

PRODUCT HIGHLIGHTS SHEET**Areca Equity Growth Fund**
(Date of Constitution: 19 October 2020)**RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of Areca Capital Sdn Bhd and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of Areca Equity Growth Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Areca Equity Growth Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission of Malaysia recommends the Areca Equity Growth Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Areca Capital Sdn Bhd responsible for the Areca Equity Growth Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

This Product Highlights Sheet only highlights the key features and risks of the Areca Equity Growth Fund. Investors are advised to request, read and understand the disclosure documents of the Fund before deciding to invest.

PRODUCT HIGHLIGHT SHEET**ARECA EQUITY GROWTH FUND****BRIEF INFORMATION ON THE FUND****1. What is this fund about?**

Fund category / type	Equity / Growth
Manager	Areca Capital Sdn Bhd (200601021087 (740840-D))
Trustee	Maybank Trustees Berhad (196301000109 (5004-P))

PRODUCT SUITABILITY**2. Who is this fund suitable for?**

This Fund is suitable for investors who are:

- Seek capital growth;
- Have a high risk tolerance; and
- Have a Medium-Term to Long-Term investment horizon

KEY FUND FEATURES

3. What am I investing in?

Launch date	04 January 2021
Initial Offer Price	RM1.0000
Objective of the Fund	To provide investors with Medium to Long Term capital growth. <i>Any material changes to the Fund's objective would require Unit Holder's approval.</i>
Investment Strategy	<p>To achieve the investment objective, the Fund will invest a maximum of 98% of its NAV in equities and equity-related securities which is traded on eligible markets (maximum 25% of its NAV in foreign eligible markets) and a minimum of 2% of its NAV in liquid assets. Equity-related securities includes but is not limited to different classes of listed and unlisted shares, warrants, options, preference shares and convertible securities. The Fund will normally invest in securities issued by companies that exhibit a good management track record, a sound history of Long-Term profitability and earnings resilience, a strong balance sheet, and/or have a good competitive position in their respective industries. The Fund will invest in markets where the regulatory authorities are ordinary or associate members of the International Organization of Securities Commission ("IOSCO").</p> <p>The Manager will adopt an active trading strategy with frequency that will depend on the market conditions and the market outlook.</p> <p>The Fund may take a temporary defensive position, which may be inconsistent with the Fund's investment strategies and asset allocation, to respond to adverse economic, political or other market conditions by holding up to 100% of the Fund's NAV in liquid assets.</p> <p>In general, the temporary defensive positions shall be taken for a period of not more than 6 months. However, the position could be held for a longer period with the approval from the investment committee during prolonged adverse market conditions. We will re-align the Fund to its principal investment strategies when market conditions turn for the better.</p>
Asset Allocation	<ul style="list-style-type: none"> ▪ Equities and Equity-Related Securities : 70% - 98% of the NAV of the Fund ▪ Liquid Assets : Minimum 2% of the NAV of the Fund
Performance Benchmark	1-year Average Returns of the funds under "Equity Malaysia" Non-Islamic category. The information on the benchmark is available at www.arecacapital.com (the Average Returns can also be obtained from the weekly Edge / Lipper Fund Table).
Income Distribution and Reinvestment Policy	<p>Incidental, subject to the availability of distributable income.</p> <p>In the absence of written instructions from a Unit Holder, we are entitled to reinvest the income distributed from the Fund in additional Units of that Fund at the NAV per Unit at the end of the distribution day with no entry fee.</p>
Financial Year End	31 July

4. Who am I investing in?

Manager	Areca Capital Sdn Bhd (200601021087 (740840-D))
Trustee	Maybank Trustees Berhad (196301000109 (5004-P))
Trustee's Delegate	Malayan Banking Berhad (196001000142 (3813-K)) (as Custodian) (Maybank Custody Services)

5. What are the possible outcomes of my investment?

There are many possible outcomes associated with an investment in the Fund and involves some degree of risk. Investors are to take note that the value of an investment in the Fund and its distributions payable (if any) may go down as well as up and are not guaranteed. The value of your investment is at risk depending on the underlying investments of the Fund.

