

**UOB Smart Japan Small And Mid Cap Fund : UOBSJSM**

***Annual Report***  
***(For the period of 2023/2024)***

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## Message from the Company

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To      Unitholders

### Market Summary

Central banks of major economies continued to raise interest rates in the first half of 2023 to control inflation towards target. The global economy slowed down, especially in the manufacturing sector, while the service sector continued to grow. Later, inflation began to turn into a downward trend due to a more balanced supply and demand in both the energy and labor markets. As a result, central banks stopped raising interest rates. In addition, weak job data and continued lower inflation rate in the last quarter caused consensus to expect multiple rate cuts in 2024 which led to market rally. In 2024, economic activities can continue to expand. As a result, the labor market and inflation dropped less than expected. This increases the chance that interest rates will be cut at a slower pace. However, global equity continued to rally in Q1, led by the developed markets which are driven by earning expectations.

### Fund's Investment Strategy

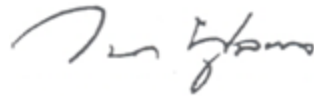
Mainly invest in units of United Japan Small and Mid Cap Fund (Master Fund), which is set up and managed by UOB Asset Management Ltd (Singapore). The Fund seeks to achieve long term capital growth through investing in securities of small and medium capitalization corporations listed, domiciled, or having substantial operations, in Japan.

The Fund's investment approach continues to be driven by bottom-up stock selection. Fund continue to allocate capital to high-quality and sustainable growth companies that are reasonably priced. Our focus is on companies with strong competitive advantages, healthy cash flow and proven track record.

As we have managed UOB Smart Japan Small And Mid Cap Fund for a period of one year on February 29, 2024, we would like to inform the net value to unit holder, UOB Smart Japan Small And Mid Cap Fund has a net asset value 1,608,877,741.14 baht in asset value or its earning per unit is at 23.8477 baht.

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. UOB Smart Japan Small And Mid Cap 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.

A handwritten signature in black ink, appearing to read 'Vana Bulbon', is centered on the page.

(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. Ms. Aumporn Supjindavong  | 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    | Executive Director (Business Development Division) |

**Office Location**

UOB Asset Management (Thailand) Co., Ltd.  
23A, 25 Floor, Asia Centre Building, 173/27-30, 31-33  
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 UOB SMART JAPAN SMALL AND MID CAP FUND

**Mutual Fund Supervisor Opinion**

We, The Kasikornbank Public Company Limited, as the Mutual Fund Supervisor of UOB SMART JAPAN SMALL AND MID CAP FUND by UOB Asset Management (Thailand) Co., Ltd. from March 1, 2023 until February 29, 2024 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.



**Mutual Fund Supervisor**

March 8, 2024

## UOB Smart Japan Small And Mid Cap Fund

### Name List of Fund Manager

For the period of March 1, 2023 to February 29, 2024

No.	Name List of Fund Manager
1	Ms. Vannachan Ungthavorn*
2	Mr. Thitirat Ratanasingha*
3	Mr. Guy Siriphanporn*
4	Mr. Tanapat Suriyodorn
5	Ms. Pornsajee Worasuttipisit
6	Mr. Waroon Saptaweekul

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

## Fund Performance

Registration Date

Mar 7, 2014

Ending Date of Accounting Period

Feb 29, 2024

	2557 2014	2558 2015	2559 2016	2560 2017	2561 2018	2562 2019	2563 2020	2564 2021	2565 2022	2566 2023
ผลตอบแทนของกองทุน (Fund Return)	15.91%	24.34%	-0.55%	41.84%	-14.01%	16.01%	1.62%	6.43%	-9.78%	15.29%
ผลตอบแทนตัวชี้วัด (Benchmark Return)	3.94%	23.10%	3.88%	17.33%	-16.27%	9.08%	8.03%	8.53%	-10.84%	13.84%
ความผันผวนของผลดำเนินงาน (Fund Standard Deviation)	10.75%	16.10%	21.49%	8.72%	19.55%	14.86%	24.57%	14.51%	17.13%	13.42%
ความผันผวนของตัวชี้วัด (Benchmark Standard Deviation)	12.38%	15.46%	18.98%	9.07%	16.05%	12.12%	21.11%	14.05%	16.20%	13.46%

