

PHILLIP VALUE GROWTH FUND

**UNAUDITED
QUARTERLY REPORT**

**FOR THE FINANCIAL PERIOD
ENDED 31 JULY 2024**

Manager:
PHILLIP CAPITAL MANAGEMENT SDN BHD
(199501004372)(333567-D)

Trustee:
CIMB COMMERCE TRUSTEE BERHAD
(199401027349)(313031-A)

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FUND INFORMATION**As at 31 July 2024**

Name Of Fund	: Phillip Value Growth Fund
Manager Of Fund	: Phillip Capital Management Sdn Bhd 199501004372 (333567-D)
Launch Date	: 3 May 2021
Category Of Fund	: Equity (Wholesale)
Type Of Fund	: Growth and Income
Investment Objective	: Phillip Value Growth Fund aims to achieve long-term* capital growth with regular income distribution. <i>* Long-term is a period of more than three years.</i>
Performance Benchmark	: FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI)
Distribution Policy	: Subject to availability of income, the Fund intends to distribute its income on a yearly basis.
Fund Size	: 20.18 million units

FUND PERFORMANCE

Financial Highlights

Category	As at 31.7.2024	As at 30.4.2024	As at 30.4.2023	As at 30.4.2022
Quoted Equity Securities	%	%	%	%
Banks	-	-	3.41	3.50
Capital Goods	3.49	3.33	2.61	2.09
Consumer Durables & Apparel	1.67	0.52	-	-
Diversified Financials	3.56	3.47	-	-
Energy	7.04	4.59	9.76	5.91
Food, Beverage & Tobacco	6.18	9.09	14.97	9.88
Health Care Equipment & Services	11.29	15.75	3.39	5.93
Industrials	15.51	16.21	5.58	6.36
Insurance	7.29	6.68	4.26	3.99
Manufacturing	3.02	-	-	-
Materials	4.60	3.85	10.80	10.27
Pharma, Biotech & Life Sciences	-	-	5.63	7.46
Plantation	-	-	-	0.85
Real Estate	7.87	9.87	-	-
Semiconductors & Semi Equipment	-	-	10.33	10.02
Software & Services	6.54	8.59	5.67	4.51
Technology Hardware & Equipment	3.25	3.64	9.02	9.35
Telecommunication Services	3.51	3.29	2.37	2.35
Transportation	3.35	3.27	-	4.11
Utilities	9.76	-	-	-
	97.93	92.15	87.80	86.58
Cash And Liquid Assets	2.07	7.85	12.20	13.42
Total	100.00	100.00	100.00	100.00
Net Asset Value (RM'000)	19,648	19,995	22,608	24,891
Number Of Units In Circulation (Units '000)	20,179	21,932	27,543	28,851
Net Asset Value Per Unit (RM)	0.9737	0.9117	0.8208	0.8627
Total Expense Ratio ("TER")*^	0.42%	1.73%	1.42%	1.48%
Portfolio Turnover Ratio (times)^	0.19	0.66	0.35	0.77

The Total Expense Ratio for the current quarter is marginally higher compared with quarter ended 31 July 2023 due to an increase in expenses compared to decrease in average net asset value attributable to unitholders. (31 July 2023: 0.39%)

* The TER does not include brokerage and other transaction fees.

The Portfolio Turnover Ratio for the current quarter is higher due to increase in investing activities. (31 July 2023: 0.02 times)

^ TER and PTR are computed based on respective financial period/ year. Figures for the financial year ended 30 April 2022, 30 April 2023 and 30 April 2024 is for full financial year.

