http://www.uobam.co.th>

Information on the exceeding of 1/3 unit holding

United Short Duration High Yield Bond Fund

As of February 25, 2021

- None -

Remark :

The investor can verify the information on the exceeding of 1/3 unit holding through the website of the company
(www.uobam.co.th)

The amendment to the commitment

United Short Duration High Yield Bond Fund

For the Period of March 1, 2020 to February 28, 2021

Revised matter	Reason for the amendment	approval date	Effective date
Rights, Duties and Responsibilities of Unitholders (Cancelled Rules for Limitations on Unitholding over One-Third of Outstanding Units)	Comply with Announcement No.Tor.Nor.57/2563 No.Tor.Nor.62/2563 No.Sor.Tor.53/2563	January 11, 2021	January 12, 2021
Preparation of investment unit registration, Transfer of Units and Restrictions on the transfer of units (Cancelled Rules for Limitations on Unitholding over One-Third of Outstanding Units)	Comply with Announcement No.Tor.Nor.62/2563	January 11, 2021	January 12, 2021
Limitation on Unitholding of Outstanding Units (Cancelled Rules for Limitations on Unitholding over One-Third of Outstanding Units)	Comply with Announcement No.Tor.Nor.57/2563 No.Tor.Nor.62/2563	January 11, 2021	January 12, 2021
Dissolution of mutual funds (Cancelled Rules for Limitations on Unitholding over One-Third of Outstanding Units)	Comply with Announcement No.Tor.Nor.59/2563 No.Tor.Nor.60/2563 No.Sor.Nor.21/2562 No.Sor.Nor.9/2563	January 11, 2021	January 12, 2021

UNITED SHORT DURATION HIGH YIELD BOND FUND
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2021

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of United Short Duration High Yield Bond Fund

Opinion

I have audited the financial statements of United Short Duration High Yield Bond Fund ("the Fund"), which comprise the statement of financial position and details of investments as at 28 February 2021, and the statement of comprehensive income and statement of changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of United Short Duration High Yield Bond Fund as at 28 February 2021, and its financial performance and changes in its net assets for the year then ended in accordance with the Accounting Guidance for Mutual Funds and Provident Funds issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Fund in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises information including in annual report but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after that date.

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

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to management to make correction the misstatement.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Guidance for Mutual Funds and Provident Funds issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Rathapat Limsakul

Certified Public Accountant

Registration Number 10508

PV Audit Co., Ltd.

Bangkok, 2 April 2021

UNITED SHORT DURATION HIGH YIELD BOND FUND

STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2021

		Baht	
	Note	2021	2020
ASSETS	8		
Investments at fair value	3, 4	95,965,389.82	161,263,959.10
Cash at banks		1,908,030.69	1,836,286.62
Accounts receivable from interest		605.92	553.65
Accounts receivable from derivative contracts	3, 6	529,540.83	-
Total Assets		98,403,567.26	163,100,799.37
LIABILITIES	8		
Accounts payable from derivative contracts	3, 6	575,118.58	4,819,609.22
Accrued expenses	5	114,380.45	183,480.25
Accrued income tax		90.79	83.05
Other liabilities		3,870.17	8,191.58
Total Liabilities		693,459.99	5,011,364.10
NET ASSETS		97,710,107.27	158,089,435.27
NET ASSETS :			
Capital received from unitholders		90,931,567.46	150,567,805.68
Retained earnings (deficit)			
Equalisation account		(33,652,384.44)	(33,270,325.80)
Retained earnings from operations		40,430,924.25	40,791,955.39
Net Assets	7	97,710,107.27	158,089,435.27

UNITED SHORT DURATION HIGH YIELD BOND FUND**DETAILS OF INVESTMENTS****AS AT 28 FEBRUARY 2021**

<u>Security Name</u>	<u>Units</u>	<u>Fair Value</u> (Baht)	Percent of <u>Investments</u>
Investments in Foreign Unit Trust			
Unit Trust			
AXA IM Fixed Income Investment Strategies -			
US Short Duration High Yield (Class A) *	14,894.269	95,965,389.82	100.00
Total Investments (At cost : Baht 94,137,253.30)		95,965,389.82	100.00

* AXA IM Fixed Income Investment Strategies - US Short Duration High Yield (Class A) was registered in Luxembourg.

Its policy is to invest in debt instruments.