	ตั้งแต่ต้นปี (YTD) <sup>1)</sup>	3 เดือน (3 Months) <sup>1)</sup>	6 เดือน (6 Months) <sup>1)</sup>	1 ปี (1 Year) <sup>2)</sup>	3 ปี (3 Years) <sup>2)</sup>	5 ปี (5 Years) <sup>2)</sup>	10 ปี (10 Years) <sup>2)</sup>	ตั้งแต่จัดตั้ง (Since Inception) <sup>3)</sup>
ผลตอบแทนของกองทุน (Fund Return)	4.51%	5.89%	7.96%	16.61%	5.17%	4.41%	N/A	9.09%
ผลตอบแทนตัวชี้วัด (Benchmark Return)	7.48%	8.69%	9.82%	18.46%	4.28%	6.12%	N/A	6.19%
ความผันผวนของผลดำเนินงาน (Fund Standard Deviation)	4.32%	5.43%	9.54%	13.53%	11.92%	15.07%	N/A	14.41%
ความผันผวนของตัวชี้วัด (Benchmark Standard Deviation)	4.32%	5.07%	9.64%	13.22%	11.71%	12.73%	N/A	11.61%

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 : MSCI Japan SMID Cap Index converted in THB.
- 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.



## UOB Smart Japan Small And Mid Cap Fund

### Total Expenses as called from fund Table

From March 1, 2023 to February 29, 2024

Called expenses from fund (Fund's direct expense)	Amount Unit : Thousand	Percentage of Net Assets Value
Management fee	32,913.72	1.6050
Trustee fee	658.27	0.0321
Transaction fee	-	-
Registrar fee	2,633.10	0.1284
Advisory fee	-	-
Sale Promotion - IPO	-	-
Sale Promotion - After IPO	-	-
Auditing Fee	55.90	0.0027
Other Expenses*	69.00	0.0034
<b>Total Expenses**</b>	<b>36,329.99</b>	<b>1.7716</b>
Rebate fee	Amount Unit : Baht	Percentage of Net Assets Value
Rebate fee	20,761,350.77	1.0149

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

\*\* Included VAT (if any) and Not included brokerage fee

UOB Smart Japan Small And Mid Cap Fund  
Details of Investment ,Borrowing and Obligations  
As of February 29, 2024

	Market Value	%NAV
<b>Domestic : Assets and Securities List</b>		
<b><u>Deposits</u></b>	<b><u>24,837,850.67</u></b>	<b><u>1.54</u></b>
UNITED OVERSEAS BANK (THAI) PUBLIC COMPANY LIMITED	2,080,458.15	0.13
KASIKORNBANK PUBLIC COMPANY LIMITED(JPY)	1,768,224.47	0.11
KASIKORNBANK PUBLIC COMPANY LIMITED	20,989,168.05	1.30
<b><u>Others</u></b>	<b><u>-17,493,830.77</u></b>	<b><u>-1.09</u></b>
Other Assets	3,016,080.27	0.19
Other Liabilities	-20,509,911.04	-1.27
<b>SINGAPORE : Assets and Securities List</b>		
<b><u>Common Stocks</u></b>	<b><u>1,572,866,181.67</u></b>	<b><u>97.76</u></b>
Listed Securities	1,572,866,181.67	97.76
Unit Trust	1,572,866,181.67	97.76
UJJP	1,572,866,181.67	97.76
<b>Futures Contracts</b>		
<b><u>Forward Contracts</u></b>	<b><u>28,667,539.57</u></b>	<b><u>1.78</u></b>
Forward Contracts	28,667,539.57	1.78
<b>Net Asset Value</b>	<b>1,608,877,741.14</b>	<b>100.00</b>

Details of Instruments and the Ranking of Credit of respective Instruments in the Portfolio  
 UOB Smart Japan Small And Mid Cap Fund  
 As of February 29, 2024