Notes:

The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

Performance Data

	Phillip Value Growth Fund		FBMKLCI	
	Total Return*	Average Annual Return	Total Return	Average Annual Return
3 Months' Period Ended 31.7.2024	6.80%	-	3.15%	-
1 Year's Period to 30.4.2024	11.07%	11.07%	11.30%	11.30%
Since launch (3.5.2021 to 30.4.2024)	-8.83%	-2.95%	-0.93%	-0.31%
	1.5.2024 to 31.7.2024	1.5.2023 to 30.4.2024	1.5.2022 to 30.4.2023	Since launch 3.5.2021 to 30.4.2022
Phillip Value Growth Fund				
- Capital Return	6.80%	11.07%	-4.86%	-13.73%
- Income Return	0.00%	0.00%	0.00%	0.00%
- Total Return	6.80%	11.07%	-4.86%	-13.73%
FBMKLCI	3.15%	11.30%	-11.53%	1.44%
	1.5.2024 to 31.7.2024	1.5.2023 to 30.4.2024	1.5.2022 to 30.4.2023	Since launch 3.5.2021 to 30.4.2022
Unit Prices				
Highest NAV (RM)	0.9782	0.9117	0.8627	1.0000
Lowest NAV (RM)	0.9698	0.8029	0.7790	0.8627
Distributions				
Gross Distribution Per Unit (sen)	-	-	-	-
Net Distribution Per Unit (sen)	-	-	-	-
Unit Splits	-	-	-	-

* NAV price of RM1.00 is used for calculation of Total Return for NAV per unit from the Initial Offering Period.

Notes:

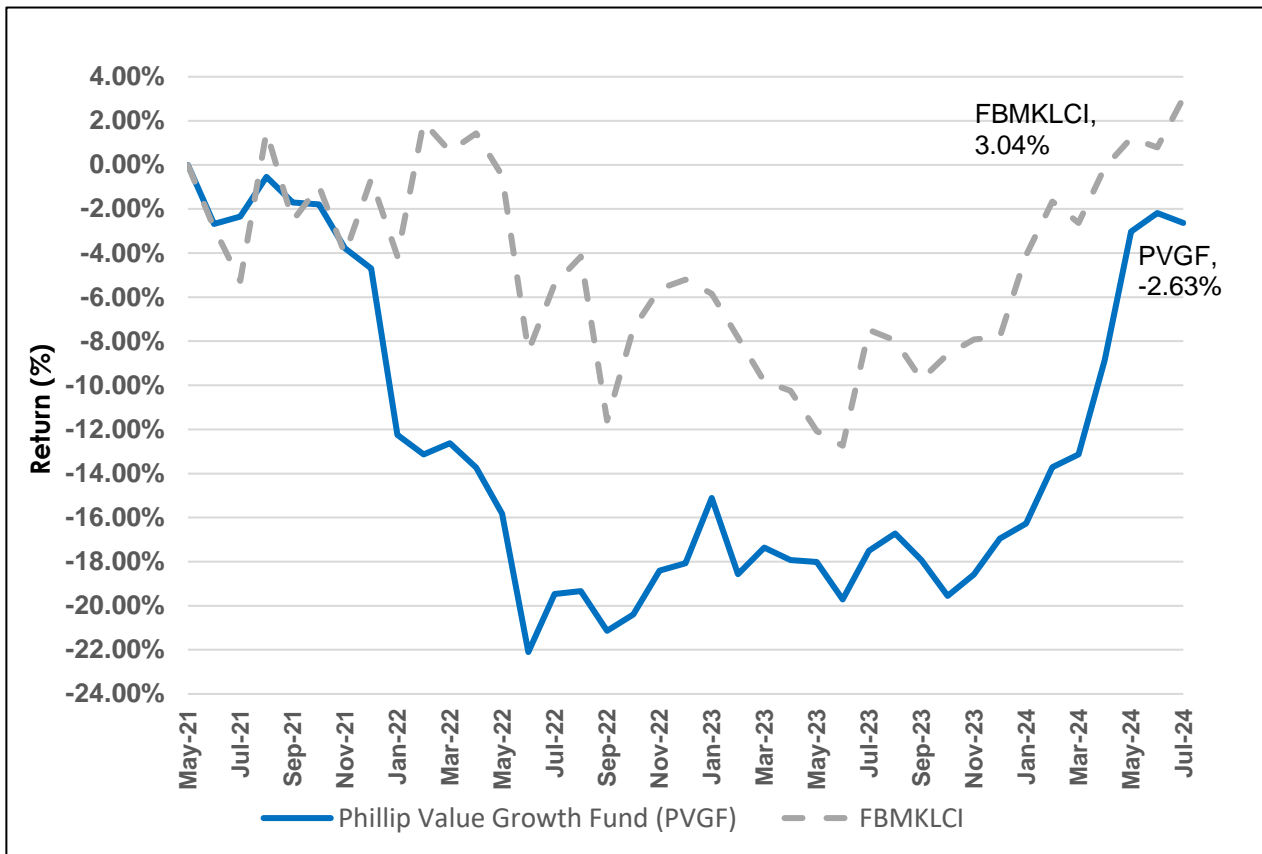
1. All figures pertaining to the Fund's return were extracted from Lipper.
2. The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