Under normal circumstances, the Manager aims to out-perform the Fund's benchmark, the 1-year Average Returns of the funds under "Equity Malaysia" Non-Islamic category. However, on the flip side, the Fund may post a much lower return or even incurring losses if one or more of the key risks occur. **In the worst scenario where all the investments of the Fund are in default or suspended, investors may lose part or even all of your initial investments.**

KEY RISKS

6. What are the key risks associated with this fund?

PLEASE BE ADVISED THAT IF YOU INVEST IN UNITS THROUGH AN IUTA WHICH ADOPTS THE NOMINEE SYSTEM OF OWNERSHIP, YOU WOULD NOT BE CONSIDERED TO BE A UNIT HOLDER UNDER THE DEED AND YOU MAY CONSEQUENTLY NOT HAVE ALL THE RIGHTS ORDINARILY EXERCISABLE BY A UNIT HOLDER (FOR EXAMPLE, THE RIGHT TO CALL FOR A UNIT HOLDERS' MEETING AND TO VOTE THEREAT AND THE RIGHT TO HAVE YOUR PARTICULARS APPEARING IN THE REGISTER OF UNIT HOLDERS OF THE FUND).

Below are the risks associated in the product which may cause significant losses if they occur.

General risks of investing in the Unit Trust Funds

▪ Market Risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's net asset value.

▪ Manager's Risk

This risk refers to the day-to-day management of a 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 law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.

▪ Liquidity Risk

Liquidity risks refer to the ease of liquidating an asset depending on the asset's volume traded in the market. If the fund hold assets that are illiquid, or are difficult to dispose of, the value of the fund will be negatively affected when it has to sell such assets at unfavourable prices.

▪ Loan Financing Risk

The risk occurs when investors take a loan/financing to finance their investment and thereafter unable to service the loan repayments. If units are used as collateral, an investor may be required to top-up the investor's existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan.

▪ Performance Risk

As a result of the risk elements, the returns from a fund are not guaranteed. The value of the fund's investment will vary when disposed and an investment may be worth more or less than when purchased.

▪ Inflation Risk

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

▪ Non-Compliance Risk

This risk refers to the possibility that the manager may not follow the provisions set out in the prospectus 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 reduce this risk by placing stringent internal policies and procedures and compliance monitoring processes to ensure that the fund is in compliance with the relevant regulations or guidelines.

Specific risks associated with the investment portfolio of Areca Equity Growth Fund

- **Stock specific risk**

Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.

- **Country risk**

Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of units to fall.

- **Currency Risk**

As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

- **Equity-related Securities Risk**

The Fund invests in equity-related securities such as rights and warrants, where price movement is dependent on the price movement of the underlying equities the risk is generally higher than their underlying equities as these equity related securities are leveraged form of investment. The price of equity-related securities generally fluctuates more than the underlying equities and consequently may affect the volatility of the Funds' NAV. For example, warrants have a limited life and will depreciate in value as they approach their maturity date. If a warrant's exercise price is above the share price at any time during its remaining subscription period. The warrant will theoretically carry little value and warrants that are not exercised at the maturity date become worthless.

- **Leveraged Exchange Traded Fund (LETF) and Inverse Exchange Traded Fund (IETF) Risk**

Investment in LETF and IETF can provide disproportionate gains as well as disproportionate losses to the Fund. The LETF utilizes leverage to obtain the required exposure of multiple times of its Net Asset Value (e.g. 200%) to the Underlying Index while the IETF will obtain the required exposure of substantial (e.g. up to -100%) of its Net Asset Value to the Underlying Index. As such, gains and losses will be magnified and thus will affect the Fund's NAV.

The abovementioned risks which you should consider before investing into a unit trust fund should not be considered to be an exhaustive list.

You should be aware that investments in the Fund may be exposed to other risks of an exceptional nature from time to time.

FEES & CHARGES

7. What are the fees and charges involved?

Entry Fee (Sales Charge)	Direct investment with Manager [#] : Up to 1% of the net investment amount of the fund. Unit Trust Consultants, Third party distributors: Up to 3% of the net investment amount of the fund. * Direct Investment through the Manager refers to direct investment made through the Manager without Unit Trust Consultants or service personnel e.g. direct online distribution channel.
Exit Fee	NIL
Switching Fee	NIL
Transfer Fee	NIL
Annual Management Fee	Up to 2.00% p.a. of NAV of the Fund.
Annual Trustee Fee	Up to 0.06% per annum of the NAV of the Fund, subject to a minimum fee of RM6,000 per annum.