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	CIMB THAI BANK PUBLIC COMPANY LIMITED	AA	Hedging	4,365,900.00	0.27	15/05/2024	4,365,900.00
	BANK OF AYUDHYA PUBLIC COMPANY LIMITED	AAA	Hedging	-51,480.00	0.00	24/04/2024	-51,480.00
	THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED	AA+	Hedging	24,958,403.80	1.55	24/04/2024	24,958,403.80
	THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED	AA+	Hedging	-196,539.20	-0.01	24/04/2024	-196,539.20
	THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED	AA+	Hedging	-182,296.25	-0.01	24/04/2024	-182,296.25
	KASIKORN BANK PUBLIC COMPANY LIMITED	AA+	Hedging	-226,448.78	-0.01	24/04/2024	-226,448.78

**Portfolio Turnover Ratio (PTR)**

**UOB Smart Japan Small And Mid Cap Fund**

**For the period of March 1, 2023 to February 29, 2024**

18.19%
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**Credit rating of the bank or financial institution**

**UOB Smart Japan Small And Mid Cap Fund**

**As of February 29, 2024**

Bank of deposit	Credit ratings by international institution	Credit ratings by domestic institution
United Overseas Bank (Thai) Pcl.	Baa1(Moody)	AAA (Fitch)

### List of Soft Commission

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

### **List of Connected Person with transaction**

**For the Period of March 1, 2023 to February 29, 2024**

List of Connected Persons who had transactions with Fund
UOB Asset Management (Singapore)

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](http://www.uobam.co.th))  
or The Securities and Exchange Commission ([www.sec.or.th](http://www.sec.or.th))

**Report on non-compliance of investment limit**

**UOB Smart Japan Small And Mid Cap Fund**

**For the Period of March 1, 2023 to February 29, 2024**

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**

**UOB Smart Japan Small And Mid Cap Fund**

**As of February 29, 2024**

UOB Smart Japan Small And Mid Cap Fund Unitholders are more than 1 in 3 by any one person.

A number of groups is proportional to the rate of 40.3161 percent.

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](http://www.uobam.co.th))

**The amendment to the commitment**  
**UOB Smart Japan Small And Mid Cap Fund**  
**For the Period of March 1, 2023 to February 29, 2024**

Revised matter	Reason for the amendment	Approval date	Effective date
Dissolution/Termination of the Project	Comply with Announcement No.Tor.Nor. 11/2564	September 25, 2023	September 25, 2023

UOB SMART JAPAN SMALL AND MID CAP FUND  
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED 29 FEBRUARY 2024

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Unitholders of UOB Smart Japan Small And Mid Cap Fund**

#### **Opinion**

I have audited the financial statements of UOB Smart Japan Small And Mid Cap Fund ("the Fund"), which comprise the statement of financial position and details of investments as at 29 February 2024, 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 UOB Smart Japan Small And Mid Cap Fund as at 29 February 2024, 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 Code of Ethics for Professional Accountants, including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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**

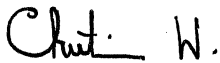
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.



Chutima Wongsaraphanchai

Certified Public Accountant

Registration Number 9622

PV Audit Co., Ltd.