MANAGER'S REPORT

Performance Review

PVGF fund performance continues positive in April, May and June 2024 with record of 4.95%, 6.37% and 0.87% respectively. While in July 2024 it ended with -0.46%. As the external environment remains challenging in 2024 amid geopolitical tensions and potential global economic downturn concerns, we still stay vigilant and resilient underpin by steady domestic demand.

Comparison Between Fund's Performance And Benchmark Since Launch



Source: Phillip Capital Management Sdn Bhd, Bloomberg

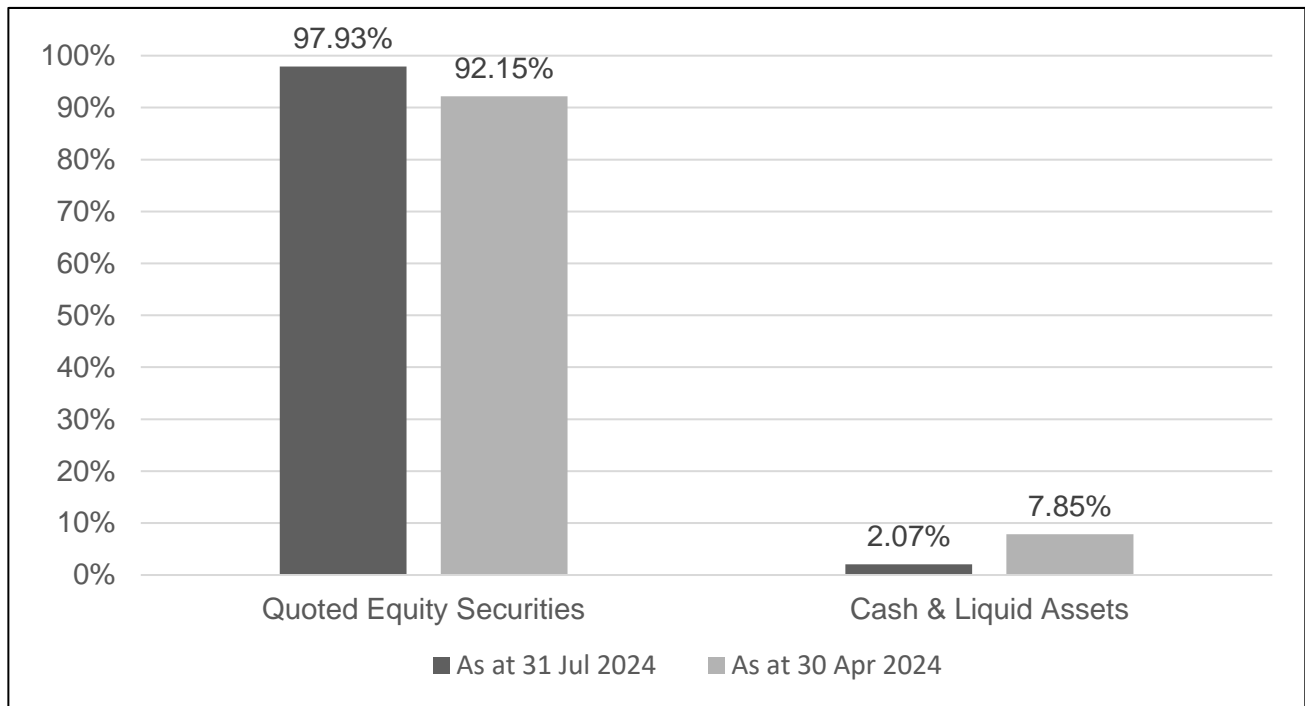
Investment Strategy Review

PVGF uses adaptive Buy and Hold strategy with portfolio rebalancing measures on monthly or quarterly basis, when needed. This includes companies that exceed individual or sectorial maximum capping limit from time to time and if there are new opportunities occur in watch list especially when there is growth momentum in the future earnings or when the valuation is at the low or discounted level. Overall, the Fund will actively manage and monitor the companies in the portfolio and watch list.

PVGF added United U-Li Corporation Bhd, Tenaga Nasional Bhd, YTL Power International Bhd during the quarter as we foresee upcoming Data Centers development will potentially lead more demand and business expansions from within as well as the higher demand trend on energy and utilities services. PVGF also added Press Metal Aluminum Holdings Berhad as the rising LME aluminum price coupled with higher contribution from its value-added product and stable alumina supply from its associate company. We also continue accumulating other stocks in the portfolio as we remained positive and upbeat on the growth in the upcoming earnings.

Agmo Holdings Bhd, LGMS Bhd, Supermax Corporation Bhd, Kossan Rubber Industries Bhd and Top Glove Corporation Bhd were completely disposed as part of continuing portfolio rebalancing strategy for PVGF.

Asset Allocation



The quoted equity securities allocation of Phillip Value Growth Fund increased to 97.93% as of 31 July 2024 from 92.15% recorded at the beginning of the first quarter under review due to net equity purchase.

Analysis Of Net Asset Value

