

Phillip Value Growth Fund

Quarterly Fact Sheet

AUGUST 2022



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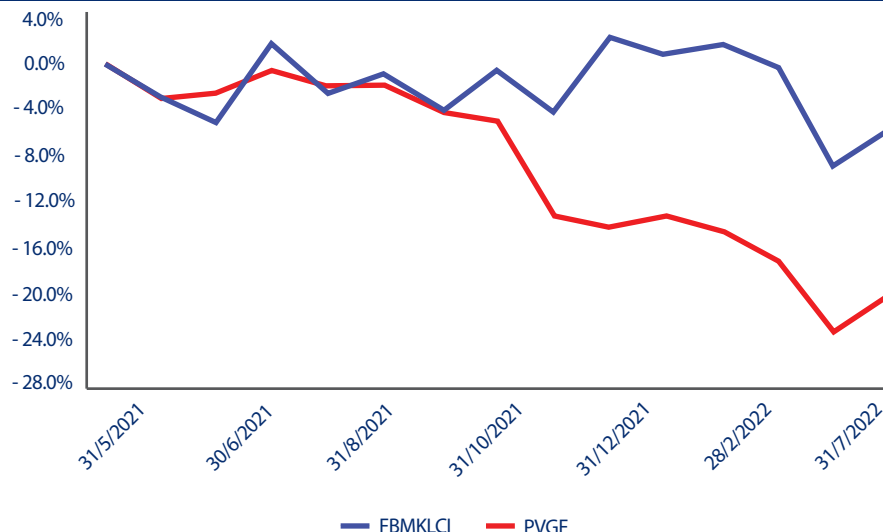
FUND INFORMATION

Investment Manager	: Phillip Capital Management Sdn Bhd (199501004372)
Trustee	: CIMB Commerce Trustee Berhad (313031-A)
Fund Objectives	: The Fund aims to achieve long term capital growth with regular income distribution.
Asset Allocation	: 60% - 100% of the Fund's NAV will be invested in equities and equity-related securities. Remaining NAV of the Fund will be in Fixed income securities, Deposits, money market instruments and/or collective investment schemes investing in money market instruments and/or Deposits.
Fund Category	: Equity (Wholesale) / Growth & Income
Investor Profile	: The Fund is suitable for Sophisticated Investors who have a long-term investment horizon and seek regular income.
Benchmark	: FBMKLCI
Inception Date	: 3rd May 2021 @ RM1.0000
Fund Size	: RM23,298,155.80
Unit NAV	: RM0.8053 as of 31st Jul 2022

FEES & OTHER CHARGES

Initial Investment	: RM100,000.00
Subsequent Investment	: RM10,000.00
Sales Charge	: Up to 3.00% of the subscription amount of the Fund.
Management Fee	: 1.50% per annum of the NAV of the Fund. Calculated, accrued and payable to the Manager on monthly basis.
Trustee Fee	: 0.04% per annum of the NAV of the Fund, subject to a minimum fee of RM 12,000 per annum. Calculated, accrued and payable to the Trustee on monthly basis.
Performance Fee	: 20.00% on the appreciation in the NAV per Unit (before deducting the performance fee) over and above the High Water Mark during the Performance Period.
Dealing Time for Subscription	: Complete applications, accompanied by all relevant supporting documents and payment in cleared funds, must be received by the Manager by the twenty-fifth (25th) Calendar Day of every month.
Dealing Time for Redemption	: A redemption request must be received by the Manager by the twenty-fifth (25th) Calendar Day of every month, or the earlier business day if it falls on holiday, and in either case, such other time or day or period as the Manager may from time to time determine.

PORTFOLIO PERFORMANCE



Source: Phillip Capital Management

Portfolio	1M	3M	6M	1Y	YTD	Since inception*
PVGF	3.38%	-6.65%	-8.23%	-19.03%	-15.50%	-19.47%
FBMKLCI	3.32%	-6.76%	-1.33%	-6.82%	-4.80%	-5.41%

*Since inception (May 2021)

Source: Phillip Capital Management

MANAGER'S COMMENTS

The Fund performance declined 2.42% in May 2022 and 7.46% in June 2022 respectively and it increased 3.38% in July 2022 amidst the geopolitical issue in Russia-Ukraine war, economy slowdown due to US's sanction on Russia that affecting our global supply chain, logistic & transportation and global import export activities, the aggressive policy of the US Federal Reserve (FED) interest rate hike to total of 150 basis point in June and July 2022 and the ongoing tapering policy in the US market.

The 3 major US indices: Dow Jones, Nasdaq and S&P500 continued to plummet in May and June 2022 to 1 year new low but they rebounded strongly about 9% to 18% in late July 2022 after the market factoring the interest hike effects by US FED. The aggressive interest rate hike by FED were part of the US Government initiative to reduce burden to its people that suffers from super high inflation in the US. This aggressive interest hike may also create uncertainties or potential risk to the US economy or lead to economy recession.

The China economy recovering in June 2022 after the "Zero Covid" policy were lifted from few major cities especially in Shanghai & Beijing. The supply chain in China has resumed gradually to normal condition as most of the factories and business activities resumes their production and supply chain. Unfortunately, another issue arises on China property giant, the China Evergrande Group on bonds default that may led to another crisis in China's economy and recovery. We also closely monitoring the tension development between China and Taiwan conflict that may lead another instability to the market.