Bangkok, 19 March 2024

**UOB SMART JAPAN SMALL AND MID CAP FUND**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 29 FEBRUARY 2024**

	Note	Baht	
		2024	2023
<b>ASSETS</b>	<b>7</b>		
Investments at fair value	3, 4, 5	1,572,866,181.67	2,252,795,883.93
Cash at banks	5	24,787,118.61	66,451,965.23
Accounts receivable			
From interest	5	50,732.06	47,737.96
From sales of investment units		1,703,259.49	2,824,679.15
Accounts receivable from derivative contracts	3, 6	29,324,303.80	4,572,075.22
Accrued other income	5	1,312,820.78	1,822,257.79
<b>Total Assets</b>		<b>1,630,044,416.41</b>	<b>2,328,514,599.28</b>
<b>LIABILITIES</b>	<b>7</b>		
Accounts payable from redemption of investment units		18,092,250.82	19,937,840.19
Accounts payable from derivative contracts	3, 6	656,764.23	24,522,871.60
Accrued expenses	5	2,250,496.10	3,060,139.44
Accrued income tax		7,609.81	7,160.69
Other liabilities	5	159,554.31	187,859.36
<b>Total Liabilities</b>		<b>21,166,675.27</b>	<b>47,715,871.28</b>
<b>NET ASSETS</b>		<b>1,608,877,741.14</b>	<b>2,280,798,728.00</b>
<b>NET ASSETS :</b>			
Capital received from unitholders		674,645,010.42	1,115,698,544.32
Retained earnings (deficit)			
Equalisation account		(888,966,410.18)	(350,498,835.48)
Retained earnings from operations		1,823,199,140.90	1,515,599,019.16
<b>Net Assets</b>		<b>1,608,877,741.14</b>	<b>2,280,798,728.00</b>
 Net asset value per unit		 23.8477	 20.4427
Investment units sold at the end of the year (units)		67,464,501.0416	111,569,854.4324



**UOB SMART JAPAN SMALL AND MID CAP FUND****DETAILS OF INVESTMENTS****AS AT 29 FEBRUARY 2024**

<u>Security Name</u>	<u>Units</u>	<u>Fair Value</u> (Baht)	<u>Percent of</u> <u>Investments</u>
<b>Investments in Foreign Unit Trust</b>			
<b>Unit Trust</b>			
United Japan Small And Mid Cap Fund *	2,519,590.535	1,572,866,181.67	100.00
<b>Total Investments (At cost : Baht 1,536,382,642.22)</b>		<b>1,572,866,181.67</b>	<b>100.00</b>

\* United Japan Small And Mid Cap Fund has a policy to achieve long-term capital growth through investing in securities of small and medium capitalisation corporations listed, domiciled, or having substantial operations, in Japan.

**UOB SMART JAPAN SMALL AND MID CAP FUND****DETAILS OF INVESTMENTS****AS AT 28 FEBRUARY 2023**

<u>Security Name</u>	<u>Units</u>	<u>Fair Value</u> (Baht)	Percent of <u>Investments</u>
<b>Investments in Foreign Unit Trust</b>			
<b>Unit Trust</b>			
United Japan Small And Mid Cap Fund *	3,912,125.591	2,252,795,883.93	100.00
<b>Total Investments (At cost : Baht 2,412,869,770.29)</b>		<b>2,252,795,883.93</b>	<b>100.00</b>

- \* United Japan Small And Mid Cap Fund has a policy to achieve long-term capital growth through investing in securities of small and medium capitalisation corporations listed, domiciled, or having substantial operations, in Japan.

**UOB SMART JAPAN SMALL AND MID CAP FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 29 FEBRUARY 2024**

	Note	Baht	
		2024	2023
INCOME	3		
Interest income	5	328,529.75	156,611.06
Other income	5, 8	20,761,350.77	26,244,395.05
Total income		21,089,880.52	26,401,006.11
EXPENSES	3		
Management fee	5	32,913,716.79	41,311,906.47
Trustee fee		658,274.31	826,238.11
Registrar fee	5	2,633,097.37	3,304,952.48
Professional fee		55,900.00	55,900.00
Other expenses		69,000.63	42,000.00
Total expenses		36,329,989.10	45,540,997.06
Net loss		(15,240,108.58)	(19,139,990.95)
Net gain (loss) on investments	3		
Net realised loss on investments		(49,535,513.32)	(46,663,768.04)
Net unrealised gain (loss) on investments		196,557,425.81	(148,649,353.00)
Net realised gain on derivative contracts		126,706,330.00	275,017,234.66
Net unrealised gain (loss) on derivative contracts	6, 7	48,618,335.95	(60,744,389.20)
Net gain on foreign currency exchange rate		542,931.34	1,450,252.16
Total net realised and unrealised gain on investments		322,889,509.78	20,409,976.58
Increase in net assets resulting from operations before income tax		307,649,401.20	1,269,985.63
Less Income tax	3	(49,279.46)	(23,487.23)
Increase in net assets resulting from operations after income tax		307,600,121.74	1,246,498.40

