

**Welcome to  
Peter Partnership Fund  
2022**

**Virtual  
Annual General Meeting  
(and 2022 Half yearly review)**

# Agenda

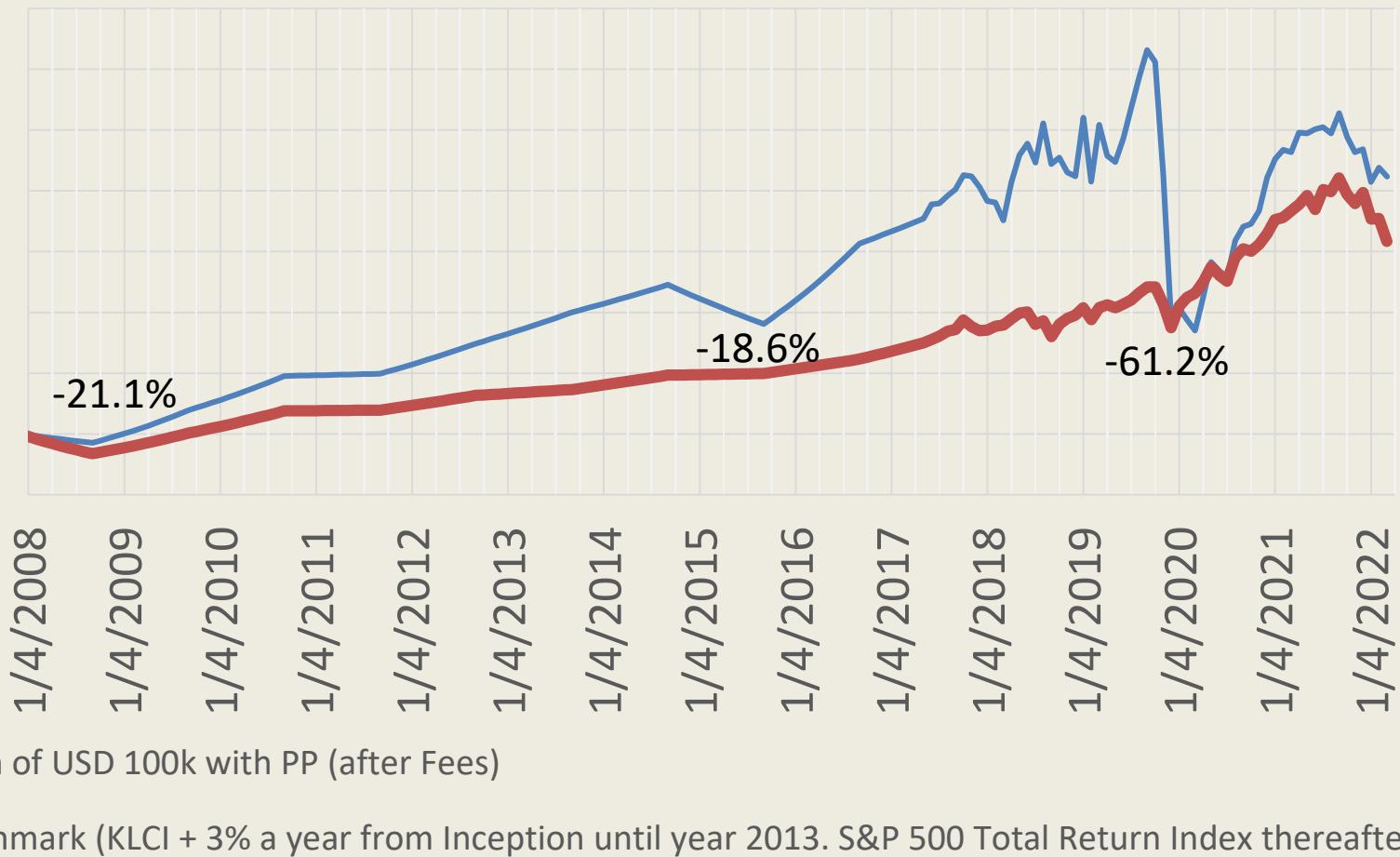
- ✓ Review of Peter Partnership Fund's performance

## A look into PPF's 2022 Portfolio

- 1) Use of leverage last year, and moving forward.
- 2) Berkshire vs PPF's stocks.
- Use of Options to enhance returns, and short term Arbitrage Deal
- Some minor improvements on Administrative matters.
- Q&A

## Growth of USD 100k with PP vs. Benchmark\*

USD 800k  
USD 700k  
USD 600k  
USD 500k  
USD 400k  
USD 300k  
USD 200k  
USD 100k  
USD k



Annualised Return (USD to USD) (14.25 years)