The above fees and charges are exclusive of any taxes and/or duties as may be imposed by the government and/or the relevant authorities from time to time.

How will I be notified of any increase in fees and charges?

- A written communication will be sent to unit holders to notify of the higher rate and its effective date;
- A supplementary or replacement Prospectus will be lodged and issued.

VALUATION AND EXITING FROM INVESTMENT

8. How often are valuations available?

The valuation of the assets of the Fund is carried out on each Business Day.
 The NAV per unit of the Fund will generally be found on the Manager's website at www.arecacapital.com.

9. How can I invest in this investment?

Minimum Initial Investment	RM10,000 or such other limit at the Manager's discretion. The minimum initial investment is applicable for both direct investment through Manager and third party distributors including IUTA.
Minimum Additional Investment	RM1,000 or such other limit at the Manager's discretion. The minimum additional investment is applicable for both direct investment through Manager and third party distributors including IUTA.

WE DO NOT ACCEPT CASH PAYMENT AND PAYMENT THROUGH THE CASH DEPOSIT MACHINE AND PAYMENT MADE BY A THIRD PARTY.

INVESTOR SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT WHEN PURCHASING UNITS OF THE FUND.

Note: All completed transaction forms must be submitted to the Manager before the cut-off time by 3.00pm on a Business Day as determined by the Manager. We will process your transaction on the next Business day if we receive your application after the cut-off time. Distributors may impose an earlier cut-off time if you purchase the Units through our distributors.

10. How can I exit from this investment and what are the risks and costs involved?

Minimum Redemption	10,000 Units or such other limit at the Manager's discretion.
Minimum Balance	You are require to redeem all your investment if you have less than 1,000 Units or such other lower amount as decided by the Manager. Applicable for both direct investment through Manager and third party distributors including IUTA.
Redemption Notice / Frequency	Any Business Day. However, you must submit the redemption notice to us before 3.00pm on transaction day (T day) for processing.
Redemption Payment	We will pay you within 10 calendar days upon receipt of the duly completed original Redemption form. However, for this Fund, it is our general Redemption policy to make payment within 2 Business Days (T+2 day). Redemption proceeds will be only paid to the principal holder, unless requested by the investor to pay to the Joinholder. We do not pay to any third-party.

Transfer of Units	<p>Unit Holders are permitted to transfer part or all of their Units in the Fund to their immediate family members by completing a transfer form. However, for the transfer of Units to other investors, it is subject to the discretion of the Manager and the Manager reserve the rights to reject the transfer without assigning any reason. Transfers from corporate accounts to individual accounts are not permitted.</p> <p>You must submit the completed transfer form before the cut-off time on any Business Day. We will process your transaction on the next Business Day if we receive your application after the cut-off time. A transfer will be effected subject to the terms and conditions applicable for the Fund.</p>
Cooling-off Right	<p>A cooling-off right is given to you if you are investing in any unit trust fund managed by us for the first time. The cooling-off period given to you is six (6) Business Days commencing from the date of receipt of the investment application by us. The refund for every Unit held following a request by you pursuant to the exercise of a cooling-off right should be the sum of:-</p> <ul style="list-style-type: none"> • The NAV per Unit on the day the Units were purchased; and • The entry fee paid by you (if any). <p>A cooling-off right is given to an individual investor except for where such investor is a staff of the Manager or persons registered with a body approved by the SC to deal in unit trusts.</p> <p>The moneys to be refunded to you pursuant to the exercise of a cooling-off right will only be paid after we have received cleared funds for the original investment.</p> <p>You must submit the completed cooling-off form before the cut-off time on any Business Day. We will process your transaction on the next Business Day if we receive your application after the cut-off time.</p>

For more information, please refer to the Prospectus dated 04 January 2021.