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

**UOB SMART JAPAN SMALL AND MID CAP FUND**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2024**

	Baht	
	2024	2023
Increase (decrease) in net assets from		
Operations	307,600,121.74	1,246,498.40
Increase in capital received from unitholders during the year	789,422,716.72	603,331,336.60
Decrease in capital received from unitholders during the year	(1,768,943,825.32)	(1,063,096,870.35)
Decrease in net assets during the year	(671,920,986.86)	(458,519,035.35)
Net assets at the beginning of the year	2,280,798,728.00	2,739,317,763.35
Net assets at the end of the year	1,608,877,741.14	2,280,798,728.00
	Units	
<u>Changes of investment units</u>		
(at Baht 10 each)		
Investment units at the beginning of the year	111,569,854.4324	134,315,085.9376
<u>Add</u> : Investment units issued during the year	36,699,930.5858	30,218,823.0098
<u>Less</u> : Investment units redeemed during the year	(80,805,283.9766)	(52,964,054.5150)
Investment units at the end of the year	67,464,501.0416	111,569,854.4324

## **UOB SMART JAPAN SMALL AND MID CAP FUND**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 29 FEBRUARY 2024**

##### **1. GENERAL INFORMATION**

UOB Smart Japan Small And Mid Cap Fund (“the Fund”) was registered with the Securities and Exchange Commission (“SEC”) on 7 March 2014. 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. Its policy is to invest in a foreign unit trust of United Japan Small And Mid Cap Fund which is registered in Singapore and is managed by UOB Asset Management Ltd., at the average rate of not less than 80 percent of the Fund’s net asset value. Therefore, the Fund may enter into derivative contracts for hedging of the risk of foreign currency 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 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 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.

Other income and 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	
	2024	2023
Purchases of investments	371,407,015.00	395,544,514.42
Sales of investments	1,198,358,629.75	599,279,995.55

## 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 29 February 2024 and 28 February 2023 were summarised as follows:

	Baht		
	2024	2023	Pricing Policy
UOB Asset Management (Thailand) Company Limited			
Management fee	32,913,716.79	41,311,906.47	The basis stated in the prospectus
Registrar fee	2,633,097.37	3,304,952.48	The basis stated in the prospectus
United Overseas Bank (Thai) Public Company Limited			
Interest income	174,032.91	90,570.70	Market rate
UOB Asset Management Ltd			
Purchases of investments	371,407,015.00	395,544,514.42	Market price
Sales of investments	1,198,358,629.75	599,279,995.55	Market price
Other income	20,761,350.77	26,244,395.05	See Note 8

As at 29 February 2024 and 28 February 2023, the Fund had the significant outstanding balances with the related companies as follows:

	Baht	
	2024	2023
UOB Asset Management (Thailand) Company Limited		
Accrued management fee	2,053,479.73	2,810,751.07
Accrued registrar fee	164,278.36	224,860.06
Other liabilities	14,778.22	-
United Japan Small And Mid Cap Fund		
Investments	1,572,866,181.67	2,252,795,883.93
United Overseas Bank (Thai) Public Company Limited		
Cash at bank	2,076,535.67	50,331,828.81
Accounts receivable from interest	3,922.48	35,427.04
UOB Asset Management Ltd		
Accrued other income	1,312,820.78	1,822,257.79

## 6. FINANCIAL DERIVATIVES AT FAIR VALUE

Baht			
2024			
	Notional	Fair Value	
	Amount	Assets	Liabilities
Forward exchange contracts	1,706,094,300.00	29,324,303.80	656,764.23

Baht			
2023			
	Notional	Fair Value	
	Amount	Assets	Liabilities
Forward exchange contracts	2,446,811,500.00	4,572,075.22	24,522,871.60

## 7. 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 29 February 2024				
	Level 1	Level 2	Level 3	Total
<u>Assets</u>				
Fund	-	1,572,866,181.67	-	1,572,866,181.67
Derivative contracts	-	29,324,303.80	-	29,324,303.80
<u>Liabilities</u>				
Derivative contracts	-	656,764.23	-	656,764.23