Peter Partnership (PP) : 12.3%

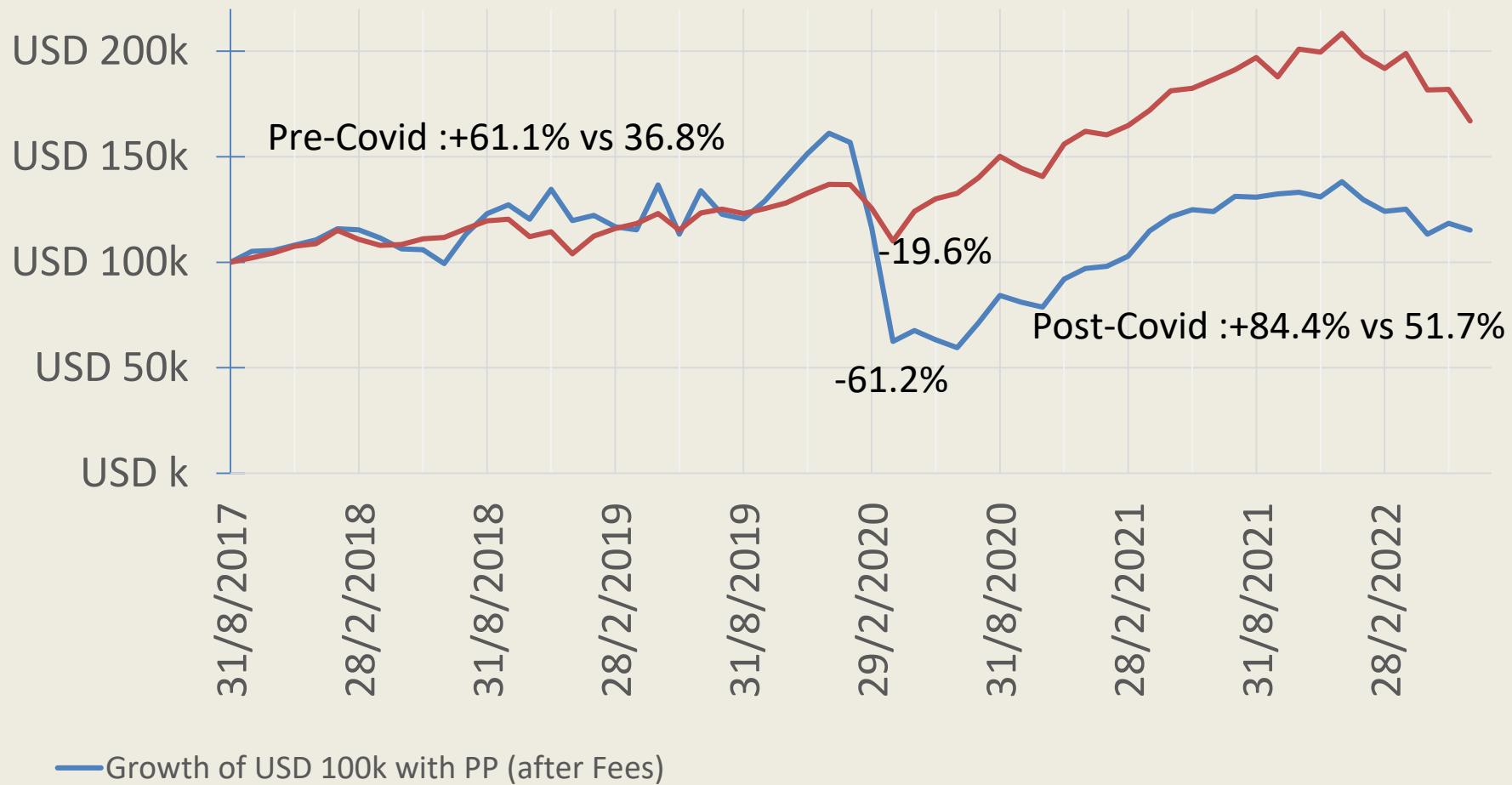
Benchmark : 10.5%

# PP's Performance\* vs. Benchmarks

Year (ending 31 <sup>st</sup> December)	Peter Partnership (after fees) (in USD)	Benchmark (in USD)	Difference
<b>From 31<sup>st</sup> March 2008</b>	-21.1%	-32.4%	<b>11.30%</b>
<b>2009</b>	64.5%	49.9%	<b>14.60%</b>
<b>2010</b>	56.2%	36.0%	<b>20.20%</b>
<b>2011</b>	-0.9%	1.0%	<b>-1.90%</b>
<b>2012</b>	29.5%	17.4%	<b>12.10%</b>
<b>2013</b>	12.5%	5.9%	<b>6.60%</b>
<b>2014</b>	15.1%	13.5%	<b>1.60%</b>
<b>2015</b>	-18.6%	1.2%	<b>-19.80%</b>
<b>2016</b>	47.0%	12.0%	<b>35.00%</b>
<b>2017</b>	21.6%	21.1%	<b>0.50%</b>
<b>2018</b>	8.2%	-4.4%	<b>12.60%</b>
<b>2019</b>	34.5%	31.5%	<b>3.00%</b>
<b>2020</b>	-39.7%	18.4%	<b>-58.10%</b>
<b>2021</b>	42.4%	28.7%	<b>13.7%</b>
<b>Until 30<sup>th</sup> June 2022</b>	-16.6%	-20.0%	<b>3.4%</b>
<b>Compounded Annual Gain</b>	12.3%	10.5%	1.8%
<b>Overall Gain</b>	423.6%	317.0%	

\* KLCI + 3% a year from Inception until year 2013. S&P 500 Total Return Index thereafter.

## Growth of USD 100k with PPF vs. Benchmark\*

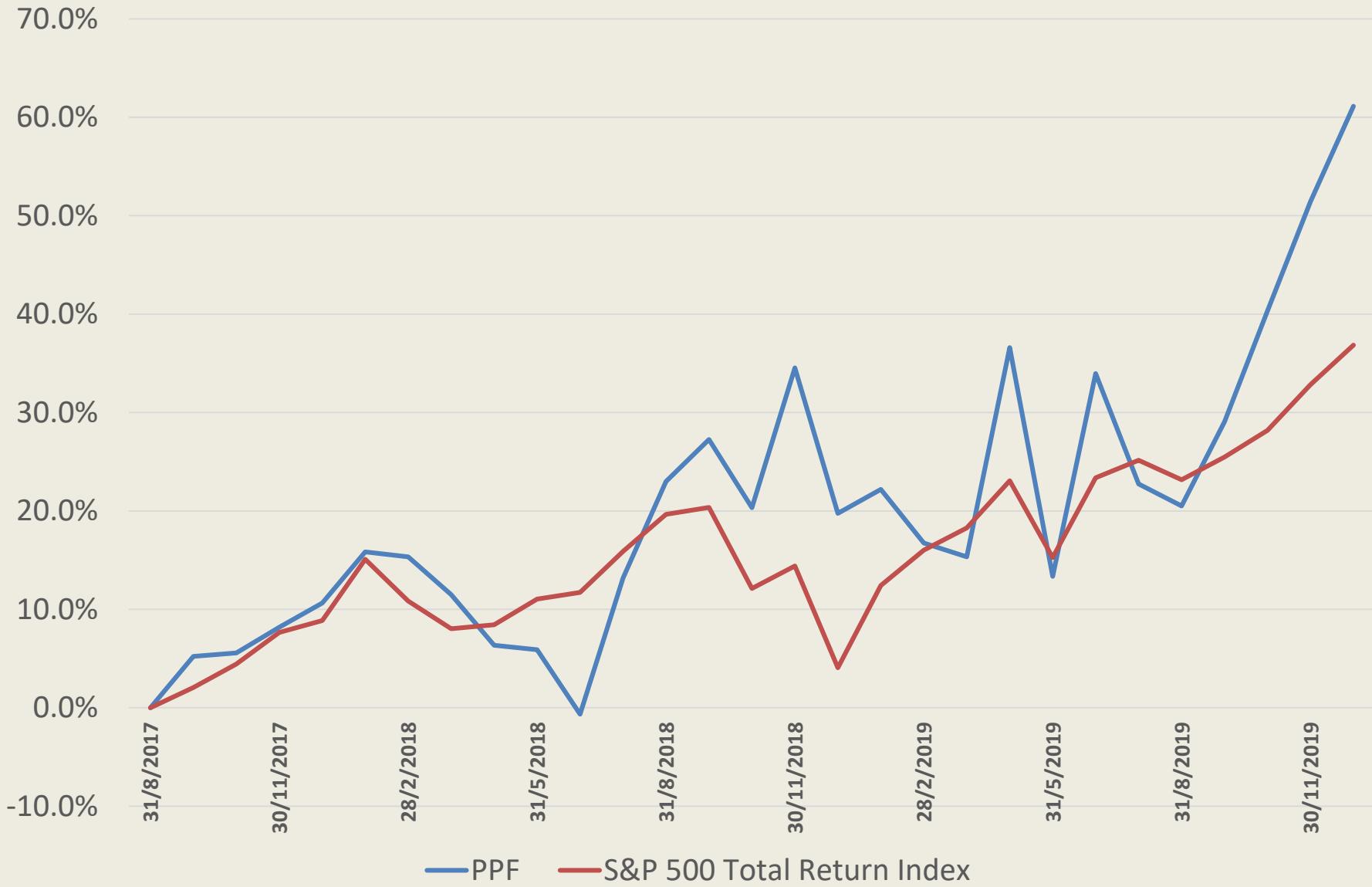


Annualised Return (USD to USD) (4.83 years)

