



Asset Management

ASSOCIATE OF VALUE PARTNERS GROUP LTD

M & A VALUE PARTNERS IPO EQUITY FUND

ISIN code: MYU0100A8891

2024 ANNUAL REPORT

For the financial period from 1 July 2024 (date of launch)
to 31 December 2024

Manager

**M & A Value Partners Asset Management Malaysia Sdn.
Bhd. ("M & A Value Partners Malaysia")**
(Formerly known as Value Partners Asset Management Malaysia)
(Registration no. 201801020486 (1282505-P))

Trustee

CIMB Commerce Trustee Berhad
(Registration no.: 199401027349 (313031-A))

CONTENTS

	<i>Page</i>
Fund information	3
Fund Performance	4
Statement of Comprehensive Income.....	8
Statement of Financial Position.....	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Summary of Significant Accounting Policies.....	12
Notes to the Financial Statements	18
Trustee's Report.....	31
Statement by the Manager.....	32
Independent Auditor's Report	33

CORPORATE DIRECTORY

MANAGER AND REGISTRAR

M & A Value Partners Asset Management Malaysia Sdn. Bhd. (“M & A Value Partners Malaysia”)

(Registration no. 201801020486 (1282505-P))

Registered office:

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TRUSTEE AND MANAGER DELEGATE (for fund accounting and valuation)

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Registered office:

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COMPANY SECRETARY

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TAX ADVISER

PricewaterhouseCoopers Taxation Services Sdn Bhd

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P.O. Box 10192
50706 Kuala Lumpur

SOLICITOR

Messrs Wei Chien & Partners

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No. 2, Jalan Kerinchi
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AUDITOR OF THE FUND AND THE MANAGER

PricewaterhouseCoopers PLT

Level 10, 1 Sentral, Jalan Rakyat
Kuala Lumpur Sentral
50706 Kuala Lumpur

FUND INFORMATION

INFORMATION ON THE FUND	
Name of the Fund	M & A Value Partners IPO Equity Fund
Fund Category	Wholesale Equity
Fund Type	Growth
Investment Objective	The Fund aims to provide capital appreciation.
Performance Benchmark	Absolute return of 8% per annum. <i>This is not a guaranteed return and is used to measure the Fund's performance only.</i>
Distribution Policy	Distribution, if any, will be incidental.

