

DEEP VALUE FUND



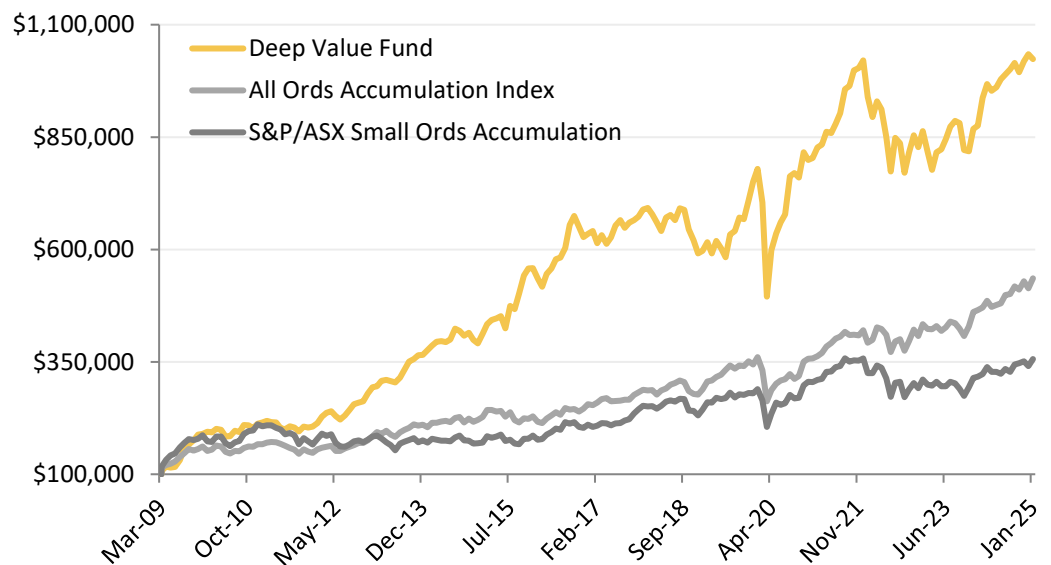
MONTHLY PERFORMANCE AS AT 31/01/2025

latest unit price \$5.1462	return since inception (March 2009) 923.76%	return 1 month -1.03%
--------------------------------------	---	---------------------------------