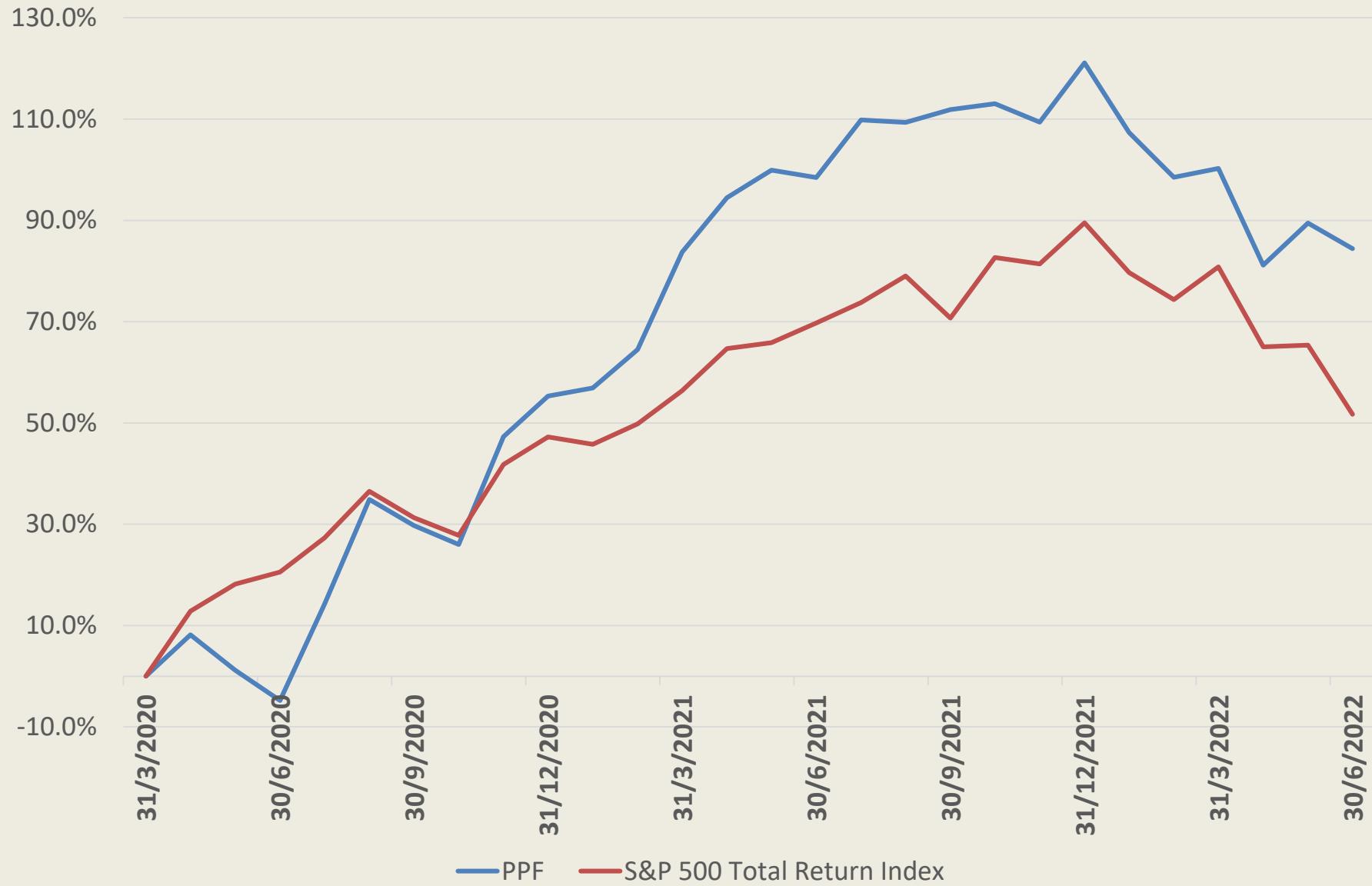
Peter Partnership (PP) : 3.0%

Benchmark : 11.2%

# PPF vs S&P 500 (before Covid)

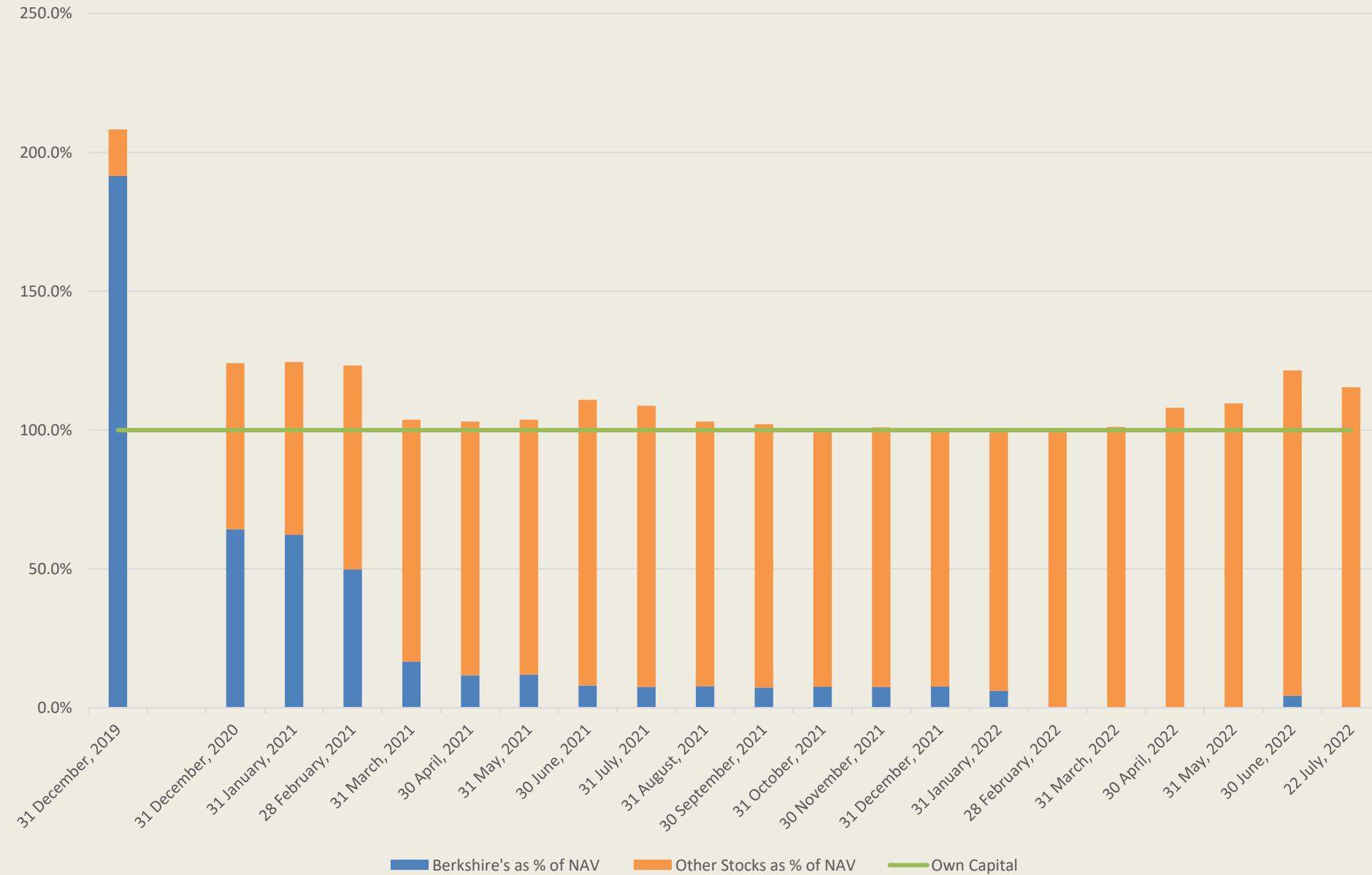


