

## INFORMATION MEMORANDUM

# M & A VALUE PARTNERS IPO EQUITY FUND

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and network in capital markets to  
uncover unique investment  
opportunities for our clients**

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# INFORMATION MEMORANDUM

## M & A VALUE PARTNERS IPO EQUITY FUND

*(constituted by way of Deed on 30 May 2024 and launched on 1 July 2024)*

### **Manager**

M & A Value Partners Asset Management Malaysia Sdn Bhd  
(formerly known as Value Partners Asset Management Malaysia Sdn Bhd)  
Registration No.: 201801020486 (1282505-P)

### **Trustee**

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

**This Information Memorandum is dated 24 December 2025**

**THIS INFORMATION MEMORANDUM DATED 24 DECEMBER 2025 REPLACES AND SUPERCEDES THE INFORMATION MEMORANDUM DATED 9 AUGUST 2024.**

**INVESTORS ARE ADVISED TO READ THIS INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUND.**

**UNITS OF THE M & A VALUE PARTNERS IPO EQUITY FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS**

## **Responsibility Statements**

This Information Memorandum has been seen and approved by the directors of M & A Value Partners Asset Management Malaysia Sdn Bhd (*formerly known as Value Partners Asset Management Malaysia Sdn Bhd*) and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

## **Statements of Disclaimer**

**The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia.**

**The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum.**

**The Securities Commission Malaysia is not liable for any non-disclosure on the part of M & A Value Partners Asset Management Malaysia Sdn Bhd (*formerly known as Value Partners Asset Management Malaysia Sdn Bhd*) responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.**

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.**

## **Additional Statements**

Investors should note that they may seek recourse under the Capital Markets and Services Act 2007 for breaches of securities laws and regulations including any statement in this Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Information Memorandum or the conduct of any other person in relation to the Fund.

## TABLE OF CONTENTS

<b>1. CORPORATE DIRECTORY .....</b>	<b>1</b>
<b>2. DEFINITIONS.....</b>	<b>2</b>
<b>3. KEY DATA.....</b>	<b>4</b>
<b>4. THE FUND .....</b>	<b>8</b>
4.1    Investment Objective.....	8
4.2    Investment Strategy .....	8
4.3    Asset Allocation .....	8
4.4    Permitted Investments .....	9
4.5    Investment Restrictions and Limits .....	9
<b>5. GENERAL RISKS AND SPECIFIC RISKS OF THE FUND .....</b>	<b>10</b>
5.1    General Risks of Investing in the Fund .....	10
5.2    Specific Risks of the Fund.....	11
5.3    Risk Management Strategy and Technique .....	12
<b>6. PRICING POLICY AND FEES .....</b>	<b>13</b>
6.1    Pricing Policy.....	13
6.2    Error in Pricing .....	14
6.3    Fees Charged to the Fund .....	15
<b>7. VALUATION POINT AND VALUATION OF ASSETS OF THE FUND .....</b>	<b>18</b>
7.1    Valuation Point.....	18
7.2    Valuation of Assets of the Fund .....	18
<b>8. COMPUTATION OF NAV AND NAV PER UNIT .....</b>	<b>19</b>
<b>9. PARTIES TO THE FUND.....</b>	<b>20</b>
9.1    The Manager .....	20
9.2    The Trustee .....	20
<b>10. SALIENT TERMS OF THE DEED .....</b>	<b>22</b>
10.1    Rights of the Unit Holders .....	22
10.2    Liabilities of Unit Holders .....	22
10.3    Termination of the Fund .....	22
10.4    Power to call for a Meeting by Unit Holders .....	22
<b>11. OTHER INFORMATION.....</b>	<b>23</b>
11.1    Anti-Money Laundering Policy .....	23
11.2    Unclaimed Monies.....	23
11.3.    Policy On Rebates And Soft Commissions .....	23
11.4.    Tax.....	23
11.5.    Customer Information Service .....	24

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**1. CORPORATE DIRECTORY**

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<b>MANAGER</b>	M & A Value Partners Asset Management Malaysia Sdn Bhd <i>(formerly known as Value Partners Asset Management Malaysia Sdn Bhd)</i> (Registration No.: 201801020486 (1282505-P))
<b>REGISTERED OFFICE</b>	Ho Hup Tower - Aurora Place 02-07-01, Level 7, Plaza Bukit Jalil No. 1, Persiaran Jalil 1 Bandar Bukit Jalil 57000 Kuala Lumpur
<b>BUSINESS OFFICE</b>	No. 47-9, The Boulevard Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur Tel : 03 – 2202 2400 E-mail : <a href="mailto:enquiry@mna-vp.com.my">enquiry@mna-vp.com.my</a> Website : <a href="http://www.mna-vp.com.my">www.mna-vp.com.my</a>
<b>TRUSTEE</b>	CIMB Commerce Trustee Berhad (Registration No.: 199401027349 (313031-A))
<b>REGISTERED OFFICE</b>	Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel : 03 – 2261 8888 Fax : 03 – 2261 0099
<b>BUSINESS OFFICE</b>	Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel : 03 – 2261 8888 Fax : 03 – 2261 9894 E-mail : <a href="mailto:ss.corptrust@cimb.com">ss.corptrust@cimb.com</a> Website : <a href="http://www.cimb.com">www.cimb.com</a>

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## 2. DEFINITIONS

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In this Information Memorandum, the following abbreviations or words shall have the following meanings unless otherwise stated:

Bursa Malaysia	Means the stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)) and includes any changes to the name or the operator of the Malaysian stock exchange.
Business Day	Means a day (other than a Saturday, Sunday or public holiday) on which Bursa Malaysia is open for trading and banks in Kuala Lumpur are open for business.
CMSA	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
Deed	Means the deed in respect of the Fund and any other supplemental deed that may be entered into between the Manager and the Trustee.
Fund	Means M & A Value Partners IPO Equity Fund.
Guidelines	Means the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC and any other relevant guidelines issued by the SC.
Hurdle Value	Means the minimum return that the Fund must achieve before the Manager is entitled to charge a performance fee.
Information Memorandum	Refers to the information memorandum in respect of the Fund as may be amended or replaced from time to time.
Initial Offer Period / IOP	Means a period of not more than two (2) months from the launch date of the Fund.
Initial Offer Price	Means the fixed price per Unit during the IOP.
IPO	Means initial public offering.
Manager	Refers to M & A Value Partners Asset Management Malaysia Sdn Bhd ( <i>formerly known as Value Partners Asset Management Malaysia Sdn Bhd</i> ).
MYR / RM	Means Ringgit Malaysia.
NAV of the Fund	Means the total value of all the Fund's assets minus its liabilities at the valuation point.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Units in circulation at the same valuation point.
Performance Period	Means a period of twelve (12) months beginning from 1 <sup>st</sup> January to 31 <sup>st</sup> December every year coinciding with the start and the end of the Fund's financial year. However, the Fund's first performance period may be more or less than twelve (12) months depending on when the Fund is launched.
SC	Refers to the Securities Commission Malaysia.
Sophisticated Investors	Refers to: (a) any person who is determined to be a sophisticated investor under:

- (i) the Guidelines on Categories of Sophisticated Investors; or
- (ii) any relevant laws/guidelines for wholesale funds; or
- (b) any person who acquires any capital market product specified under the Guidelines where the consideration is not less than RM250,000.00 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise.