The net asset value (NAV) per unit of Phillip Value Growth Fund increased from RM0.9117 as of 30 April 2024 to RM0.9737 as of 31 July 2024. Meanwhile, total NAV of the Fund decreased from RM19,994,723 to RM19,647,595 mainly due to net gain from equities performance and partial withdrawal from investors.

Market Review

Equity Market Review

The FBMKLCI was influx by foreign fund net inflows from the period of mid-April to mid-May and it moves in tandem with the performance of the currency. With the New Energy Transformation Plan roll-out, the market observed new “hype” surrounding AI and AI chips and the mushrooming of Data Centers.

Looking into 2H 2024, we expect higher possibility of foreign funds returning to Malaysian equities, based on evident of a stronger Ringgit in 2H 2024 as well as the fundamental of Government efforts in a more business friendly point-of-view. While we are overall cautiously optimistic about the prospect of Malaysia’s economy and equity market, we expect still there are growing downside risk stemming from geopolitical conflicts.

Domestic spending activities will continue to grow on the back of positive labour market conditions, positive income growth and improving foreign tourist arrivals (and spending). OPR to stay at 3.00%, remaining supportive and accommodating, thus we maintain our expectation of Malaysia's GDP growth remain strong as we obtained a 5.9% GDP growth in Q2 2024.

There are no US rate cuts in 1H 2024 as markets expected but there was still evidently progress of the US inflation. While the markets anticipating the first US rate cut to be happened in Sep 2024, this may have led to weaker markets in 2H 2024 as the world economy is expected to experience another below-trend growth this year, using the IMF forecasts that global economic growth will be sustained at +3.2% (2023: +3.2%).

The inflation trend in most countries has normalised after the COVID-19 pandemic. All countries' policymakers including the Central banks ramp up measures in policy tightening, supply conditions improvement and commodity price correction have reduced inflationary pressures, thus economies will likely shift towards policy easing.