# PPF vs S&P 500 (From March 2020)

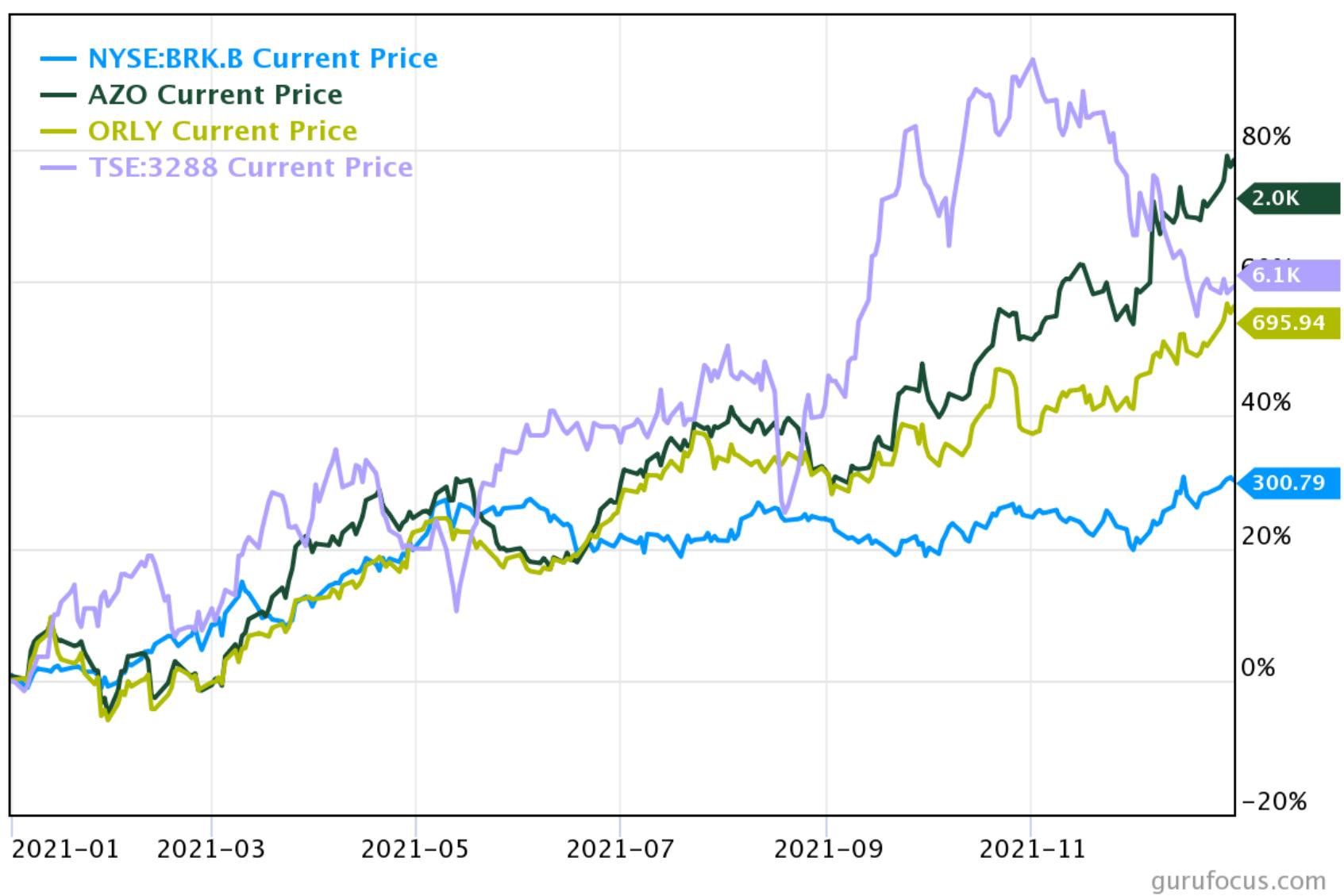


# PPF's use of Leverage

(less than 20% of the fund's NAV at most times)