M & A VALUE PARTNERS IPO EQUITY FUND

FUND PERFORMANCE

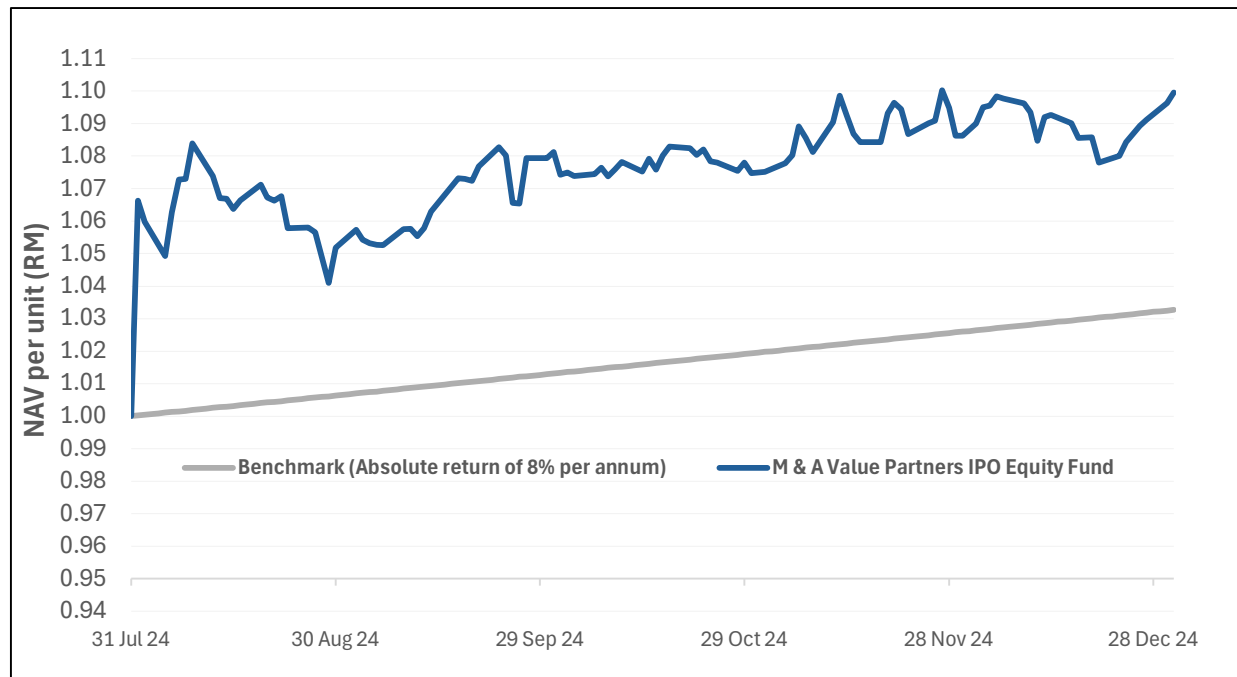
Performance Review

M&A Value Partners IPO Equity Fund (the “**Fund**”) is an equity fund launched on 1 July 2024 (“**Launch Date**”). The fund review is for the period 1 July 2024-31 December 2024.

During the period ended 31 December 2024, the Fund delivered a return of 9.96%, outperforming the annualized Benchmark return of 3.27% by 6.69%.

Performance of the Fund versus the benchmark since launch.

Cumulative Returns in RM (01 July 2024 – 31 December 2024)



Average Total Return	Since Launch (1.7.2024- 31.12.2024)
Fund	1.60%
Benchmark	0.54%
Over/(underperformance)	1.06%

Total Return	Since Launch (1.7.2024- 31.12.2024)
Fund	9.96%
Benchmark	3.27%
Over/(underperformance)	6.69%

Source: M & A Value Partners Asset Management Malaysia Sdn. Bhd., and Bloomberg. Past performance is not indicative of future performance, unit price and investment returns may go down, as well as up.

M & A VALUE PARTNERS IPO EQUITY FUND

For the financial period from 1 July 2024 (Date of launch) to 31 December 2024	31.12.2024
Total net asset value ("NAV") in MYR millions	21.56
Units in circulation, in millions	19.61
NAV per unit MYR Counter, in MYR	1.0996
• Highest	1.1003
• Lowest	1.0000
Total return ^(a) , in %	9.96
• Capital return ^(b)	9.96
• Income return ^(c)	Nil
Total expense ratio ("TER"), in %	1.18
Portfolio turnover ratio ("PTR")	1.21

Note:

a) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the fund divided by the average fund size calculated on a daily basis.

b) Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisition and total disposals of investments of the fund divided by the average fund size calculated on a daily basis.

Basis of calculation and assumption made in calculating the returns

The performance figures are a comparison of the growth/ decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period. An illustration of the above are as below:-

(a) Total return	=	$(1 + \text{Capital return}) \times (1 + \text{Income return}) - 1$
	=	$[(1 + 0.0996) \times (1 + 0.00\%) - 1] \times 100$
	=	<u>9.66%</u>
(b) Capital return	=	$\frac{\text{NAV per Unit as at end of financial period} - \text{NAV per Unit as at start of financial period}}{\text{NAV per Unit as at start of financial period}} - 1$
	=	$(\text{NAV per Unit}_{@31.12.2024} \div \text{NAV per Unit}_{@01.7.2024} - 1) \times 100$
	=	$(1.0996 \div 1.0000 - 1) \times 100$
	=	<u>9.96%</u>
(c) Income return	=	$\text{Income distribution per Unit} \div \text{NAV per Unit ex-date}$
	=	<u>Nil</u>

M & A VALUE PARTNERS IPO EQUITY FUND

Income distribution/ unit split

No income distribution or unit splits were declared for the financial period under review.