UNITED SHORT DURATION HIGH YIELD BOND FUND

DETAILS OF INVESTMENTS

AS AT 29 FEBRUARY 2020

<u>Security Name</u>	<u>Units</u>	<u>Fair Value</u> (Baht)	Percent of <u>Investments</u>
Investments in Foreign Unit Trust			
Unit Trust			
AXA IM Fixed Income Investment Strategies -			
US Short Duration High Yield (Class A) *	25,065.950	161,263,959.10	100.00
Total Investments (At cost : Baht 157,802,796.18)		161,263,959.10	100.00

* AXA IM Fixed Income Investment Strategies - US Short Duration High Yield (Class A) was registered in Luxembourg.

Its policy is to invest in debt instruments.

UNITED SHORT DURATION HIGH YIELD BOND FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2021

		Baht	
	Note	2021	2020
INCOME	3		
Interest income		2,322.54	14,409.58
Total income		2,322.54	14,409.58
EXPENSES	3		
Management fee	5	742,126.86	1,861,814.39
Trustee fee		30,502.37	74,472.12
Registrar fee	5	203,349.46	496,483.97
Professional fee		46,000.00	51,300.00
Other expenses		4,400.00	7,000.00
Total expenses		1,026,378.69	2,491,070.48
Net loss		(1,024,056.15)	(2,476,660.90)
Net gain (loss) on investments	3		
Net realised gain (loss) on investments		146,617.12	(2,171,494.98)
Net unrealised gain (loss) on investments		(1,633,026.40)	12,585,788.49
Net realised gain (loss) on derivative contracts		(2,723,842.60)	18,380,386.58
Net unrealised gain (loss) on derivative contracts	6, 8	4,774,031.47	(20,757,336.55)
Net gain on foreign currency exchange rate		99,593.53	215,042.25
Total net realised and unrealised gain on investments		663,373.12	8,252,385.79
Increase (decrease) in net assets resulting from operations before income tax		(360,683.03)	5,775,724.89
<u>Less</u> Income tax	3	(348.11)	(662.61)
Increase (decrease) in net assets resulting from operations after income tax	7	(361,031.14)	5,775,062.28

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

UNITED SHORT DURATION HIGH YIELD BOND FUND
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 28 FEBRUARY 2021

	Baht	
	2021	2020
Increase (decrease) in net assets from		
Operations	(361,031.14)	5,775,062.28
Increase in capital received from unitholders during the year	36,574,189.15	5,987,181.62
Decrease in capital received from unitholders during the year	(96,592,486.01)	(314,672,684.97)
Decrease in net assets during the year	(60,379,328.00)	(302,910,441.07)
Net assets at the beginning of the year	158,089,435.27	460,999,876.34
Net assets at the end of the year	97,710,107.27	158,089,435.27
	Units	
<u>Changes of investment units</u>		
(at Baht 10 each)		
Investment units at the beginning of the year	15,056,780.5676	44,786,843.2232
<u>Add</u> : Investment units issued during the year	3,422,328.7269	570,893.7927
<u>Less</u> : Investment units redeemed during the year	(9,385,952.5484)	(30,300,956.4483)
Investment units at the end of the year	9,093,156.7461	15,056,780.5676

UNITED SHORT DURATION HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

1. GENERAL INFORMATION

United Short Duration High Yield Bond Fund (“the Fund”) was registered with the Securities and Exchange Commission (“SEC”) on 22 March 2017. At present, the Fund has the registered value of Baht 10,000 million (divided into 1,000 million investment units at Baht 10 each). UOB Asset Management (Thailand) Company Limited (“the Management Company”) serves as the Fund’s Manager and Investment Unit Registrar and Kasikornbank Public Company Limited serves as the Fund’s Trustee.

The Fund is an open-ended fund with no stipulated project life, which divides the investment units into 2 classes as follows:

1. Auto redemption class for individual investors to earn regularly from the auto redemption.
2. Normal redemption class for individual investors to earn capital gain and accumulated benefits from total return.

The Fund’s policy is to invest in a foreign unit trust of AXA IM Fixed Income Investment Strategies - US Short Duration High Yield (Class A) which was registered in Luxembourg and is managed by AXA Funds Management S.A. (Luxembourg), not less than 80% of its net asset value. Therefore, the Fund may enter into derivative contracts for the purpose of hedging exchange rate.

The Fund’s policy is not to pay dividends to the unitholders.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund for the current year are prepared in accordance with the Accounting Guidance for Mutual Funds and Provident Funds issued by the Association of Investment Management Companies and approved by the SEC (“Accounting Guidance”), while for those matters not covered by the Accounting Guidance, the Fund applies Thai Financial Reporting Standards issued by the Federation of Accounting Professions. The first adoption of Accounting Guidance applied prospectively, therefore, the Fund has not restated the previous year’s financial statements, as previously prepared in accordance with Thai Accounting Standard No. 106 “Accounting for Investment Companies”.