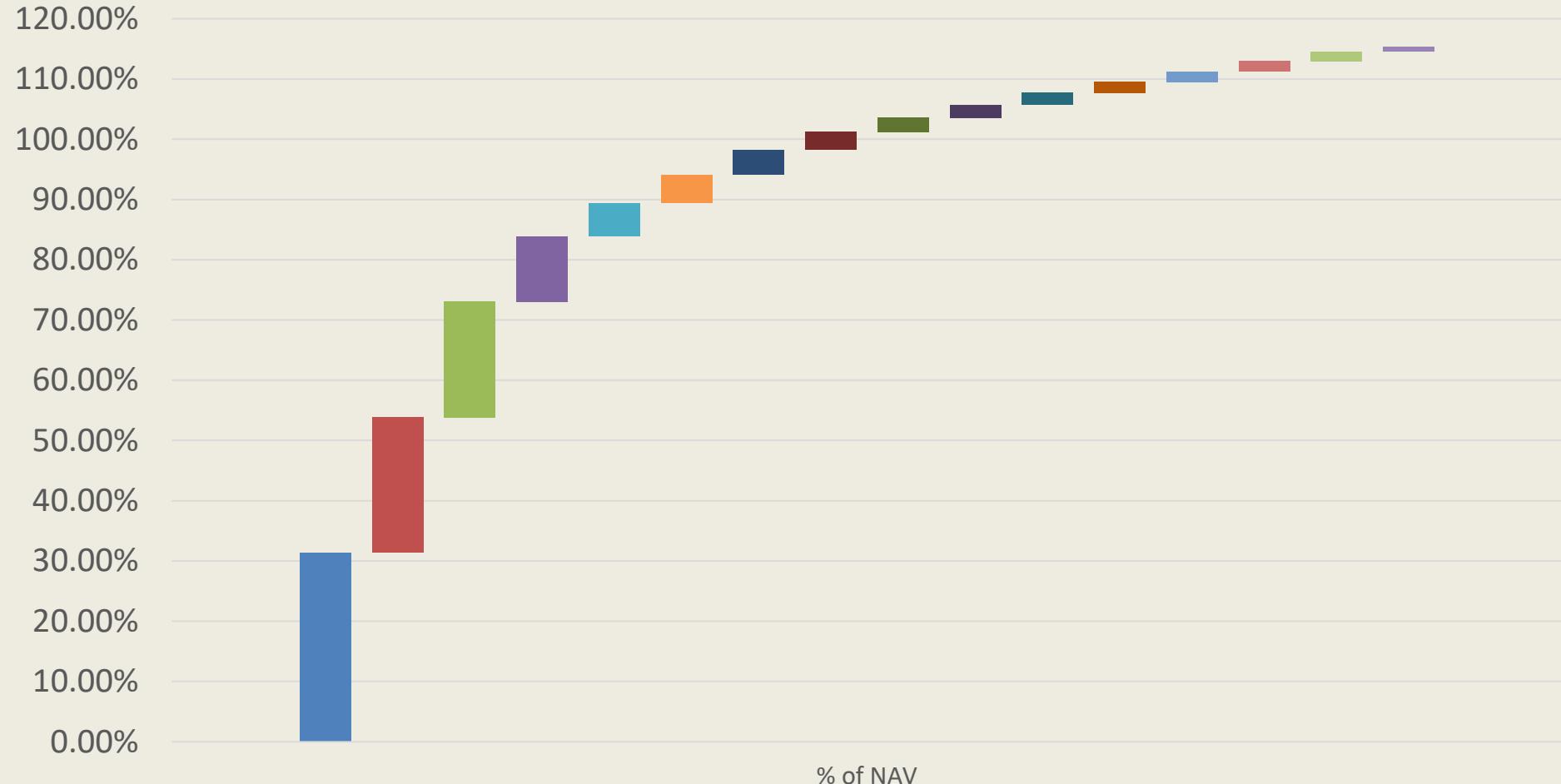
# PPF's Top 3 holdings in 2021 (and among the biggest contributors of returns for 2021)



# PPF's Portfolio as at 22<sup>nd</sup> July 2022

% of NAV	Name	Ticker	Price	to USD	Interactive Brokers	Maybank Kim Eng	CGS - CIMB	Total Shares	Total Exposure	Squared of % of NAV
					Shares	Shares	Shares			
31.4%	O'Reilly Automotive Inc	NASDAQ:ORLY	\$ 688.20	1.00	8,140	4,290	4,192	16,622	\$ 11,439,260.40	9.9%
22.4%	Alphabet	NASDAQ:GOOGL	\$ 107.90	1.00	40,300	15,700	19700	75,700	\$ 8,168,030.00	5.0%
19.3%	Autozone	NYSE:AZO	\$ 2,147.62	1.00	2,353		928	3,281	\$ 7,046,341.22	3.7%
10.8%	Open House		\$ 5,850.00	0.01	55,700	36,000		91,700	\$ 3,942,999.50	1.2%
5.5%	Pax Global	HKG:0327	\$ 7.19	0.13	1,695,000	480,000		2,175,000	\$ 1,992,539.80	0.3%
4.7%	Lowe's	NYSE:Low	\$ 195.58	1.00	8,700			8,700	\$ 1,701,546.00	0.2%
4.1%	Microsoft	NASDAQ:MSFT	\$ 260.36	1.00	5,800			5,800	\$ 1,510,088.00	0.2%
3.0%	JNBY Designs	HKG:3306	\$ 7.99	0.13	1,057,000			1,057,000	\$ 1,076,070.24	0.1%
2.4%	Amazon	NASDAQ:AMZN	\$ 122.42	1.00			7000	7,000	\$ 856,940.00	0.1%
2.1%	Alibaba Group	HKG:9988	\$ 102.10	0.13	58,000			58,000	\$ 754,523.19	0.0%
2.0%	Credit Acceptance	NASDAQ:CACC	\$ 552.02	1.00	1,346			1,346	\$ 743,018.92	0.0%
1.8%	CSPC Pharmaceutical Group	HKG:1093	\$ 8.39	0.13	622,000			622,000	\$ 664,922.76	0.0%
1.7%	Sleep Number	NASDAQ:SNBR	\$ 37.68	1.00	16,753			16,753	\$ 631,253.04	0.0%
1.7%	Five Below	NASDAQ:FIVE	\$ 124.83	1.00	5,000			5,000	\$ 624,150.00	0.0%
1.6%	Facebook	NASDAQ:META	\$ 169.27	1.00	2,000	1,500		3,500	\$ 592,445.00	0.0%
0.8%	Patrick Industries, Inc.	NASDAQ:PATK	\$ 58.90	1.00	2,209		3,000	5,209	\$ 306,810.10	0.0%
<b>115.4%</b>	<b>Total</b>		<b>16</b>	<b>6.25%</b>				-		<b>20.8%</b>
								\$ -	\$ -	4.8
	Cash Inside Account				\$ -3,643,857.73	\$ -846,217.41	\$ -1,117,663.31		\$ -5,607,738.45	
	Market Value of Holdings				\$ 27,125,735.94	\$ 6,888,006.47	\$ 8,037,195.76	\$ 42,050,938.17	\$ 42,050,938.17	
	Net Liquidation Value (NLV)				\$ 23,481,878.21	\$ 6,041,789.06	\$ 6,919,532.45	\$ 36,443,199.72	\$ 36,443,199.72	
	Margin Requirements				\$ 12,959,414.53	\$ 2,063,630.42	\$ 2,411,158.73	\$ 17,434,203.68		
	Margin Excess (Deficit)				\$ 10,522,463.68	\$ 3,978,158.64	\$ 4,508,373.72	\$ 19,008,996.04		
	Leverage Ratio				1.16	1.14	1.16		Last Month's NAV	
	% With Broker				64.4%	16.6%	19.0%		33,978,770.11	
	Net Margin Excess / Amount With Broker				45%	66%	65%		7.25%	

# PPF's Portfolio as at 22<sup>nd</sup> July 2022



■ O'Reilly Automotive Inc

■ Open House

■ Microsoft

■ Alibaba Group

■ Sleep Number

■ Patrick Industries, Inc.