Fund composition

Period ended	31.12.2024 in %
<u>Breakdown by asset class:</u>	
• Equities	69.26
• Liquid Instrument	29.24
• Cash	1.50
Total:	100.00
<u>Breakdown by industry:</u>	
• Industrial	43.85
• Property	18.46
• Plantation	17.87
• Energy	9.50
• Consumer	5.24
• REIT	5.08
Total:	100.00

Market Review

The Fund has invested in a few IPOs namely 99 Speed Mart Retail Holdings Berhad, Mega Fortris Berhad, Azam Jaya Berhad and TMK Chemical Berhad during the period under review. Among the sectors the Fund diversified in are industrial, property, plantation, energy, consumer and real estate investment trust.

The Fund will continue to seek out quality investments to enhance the performance of the Fund. The numerous Bursa IPOs to be launched in 2025 will also provide investment opportunities to the Fund.

As of 31 December 2024, the Fund's asset under management stood at RM21.56 million, with 69.26% of the fund's NAV invested in equities. The Fund will continue to increase its invested levels when investment opportunities arise. The Fund will continue to look for investment opportunities and invest in equities and/or equity-related securities.

Investment Outlook

The Ministry of Finance Economic Outlook for 2025 remained robust. Malaysia's Gross domestic product is forecast to expand between 4.5% and 5.5% boosted by the services sector, private sector expenditure, global trade and demand in manufacturing products such as electrical and electronic products. The implementation of New Industrial Master Plan 2030 and National Semiconductor Strategy will also spur the domestic economy.

Other growth drivers include the development of Johor-Singapore Special Economic Zone (JS-SEZ) will boost trade and investments. In addition, the expansionary national budget, stable labour market conditions, ongoing investments, increased tourism activity, energy transition efforts, implementation of national masterplans and infrastructure projects will provide further impetus.

The positive Malaysia economic growth will support a vibrant and positive investment outlook, which augurs well for our Fund. In addition, the International Monetary Fund has forecasted the world economy to grow 3.3% in 2025. This growth prospect would impact positively to Malaysia economy.

M & A VALUE PARTNERS IPO EQUITY FUND

However, Malaysia will be affected due to uncertainties arising from geopolitical tensions and disruptions in global supply chains as well as US protectionist policies which will impact on Malaysia economic growth prospect.

State of Affairs

There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial year under review.

Soft commission and rebate

No soft commission was received by the manager on behalf of the fund during the financial period under review.

Cross-trade

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

Securities Financing Transaction

The Fund has not undertaken any securities financing transactions during the financial period under review.

Changes Made to the Fund's information memorandum

No changes were made to the Fund's information memorandum over the financial period under review.

M & A VALUE PARTNERS IPO EQUITY FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024

		From 1 July 2024 (date of launch) to 31 December <u>2024</u> MYR
	Note	
INVESTMENT INCOME		
Dividend income		70,264
Interest income from short-term deposits		32,639
Net gain on financial assets at fair value through profit or loss	8	<u>1,476,206</u> <u>1,579,109</u>
EXPENSES		
Management fee	4	(104,150)
Performance fee	5	(324,182)
Trustee fee	6	(4,166)
Custodian fee		(226)
Auditors' remuneration		(12,000)
Tax agent's fee		(4,500)
Other expenses		<u>(124,522)</u> <u>573,746</u>
PROFIT BEFORE TAXATION		1,005,363
Taxation	7	<u>-</u>
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/LOSS FOR THE FINANCIAL PERIOD		<u><u>1,005,363</u></u>
Net profit after taxation is made up of the following:		
Realised amount		196,108
Unrealised amount		<u>809,255</u> <u>1,005,363</u>

The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.

M & A VALUE PARTNERS IPO EQUITY FUND

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31.12.2024 MYR
ASSETS		
Cash and cash equivalents	9	7,005,990
Dividend receivables		4,264
Financial assets designated at fair value through profit or loss	8	14,934,902
TOTAL ASSETS		<u>21,945,156</u>
LIABILITIES		
Amount due to Manager		
- management fee		29,645
- performance fee		324,181
Amount due to Trustee		844
Other payables and accruals		25,500
TOTAL LIABILITIES		<u>380,170</u>
NET ASSET VALUE OF THE FUND		<u>21,564,986</u>
EQUITY		
Unitholders' capital		20,559,623
Retained earnings		1,005,363
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>21,564,986</u>
NUMBER OF UNITS IN CIRCULATION	10	<u>19,610,779</u>
NET ASSET VALUE PER UNIT (MYR)		<u>1.0996</u>

The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.