Baht				
As at 28 February 2023				
	Level 1	Level 2	Level 3	Total
<u>Assets</u>				
Fund	-	2,252,795,883.93	-	2,252,795,883.93
Derivative contracts	-	4,572,075.22	-	4,572,075.22
<u>Liabilities</u>				
Derivative contracts	-	24,522,871.60	-	24,522,871.60

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 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 29 February 2024			
	Floating Interest Rate	Fixed Interest Rate	No Interest Rate	Total
<u>Financial Assets</u>				
Investments at fair value	-	-	1,572,866,181.67	1,572,866,181.67
Cash at banks	23,018,894.14	-	1,768,224.47	24,787,118.61
Accounts receivable from interest	-	-	50,732.06	50,732.06
Accounts receivable from sales of investment units	-	-	1,703,259.49	1,703,259.49
Accounts receivable from derivative contracts	-	-	29,324,303.80	29,324,303.80
Accrued other income	-	-	1,312,820.78	1,312,820.78
<u>Financial Liabilities</u>				
Accounts payable from redemption of investment units	-	-	18,092,250.82	18,092,250.82
Accounts payable from derivative contracts	-	-	656,764.23	656,764.23
Accrued expenses	-	-	2,250,496.10	2,250,496.10
Accrued income tax	-	-	7,609.81	7,609.81
Other liabilities	-	-	159,554.31	159,554.31

Baht

Outstanding balance of net financial instruments as at 28 February 2023

	Floating Interest Rate	Fixed Interest Rate	No Interest Rate	Total
<u>Financial Assets</u>				
Investments at fair value	-	-	2,252,795,883.93	2,252,795,883.93
Cash at banks	53,891,174.63	-	12,560,790.60	66,451,965.23
Accounts receivable from interest	-	-	47,737.96	47,737.96
Accounts receivable from sales of investment units	-	-	2,824,679.15	2,824,679.15
Accounts receivable from derivative contracts	-	-	4,572,075.22	4,572,075.22
Accrued other income	-	-	1,822,257.79	1,822,257.79
<u>Financial Liabilities</u>				
Accounts payable from redemption of investment units	-	-	19,937,840.19	19,937,840.19
Accounts payable from derivative contracts	-	-	24,522,871.60	24,522,871.60
Accrued expenses	-	-	3,060,139.44	3,060,139.44
Accrued income tax	-	-	7,160.69	7,160.69
Other liabilities	-	-	187,859.36	187,859.36

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 29 February 2024 and 28 February 2023, the Fund had foreign currency accounts as follows:

Accounts	JPY	
	2024	2023
Investments (at fair value)	6,564,659,600.64	8,713,293,458.93
Cash at banks	7,380,025.00	48,582,233.00
Accrued other income	5,479,310.10	7,048,071.68

The Fund entered into derivative contracts for hedging exchange rates 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 investments fluctuate depending on the economic and political situation including the status of financial and capital markets. The mentioned situations may affect the operations 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 United Japan Small And Mid Cap Fund will analyse any factors which may affect price and the said fund has a policy to achieve long-term capital growth through investing in securities of small and medium capitalisation corporations listed, domiciled, or having substantial operations, in Japan.

## **8. OTHER INCOME**

Other income is the rebate in management fee in foreign to the Fund at the mutually agreed rate in the agreement.

## **9. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements have been approved for issue by the authorised persons of the Fund on 19 March 2024.

เหตุผลที่ต้องร้องเรียนจากผู้รับไม่ได้
<input type="checkbox"/> 1. ค่าหน้าไม่ชัดเจน
<input type="checkbox"/> 2. ไม่มีเลขที่บ้านตามง่าหน้า
<input type="checkbox"/> 3. ไม่ยอมรับ
<input type="checkbox"/> 4. ไม่มีผู้รับตามง่าหน้า
<input type="checkbox"/> 5. ไม่มารับภายในกำหนด
<input type="checkbox"/> 6. เสกสิ่งกีดขวาง
<input type="checkbox"/> 7. ย้ายไปจากที่อยู่อีก
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ลงชื่อ .....

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