■ Alphabet

■ Pax Global

■ JNBY Designs

■ Credit Acceptance

■ Five Below

■ Autozone

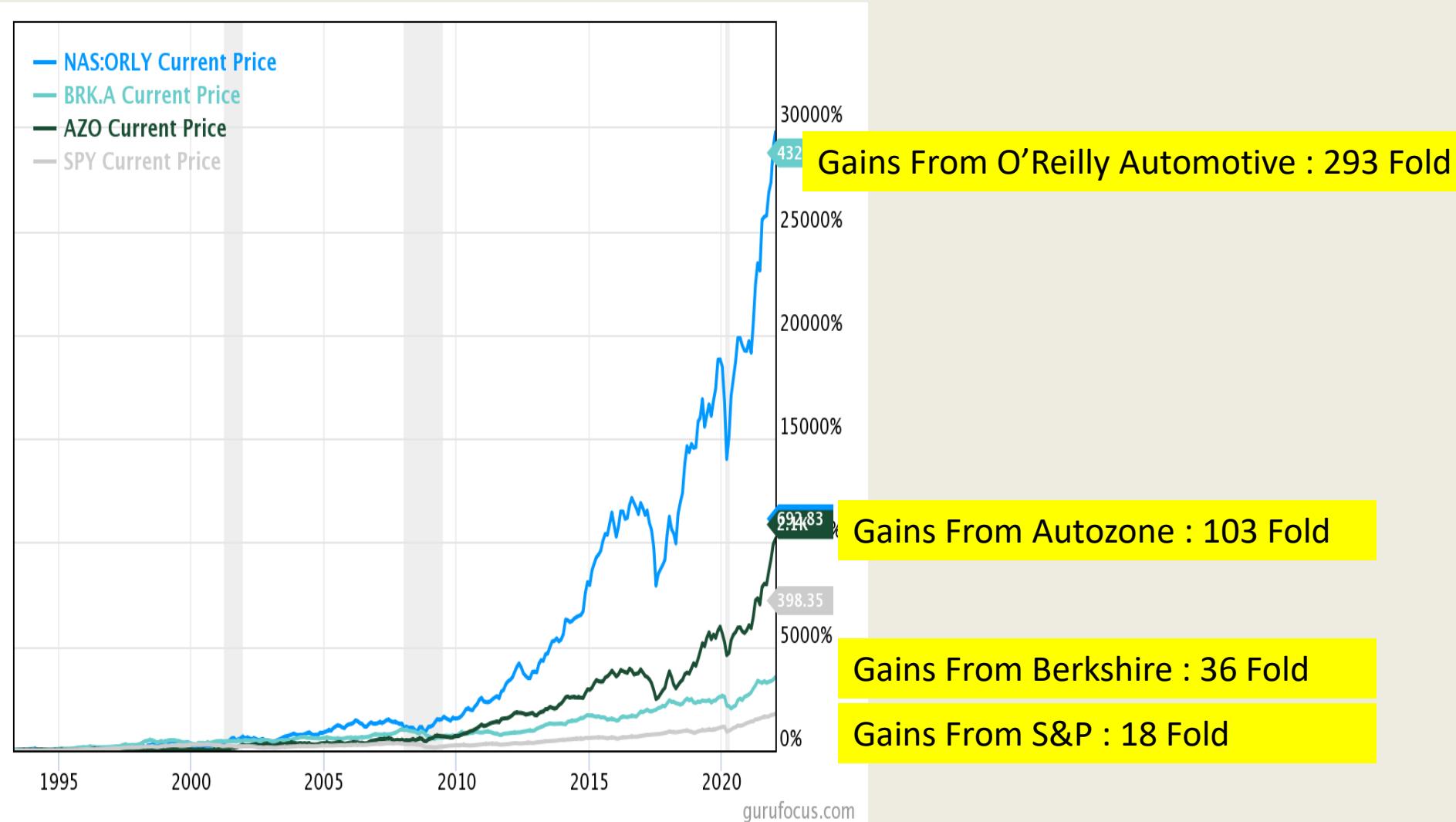
■ Lowe's

■ Amazon

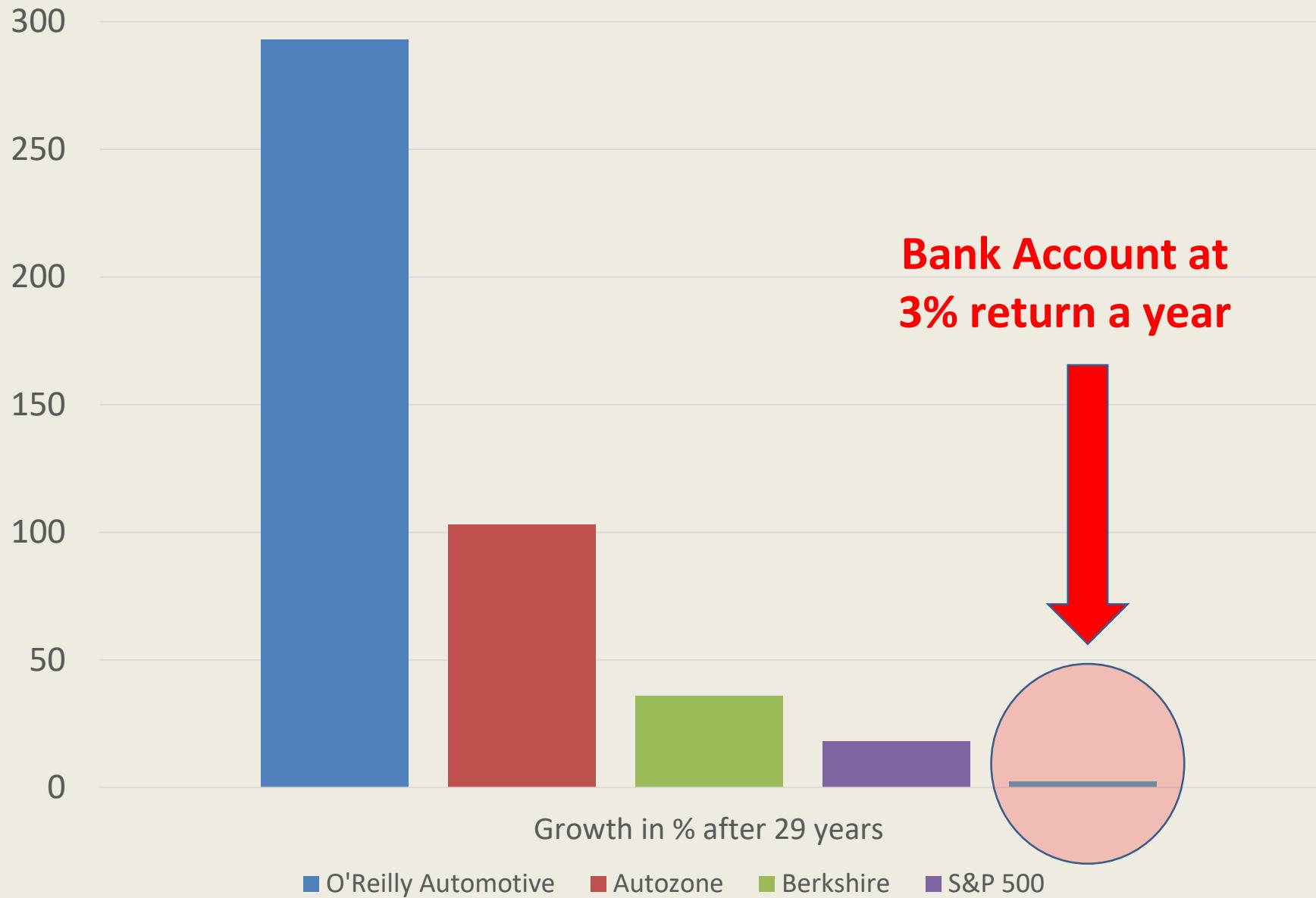
■ CSPC Pharmaceutical Group Ltd

■ Meta

# Returns to the “Sit on your ass” investing since the day O'Reilly Automotive was listed (28+ years ago)



# How many Folds your money grows to after 29 years (From April 1993 till Dec 2021)



# The Key Message :

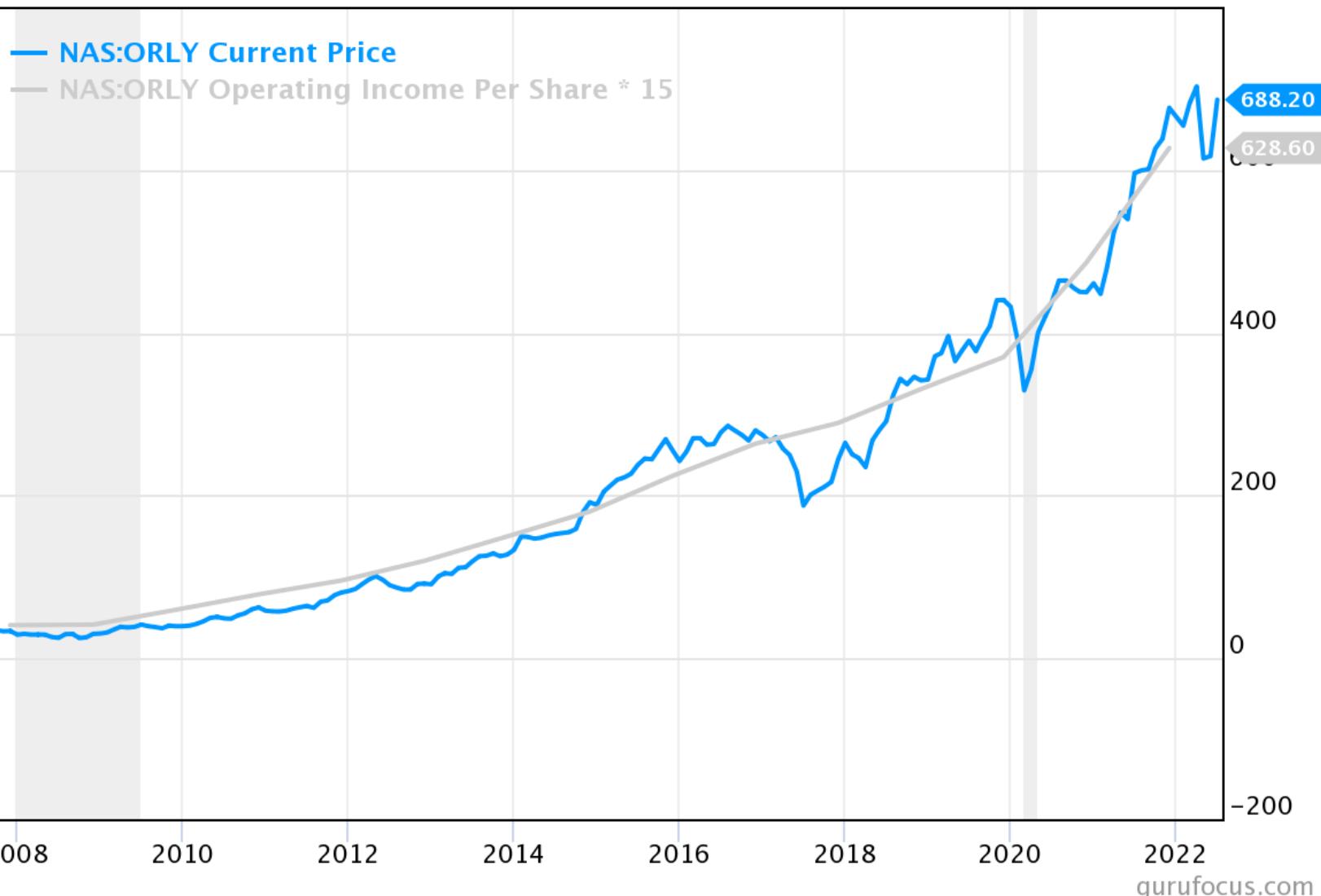
- **In the Short Term (less than 3 years)**

- Stocks are very risky as an investment Vehicle as you might have to sell at a price lower than your purchase price.
- Banks are very safe, and inflation doesn't really matter in the short term.

- **In the Long Run (more than 5 years)**

- Ownership of productive assets (Assets that produces “eggs” to its owners without the need to sell the Assets) is the best hedge against inflation.
- My Favourite Is ownership of Good Companies
  - that can continue to grow its earnings at a high rate,
  - run by management who acts in the interest of the shareholders, and
  - selling at a reasonable price.