Special Resolution

Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed and carried by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, “three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy” means three-fourths (3/4) of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy; for the purposes of terminating the Fund, “Special Resolution” means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.

Trustee

Refers to CIMB Commerce Trustee Berhad.

Unit

Refers to a measurement of the right or interest of a Unit Holder in the Fund including a fraction of a unit.

Unit Holder(s)

Means the Sophisticated Investor(s) for the time being who is registered pursuant to the Deed as a holder of a Unit or Units of the Fund, including the Sophisticated Investor(s) jointly registered for the Fund.

### 3. KEY DATA

INFORMATION ON THE FUND	
<b>Name of the Fund</b>	M & A Value Partners IPO Equity Fund
<b>Fund Category</b>	Wholesale Equity
<b>Fund Type</b>	Growth
<b>Base Currency</b>	MYR
<b>Initial Offer Period (IOP)</b>	A period of not more than two (2) months from the launch date of the Fund. However, the IOP may be shortened by the Manager in the event the Manager determines that it is in the best interest of the Unit Holders.
<b>Initial Offer Price</b>	RM1.00
<b>Commencement Date</b>	The next Business Day after the end of the IOP.
<b>Investor Profile</b>	The Fund is suitable for Sophisticated Investors who: <ul style="list-style-type: none"> <li>have a medium to high risk tolerance; and</li> <li>seek capital gains.</li> </ul>
<b>Investment Objective</b>	The Fund aims to provide capital appreciation.  <i>Note: Any material change to the investment objective would require Unit Holders' approval.</i>
<b>Performance Benchmark</b>	Absolute return of 8% per annum.  <i>This is not a guaranteed return and is used to measure the Fund's performance only.</i>
<b>Financial Year End</b>	31 <sup>st</sup> December.
<b>Distribution Policy</b>	Distribution, if any, will be incidental.
<b>Distribution Mode</b>	Any income distribution payable will be automatically reinvested.  The Manager will create such Units based on the NAV per Unit at the income payment date (which is within three (3) Business Days from the ex-distribution date). The Manager will not charge any fee for such reinvestment.
<b>Communication with Unit Holders</b>	<p><b>Statement of Accounts</b> A Unit Holder's statement showing details of the amount invested in the Fund shall be made available to the Unit Holders on a monthly basis.</p> <p><b>Unit Price</b> Unit Holders will be able to obtain the Unit price of the Fund from <b>www.mna-vp.com.my</b> on every Business Day. The Unit price of the Fund would also be made available upon request by the Unit Holders.</p>

	<p><b>Financial Reports</b>  The Manager will provide Unit Holders with an annual report within two (2) months of the Fund's financial year-end and quarterly reports within two (2) months of the end of the period covered via e-mail. A financial statement audited by the Fund's appointed auditors will be included in the annual report.</p>
<b>TRANSACTION DETAILS</b>	
<b>Minimum Initial Investment<sup>^</sup></b>	RM50,000
<b>Minimum Additional Investment<sup>^</sup></b>	RM50,000
<b>Minimum Holdings<sup>^</sup></b>	25,000 Units
<b>Minimum Redemption Amount<sup>^</sup></b>	<p>10,000 Units</p> <p>If the Unit holdings of a Unit Holder, after a redemption request, falls below the minimum holdings of Units for the Fund, a request for full redemption is deemed to have been made and the Manager will pay the redemption proceeds to the Unit Holder.</p>
<p><i><sup>^</sup> or such other amount or number of Units as may be determined by the Manager at its discretion.</i></p>	
<b>Transfer Facility</b>	<p>Unit Holders are allowed to transfer their Units, fully or partially, to a transferee who must be a Sophisticated Investor. There is no minimum number of Units required to effect a transfer except that the transferor and transferee must both hold the minimum holdings of Units to remain as a Unit Holder.</p>
<b>Switching Facility</b>	<p>Unit Holders are allowed to switch their Units into any of our funds provided that the fund is denominated in the same currency as the Fund that you intend to switch out and subject to the minimum holdings of Units of the Fund and the terms and conditions of the fund that you intend to switch into.</p> <p>The above will only apply if there is more than one (1) wholesale fund being offered by the Manager.</p>
<b>Subscription of Units</b>	<p>Unit Holders must be a Sophisticated Investor to invest in this Fund. Please refer to the "Definitions" chapter of this Information Memorandum for the definition of "Sophisticated Investor".</p> <p>Purchase applications can be made on any Business Day.</p> <p>For any purchase application received by the Manager as well as cleared funds received <b>on or before the cut-off time of 4.00 p.m.</b>, the Units would be created based on the NAV per Unit as at the next valuation point after the purchase application is received and accepted by the Manager. Any purchase application received or deemed to have been received after the cut-off time would be considered as being transacted on the next Business Day.</p> <p><i>Note: Please refer to the Manager on the relevant forms and supporting documents which Unit Holders are required to provide to the Manager and on how to make payment for the purchase applications.</i></p>

<b>Redemption of Units and Payment of Redemption Proceeds</b>	<p>Redemption requests can be made on any Business Day.</p> <p>For any redemption requests received by the Manager <b>on or before the cut-off time of 4.00 p.m.</b>, the Units would be cancelled based on the NAV per Unit as at the next valuation point after the redemption request is received and accepted by the Manager. Any redemption request received or deemed to have been received after the cut-off time would be considered as being transacted on the next Business Day.</p> <p>Redemption proceeds will be paid out within ten (10) Business Days from the day the redemption request is received by the Manager on or before the cut-off time of 4.00 p.m. and provided that all documentations are completed and verifiable. The redemption proceeds will be transferred to the Unit Holder's segregated personal or corporate banking account.</p> <p>In the event the payment day is not a Business Day, the redemption proceeds will be paid to Unit Holders on the next Business Day.</p> <p>Transaction costs such as charges for electronic transfers, if any, will be borne by the Unit Holders and set-off against the redemption proceeds.</p>
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### FEES AND CHARGES

