

UGO OVERVIEW

The Umonde Global Opportunity (UGO) investment fund is priced, bought, and sold in tokens that represent a mixture of assets underlying the fund. Each UGO token is backed by a thematic portfolio of global equities and digital assets. UGO tokens are designed to give participants access to global growth through exposure to innovative themes, primarily focusing on the intersection of clean energy and digital asset technology (the energy internet). We believe innovations centred around renewable energy storage and distributed blockchain technology will change the way the world works and deliver outsized growth as industries transform. As part of a growing global mandate in sustainable investing we believe that these themes represent a pure representation of impact investing.

PORTFOLIO UPDATE

December was the first double digit decline since the inception of the UGO portfolio. This should be seen in the context of 6 double digit positive month returns over the same period. Given that the portfolio has a track record of 22 months, this implies that 27% of the calendar month returns have been more than 11%. Statistically then, a large negative month should be seen as an expected retracement.

Financial markets have been reassessing risk in certain sectors due to the US Fed changing its policy stance; becoming more hawkish with respect to its existing ultra-easy monetary policy. The change in this outlook is largely due to inflation remaining persistently high. Interestingly, the change in stance was well telegraphed to the market but this did not spare a sector wide sell off – among the hardest hit were the smaller cap innovation bucket. This sell-off included the solar, and battery technology sectors which the UGO portfolio has a combined 45% exposure.

More importantly, however, is our assessment of the long-term fundamentals of the securities that UGO owns which have not changed.



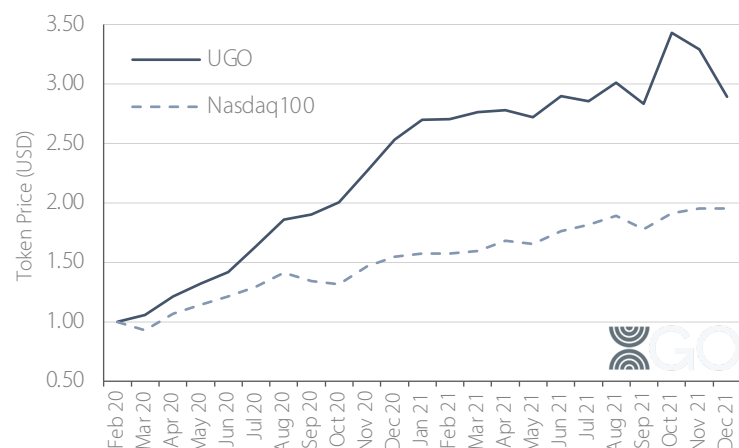
YEAR-TO-DATE PERFORMANCE – NET OF FEES (ZAR, GBP)

2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
ZAR	4.8%	-0.5%	-1.3%	-0.1%	-7.5%	11.1%	0.5%	5.5%	-2.0%	22.1%	-0.4%	-11.4%	20.8%
GBP	5.4%	-1.4%	2.5%	0.8%	-4.7%	8.6%	-2.2%	6.8%	-4.0%	19.4%	-1.2%	-13.4%	16.6%

MONTHLY PERFORMANCE – NET OF FEES (USD)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	-	-	5.8%	14.7%	8.8%	7.1%	15.3%	13.9%	2.3%	5.3%	13.2%	11.5%	98.1%
2021	5.5%	0.2%	1.7%	0.6%	-2.1%	6.7%	-1.5%	5.6%	-6.1%	21.2%	-4.0%	-12.1%	15.6%

FUND PERFORMANCE vs NASDAQ 100 (USD)



SECTOR ALLOCATIONS (31/12)