- Even if you don't know how to find Good Companies to invest in, owning Berkshire or S&P 500 is a good option to hedge against inflation.
- The **WORST**, is keeping money in the bank.
  - Returns earned from the bank cannot match against inflation, thus
  - Guaranteeing the purchasing power of your money to SHRINK.
  - Guaranteed to sure lose money .

# PPF's Biggest Holdings: O'Reilly Automotive Inc



Operating Income per share rises roughly 15x, thus  
stock Price rises roughly 15x in the last 15 years.

# On Berkshire Hathaway

## Price to Book Value Chart

[VIEW FULL CHART](#)

## Trade Summary by Symbol

Symbol	Quantity	Buys		Proceeds	Quantity	Sells		Proceeds
		Avg. Price	Proceeds			Avg. Price	Proceeds	
BRKB 220617P00280000	54	0.00	0.00	0.00	-54	3.60	19,440.00	
BRKB 220715C00280000	54	0.00	0.00	0.00	-54	2.90	15,660.00	
BRKB 220722C00280000	0	0.00	0.00	0.00	-54	2.20	11,880.00	

Initially, sold Put Options to buy Berkshire at \$280 per share (roughly P/B 1.22) at mid June 2022.

Sold 2 more Call options (to sell Berkshire at \$280).

Total “premiums” collected from selling options on Berkshire **\$46,980 (profit)**.