Upcoming elections especially in the US, together with several other countries elections have caused some surprises. Some of which could even change the policy direction affecting the global economy further.

The Chinese Premier, Li Qiang visit to Malaysia on June 19 marks the 50th anniversary of the establishment of diplomatic relations between China and Malaysia. China has been Malaysia's largest trading partner for 15 consecutive years since 2009. Last year, total trade with China was valued at RM450.84 billion (US\$98.8 billion), contributing to 17.1% of Malaysia's global trade.

We anticipate more opportunities and acceleration of projects as the visit from the Premier, Li Qiang also witnessing the exchange of a number of bilateral cooperation documents in such fields as economy and trade, science and technology, culture, tourism, postal services, agricultural products exports to China, digital economy, green development, urban construction and higher education.

We use 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 31st Jul 2024 were 1.86. It decreased from previous level of 1.89. This indicate that the price to book value of Malaysia equities stayed in the non-high-risk zone as some sectors or counters had encountered further correction in the quarter.



Securities Financing Transactions

For the financial period under review, the Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).

Income Distribution : Nil

Unit Split : Nil

Significant Changes In The State Of Affairs Of The Fund

For the financial period under review, there were no significant changes in the state of affairs of the Fund not otherwise disclosed in the financial statements.

Circumstances That Materially Affect Interest Of Unitholders

For the financial period under review, there were no circumstances that materially affect any interest of the unitholders

Cross Trade

No cross trade transactions have been carried out during the financial period under review.

Key Investment Team

There was no change in the key investment team during the financial period under review.

Key Risk Factors

The potential risks associated with investing in the Fund are including, but not limited to, the following:

- Market risk
- Inflation risk
- Manager's risk
- Stock specific risk
- Liquidity risk
- Concentration risk
- Economic risk
- Interest rate risk
- Credit and default risk
- Performance risk due to large redemptions

Soft Commissions

During the financial period under review, the management company neither received soft commissions nor rebates from any brokers by virtue of transactions conducted by the Fund.

STATEMENT BY THE MANAGER

We, **Datin Hajjah Nona Binti Salleh** and **Loke Ka Wai**, being two of the directors of **Phillip Capital Management Sdn Bhd**, do hereby declare that, in the opinion of the Manager, the accompanying unaudited financial statements are prepared in accordance with the requirements of the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and the relevant Securities Commission Malaysia guidelines so as to give a true and fair view of the financial position of **Phillip Value Growth Fund** as at 31 July 2024 and of its financial performance, changes in net asset value and cash flows for the financial period then ended.

Signed on behalf of the Manager in accordance with a resolution of the directors,

DATIN HAJJAH NONA BINTI SALLEH
Executive Chairperson

LOKE KA WAI
Executive Director

Kuala Lumpur, Malaysia
27 September 2024

UNAUDITED STATEMENT OF FINANCIAL POSITION
As at 31 July 2024

	31.07.2024 RM	31.07.2023 RM
Assets		
Investments	19,239,961	19,091,160
Dividend receivable	5,008	-
Interest receivable	46	236
Amount due from brokers/dealers	752,943	-
Cash and cash equivalents	574,025	2,975,176
Total assets	20,571,983	22,066,572
Liabilities		
Amount due to Manager	916,284	694,791
Other payables	8,104	16,438
Total liabilities	924,388	711,229
Total equity/Net Asset Value ("NAV") of the Fund	19,647,595	21,355,343
Equity		
Unitholders' capital	21,022,047	26,083,904
Accumulated losses	(1,374,452)	(4,728,561)
NAV attributable to unitholders	19,647,595	21,355,343
Total equity and liabilities	20,571,983	22,066,572
Number of units in circulation (Units)	20,179,294	25,884,837
NAV per unit	0.9737	0.8250

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
For the financial period from 1 May 2024 to 31 July 2024