***This table describes the fees and charges that you may directly incur when you purchase or redeem Units of the Fund.***

<b>Sales Charge</b>	<p>Up to 5.00% of the NAV per Unit.</p> <p><i>The Manager may at its absolute discretion reduce or waive the sales charge from time to time. Where the sales charge is applicable to the fund, such sales charge shall be subject to the 8.00% Service Tax.</i></p>
<b>Redemption Charge</b>	<p>1.00% of the NAV per Unit if the redemption request is made within twelve (12) months of each purchase application.</p> <p>The Manager will not impose a redemption charge to Unit Holders who redeem Units after twelve (12) months of each of their purchase application.</p> <p><i>The Manager may at its absolute discretion reduce or waive the redemption charge from time to time. Where the redemption charge is applicable to the fund, such redemption charge shall be subject to the 8.00% Service Tax.</i></p>
<b>Switching Fee</b>	<p>RM50.00 per switch.</p> <p>In addition to the switching fee, Unit Holders will also have to pay the difference in sales charge when switching from a fund with lower sales charge to a fund with higher sales charge.</p> <p>The above will only apply if there is more than one (1) wholesale fund being offered by the Manager.</p> <p><i>The Manager may at its absolute discretion reduce or waive the switching fee from time to time. Where the switching fee is applicable to the fund, such switching fee shall be subject to the 8.00% Service Tax.</i></p>

***This table describes the fees and charges that you may indirectly incur when you invest in the Fund.***

<b>Annual Management Fee</b>	<p>1.75% per annum of the NAV of the Fund.</p> <p>The management fee is calculated and accrued daily and payable monthly to the Manager.</p> <p><i>Where the Annual Management Fee is applicable to the fund, such annual management fee shall be subject to the 8.00% Service Tax.</i></p>
<b>Annual Performance Fee</b>	<p>20% per annum on the appreciation in the NAV per Unit over and above the Hurdle Value during a particular Performance Period.</p> <p>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.</p> <p>Please refer to Section 6.3 for further information.</p> <p><i>Where the Annual Performance Fee is applicable to the fund, such annual performance fee shall be subject to the 8.00% Service Tax.</i></p>
<b>Annual Trustee Fee</b>	<p>Up to 0.03% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), subject to a minimum fee of RM10,000 per annum.</p> <p>The trustee fee is calculated and accrued daily and payable monthly to the Trustee.</p> <p><i>Where the Annual Trustee Fee is applicable to the fund, such annual trustee fee shall be subject to the 8.00% Service Tax.</i></p>
<b>Fund Expenses</b>	<p>Only fees and expenses that are directly related and necessary to the operation and administration of the Fund may be charged to the Fund as stated in the Deed.</p>

**Prospective Unit Holders should read and understand the contents of this Information Memorandum and, if necessary, consult their adviser(s).**

**There are fees involved and investors are advised to consider the fees before investing in the Fund.**

**The Fund may create new classes of Units including but not limited to classes with different currency denominations, fees and/or charges in the future. Unit Holders will be notified in writing of the launch of the new classes of Units and prospective investors will be notified of the same by way of a supplemental or replacement information memorandum.**

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## **4. THE FUND**

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### **4.1 Investment Objective**

The Fund aims to provide capital appreciation.

*Any material changes to the Fund's objective would require Unit Holders' approval.*

### **4.2 Investment Strategy**

The Fund aims to achieve its investment objective by investing 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 seeks to provide investors indirect access to primary offerings of securities issued by Malaysian companies on Bursa Malaysia via the Fund. The Fund's portfolio will be concentrated, and at any time, will comprise of not more than twenty (20) such securities.

The Fund will also from time to time invests in securities which are undervalued and mispriced due to market inefficiencies. The Manager will adopt a careful discretionary value investing approach in selecting high growth securities and uncovering opportunities in this segment.

The Fund will participate in selected IPOs and pre-IPOs when available. However, it is not guaranteed that the Fund will be able to obtain the IPOs or pre-IPOs that the fund has selected and intends to participate in. The Fund will also invest in non-IPO equities opportunistically in the market.

The Manager will reduce cash drag whenever possible and endeavours to invest close to 90% of its NAV or fully invested at all times in the interest of Unit Holders.

The Fund may also invest in other asset classes depending on the prevailing market conditions. These asset classes would range from money market instruments and/or deposits.

#### Temporary Defensive Position

In times of extreme market volatility, we hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation by reducing the Fund's exposure in equities and/or equity-related securities and increasing the Fund's exposure in money market instruments and/or deposits.

*Note:*

\* "short to medium term" refers to an average holding period of six (6) to twelve (12) months.

### **4.3 Asset Allocation**

- 60% - 100% of the NAV of the Fund will be invested in equities and equity-related securities listed or traded on Bursa Malaysia;
- 0% - 20% of the NAV of the Fund will be invested in securities not listed or traded on Bursa Malaysia; and
- 0% - 25% of the NAV of the Fund will be invested in liquid assets (comprising money market instruments and deposits).

#### **4.4 Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant laws and provided always that there is no inconsistency with the investment objective of the Fund, the Fund will invest in the following permitted investments:

- (a) equities and equity-related securities listed or traded on Bursa Malaysia;
- (b) securities not listed or traded on Bursa Malaysia;
- (c) liquid assets (comprising money market instruments and deposits); and
- (d) 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.

#### **4.5 Investment Restrictions and Limits**

The acquisition of the permitted investments shall not contravene the following restrictions and limits, unless otherwise revised by the Manager from time to time if such revision is deemed beneficial to the Unit Holders:

- (a) the value of the Fund's investments in ordinary shares issued by any single issuer must not exceed 20% of the NAV of the Fund;
- (b) the value of the Fund's investments in transferrable securities and money market instruments issued by any single issuer must not exceed 20% of the NAV of the Fund; and
- (c) the value of the Fund's placement in deposits with any single financial institution must not exceed 20% of the NAV of the Fund.