For 2nd quarter of 2022 our local equities market were volatile too, as it dropped from 1600pts level to 1400pts level in mid July 2022. It then rebounded back to 1500pts level after the US and global market react positively after the 75-basis point interest rate hike took place in July 2022, as the market already factor in earlier to the action by US FED. Technology index also having a strong rebound of 16% from 57pts to 66pts, that led by most of the technology and semiconductor related counters.

As the economy re-opening now fully priced in, the market anticipation to prospects 2H22 and beyond are now being hampered by limited forward visibility on business and macroeconomic conditions. Nonetheless, growth in 2H22 will be stronger than 1H22 due to better private consumption and domestic activities, thanks to improving job market, higher minimum wage, continuing subsidies and stimulus measures.

We uses Market Price-to-Book ratio (Market PB) as an average price-to-book of all equities in Malaysia market. It indicates the overall valuation of Malaysia equities market in terms of net asset perspective. The latest Market PB as of 29th July 2022 were 1.72. It retraced from previous level of 1.80. This indicate that the price to book value of Malaysia equities has entered into non-high-risk zone as some sectors or counters had encountered further correction in the quarter.

Source: Phillip Capital Management

INVESTMENT STRATEGY

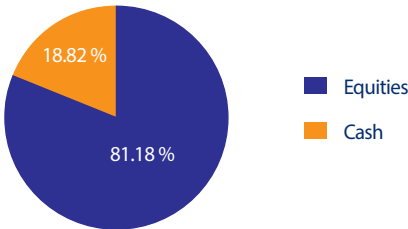
PVGF uses adaptive Buy and Hold strategy with portfolio rebalancing measures on monthly or quarterly basis, when needed. This also applies to company that exceeded individual or sectorial maximum capping limit from time to time and if there are new opportunities occur in watch list especially when the price-to-book is at the low or discounted level. Overall, the Fund will be actively manage & monitor the companies in the portfolio and watch list.

We added Petronas Chemicals Berhad (PCHEM) into the portfolio to further enhance our strategies of diversifying certain portfolio allocation to growth investing opportunities. It also met our criteria of businesses with high growth prospect and businesses with double digits profit growth. PCHEM advantage to benefits from the up-trend price of related petrochemicals products, the upon completion of Pengerang RAPID project and also the acquisition of Perstorp which will contribute positively to the financial effects of FY22 and FY23.

Meanwhile PVGF also completely disposed LITRAK from the portfolio as the group had completely sold off the highway and toll concession business of two major highways within Klang Valley which include Lebuhraya Damansara Puchong (LDP) and Western Kuala Lumpur Traffic Dispersal Scheme (SPRINT). As LITRAK has no intention to further develop or acquire any toll concession businesses in the future, the company no longer met our criteria of non-cyclical and stable business in generating cash flow thus PVGF had clear the position of LITRAK from the portfolio.

Cash position in PVGF increases as compared to previous quarter in view of potential bear market risk approaching and geopolitical tension between China & Taiwan, hence we were cautiously conservative by reducing our equities position.

ASSET ALLOCATION



Source: Phillip Capital Management

TOP 10 HOLDINGS

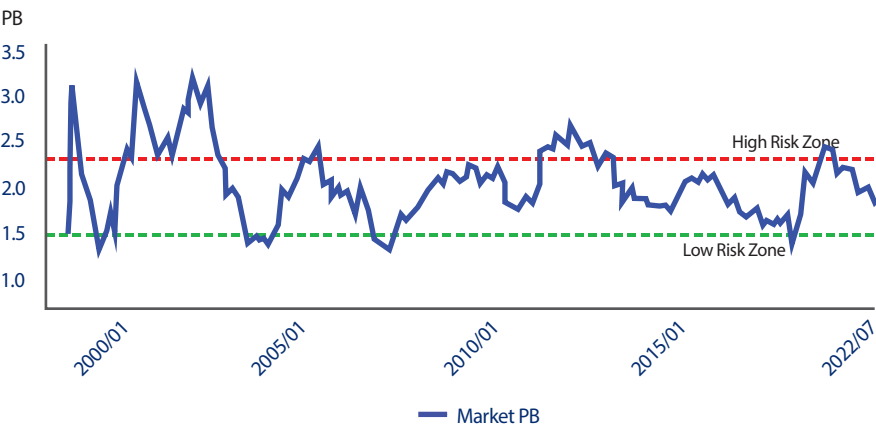
Holdings	%
1. UNISEM (M) BERHAD	5.47 %
2. MALAYSIAN PACIFIC INDUSTRIES BERHAD	4.85 %
3. SCIENTX BERHAD	4.72 %
4. VSTECs BERHAD	4.51 %
5. APEX HEALTHCARE BERHAD	4.21 %
6. VS INDUSTRY BERHAD	4.05 %
7. MY E.G. SERVICES BERHAD	3.97 %
8. COASTAL CONTRACTS BERHAD	3.70 %
9. THONG GUAN INDUSTRIES BERHAD	3.58 %
10. PUBLIC BANK BERHAD	3.45 %

Source: Phillip Capital Management

For more information

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MARKET PB



Source: Phillip Capital Management