# Selling short expiration Options on Autozone

Symbol	Quantity	Buys			Quantity	Sells		
		Avg. Price	Proceeds	Avg. Price		Avg. Price	Proceeds	
AZO 220513P01935000	5	0.00	0.00		-5	28.30		14,150.00
AZO 220520C02130000	5	0.00	0.00		-5	5.60		2,800.00
AZO 220520C02150000	10	0.00	0.00		-10	4.00		4,000.00
AZO 220520P01740000	3	0.00	0.00		-3	11.90		3,570.00
AZO 220520P01770000	3	0.00	0.00		-3	17.30		5,190.00
AZO 220520P01800000	3	0.00	0.00		-3	26.00		7,800.00
AZO 220520P01810000	3	0.00	0.00		-3	21.00		6,300.00
AZO 220520P01900000	6	0.00	0.00		-6	3.00		1,800.00
AZO 220527C01880000	3	0.00	0.00		-3	33.00		9,900.00
AZO 220527C01900000	3	0.00	0.00		-3	25.14		7,542.00
AZO 220527C01950000	3	0.00	0.00		-3	24.00		7,200.00
AZO 220527C01960000	1	0.00	0.00		-1	21.00		2,100.00
AZO 220603C02070000	3	0.00	0.00		-3	30.00		9,000.00
AZO 220603P02030000	1	0.00	0.00		-1	18.00		1,800.00
AZO 220610C02070000	3	0.00	0.00		-3	30.30		9,090.00
AZO 220610C02100000	2	0.00	0.00		-2	18.70		3,740.00
AZO 220617C02040000	2	0.00	0.00		-2	42.00		8,400.00
AZO 220624C02075000	5	0.00	0.00		-5	22.00		11,000.00
AZO 220624C02115000	3	0.00	0.00		-3	17.00		5,100.00
AZO 220624C02170000	3	0.00	0.00		-3	7.00		2,100.00
AZO 220624P02005000	2	0.00	0.00		-2	30.50		6,100.00
AZO 220701C02180000	4	0.00	0.00		-4	35.00		14,000.00
AZO 220708C02150000	1	0.00	0.00		-1	23.00		2,300.00
AZO 220708C02175000	2	0.00	0.00		-2	14.00		2,800.00
AZO 220708C02190000	1	0.00	0.00		-1	7.00		700.00
AZO 220715C02180000	1	0.00	0.00		-1	23.00		2,300.00
AZO 220715C02190000	1	0.00	0.00		-1	21.00		2,100.00
AZO 220715C02220000	2	0.00	0.00		-2	6.90		1,380.00
AZO 220715P02145000	1	0.00	0.00		-1	16.00		1,600.00
AZO 220722P02130000	0	0.00	0.00		-2	14.00		2,800.00
AZO 220722P02145000	0	0.00	0.00		-3	16.00		4,800.00
AZO 220722P02185000	0	0.00	0.00		-1	21.00		2,100.00

Total “premiums” collected in 2+ months, **\$165,562.**

# Autozone Trades for the year 2022

## Trade Summary by Symbol

Symbol	Quantity	Buys		Proceeds	Quantity	Sells		Proceeds
		Avg. Price	Proceeds			Avg. Price	Proceeds	
Stocks								
USD								
AZO	1,370	1,895.34	-2,596,617.23		-2,300	2,032.17		4,674,000.00

Realised Gains on Autozone Share Trades :  $1,370 * \$136.83 = \$187,457.10$

Plus Premiums earned from Options :  $\$165,562.00$

Total Realised Gain from Autozone Shares and Options =  $\$353,019.00$

# Arbitrage Offer

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COMPANIES & MARKETS

## Silverlake Axis offers to buy back up to 9.1% of shares at S\$0.33 each

MON, MAR 14, 2022 - 8:13 AM

This corporate services firm

Out

AMICORP TRUSTEES (S) LTD ATO PETER PARTNERSHIP FUND as of 07-Jun-2022

Base CCY USD

Description Symbol	Exch	Side	Open Trade Date Close Trade Date	Open Trade ID Close Trade ID	Quantity	Currency	Open Price Close Price	Realized Gain/Loss
<b>IG</b>								
- PE0650325SF	SILVERLAKE AXIS ORD 5CP	SES Sell	16-Mar-2022 07-Jun-2022	C.2022.03.16.0000463 C.2022.06.07.0000300	2,105,100	SGD	0.310000 0.330000	42,102.00

Fund Gained SGD 42k using margin financing.

# Some changes to the Fund administration:

- 1) No more Subscription, Topup or Redemption fee for USD or SGD. The one time fee of USD 140 for new investor remains.

Summary of Shareholder Activity for the period					
Transaction Type	Date	Considerations / (Proceeds)	NAV per Share USD	Shares Issued / (Redeemed)	Balance of Shares held
Subscription	November 01, 2017	751,394.19	100.34716240	7,487.94656499	7,487.94656499
Switch in	November 01, 2017	480,448.26	100.34716240	4,787.86094703	12,275.80751202
Equalisation	December 01, 2017	(274.18)	102.91483773	(2.66414451)	12,273.14336751
Redemption	March 01, 2018	(14,693.72)	110.03021584	(133.54258999)	12,139.60077752
Redemption	July 02, 2018	(14,289.58)	94.78142418	(150.76350797)	11,988.83726955
Redemption	October 01, 2018	(65,887.60)	121.74488990	(541.19396760)	11,447.64330195
Subscription	November 01, 2018	43,249.42	115.12319027	375.67947777	11,823.32277972
Equalisation	December 03, 2018	(433.64)	128.99119023	(3.36177997)	11,819.96099975

- 2) Redemption is differentiated with Equalisation.
- 3) Collectively, all of us saved USD 30k (and increasing) a year in Fund Administrator Fees.

# Redemption Form

## 1. Redemption Request Details (please tick only one options below)

If a request for partial redemption will result in a residual holding of less than USD 80,000, such redemption request will be deemed to be a request to redeem the entire unit holding.

<input type="checkbox"/> <b>Redemption in Units</b>	<i>or</i>	<input type="checkbox"/> <b>Redemption in Amount</b>	<i>or</i>	<input type="checkbox"/> <b>Redemption (in Amount) for Amount in Excess of</b>	<i>or</i>	<input type="checkbox"/> <b>Full Redemption</b>
				USD		

*Tick only if applicable:*

To execute this Redemption Form only if the month-end NAV is above \_\_\_\_\_ and this form is valid for \_\_\_\_\_ from this document date.

- 1) Can Redeem any amount in excess of USD 100k (for example)
- 2) Can Redeem only when the fund's NAV is above a certain price.

- Your Cost \$ 10.00 per share. Invest 10,000 units.
- When unit price at \$5.00, u need money. So you sell 5,000 units.
- 3 months later, he topup at \$5.00 per share and buy 5,000 units.
- If Unit price goes up to \$6.00 per share, PP do not charge performance fees, but Other fund managers would have charged performance fees (and usually management fees too).

# Q & A

~ Peter Lim.