The above investments restrictions and limits must be complied with at all times based on the most up-to-date valuation of the investments and instruments of the Fund. However, a 5% allowance in excess of any restriction or limit may be permitted where the restriction or limit is breached as a result of any appreciation or depreciation in the value of the investments of the Fund, redemption of Units or payments made from the Fund, change in capital of a corporation in which the Fund has invested in or downgrade in or cessation of a credit rating. If the relevant limit is breached, no further acquisition of the particular securities involved shall be made. The Manager shall, within a reasonable period of not more than three (3) months from the date of the breach, takes all necessary steps and actions to rectify the breach.

The Manager shall endeavour to provide a clear exit event or strategy in relation to the Fund's investments in pre-IPO unlisted securities. For example, if a pre-IPO situation or opportunity arises with the promoters, issuers or selling shareholders of a company slated for an IPO, the Manager will require the issuer or seller to enter into a put and call option agreement with the Manager to grant the Manager a put option to sell the investments to the issuer or seller at cost, or cost plus interest, or a buyout in the event the IPO fails to materialise due to reasons, including but not limited to, failure to obtain regulatory approvals. This is to ensure the Fund's investments are safeguarded. The Fund will not enter into any pre-IPO investment agreement without such safeguards in place.

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## 5. GENERAL RISKS AND SPECIFIC RISKS OF THE FUND

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### 5.1 General Risks of Investing in the Fund

#### (a) Market Risk

Market risk refers to the potential losses that may arise from adverse changes in the market prices of the investments of the Fund in response to market developments (such as adverse changes in government regulations and policies, economic developments, investor sentiment, inflation, interest rates and exchange rates), which would then affect the Fund. The Manager will monitor the market closely and act on any adverse news accordingly in order to safeguard the value of the Fund.

#### (b) Liquidity Risk

Liquidity risk arises from the lack of ease with which securities can be traded at or near its fair value, depending on the volume traded on the market. It may occur when the Fund holds securities which are thinly traded, and if at the same time, the Fund experiences large redemptions, which in turn, would require the selling of securities at a point in time when prices are unfavourable due to insufficient buyers in the market. This risk is mitigated by diversifying the investment in a wide range of securities and limiting exposures to securities with poor liquidity.

#### (c) Non-Compliance Risk

This risk refers to the possibility that the Manager may not follow the provisions set out in this Information Memorandum or the Deed or the laws, rules, guidelines or internal operating policies which governs the Fund. Non-compliance may occur directly due to factors such as human error or system failure and can also occur indirectly due to amendment on the relevant regulatory frameworks, laws, rules, and other legal practices affecting the Fund. This risk may result in operational disruptions and potential losses to the Fund. The Manager aims to mitigate this risk by placing stringent internal controls and compliance monitoring processes to ensure that the Fund is in compliance with the relevant fund regulations or guidelines.

#### (d) Operational Risk

This risk refers to the possibility of a breakdown in the Manager's internal controls. The breakdown may be a result of human error, system failure or fraud by employees of the Manager. This risk may cause monetary loss and/or inconvenience to investor. The Manager will regularly review its internal policies and system capabilities to mitigate instances of this risk. Additionally, the Manager will maintain a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager.

#### (e) Inflation Risk

This is the risk that investors' investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce the investors' purchasing power even though the value of the investment in monetary terms has increased.

#### (f) Manager's Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant laws or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

#### (g) Loan Financing Risk

This refers to the risk of Unit Holders investing in the Fund with borrowed money and is not able to service the loan repayments. In the event Units are used as collateral, Unit Holders may be required to top-up existing instalment if the prices of Units fall

below a certain level due to market conditions. Failing which, the Units may be sold at lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan.

## **5.2 Specific Risks of the Fund**

### **(a) Equity Investment Risk**

This is the risk associated with investing in equities. The value of an equity investment depends on the growth of the company issuing such securities. Failure to achieve the expected earnings may result in a fall in the value of equities which in turn affects the performance of the Fund. To mitigate the negative impact on the performance of the Fund, the Manager will employ stringent equity selection criteria which would effectively filter the stock components to equities which can provide capital gains to the Fund.

### **(b) Concentration Risk**

Concentration risk is the probability of loss arising from lack of diversification and investing with a single company. The strength of the company may be affected due to change of financial performance, news of a possible merger or loss of key personnel of the company.

### **(c) Credit and Default Risk**

Credit risk relates to the creditworthiness of the issuers of the money markets instruments and the financial institutions where the deposits are placed (hereinafter referred to as “investment”) and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer and/or financial institution may impact the value as well as liquidity of the investment. Default risk refers to the possibility that the issuer and/or financial institution of the investment is unable to make timely or full payments of profit and/or principal when due. In the event of a default in payment of interest and/or principal, this may cause a reduction in the value of the Fund. The Manager will endeavour to take the necessary steps to deal with the investment in the best interest of the Unit Holders including to dispose of the defaulted investments within a time frame deemed reasonable by the Manager.

### **(d) Special Situation Investments Risk**

Investing in special situations involves unique opportunities tied to specific events or circumstances that can significantly impact the value of an investment. Investors should consider the following risks associated with special situation investments:

#### **(i) Timing Risk:**

Special situations are often time-sensitive, dependent on the occurrence of specific events or developments. Delays or unexpected changes in the timing of these events may adversely affect the expected returns of the Fund.

#### **(ii) Regulatory and Legal Risks:**

Special situation investments are subject to regulatory and legal uncertainties. Changes in regulations, unforeseen legal disputes, or unpredictable legal outcomes can have a material impact on the Fund’s investment.

#### **(iii) Liquidity Risk:**

Investments in special situations may involve less liquid securities. The lack of liquidity can result in challenges in buying or selling assets at desired prices, potentially leading to increased price volatility.

### **(e) IPO Risk**

The Fund invests in companies undertaking an IPO and also companies that have recently completed an IPO. The securities of such companies may be subject to extreme price volatility and speculative trading. In addition, the securities of such

companies may share similar illiquidity risks of private equity and venture capital. The free float shares held by the public in an IPO are typically a small percentage of the market capitalization. The securities of such companies may be held largely by venture capital and private equity investors who seek to sell their shares in the public market in the months following an IPO when shares restricted by the lock-up period are released, causing greater volatility and possible downward pressure after expiry of the lock-up period.