M & A VALUE PARTNERS IPO EQUITY FUND

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024

	Unitholders' <u>capital</u> MYR	Accumulated <u>profit</u> MYR	<u>Total</u> MYR
Balance as at 1 July 2024 (date of launch)	-	-	-
Total comprehensive profit for the financial period	-	1,005,363	1,005,363
Movement in unitholders' capital:			
Creation of units arising from applications	20,613,192	-	20,613,192
Cancellation of units	(53,569)	-	(53,569)
Balance as at 31 December 2024	<u>20,559,623</u>	<u>1,005,363</u>	<u>21,564,986</u>

The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.

M & A VALUE PARTNERS IPO EQUITY FUND

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024

	Note	From 1 July 2024 (date of launch) to 31 December <u>2024</u> MYR
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments		8,061,113
Purchase of investments		(21,628,154)
Dividends income received		66,000
Interest income received from short-term deposits		32,639
Management fee paid		(74,505)
Trustee fee paid		(3,322)
Payment for other fees and expenses		(7,404)
Net cash flows used in operating activities		<u>(13,553,633)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units		20,613,192
Cash paid for cancellation of units		(53,569)
Net cash flows generated from financing activities		<u>20,559,623</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		7,005,990
CASH AND CASH EQUIVALENTS AT DATE OF LAUNCH		-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	9	<u>7,005,990</u>
Cash and cash equivalent comprise of:		
Cash at bank	9	<u>7,005,990</u>

The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards (“**MFRS**”) and International Financial Reporting Standards (“**IFRS**”).

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial period. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J.

- (a) Standards, amendments to published standards and interpretations that are applicable and effective:

There are no standards, amendments to standards or interpretations that are applicable and effective for annual periods beginning on 1 January 2024 that have a material effect on the financial statements of the Fund.

- (b) Standard and amendments that have been issued that are applicable to the Fund but not yet effective:

- Amendments to MFRS 9 and MFRS 7 ‘Amendments to the Classification and Measurement of Financial Instruments’ (effective 1 January 2026)
 - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition.).
 - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (“SPPI”) criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income (“FVOCI”).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)*

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Standards and amendments that have been issued that are applicable to the Fund but not yet effective: (continued)

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'
 - The new MFRS introduces a new structure of profit or loss statement.
 - i. Income and expenses are classified into 3 new main categories:
 - Operating category which typically included results from the main business activities;
 - Investing category that presents the results of investments in associates and joint venture and other assets that generate a return largely independently of other resources; and
 - Financing category that presents income and expenses from financing liabilities.
 - ii. Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
 - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
 - Changes to the guidance on aggregate and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

B. INCOME RECOGNITION

Dividend income

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend date, when the rights to receive the dividend has been established.

Realised gains and losses on sale of investments

For quoted investments, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

Interest income

Interest income from deposits with licensed financial institutions are recognised based on effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

C. TRANSACTION COSTS

Transaction costs are costs in relation to any particular transaction or dealing, all stamp duty and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies, and other duties and charges whether in connection with the Fund Assets or the acquisition or disposal of Fund Assets or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

D. TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable profits earned during the financial period.

Withholding taxes on investment income from investments are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes which are not "income tax" in nature are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

E. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "**functional currency**"). The financial statements are presented in Ringgit Malaysia ("**MYR**"), which is the Fund's functional and presentation currency.

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

The Fund classifies cash and cash equivalents and dividend receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows that represent solely payments of principal and interest.

The Fund classifies amount due to Manager and other payables and accruals as financial liabilities measured at amortised cost.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)*

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e., when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category is presented in the statement of comprehensive income within 'net gain/ (loss) on financial assets designated at fair value through profit or loss' in the period which they arise.

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

(iii) Impairment

The Fund's financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

(iii) Impairment (continued)

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

Any contractual payment which is more than 90 days past due is considered credit impaired.

Qualitative criteria:

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in bad debt recoveries. There are no write-offs/ recoveries during the financial year/period.

G. CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and short-term deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

H. UNITHOLDERS' CAPITAL

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)*

H. UNITHOLDERS' CAPITAL (continued)

The outstanding units are carried at the redemption amount that is payable at each financial year/period if unitholder exercises the rights to put the unit back to the Fund.

Units are created and cancelled at the Participating Dealer's option at Creation Price and Redemption Price as stated in the Fund's Prospectus at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

I. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting used by the Fund Manager, in reference to the Investment Strategy stated in the Fund's Prospectus and the Operating Memorandum between the Manager and the Trustee.

J. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch framework and any other relevant guidelines issued by the SC.

Functional currency

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in MYR primarily due to the following factors:

- (i) A significant portion of the Fund's investors are based in Malaysia;
- (ii) The Fund is regulated by SC, a regulatory body in Malaysia;
- (iii) A significant portion of the Fund's expenses are denominated in MYR;
- (iv) All subscription and redemptions of units are transacted in MYR.

K. REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unlisted Capital Market Products and any other relevant guidelines issued by the SC.

NOTES TO THE FINANCIAL STATEMENTS

*FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024*

1. INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name M & A Value Partners IPO Equity Fund (the “**Fund**”) pursuant to the execution of a Deed dated 30 May 2024 entered into between M & A Value Partners Asset Management Malaysia Sdn. Bhd. (formerly known as Value Partners Asset Management Malaysia Sdn. Bhd.) (the “**Manager**”) and CIMB Commerce Trustee Berhad (the “**Trustee**”).

The Fund commenced operations on 1 July 2024 and will continue its operations until terminated by the Trustee as provided under Section 26 of the Deed.

The Fund may invest in the following permitted investments:

- Equities and equity-related securities listed or traded on Bursa Malaysia;
- Securities not listed or traded on Bursa Malaysia;
- Liquid assets (comprising money market instruments and deposit; and
- Any other investments which may be permitted by the relevant authorities from time to time that is in line with the Fund’s investment objective.

All investments will be subjected to the SC’s Guidelines on Unlisted Capital Market Products, the Deed and the objective of the Fund.

The main objective of the Fund is to provide capital appreciation through investment in equities and/or equity-related securities of Malaysian companies with a potential catalyst for re-rating over the short to medium term resulting from corporate actions such as IPO and pre-IPO exercises, takeover, merger arbitrage, strategic spin-offs and other corporate exercises.

The Manager is a company incorporated in Malaysia. It holds a capital markets services licence for fund management under the CMSA and focuses on managing assets across diversified investment strategies covering equities, fixed income, quantitative investment solutions, multi-asset and alternatives for investors, both institutional and wholesale. It is licensed to manage investment portfolios, including but not limited to ETFs, for insurance companies, financial institutions, pension funds, unit trust companies, corporations and government institutions in Malaysia.

The financial statements were authorised for issue by the Manager on 21 February 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

31.12.2024	Note	At amortised cost MYR	At fair value through profit or loss MYR	Total MYR
Financial assets				
Cash and cash equivalents	9	7,005,990		7,005,990
Quoted equities	8		14,934,902	14,934,902
Dividend receivables		4,264		4,264
Total		7,010,254	14,934,902	21,945,156
Financial liabilities				
Amount due to Manager				
- management fee	4	29,645	-	29,645
- performance fee	5	324,181	-	324,181
Amount due to Trustee	6	844	-	844
Other payables and accruals		25,500		25,500
Total		380,170	--	380,170

The Fund is exposed to a variety of risks which include market risk (including price risk and currency risk), credit risk, liquidity risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines.

Market risk

(a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. As such, the Manager believes that the Fund is able to minimise its price risk through the diversification in its portfolio of securities.

The Fund's overall exposure to price risk was as follows:

	31.12.2024 MYR
Quoted investments	
Quoted equities	14,934,902

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(a) Price risk (continued)

The table below summarises the sensitivity of the Fund's profit or loss after taxation and NAV to price risk movement. The analysis is based on the assumption that the market price fluctuates by +/-10%. With all the variables are held constant. This would represent the management's best estimates of a reasonable possible shift in the quoted securities.