However, the adoption of Accounting Guidance does not have any significant effects on the Fund’s financial statements.

The financial statements of the Fund have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments

Investments are recognised as assets at fair value at the date on which the Fund has the right on investments.

- Investments in foreign unit trusts are presented at fair value by using the latest value of net assets per unit on the date of investment measurement.

Net unrealised gains or losses arising from their revaluation of investments to be fair value are reflected in profit or loss.

The weighted average method is used to determine the cost of each security at the time of sales.

Revenues and Expenses Recognition

Interest income is recognised as interest accrues, based on the effective interest rate method.

Expenses are recognised on an accrual basis.

On disposal of an investment, the difference between net consideration received and carrying amount is recognised in profit or loss.

Accounts in Foreign Currencies

Accounts in foreign currencies are converted into Baht at the rates of exchange on the transaction date. Assets and liabilities in foreign currencies at the end of the year are converted into Baht at the rates of exchange on that date. The derivative contracts are converted at the contract rates on the transaction date.

Outstanding derivative contracts are marked to market by comparing contract rates to forward rates established by the contracting bank with same maturity. At the end of the year, the unrealised gains or losses on outstanding derivative contracts, calculated as described above, are included within accounts receivable or accounts payable from derivative contracts in statement of financial position.

Foreign exchange differences are recognised in profit or loss.

Income Tax

The Fund shall pay income tax according to the Revenue Code based on income under section 40 (4) (a) at the rate of 15% of income before deducting expenses.

Use of Accounting Judgments and Estimates

Preparation of financial statements in conformity with Accounting Guidance requires management to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues, expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

The judgments and estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

4. INVESTMENT TRADING INFORMATION

The Fund had purchases and sales of investments during the year as follows:

	Baht	
	2021	2020
Purchases of investments	29,445,160.00	8,457,120.00
Sales of investments	93,257,320.00	295,240,373.00

5. RELATED PARTY TRANSACTIONS

During the year, the Fund had significant business transactions with the Management Company and other enterprises, which have the same shareholders and/or directors as the Management Company and the Fund. Such transactions for the years ended 28 February 2021 and 29 February 2020 were summarised as follows:

	Baht		
	2021	2020	Pricing Policy
UOB Asset Management (Thailand) Company Limited			
Management fee	742,126.86	1,861,814.39	The basis stated in the prospectus
Registrar fee	203,349.46	496,483.97	The basis stated in the prospectus

As at 28 February 2021 and 29 February 2020, the Fund had the significant outstanding balances with the related company as follows:

	Baht	
	2021	2020
UOB Asset Management (Thailand) Company Limited		
Accrued management fee	51,601.29	105,099.98
Accrued registrar fee	17,200.45	28,026.68

6. FINANCIAL DERIVATIVES AT FAIR VALUE

Baht			
2021			
Notional Amount	Fair Value		
	Assets	Liabilities	
Forward exchange contracts	91,975,966.66	529,540.83	575,118.58

Baht			
2020			
Notional Amount	Fair Value		
	Assets	Liabilities	
Forward exchange contracts	157,516,945.84	-	4,819,609.22

7. TYPES OF INVESTMENT UNITS IN ISSUE

2021		
	Auto redemption class	Normal redemption class
Investment units at the end of the year (units)	6,263,690.8493	2,829,465.8968
Net assets (Baht)	67,305,106.58	30,405,000.69
Net asset value per unit (Baht)	10.7452	10.7458

2020		
	Auto redemption class	Normal redemption class
Investment units at the end of the year (units)	14,511,905.8492	544,874.7184
Net assets (Baht)	152,368,471.68	5,720,963.59
Net asset value per unit (Baht)	10.4995	10.4995

Increase (decrease) in net assets resulting from operations classified by types of investment units were as follows:

Baht		
	2021	2020
Auto redemption class	(485,262.76)	5,754,588.12
Normal redemption class	124,231.62	20,474.16
Total	(361,031.14)	5,775,062.28

8. DISCLOSURE OF FINANCIAL INSTRUMENTS

Fair Value Estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyers and sellers (market participants) at the measurement date. The Fund used quoted prices in active markets in measuring assets and liabilities which required to be measured at fair value under related accounting guidance. In case that there is no active market for identical assets or liabilities or the quoted prices in active markets are not available, the Fund will estimate the fair value using valuation techniques that fit to each circumstance and try to use observable data that is relevant to the assets or liabilities to be measured as much as possible.