**(f) Deferment of Redemption Risk**

For the purpose of managing the liquidity of the Fund, the Manager may defer the redemption of Units to the next Business Day if the total net redemptions received by the Manager is more than 10% of the NAV of the Fund on a particular Business Day. When such redemption limit is triggered, it may affect the Fund's ability to meet Unit Holders' redemption request and may lead to a delay in the payment of redemption proceeds to the Unit Holders.

**5.3 Risk Management Strategy and Technique**

The Manager seeks to mitigate the identified risks associated with the Fund by imposing stringent internal controls, compliance monitoring, and by virtue of its experience, skills, governance and diligence.

Investors should note that special situation investments such as pre-IPO securities may be illiquid, making it harder for the Manager to buy or sell the securities at desired prices. Even for IPOs, trading liquidity for a specific security tends to decrease after listing date. Investors should be aware that such liquidity constraints may adversely affect the performance of the Fund.

To mitigate the liquidity risks associated with the Fund, the Manager will on a best effort basis, amongst other things:

- (a) practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet any redemption request;
- (b) impose buy-back clauses for pre-IPO securities; and
- (c) reduce investment concentration in a single security while participating in IPOs.

As part of the Manager's liquidity risk management, the Manager may defer the redemption of Units if the total net redemptions received by the Manager is more than 10% of the NAV of the Fund on a particular Business Day.

The Manager may defer the redemption of Units in excess of such 10% limit to the next Business Day and such redemption requests will be effected in priority to later redemption requests. When such redemption limit is imposed on the Unit Holders, the Manager will inform the Unit Holders in a timely and appropriate manner of the deferment of redemption, and the redemption proceeds will be paid within ten (10) Business Days from the date on which the Units are redeemed.

**Investors are advised to read this Information Memorandum and obtain professional advice before subscribing to the Fund.**

**It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect your investment against all risks. Please note that the returns of the Fund are not guaranteed.**

**The investments of the Fund carry risks and we recommend that you read the whole of this Information Memorandum to assess the risks of the Fund. Investors are reminded that the above list of risks may not be exhaustive and if necessary, they should consult their adviser(s), e.g. bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks.**

## **6. PRICING POLICY AND FEES**

### **6.1 Pricing Policy**

#### **NAV and NAV per Unit**

The NAV of the Fund is determined by deducting the value of the Fund's liabilities from the value of the Fund's assets, as at the valuation point. For the purpose of computing the management fee and trustee fee, the NAV of the Fund should be inclusive of the management fee, the trustee fee for the relevant day .

The NAV per Unit is the NAV of the Fund divided by the total number of Units in circulation at the valuation point.

The Manager's rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit. However, the rounding policy will not apply when calculating the sales charge and redemption charge payable by investors.

Please refer to Section 8 for further information.

#### **Selling Price**

The selling price shall be equivalent to the NAV per Unit. Any applicable sales charge shall be payable separately from the selling price. During the IOP, the selling price is equivalent to the Initial Offer Price. After the IOP, forward pricing will be used to determine the selling price of the Fund, which is the NAV per Unit as at the next valuation point after the purchase request is received by the Manager.

#### *Illustration – Calculation of selling price*

Units will be sold at the Initial Offer Price during IOP and thereafter, the NAV per Unit. Any sales charge payable by the Unit Holder would be calculated as a percentage of the Initial Offer Price during IOP and thereafter, of the NAV per Unit.

*For illustration purposes, we would assume the following during the IOP:*

Amount invested:	RM100,000.00
Sales charge:	5.00% of the Initial Offer Price
Service Tax:	8.00% of the Sales Charge amount
Initial Offer Price:	RM1.00 (selling price)

The investment amount, number of Units purchased and sales charge payable by the Unit Holder are as follows:

Items	Calculation	Amount
Amount invested	-	RM100,000.00
Number of Units purchased	Amount invested divided by the Initial Offer Price = RM100,000.00 ÷ RM1.00	100,000 Units
Sales charge of 5.00% on the Initial Offer Price	Sales Charge x Initial Offer Price x Number of Units + 8.00% service tax = 5.00% x RM1.00 x 100,000 Units	RM5,400.00
Total amount invested	= RM100,000.00	
Add Sales Charge paid @ 5.00% of the Initial Offer Price	= RM5,000.00	
Add Service Tax @ 8.00% of the Sales Charge amount	= RM400.00	
<b>Total amount paid by Unit Holder</b>	<b>= RM105,400.00</b>	

**The same calculation shall be applicable after the IOP except that the selling price shall be the NAV per Unit.**

## Redemption Price

The redemption price shall be equivalent to the NAV per Unit. Any applicable redemption charge shall be payable separately from the redemption price. During the IOP, the redemption price is equivalent to the Initial Offer Price. After the IOP, forward pricing will be used to determine the redemption price of the Fund, which is the NAV per Unit as at the next valuation point after the redemption request is received by the Manager.

### *Illustration – Calculation of redemption price*

The redemption price shall be the Initial Offer Price during the IOP and thereafter, the NAV per Unit. Any redemption charge payable by the Unit Holder would be calculated as a percentage of the Initial Offer Price during the IOP and thereafter, of the NAV per Unit.

*For illustration purposes, we would assume the redemption request is made within twelve (12) months of the purchase application:*

Total number of Units to be redeemed:	100,000 Units
Redemption charge:	1.00%
Service Tax:	8.00%
NAV per Unit:	RM1.00 (redemption price)

The redemption proceeds payable to the Unit Holders are as follows:

Items	Calculation	Amount
Number of Units redeemed	-	100,000 Units
Amount redeemed	Total Units redeemed x NAV per Unit = 100,000 Units x RM1.00	RM100,000.00
Redemption charge is 1.00% of the NAV per Unit	Redemption charge x amount redeemed + Service Tax = 1.00% x RM100,000.00 + 8.00%	RM1,080.00
Total amount redeemed	= RM100,000.00	
Less redemption charge of 1.00% of NAV per Unit	= RM1,000.00	
Less service tax of 8.00% of redemption charge	= RM80.00	
<b>Total redemption proceeds paid to Unit Holder</b>	<b>= RM98,920.00</b>	

## 6.2 Error in Pricing

The Manager shall ensure that the Fund and the Units are correctly valued and priced according to the Deed and all relevant laws. Where there is an error in the valuation of the Fund, any incorrect pricing of Units which is deemed to be significant will involve the reimbursement of money in the following manner:

- by the Manager to the Fund; or
- by the Fund to the Unit Holders or former Unit Holders.

