

Quarz Active Value Class S (SGD)

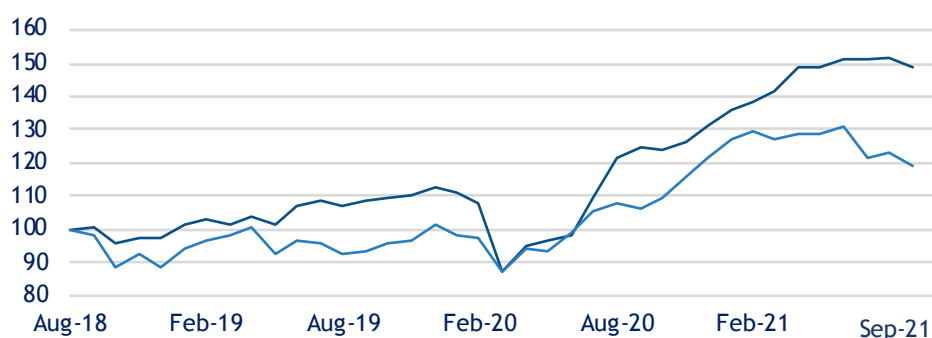
Generating Alpha Through Activist Investing



September 2021

Quarz Capital Management Asia is a value-oriented and research-driven asset manager operating an activist strategy and focusing on listed small and mid-cap companies mainly in developed Asia. Helped by our extensive network, we engage directly with the boards and management teams of our target companies and create value by tackling structural, capital and operational issues.

Performance since Inception (%)



Quarz Active Value Class S (SGD), MSCI Asia ex Japan (SGD)

Market Commentary

Global stocks retracted last month amid concerns about rising inflation, the fallout of the debt crisis of China real estate developer Evergrande and uncertainty about US lawmakers wrangling over the debt ceiling and spending plans.

Equities' further advance was also hampered by the US Federal Reserve indicating that it might taper its bond-buying programme next year, prompting 10-year yields to climb to the highest in three months.

Technology stocks on average were the biggest losers last month, bringing the Nasdaq Composite down 5.3% while the broader Standard & Poor's 500 lost 4.8%. In Asia, the MSCI Asia ex Japan lost 4.4 percent. China's CSI 300 added 1.3%, making up for the sizeable losses in the previous months, prompted by the government's crackdown on industries such as tutoring and gambling.

As China Evergrande Group edges closer to a massive restructuring, Beijing has stepped up efforts to limit the fallout, signalling it's willing to prop up healthy developers, homeowners and the real estate market at the expense of global bondholders.

In the last week of September alone, Chinese authorities dispatched top financial regulators to nudge the country's massive banks to ease credit for homebuyers and support the property sector. They also bought out part of Evergrande's stake in a struggling bank to limit contagion. The central bank meanwhile has pumped 790 billion yuan (\$123 billion) into the financial system over 10 days to ease liquidity.

To add to the mounting number of global headwinds threatening to slow the recovery from the pandemic recession, the prices of some commodities continued to climb in September. Brent Crude Oil advanced 10% last month, bringing its gain over the past twelve months to 110%. Gasoline and LNG soared.

While the Quarz Capital funds were affected by the global decline in equities most of our vehicles did better than our benchmark, the MSCI Asia ex Japan. We continue to monitor our positions carefully and constantly examine the validity of the investment thesis underlying each of our positions.

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 / Depositary	VP Bank AG
Minimum Investment	SGD 100,000
Lock-up	N/A
Management Fee	1.50%
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	-1.9%
Cumulative YTD	13.64%
Cumulative s.Inception	48.7%
Annualized s. Inception	13.7%
Annualized 5 Years	N/A
Annualized 3 Years	N/A
Best Monthly Return	11.38%
Worst Monthly Return	-19.3%
% of Positive Months	73
Maximum Drawdown	-22.6%
Annualized Volatility	8.4%
Sharpe Ratio (1 Year)	3.0



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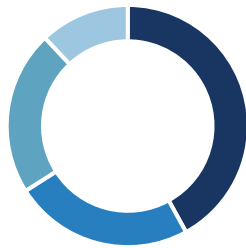
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Track Record: Quarz Active Value Class S (SGD) (in %, net of fees)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2021	3.7	1.7	2.7	4.9	0.0	1.6	0.1	0.3	-1.9				13.6
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
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
2018									0.5	-4.5	1.3	0.4	-2.4

Allocation by Region



- 42% Singapore
- 24% Australia
- 22% Japan
- 12% Hong Kong

Allocation by Sector



- 44% Real Estate
- 17% Industrials
- 6% Technology
- 9% Communication Services
- 8% Consumer Staples
- 5% Healthcare
- 5% Consumer Cyclicals
- 6% Utilities

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