<u>% Change in price</u>	<u>Market value</u> MYR	<u>Impact on profit</u> <u>after tax/NAV</u> MYR
<u>31.12.2024</u>		
+10%	16,428,392	1,493,490
0%	14,934,902	
-10%	<u>13,441,412</u>	<u>(1,493,490)</u>

(b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's exposure to the profit rate risk is mainly confined to short-term deposit placements with licensed financial institutions. The Manager overcomes this exposure by way of maintaining short term deposits.

The Fund's exposure to interest rate risk associated with deposits with licensed financial institutions is not material as the carrying value of the deposits are held on short-term basis.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of cash to meet anticipated payments for operating expenses and cancellation of units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Interest rate risk (continued)

Liquidity risk (continued)

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table below are the contractual undiscounted cash flows.

	Within <u>one month</u> MYR	Between one month to <u>one year</u> MYR	<u>Total</u> MYR
<u>31.12.2024</u>			
Amount due to Manager			
- management fee	29,645	-	29,645
- performance fee	-	324,181	324,181
Amount due to Trustee	844	-	844
Other payables and accruals		25,500	25,500
	<u>30,489</u>	<u>349,681</u>	<u>380,170</u>

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of investments. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products and any other relevant guidelines issued by the SC.

The following table sets out the credit risk concentrations of the Fund:

	Cash and cash <u>equivalents</u> MYR	Dividend <u>receivables</u> MYR	<u>Total</u> MYR
<u>31.12.2024</u>			
Financial services			
- AAA	3,957,684	-	3,957,684
- AA -	3,048,306	-	3,048,306
Industrial Product & Services			
- NR	-	4,264	4,264
	<u>7,005,990</u>	<u>4,264</u>	<u>7,010,254</u>

NOTES TO THE FINANCIAL STATEMENTS

*FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)*

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES
(CONTINUED)**

(b) Interest rate risk (continued)

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the - investment activities of the Fund.

3. FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date. The Fund utilises the last traded price for financial assets which fall within the bid-ask spread.

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

*FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)*

3. FAIR VALUE ESTIMATION (CONTINUED)

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets measured at fair value:

<u>31.12.2024</u>	<u>Level 1</u> MYR	<u>Level 2</u> MYR	<u>Level 3</u> MYR	<u>Total</u> MYR
Financial assets designated at fair value through profit or loss:				
- Quoted equities	<u>14,934,902</u>	<u>-</u>	<u>-</u>	<u>14,934,902</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments.

The carrying values of cash and cash equivalents, profit receivables, dividend receivables and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

4. MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate up to 2.00% per annum of the NAV of the Fund calculated on a daily basis.

During the financial period, management fee is recognised at a rate of 1.75% per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Information Memorandum.

5. PERFORMANCE FEE

In accordance with the Deed, the Manager is entitled to a performance fee at a rate of 20.00% on the appreciation in the NAV per Unit over and above the hurdle value during a particular performance period.

During the financial period, the performance fee is calculated and adjusted on a daily basis. Although the calculation is on a daily basis, the performance fee is only payable to the Manager at the end of each performance period if the NAV per Unit is above the Hurdle Value at the end of the particular performance period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

6. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee, at a rate up to 0.15% per annum of the NAV of the Fund calculated on a daily basis (excluding foreign sub-custodian fees and charges) subject to a minimum fee of RM10,000 per annum.

During the financial period, the Trustee fee is recognised at a rate of 0.03% per annum on the NAV of the Fund subject to a minimum of MYR10,000 per annum (excluding foreign sub-custodian fees and charges) calculated on a daily basis as stated in the Fund's Information Memorandum.

For the financial period from 1 July 2024 (date of launch) to 31 December 2024, the minimum trustee fee of RM10,000 per annum has been prorated based on the numbers of days.

There will be no further liability to the Trustee in respect of Trustee fee other than the amount recognised above.