However, reimbursement of money shall only apply if the error is at or above the significant threshold of 0.5% of the NAV per Unit and the amount to be reimbursed is equivalent to RM10.00 or more.

## 6.3 Fees Charged to the Fund

### Annual Management Fee

The Manager is entitled to a management fee of 1.75% per annum of the NAV of the Fund, calculated and accrued daily and payable monthly to the Manager. 8% Service Tax on the Annual Management Fee will be charged to the Fund and reflected in the Fund's NAV

Please note that the example below is for illustration only:

Assuming the NAV of the Fund (before deducting the management fee and trustee fee) at the end of a Business Day is RM10,000,000.00, then the accrued management fee at the end of that Business Day would be:

$$\text{RM10,000,000.00} \times 1.75\% \div 365 \text{ days}^* = \text{RM479.45} + 8.00\% \text{ Service Tax} = \text{RM517.81}$$

Total management fee payable for that particular Business Day = RM517.81

*\*In the event of a leap year, the annual management fee will be divided by 366 days.*

### Annual Trustee Fee

The Trustee is entitled to a trustee fee of up to 0.03% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), subject to a minimum fee of RM10,000 per annum. The trustee fee is calculated and accrued daily and payable monthly to the Trustee. 8% Service Tax will be applied to the annual trustee fee and charged to the Fund.

Please note that the example below is for illustration only:

Assuming the NAV of the Fund (before deducting the management fee and trustee fee) at the end of a Business Day is RM10,000,000.00, then the accrued trustee fee at the end of that Business Day would be:

$$\text{RM10,000,000.00} \times 0.03\% \div 365 \text{ days}^* = \text{RM8.22} + 8.00\% \text{ Service Tax} = \text{RM8.88}$$

Total trustee fee payable for that particular Business Day = RM8.88

*\*In the event of a leap year, the annual trustee fee will be divided by 366 days.*

### Performance Fee

The Manager will earn a performance fee of 20% on the appreciation in the NAV per Unit over and above the Hurdle Value during a particular Performance Period. For the benefit of the Unit Holders, the Manager imposes a Hurdle Value which the Fund's performance must exceed before the Manager is eligible to charge a performance fee.

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. The performance fee payable to the Manager is subject to 8.00% Service Tax, where applicable.

The Hurdle Value is determined by adding the hurdle rate of 8% per annum ("Hurdle Rate") to the closing NAV per Unit on the last Business Day of the preceding Performance Period, after subtracting any income distribution declared.

During the inception year of the Fund, the Hurdle Value will be determined by adding the Hurdle Rate to the Initial Offer Price during the IOP. The Hurdle Value may then be adjusted proportionately to the calendar days remaining after the IOP.

Based on the figures in the illustration below, the Hurdle Value for Year 1 is RM1.08 (i.e. RM1.00 x 1.08). On the last Business Day of Year 1, as the NAV per Unit of the Fund rises to RM1.28, the Hurdle Value for Year 2 will be RM1.38 (RM1.28 x 1.08).

**Illustration:**

**Year 1**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Days	Units in Circulation	NAV per Unit before Performance Fee	NAV per Unit after Performance Fee	Hurdle Value	Eligible for Performance Fee	Excess NAV Per Unit	Performance Fee per Unit	8% of Service Tax	Total Performance Fee Accrued	Performance Fees Paid to Manager end of 365 days
1	10,000,000	1.00	1.00	1.08	No	-0.08				
5	10,000,000	1.06	1.06	1.08	No	-0.02				
30	20,000,000	1.30	1.26	1.08	Yes	0.22	0.044	8.00%	950,400	
31	20,000,000	1.32	1.27	1.08	Yes	0.24	0.048	8.00%	1,036,800	
365	20,000,000	1.33	1.28	1.08	Yes	0.25	0.05	8.00%	1,080,000	1,080,000
						(B) - (D)	(F) * 20%		(G) * (A) + (H)	

**Year 2**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Days	Units in Circulation	NAV per Unit before Performance Fee	NAV per Unit after Performance Fee	Hurdle Value	Eligible for Performance Fee	Excess NAV Per Unit	Performance Fee per Unit	8% of Service Tax	Total Performance Fee Accrued	Performance Fees Paid to Manager end of 365 days
1	20,000,000	1.28	1.28	1.38	No					
5	30,000,000	1.30	1.30	1.38	No					
30	40,000,000	1.50	1.48	1.38	Yes	0.1176	0.02352	8.00%	1,016,064	
31	40,000,000	1.28	1.28	1.38	No					
365	40,000,000	1.70	1.64	1.38	Yes	0.3176	0.06352	8.00%	2,744,064	2,744,064
						(B) - (D)	(F) * 20%		(G) * (A) + (H)	

**Calculation of Performance Fee**

Based on the figures in the illustration above, the NAV per Unit for the Performance Period in Year 1 is RM1.0000 which is also the NAV per Unit on Day 1 and hence, the Hurdle Value is RM1.08. Let us assume that on Day 30 of Year 1, the NAV per Unit before performance fee is RM1.30, the Hurdle Value is RM1.08 and the Units in circulation of the Fund is 20,000,000 Units.

The performance fee is then calculated as follows:

Performance fee = (The difference between the NAV per Unit (before performance fee) and the Hurdle Value) x 20% x Total number of Units in circulation of the Fund

$$\begin{aligned}
 &= (\text{RM}1.30 - \text{RM}1.08) \times 20\% \times 20,000,000 \text{ Units} \\
 &= \text{RM}0.22 \times 20\% \times 20,000,000 \text{ Units} \\
 &= \text{RM}880,000.00 + 8.00\% \text{ Service Tax} \\
 &= \text{RM} 950,400.00
 \end{aligned}$$

As illustrated above, the performance fee, if any, will be adjusted on a daily basis. Adjustment is done by reversing the daily accrued performance fee payable to the Manager. For example, on Day 31 of Year 1, the accrued performance fee on Day 30, which is RM950,400.00 will be reversed back to the Fund and the performance fee of RM1,036,800.00 will be accrued on Day 31. On Day 365, which is the last Business Day of Year 1, the NAV per Unit (before performance fee) appears higher than the Hurdle Value, therefore, the Manager is entitled to charge a performance fee of RM1,080,000.00 at the end of the Performance Period for Year 1.