The following table shows fair value of financial instruments categorised by measurement approach with different levels in a fair value hierarchy as follows:

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

Baht				
As at 28 February 2021				
	Level 1	Level 2	Level 3	Total
<u>Assets</u>				
Fund	-	95,965,389.82	-	95,965,389.82
Derivative contracts	-	529,540.83	-	529,540.83
<u>Liabilities</u>				
Derivative contracts	-	575,118.58	-	575,118.58

Baht				
As at 29 February 2020				
	Level 1	Level 2	Level 3	Total
<u>Assets</u>				
Fund	-	161,263,959.10	-	161,263,959.10
<u>Liabilities</u>				
Derivative contracts	-	4,819,609.22	-	4,819,609.22

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

During the year, there were no transfers within the fair value hierarchy.

Interest Rate Risk

Interest rate risk is the risk that value of financial assets and financial liabilities is subject to change due to the movement of market interest rates.

The following table summarises the Fund's interest rate risk, which comprised fair value of financial assets and financial liabilities and categorised by type of interest rates:

	Baht			
	Outstanding balance of net financial instruments as at 28 February 2021			
	Floating	Fixed	No Interest	
	Interest Rate	Interest Rate	Rate	Total
<u>Financial Assets</u>				
Investments at fair value	-	-	95,965,389.82	95,965,389.82
Cash at banks	1,908,030.69	-	-	1,908,030.69
Accounts receivable from interest	-	-	605.92	605.92
Accounts receivable from				
derivative contracts	-	-	529,540.83	529,540.83
<u>Financial Liabilities</u>				
Accounts payable from				
derivative contracts	-	-	575,118.58	575,118.58
Accrued expenses	-	-	114,380.45	114,380.45
Accrued income tax	-	-	90.79	90.79
Other liabilities	-	-	3,870.17	3,870.17

	Baht			
	Outstanding balance of net financial instruments as at 29 February 2020			
	Floating	Fixed	No Interest	
	Interest Rate	Interest Rate	Rate	Total
<u>Financial Assets</u>				
Investments at fair value	-	-	161,263,959.10	161,263,959.10
Cash at banks	1,836,286.62	-	-	1,836,286.62
Accounts receivable from interest	-	-	553.65	553.65
<u>Financial Liabilities</u>				
Accounts payable from				
derivative contracts	-	-	4,819,609.22	4,819,609.22
Accrued expenses	-	-	183,480.25	183,480.25
Accrued income tax	-	-	83.05	83.05
Other liabilities	-	-	8,191.58	8,191.58

Credit Risk

The Fund is exposed to the credit risk of non-performance of the financial instruments obligations by counterparties since the Fund has accounts receivable. However, such financial assets are due in the short-term, therefore, the Fund does not anticipate material losses from its debt collections.

Foreign Currency Risk

As at 28 February 2021 and 29 February 2020, the Fund had foreign currency accounts as follows:

Accounts	USD	
	2021	2020
Investments (fair value)	3,168,011.02	5,099,416.87
Cash at banks	9.29	8.29
Accounts receivable from interest	3.92	0.57

The Fund entered into derivative contracts for hedging exchange rate on investments in foreign currency (see Note 6).

Market Risk

The Fund is exposed to the market risk from changes in market prices with respect to its investments in foreign unit trust. The returns on investment fluctuate depending on the economic and political situation including the status of financial and capital markets. The mentioned situations may affect the operation of the financial instruments' issuers in a positive or negative way depending on the kind of business of those issuers and how they relate with fluctuating market, which may arise to an increase or decrease of the financial instruments' market price.

Risk Management

The fund manager of AXA IM Fixed Income Investment Strategies - US Short Duration High Yield (Class A) will analyse any factors which may affect price and the said fund has a policy to invest in debt instruments.

9. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorised persons of the Fund on 2 April 2021.

ชำระค่าไปรษณีย์การแล้ว
ใบอนุญาดเลขที่ 33/2540
ปณจ. ยานนาวา

เหตุขัดข้องที่นำส่งผู้รับไม่ได้	<input type="checkbox"/> 1. จำกัดไม่ชัดเจน
	<input type="checkbox"/> 2. ไม่ใส่เลขที่นำส่งตามกำหนด
	<input type="checkbox"/> 3. ไม่ยอมรับ
	<input type="checkbox"/> 4. ไม่มีผู้รับตามกำหนด
	<input type="checkbox"/> 5. ไม่มารับภายในกำหนด
	<input type="checkbox"/> 6. เลิกกิจการ
	<input type="checkbox"/> 7. ย้ายไปทราบที่อยู่ใหม่
	<input type="checkbox"/> 8. อื่นๆ
ลงชื่อ	

UOB Asset Management (Thailand) Co.,Ltd.

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