7. TAXATION

From 01.07.2024
(date of launch)
to 31.12.2024
MYR

Current taxation -

The numerical reconciliation between net loss before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

From 01.07.2024
(date of launch)
to 31.12.2024
MYR

Net gain / (loss) before taxation 1,005,363

Tax at Malaysian statutory rate of 24% 241,287

Tax effects of:

- Investment income not subject to tax (378,986)
- Expenses not deductible for tax purposes 109,823
- Restriction on tax deductible expenses for Unit Trust Fund 27,876

Tax expense -

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

8. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

From 01.07.2024
(date of launch)
to 31.12.2024
MYR

Financial assets designated at fair value through
profit or loss:

- Quoted equities - local 14,934,902

Net gain on financial assets at fair value through
profit or loss:

- realised gain on sale of investment 666,951
 - unrealised gain on changes in fair value 809,255
- 1,476,206

Quoted equities – local equities as at 31 December 2024 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost MYR</u>	<u>Fair value MYR</u>	<u>Percentage of NAV %</u>
<u>Consumer Products & Services</u>				
AirAsia X Bhd	391,000	769,772	782,000	3.63
	<u>391,000</u>	<u>789,772</u>	<u>782,000</u>	<u>3.63</u>
<u>Energy</u>				
Velesto Energy Bhd	5,130,000	1,000,350	79,150	3.69
Yinson Holdings Bhd	236,400	612,583	624,096	2.89
	<u>5,366,400</u>	<u>1,612,933</u>	<u>1,419,246</u>	<u>6.58</u>
<u>Industry Products & Services</u>				
Hextar Industries Bhd	2,343,000	974,219	1,042,635	4.83
Hextar Global Bhd	1,114,300	996,653	986,155	4.57
Mieco Chipboard Bhd	3,500,000	1,820,000	2,380,000	11.04
TMK Chemical Bhd	500,000	875,000	935,000	4.34
VS Industry Bhd	1,066,000	1,099,960	1,204,580	5.59
	<u>8,523,300</u>	<u>5,765,832</u>	<u>6,548,371</u>	<u>30.37</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

8. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Quoted equities – local equities as at 31 December 2024 are as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost MYR</u>	<u>Fair value MYR</u>	<u>Percentage of NAV %</u>
<u>Plantation</u>				
Hap Seng Plantations Holdings	557,000	1,103,973	1,108,430	5.14
Ta Ann Holdings Bhd	364,500	1,598,479	1,560,060	7.23
	<u>921,500</u>	<u>2,702,452</u>	<u>2,668,490</u>	<u>12.37</u>
<u>Property</u>				
KSL Holdings Bhd	750,000	1,256,384	1,297,500	6.02
SP Setia Bhd Group	1,000,000	1,293,700	1,460,000	6.77
	<u>1,750,000</u>	<u>2,550,084</u>	<u>2,757,500</u>	<u>12.79</u>
<u>REITS</u>				
Hektar Real Estate Investment	1,368,100	724,574	759,296	3.52
	<u>1,368,100</u>	<u>724,574</u>	<u>759,296</u>	<u>3.52</u>
Total quoted equities – local	<u>18,320,300</u>	14,125,647	<u>14,934,902</u>	<u>69.26</u>
Accumulated unrealised gain On quoted equities – local		<u>809,255</u>		
Total quoted equities – local		<u>14,934,902</u>		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

9. CASH AND CASH EQUIVALENTS

	From 01.07.2024 (date of launch) to 31.12.2024 MYR
Cash and bank balances	701,264
Short-term deposits with licensed financial institutions	6,304,726
	<u>7,005,990</u>

Weighted average effective interest rates per annum of deposits with licensed financial institutions are as follows:

	From 01.07.2024 (date of launch) to 31.12.2024 %
Deposits with licensed financial institutions	<u>2.97</u>

Deposits with licensed financial institutions have an average remaining maturity of 2 days.

10. NUMBER OF UNITS IN CIRCULATION

	<u>31.12.2024</u> No. of units
At the beginning of the financial period/ date of launch	-
Creation of units arising from applications	19,660,284
Cancellation of units during the financial period	<u>(49,505)</u>
At the end of the financial period	<u>19,610,779</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