**Where there is a subscription request by a Unit Holder during the Performance Period, the chargeable performance fee (if any) on the day of the subscription will be reflected in the NAV per Unit (after performance fee).**

Illustration is based on Day 30 of Year 1 figures in the illustration above:

Hurdle Value	= RM1.08
NAV per Unit (before performance fee)	= RM1.30
NAV per Unit (after performance fee)	= RM1.26

The NAV per Unit payable by the Unit Holder would be RM1.26, i.e. selling price.

**Where there is a redemption request by a Unit Holder during the Performance Period, the chargeable performance fee (if any) will be calculated as follows:**

Illustration is based on Day 30 of Year 1 figures in the illustration above:

Number of Units redeemed by Unit Holder	= 50,000 Units
Hurdle Value	= RM1.08
NAV per Unit (before performance fee) @ Day 30	= RM1.30

The redemption request is received by the Manager on Day 30 of Year 1 where the NAV per Unit is higher than the Hurdle Value of the Performance Period. As such, a performance fee is due to the Manager based on the calculation below:

(The difference between the NAV per Unit on the Business Day when the redemption occurred and the Hurdle Value) x total number of Units redeemed x 20%  
= (RM1.30 – RM1.08) x 50,000 Units x 20%  
= RM2,200.00

*Note: During the Performance Period, such amount will be maintained in the account payable of the Fund and will be paid to the Manager at the end of the Performance Period.*

### **Other Expenses**

Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund may be charged to the Fund, which include but are not limited to the following:

- commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes (if any);
- taxes and other duties charged on the Fund by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor of the Fund and other relevant professional appointed for the Fund;
- costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians for taking into custody any foreign assets of the Fund;
- expenses and charges incurred in connection with the printing and postage for the annual or quarterly report, tax certificates and other services associated with the administration of the Fund;
- costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- costs, fees and expenses incurred for the fund valuation and accounting of the Fund; and
- any other fees and expenses permitted by the Deed.

These costs shall be factored into the computation of the NAV.

***There are fees and charges involved and investors are advised to consider the fees and charges before investing in the Fund as unit prices and distributions payable, if any, may go down as well as up.***

***The rates and amounts disclosed under Sections 6.1 and 6.3 are inclusive of any sales and services tax or any relevant taxes imposed by the government and regulatory body(ies) from time to time.***

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## 7. VALUATION POINT AND VALUATION OF ASSETS OF THE FUND

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### 7.1 Valuation Point

The assets of the Fund will be valued at least once every Business Day, except during the IOP. The valuation of the Fund will be carried out in a fair and accurate manner. The Fund will be valued at the end of every Business Day.

### 7.2 Valuation of Assets of the Fund

**Listed equities and listed equity-related securities (“listed securities”)** will be valued daily based on the closing market price of the said listed securities.

However, if:

- (a) a valuation based on the market price does not represent the fair value of the listed securities, for example during abnormal market conditions; or
- (b) no market price is available, including in the event of a suspension in the quotation of the listed securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,

then the listed securities would be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

**Unlisted securities** will be valued based on the price of last done transaction, book cost or any other methods which are verified by the auditor of the Fund and approved by the Trustee.

**Deposits** placed with financial institution(s) will be valued daily by reference to the principal value of such deposits and the interests/profits accrued thereon for the relevant period.

**Money market instruments** will be valued at book cost, meaning cost of acquisition plus accretion of discount on yield to maturity method.

**Any other investments** will be valued at fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

## 8. COMPUTATION OF NAV AND NAV PER UNIT

**Illustration on computation of NAV and NAV per Unit for a particular day:**

Assets of the Fund	55,000,000.00
Add: Income	1,000,000.00
Gross asset value / GAV	56,000,000.00
Less: Fund expenses	(50,000.00)
NAV of the Fund (before deduction of management fee and trustee fee)	55,950,000.00
Less:	
Management fee for the day (1.75% of the NAV) <i>Subject to 8.00% Service Tax</i>	(2,897.13)
Trustee fee for the day (0.03% of the NAV) <i>Subject to 8.00% Service Tax</i>	(49.67)
*Performance fee calculation for the day	
NAV of the Fund before performance fee (after deduction of management fee and trustee fee)	55,947,053.20
Total of Units in circulation for that day	50,000,000
NAV per Unit before performance fee	1.1189
Excess NAV (NAV per Unit before performance fee – Hurdle Value)	0.0389
Performance fee per Unit	0.0078
Performance fee for the day <i>Subject to 8.00% Service Tax</i>	(421,200.00)
NAV of the Fund (after deduction of performance fee, management fee and trustee fee)	55,525,853.20
<b>NAV per Unit (in RM)</b>	<b>RM1.110517064</b>
<b>NAV per Unit (rounded to 4 decimal points)</b>	<b>RM1.1105</b>

\*Assuming the Hurdle Value is RM1.08.

**Note:** The Manager's rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit. However, the rounding policy will not apply when calculating the sales charge and redemption charge payable by investors.

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## 9. PARTIES TO THE FUND

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### 9.1 The Manager

#### Background Information

The Fund will be managed by M & A Value Partners Asset Management Malaysia Sdn Bhd (*formerly known as Value Partners Asset Management Malaysia Sdn Bhd*) which was incorporated on 5 June 2018. M & A Value Partners Asset Management Malaysia Sdn Bhd (*formerly known as Value Partners Asset Management Malaysia Sdn Bhd*) is a holder of a capital markets services license issued by the SC on 28 December 2018 under the CMSA to carry out the regulated activity of fund management in relation to portfolio management.

#### Functions, Duties and Responsibilities of the Manager

The Manager is responsible for the sales and management of the Fund. It also has a duty to ensure that the general administration of the Fund is done in accordance with the provisions of this Information Memorandum and the Manager's internal policies. In fulfilling its responsibility, the Manager undertakes, among others, the following functions:

- maintaining proper records for the Fund and the register of Unit Holders;
- selecting and managing investments of the Fund;
- calculating the amount of income for cash distributions/unit splits to Unit Holders;
- providing sales, marketing and customer service support to Unit Holders; and
- ensuring compliance with internal procedures and all relevant laws.

#### Board of Directors of the Manager ("Board")

The Board plays an active part in the affairs of the Manager. The Board meets at least once every quarter to receive recommendations and reports on investment activities from the committee having an oversight function of the Fund and the senior representatives of the Manager.

#### Designated Fund Manager

Mr. Sean Yap Shon Leong is the designated fund manager responsible for the management of the Fund.

### 9.2 The Trustee

#### Background

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the CMSA.