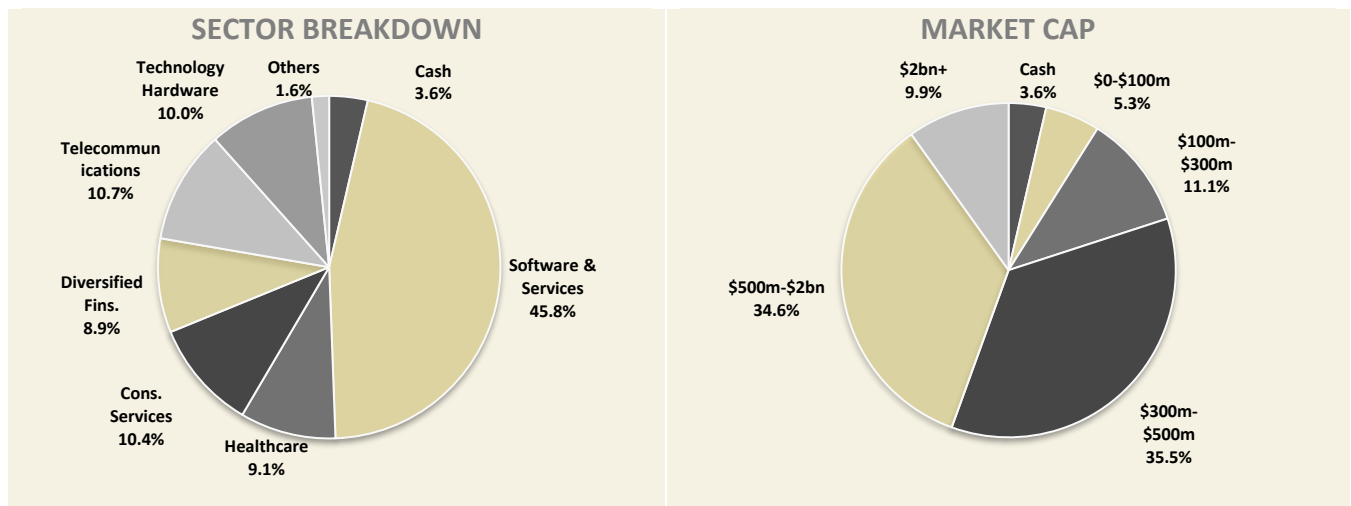
FUND OUTLINE

The Deep Value Fund is a wholesale fund investing in a concentrated portfolio of undervalued, profitable, and growing ASX listed microcap and smallcap companies.

VALUE OF \$100,000 INVESTED AT INCEPTION > **\$1,023,759**



	Compound p.a. since Inception	Total since inception	15 Year Compound Annual	12 Year Compound Annual	10 Year Compound Annual	5 Year Compound Annual	3 Year Compound Annual	1 Year	1 Month
DVF	15.74%	923.76%	11.71%	10.97%	9.51%	5.60%	2.90%	16.94%	-1.03%



DEEP VALUE FUND



MARKET UPDATE AND COMMENTARY

Whilst world equity markets, particularly the US, attempted to understand and price the long-term consequences of effective Chinese AI competition, the development has little consequence in our technology assets which are not directly in the business of engineering generative AI and large language models. Our interests in technology are in specific niche B2B industry verticals and cybersecurity software. The future developments of AI will however transform society and all industries in what is a fascinating field and the mother of all revolutions. In Europe, the ECB cut rates for the fifth time to 2.75%, recognising that monetary policy remains restrictive in face of economic headwinds and weakening inflationary pressures. The ECB is likely to cut rates by another 100 basis points over the course of 2025. On rate cuts, Australia's RBA remains one of the very few remaining central banks yet to cut. However, that may change given a much-improved CPI print during the month which saw headline inflation fall to 2.4% whilst core inflation fell from 3.5% to 3.2%, bolstering the chances of a rate cut at next month's RBA meeting.

Microequities Deep Value Fund returned -1.03% in January; this brings the total return net of fees to 923.76% for the Fund since inception in March 2009.

January is typically a quiet month for news, and this year was no different, with little to report that would materially impact the fundamental value of assets in the Deep Value Fund.

During the month, the investment team focused on recalibrating asset weightings. Specifically, we trimmed positions in several companies that had seen price increases and redirected capital into assets experiencing more pronounced pricing dislocations. Among these, two businesses in the software and IT services sector now account for 4.5% of the Fund's total assets. We believe the fair value of both businesses is more than +100% above their current market prices, and we plan to increase our allocation to them in the months ahead.

As a result of these adjustments, the Fund's cash position now stands at 3.6% of total assets—its highest level in some time. With the upcoming reporting season, the Fund is well-positioned to deploy capital opportunistically in response to developments that impact fundamental valuations.

Projected EPS Growth	
1 Year Forward (on a weighted basis)	+25.5%
Projected EPS Growth	
2 Years Forward (on a weighted basis)	+27.2%

Number of companies	35
Top 5 Holdings % of NAV	48.5%
Top 10 Holdings % of NAV	70.4%
Top 20 Holdings % of NAV	89.7%
Cash Position % of NAV	3.6%

Important information: This information is not intended to be financial advice. Past performance is not indicative of future performance. Microequities Asset Management Pty Ltd is a corporate authorised representative, number 462438, as appointed by Microequities Asset Management Group Limited holder of AFSL number 287526. Application for units in the Fund is limited to investors that are wholesale or sophisticated investors within the meaning of Section 761G(7) and 761GA(7) of the Corporations Act 2001.