11. TRANSACTIONS WITH BROKERS

Details of transactions with the top brokers for the financial period from 1 July 2024 (date of launch) to 31 December 2024 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> MYR	<u>Percentage</u> <u>of total</u> <u>trades</u> %	<u>Brokerage</u> <u>fees</u> MYR	<u>Percentage</u> <u>of total</u> <u>brokerage</u> %
M&A Securities Sdn Bhd	9,493,676	32.05	14,434	19.17
RHB Investment Bank Bhd	7,690,521	25.97	22,313	29.63
Kenanga Investment Bank Bhd	4,714,565	15.92	9,438	12.53
Maybank Investment Bank Bhd	3,140,175	10.60	13,280	17.64
CIMB Investment Bank Bhd	1,770,039	5.98	3,540	4.70
CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd)	990,000	3.34	9,900	13.15
CGS International Securities Malaysia Sdn Bhd	883,178	2.98	1,776	2.35
Inter-Pacific Securities Sdn Bhd	624,000	2.11	-	-
CIMB Bank Bhd	311,790	1.05	624	0.83
	<u>29,617,944</u>	<u>100.00</u>	<u>75,295</u>	<u>100.00</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

12. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties of and their relationship with the Fund are as follows:

<u>Relationship</u>	<u>Related Parties</u>
Ultimate holding company of the Manager	Insas Berhad
The Manager of the Fund	M & A Value Partners Asset Management Malaysia Sdn. Bhd.
Subsidiary of the ultimate holding company of the Manager and External Fund Manager of the Fund	M & A Equities Holdings Berhad (“M&AE”)
Fellow subsidiaries and associated companies of the ultimate holding company of the Manager	Fellow subsidiaries and associated companies of M&AE as disclosed in their financial statements
Directors of the Manager of the Fund	Directors of M & A Value Partners Malaysia

	31.12.2024
	No. of units MYR
Director of the Manager of the Fund	
- Yap Shon Leong	100,000 109,960

13. TOTAL EXPENSE RATIO (“TER”)

	31.12.2024
	%
TER	1.18

TER is derived from the following calculation:

$$TER = \frac{(A + B + C + D + E + F) \times 100}{G}$$

A = Management fee

B = Trustee fee

C = Custodian fee

D = Auditors’ remuneration

E = Tax agent’s fee

F = Other expenses, excluding sales and service tax on transaction costs and withholding tax

G = Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for financial period ended 31 December 2024 calculated on a daily basis was MYR 11,929,308.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 (DATE OF LAUNCH)
TO 31 DECEMBER 2024 (CONTINUED)

14. PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2024</u>
PTR (times)	<u>1.21</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where: total acquisition for the financial period = MYR 21,542,595
total disposal for the financial period = MYR 7,416,948

15. COMPARATIVE

There are no comparative figures as this is the first set of financial statements prepared since the launch of the Fund.

TRUSTEE'S REPORT

*TO THE UNIT HOLDERS OF M & A VALUE PARTNERS IPO EQUITY FUND
("Fund")*

We have acted as Trustee of the Fund for the financial period from 1 July 2024 (date of launch) to 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **M & A Value Partners Asset Management Malaysia Sdn. Bhd. (formerly known as Value Partners Asset Management Malaysia Sdn. Bhd.)** has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For and on behalf of
CIMB CommerceTrustee Berhad

Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
21 February 2025

STATEMENT BY THE MANAGER

I, Yap Shon Leong, for and on behalf of the Board of Directors of the Manager, M & A Value Partners Asset Management Malaysia Sdn. Bhd. (formerly known as Value Partners Asset Management Malaysia Sdn. Bhd.), do hereby state that in the opinion of the Manager, the financial statements set out on page 8 to 30 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 December 2024 and of its financial performance, changes in equity and cash flows for the financial period then ended in accordance with Malaysia Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,

M & A VALUE PARTNERS ASSET MANAGEMENT MALAYSIA SDN. BHD.

Yap Shon Leong

Director

Kuala Lumpur, Malaysia

21 February 2025

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF M & A VALUE PARTNERS IPO EQUITY FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the financial statements of M & A Value Partners IPO Equity Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 31 December 2024 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 8 to 30.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE UNITHOLDERS OF M & A VALUE PARTNERS IPO EQUITY FUND

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE UNITHOLDERS OF M & A VALUE PARTNERS IPO EQUITY FUND

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

M & A VALUE PARTNERS IPO EQUITY FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE UNITHOLDERS OF M & A VALUE PARTNERS IPO EQUITY FUND

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

OTHER MATTERS

This report is made solely to the unitholders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

WONG HUI CHERN
03252/05/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
21 February 2025