	01.05.2024 to 31.07.2024 RM	01.05.2023 to 31.07.2023 RM
Income/(Loss)		
Gross dividends from financial assets at fair value through profit or loss ("FVTPL")	154,142	104,017
Interest income	7,655	21,424
Net realised gain/(loss) from sale of financial assets at FVTPL	126,717	(40,543)
Net unrealised gain on changes in value of financial assets at FVTPL	1,194,206	118,473
	<u>1,482,720</u>	<u>203,371</u>
Expenses		
Audit fee	2,143	2,136
Tax agent's fee	958	955
Manager's fee	79,172	84,961
Trustee's fee	3,025	3,016
Brokerage and other transaction fees	34,610	4,012
Administration expenses	3,707	722
	<u>123,615</u>	<u>95,802</u>
Net income before taxation	1,359,105	107,569
Taxation	<u>-</u>	<u>-</u>
Net income after taxation, representing total comprehensive income for the period	<u>1,359,105</u>	<u>107,569</u>
Total comprehensive income comprises the following:		
Net realised gain/(loss)	164,899	(10,904)
Net unrealised gain	1,194,206	118,473
	<u>1,359,105</u>	<u>107,569</u>

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

UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE
For the financial period from 1 May 2024 to 31 July 2024

	Unitholders' capital RM	Accumulated loss RM	NAV attributable to unitholders RM
As at 1 May 2023	27,443,677	(4,836,130)	22,607,547
Net income after taxation	-	107,569	107,569
Creation of units	79,601	-	79,601
Cancellation of units	(1,439,374)	-	(1,439,374)
As at 31 July 2023	<u>26,083,904</u>	<u>(4,728,561)</u>	<u>21,355,343</u>
As at 1 May 2024	22,728,280	(2,733,557)	19,994,723
Net income after taxation	-	1,359,105	1,359,105
Cancellation of units	(1,706,233)	-	(1,706,233)
As at 31 July 2024	<u>21,022,047</u>	<u>(1,374,452)</u>	<u>19,647,595</u>

The accompanying notes form an integral part of the financial statements

UNAUDITED STATEMENT OF CASH FLOWS
For the financial period from 1 May 2024 to 31 July 2024

	01.05.2024 to 31.07.2024 RM	01.05.2023 to 31.07.2023 RM
Cash Flows From/(Used in) Operating and Investing Activities		
Proceeds from sale of investments	3,500,534	870,374
Purchase of investments	(3,782,049)	-
Dividends received	149,434	140,486
Interest received	7,792	21,792
Manager's fee paid	(78,466)	(83,054)
Trustee's fee paid	(3,051)	(2,984)
Payment for other fees and expenses	(15,967)	(801)
Net cash (used in)/from operating and investing activities	<u>(221,773)</u>	<u>945,813</u>
Cash Flows From/(Used in) Financing Activities		
Cash proceeds from units created	-	79,601
Cash paid on units cancelled	<u>(1,465,904)</u>	<u>(772,523)</u>
Net cash used in financing activities	<u>(1,465,904)</u>	<u>(692,922)</u>
Net (decrease)/increase in cash and cash equivalents	(1,687,677)	252,891
Cash and cash equivalents at beginning of the financial period	2,261,702	2,722,285
Cash and cash equivalents at end of financial period	<u>574,025</u>	<u>2,975,176</u>
Cash and cash equivalents comprise:		
Cash at bank	3,025	60,176
Deposit with a licensed financial institution	<u>571,000</u>	<u>2,915,000</u>
	<u>574,025</u>	<u>2,975,176</u>

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

CORPORATE INFORMATION

THE MANAGER

Phillip Capital Management Sdn Bhd (199501004372)(333567-D)

Registered Office

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TRUSTEE

CIMB Commerce Trustee Berhad (199401027349)(313031-A)

Registered Office

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BOARD OF DIRECTORS

Datin Hajjah Nona Binti Salleh
Mr. Mohd Fadzli Bin Mohd Anas
Loke Ka Wai
Norlia Binti Mohd Ali

COMPANY SECRETARY

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ENQUIRIES

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(199501004372)(333567-D)

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