CIMB Commerce Trustee Berhad has been involved in unit trust industry as trustee since 1996. It acts as trustee to various unit trust funds, real estate investment trust fund, wholesale funds, private retirement schemes and exchange-traded funds.

#### Duties and Responsibilities of the Trustee

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

- (a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- (b) Ensure that the Manager operates and administers the Fund in accordance with the provisions of the Deed, SC's guidelines and acceptable business practice within the fund management industry;

- (c) As soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, SC's guidelines and any other matters which in the Trustee's opinions may indicate that the interests of Unit Holders are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operation and management of the Fund by the Manager to safeguard the interests of Unit Holders;
- (e) Maintain or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, this Information Memorandum, the SC's guidelines and securities law; and
- (f) Require that the accounts of the Fund to be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.

Trustee's Statement of Responsibility

The Trustee has given its willingness to assume the position as trustee of the Fund and is willing to assume all its obligations in accordance with the Deed, the CMSA and all relevant laws. In respect of monies paid by an investor for the application of Units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

The Trustee's Delegate

CIMB Commerce Trustee Berhad has appointed CIMB Bank Berhad ("CIMB Bank") as the custodian of the Fund's assets. CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Bank provides full fledged custodial services, typically clearing settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit Malaysia assets, they are held through its wholly owned nominee subsidiary "CIMB Group Nominees (Tempatan) Sdn Bhd". For foreign non-Ringgit Malaysia assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instructions from the Trustee.

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## **10. SALIENT TERMS OF THE DEED**

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### **10.1 Rights of the Unit Holders**

A Unit Holder has the right, amongst others:

- (a) to receive distribution of income (if any);
- (b) to participate in any increase in the value of the Units;
- (c) to call for Unit Holders' meetings, and to vote for the removal of the Manager or the Trustee through Special Resolution;
- (d) to receive annual and quarterly reports of the Fund; and
- (e) to enjoy such other rights and privileges as set out in the Deed.

No Unit Holder shall be entitled to require the transfer to him of any of the Fund's assets or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

### **10.2 Liabilities of Unit Holders**

No Unit Holder shall be liable for any amount in excess of the purchase price paid for the Units as determined in accordance to the Deed at the time the Units were purchased and any charges payable in relation thereto.

A Unit Holder shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the Fund's assets, and any right of indemnity of the Manager and/or the Trustee pursuant to the Deed shall be limited to recourse to the Fund.

### **10.3 Termination of the Fund**

The Fund may be terminated should a Special Resolution be passed at a Unit Holders' meeting to terminate the Fund.

Notwithstanding the above, the Manager may, in its absolute discretion and without having to obtain the prior approval of the Unit Holders, terminate the Fund if the termination of the Fund is in the best interest of the Unit Holders and the Manager deems it to be uneconomical for the Manager to continue managing the Fund.

If the Fund is left with no Unit Holders, the Manager shall be entitled to terminate the Fund.

### **10.4 Power to call for a Meeting by Unit Holders**

A Unit Holders' meeting may be called by the Manager, Trustee and/or Unit Holders. Any such meeting must be convened in accordance with the Deed.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (b) requiring the retirement or removal of the Trustee;
- (c) considering the most recent financial statements of the Fund;
- (d) giving to the Trustee such directions as the meeting thinks proper; or
- (e) considering any matter in relation to the Deed,

provided always that the Manager shall not be obliged to summon such a meeting unless a

direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund.

Every question arising at any Unit Holders' meeting shall be decided in the first instance by a show of hands unless a poll is demanded or if it be a question which under the Deed requires a Special Resolution, in which case a poll shall be taken. On a voting by show of hands every Unit Holder who is present in person or by proxy shall have one (1) vote.

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy. If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in circulation of the Fund at the time of the meeting. If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund.

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## **11. OTHER INFORMATION**

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### **11.1 Anti-Money Laundering Policy**

The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLA") is the act that provides for the offence of money laundering and also the measures to be taken for the prevention of money laundering and terrorism financing offences. The Financial Intelligence and Enforcement Department ("FIED") of Bank Negara Malaysia has been established to carry out the functions as the competent authority under the AMLA. All market intermediaries under the CMSA and management companies approved by the SC under the CMSA are obliged to comply with the provisions of the AMLA.

When opening new accounts and entering into a transaction with a client, the Manager identifies and verifies the client through documents such as identity card, passport, birth certificate, constituent documents or any other official documents, whether in the possession of a third party or otherwise. Such documents shall be filed by the Manager in accordance with relevant laws. Where the Manager suspects that a particular transaction may not be genuine, a report will be made to the FIED.

### **11.2. Unclaimed Monies**

Any monies payable to Unit Holders which remain unclaimed for one (1) year will be handled in accordance with the requirements of the Unclaimed Moneys Act 1965.

### **11.3. Policy On Rebates And Soft Commissions**

It is the Manager's policy to credit all rebates to the account of the Fund.

However, goods and services provided by any broker or dealer may be retained by the Manager or the fund manager only if the goods and services bring direct benefit or advantage to the management of the Fund and in the form of research and advisory services that assist in the decision making process relating to the Fund's investments, such as research materials and computer software, which are incidental to the investment management activities of the Fund and any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

### **11.4. Tax**

All fees and charges payable to the Manager and the Trustee are subject to applicable tax as may be imposed by the government or other authorities from time to time. Where tax is applicable to the extent that services is provided to the Fund and/or the Unit Holders, the amount of tax payable on any related fee, charge and/or expense will be borne by the Unit Holder and/or the Fund, as the case may be, in addition to the applicable fees, charges and expenses stated in this Information Memorandum.

## **11.5. Customer Information Service**

Unit Holders can seek assistance on any issue relating to the Fund, from the Manager's office at 03 – 2202 2400 at any time during office hours on Monday to Friday from 9.00 a.m. – 5.00 p.m. Alternatively, Unit Holders may e-mail their enquiries to [enquiry@mna-vp.com.my](mailto:enquiry@mna-vp.com.my).

For internal dispute resolution, Unit Holders may contact the Manager's office. If Unit Holders are dissatisfied with the outcome of the internal dispute resolution process, please refer the dispute to:

Securities Industry Dispute Resolution Center (SIDREC) via:

- Tel No: 03 - 2282 2280
- Fax No: 03 - 2282 3855
- E-mail: [info@sidrec.com.my](mailto:info@sidrec.com.my)
- Letter: Securities Industry Dispute Resolution Center  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur