

# Quarz Active Value Class S (SGD)

Generating Alpha Through Activist Investing

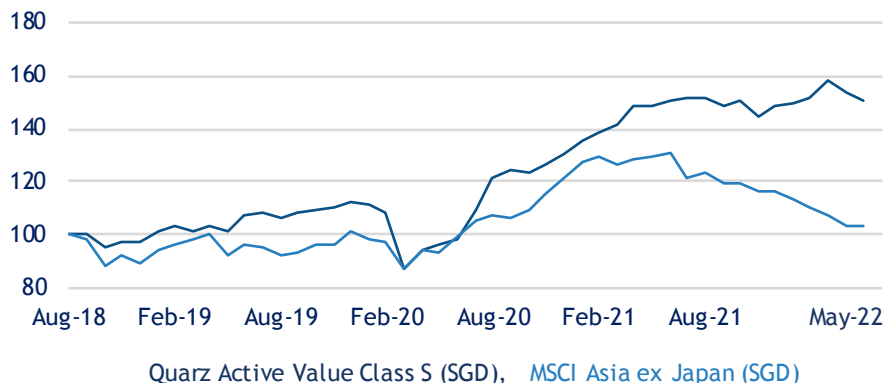


May 2022



The Quarz Active Value Class S Fund invests in ~20 core positions and focuses on undervalued small and mid-cap equities in Asian developed markets (Singapore, Hong Kong, Australia, Japan). We engage with the management teams of our target companies and prompt them to increase shareholder value through measures such as selling unprofitable units, returning idle cash to shareholders, selling undervalued real estate assets, improving corporate governance and strengthening alignment of interest with shareholders and investor relations. We only invest in firms with upside potential of ~30% over two years, sound core operations and a healthy dividend yield, thus providing downside protection and a regular income. Quarz Active Value Class S is based in Liechtenstein and set up for European investors looking for an onshore investment opportunity.

## Performance since Inception (%)



## Market Commentary

Stock markets mostly finished on a positive note in May, ending a month that saw nearly unprecedented levels of volatility, while at the same time the war in Ukraine raged on and fears of inflation remained, prompting concerns central banks might go too far and stunt growth by raising interest rates to levels damaging the economy.

The MSCI Asia ex Japan eked out 0.2%, with Singapore's and Australia's indices seeing declines of 3% and more while Japan's and Hong Kong's benchmarks advanced.

On a year-to-date basis, the MSCI Asia ex Japan is still down 11.4% in S\$ terms as of end-May, which compares to a 1.5% gain of the Quarz Active Value Class S Fund - a strong indication of our ability to generate "activist alpha" by picking the right stocks and applying the right strategies to unlock shareholder value.

Against the gloomy backdrop, some factors supported sentiment. After a 50-basis points hike by the US central bank at the beginning of May, investors took some comfort from Fed minutes in which policy makers indicated their aggressive set of moves could leave them with flexibility to shift gears later if needed.

While highlighting the "strong commitment" of all policy makers to restore price stability, the minutes of the May 3-4 meeting, released on May 25, showed officials are attentive to financial conditions as they prepare to raise rates further.

In the weeks since the gathering, financial-market volatility had spiked as markets fretted over the risk of a recession, though investors were cheered as they digested the less-hawkish-than-feared tone of the report.

In China, Asia's tentative rebound came as renewed pledges by Chinese authorities to support the economy and ease lockdowns in the financial hub Shanghai spurred optimism among investors. China's growth slowdown and the supply chain disruptions caused by its stringent covid zero policy have been a key drag on the region's earnings prospects.

After having weathered the recent months' sell-off unharmed, we are looking forward to a stronger second half of 2022. We thank our investors for their trust.

## Fund Information (Class S, SGD)

Name	Quarz Global Investments Fund
Class	Quarz Active Value Class S SGD
Type of Fund	Alternative Investment Trust
Bloomberg	VPQAVSS LE
ISIN	LI0425084352
Valor number	42508435
WKN	A2N430
Portfolio Manager	Quarz Capital ASIA
AIFM	VP Fund Solutions
Fund Domicile	Liechtenstein
Auditor	PwC (Zurich)
Administrator	VP Fund Solutions
Broker	Broker Network
Custodian / Depository	VP Bank AG
Minimum Investment	SGD 1,000,000
Lock-up	N/A
Management Fee	1.25%
Performance Fee	20%
Lock-up	N/A
Subscription	monthly
Notice/Withdrawal	90 days / monthly
High Watermark	Yes
Hurdle Rate	N/A

## Performance (net, Class S, SGD)

Month	-2.0%
Cumulative YTD	1.54%
Cumulative s. Inception	50.9%
Annualized s. Inception	11.6%
Annualized 5 Years	N/A
Annualized 3 Years	14.2%
Best Monthly Return	11.4%
Worst Monthly Return	-19.3%
% of Positive Months	71
Maximum Drawdown	-22.6%
Annualized Volatility	7.6%
Sharpe Ratio (3 Year)	0.82



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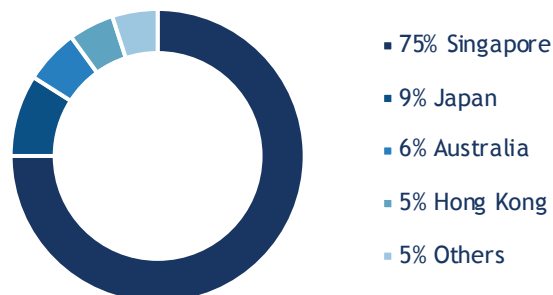
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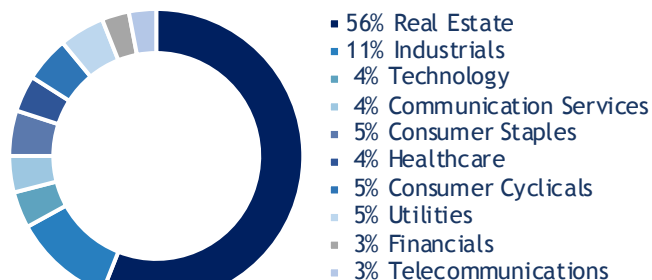
## Track Record: Quarz Active Value Class S (SGD) (in %, net of fees)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD Fund	YTD Index
2022	0.6	1.4	4.4	-2.7	-2.0								1.5	-11.4
2021	3.7	1.7	2.7	4.9	0.0	1.6	0.1	0.3	-1.9	1.1	-3.7	2.7	13.6	-4.5
2020	-1.4	-2.7	-19.3	8.7	1.5	2.0	11.4	10.9	2.8	-0.9	2.0	3.8	16.0	20.3
2019	4.1	1.5	-1.4	2.1	-2.5	6.0	1.5	-2.0	1.7	0.8	1.1	2.0	15.7	13.8
2018									0.5	-4.5	1.3	0.4	-2.4	-11.1

Allocation by Region



Allocation by Sector



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