CONTACT INFORMATION

17. Who should I contact for further information or to lodge a complaint?

For enquiries/further information, please contact:

Head Office	<p>Areca Capital Sdn Bhd (200601021087 (740840-D)) 107, Blok B, Pusat Dagangan Phileo Damansara 1, No 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor. Tel: 603-7956 3111 Fax: 603-7955 4111 Website: www.arecacapital.com E-mail: invest@arecacapital.com</p>	
Branches	<p>Pulau Pinang Tel: 604-210 2011 Fax: 604-210 2013</p>	<p>Malacca Tel: 606-282 9111 Fax: 606-283 9112</p>
	<p>Ipoh Tel: 605-249 6697 Fax: 605-249 6696</p>	<p>Kuching Tel: 082-572 472</p>

1. For internal dispute resolution, you may contact:
Areca Capital Sdn Bhd – Investor Care: 03-7956 3111
2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (SIDREC):
 - (a) via phone to : 03-2282 2280
 - (b) via fax to : 03-2282 3855
 - (c) via e-mail to : info@sidrec.com.my
 - (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar,
No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur.
3. You can also direct your complaint to the Securities Commission Malaysia even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the Securities Commission Malaysia's Investor Affairs & Complaints Department:
 - (a) via phone to the Aduan Hotline at : 03-6204 8999
 - (b) via fax to : 03-6204 8991
 - (c) via e-mail to : aduan@seccom.com.my
 - (d) via online complaint form available at www.sc.com.my

(e) via letter to : Investor Affairs & Complaints Department
Securities Commission Malaysia
No. 3 Persiaran Bukit Kiara, Bukit Kiara
50490 Kuala Lumpur

4. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

(a) via phone to : 03-2092 3800
(b) via fax to : 03-2093 2700
(c) via e-mail to : complaints@fimm.com.my
(d) via online complaint form available at www.fimm.com.my
(e) via letter to : Legal, Secretariat & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-01, 6th Floor Wisma Tune
No. 19 Lorong Dungun, Damansara Heights
50490 Kuala Lumpur

GLOSSARY

Areca/ Manager/ We/ Us / Our	Areca Capital Sdn Bhd;
Base Currency	Means the base currency of the Fund, i.e. Ringgit Malaysia;
BNM	Bank Negara Malaysia;
Business Day	A day on which Bursa Malaysia Securities Berhad, the stock exchange managed or operated by Bursa Malaysia Berhad, is open for trading;
CIS	Collective investment schemes which include exchange traded funds;
CMSA	The Capital Markets and Services Act, 2007 including all amendments thereto;
Deed(s)	The deed in relation to the Fund and any other supplemental deeds that may be entered into between the Manager and the Trustee;
Deposits	Deposits with Financial Institutions;
Eligible Market	A market which is regulated by a regulatory authority, operates regularly, is open to the public and has adequate liquidity for the purposes of the Fund;
FIMM	Federation of Investment Managers Malaysia;
Financial Institution	(a) if the institution is in Malaysia: i. licensed bank; ii. licensed investment bank; and iii. licensed Islamic bank; (b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised to provide financial services by the relevant banking regulator; “licensed bank” has the same meaning as given under the Financial Services Act 2013; “licensed investment bank” has the same meaning as given under the Financial Services Act 2013; “licensed Islamic bank” has the same meaning assigned to it under the Islamic Financial Services Act 2013”;
Fund	Areca Equity Growth Fund;
Fund Manager	A person who holds a capital market services representative’s license to carry on the regulated activity of fund management;
Guidelines	Guidelines on Unit Trust Funds as may be amended from time to time;
IUTA	Institutional unit trust scheme adviser, which is a corporation registered with the FIMM and authorised to market and distribute unit trust schemes of another party;
Jointholder	A person who holds Units together with another person or persons;
Liquid Assets	Means any permitted investment capable of being converted into cash within seven (7) days;
Long-Term	Means a period of at least five (5) years;

Medium to Long Term	Refers to a period of three (3) years or more;
NAV	The net asset value of the Fund, which is the value of all the assets attributed to the Fund less the total liabilities attributed to the Fund at the valuation point;
NAV per Unit	The NAV divided by the number of Units in circulation at the valuation point;
Redemption	The repurchase by the manager of the Units owned by the Unit Holders upon a proper redemption request;
RM	Ringgit Malaysia;
SC	The Securities Commission Malaysia which was established under the Securities Commission Malaysia Act 1993;
Trustee	Maybank Trustees Berhad includes its permitted assigns and successors in title;
Underlying Index	An index tracked by a Leverage / Inverse Exchange Traded Fund
Units	Units of a Fund and includes a fraction of a Unit;
Unit Holder/You	A person for the time being who is registered pursuant to the Deed as a holder of Units, including a Jointholder;