

Quarterly Report December 2025

For the Period Ended 31 December 2025

Areca Islamic Cash Fund

Management Company



200601021087(740840-D)

QUARTERLY REPORT DECEMBER 2025

✧ ARECA ISLAMIC CASH FUND

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CORPORATE DIRECTORY

MANAGER

Areca Capital Sdn Bhd
Company No: 200601021087 (740840-D)
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BOARD OF DIRECTORS

Raja Datuk Zaharaton Bt Raja Dato' Zainal Abidin
(Independent Non-Executive Chairman)
Dr. Junid Saham
(Independent Non-Executive)
Wong Teck Meng
(Non-Independent Executive/Chief Executive Officer)
Edward Iskandar Toh Bin Abdullah
(Non-Independent Executive/Chief Investment Officer)
(Resigned with effect from 16 April 2025)

INVESTMENT COMMITTEE MEMBERS

Raja Datuk Zaharaton Bt Raja Dato' Zainal Abidin
(Independent Non-Executive Chairman)
Dr. Junid Saham
(Independent Non-Executive)
Dato' Seri Lee Kah Choon
(Independent Non-Executive)

TRUSTEE

RHB Trustees Berhad
Company No: 200201005356 (573019-U)
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Deloitte PLT*) (LLP0010145-LCA)
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TAX ADVISER

PricewaterhouseCoopers Taxation
Services Sdn Bhd (464731-M)
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Tel: 603-2173 1188, Fax: 603-2173 1288

SHARIAH ADVISER

ZICO Shariah Advisory Services Sdn Bhd
(769433-D)
Level 13A Menara Milenium
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MANAGER'S OFFICE AND BRANCHES

HEAD OFFICE

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Fax: 604-210 2013

IPOH BRANCH

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Greentown Business Centre
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MALACCA BRANCH

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Taman Melaka Raya
75000 Melaka
Tel : 606-282 9111
Fax: 606-283 9112

KUCHING BRANCH

1st Floor, Sublot 3
Lot 7998, Block 16
KCLD, Cha Yi Goldland
Jalan Tun Jugah/Stutong
93350 Kuching, Sarawak
Tel : 6082-572 472

JOHOR BRANCH

No 105, Jalan Meranti Merah
Taman Melodies
80250 Johor Bahru
Tel : 607-336 3689

KOTA KINABALU BRANCH

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Api-Api Centre
88000 Kota Kinabalu, Sabah
Tel : 6088-276 757

QUARTERLY REPORT DECEMBER 2025
Areca Islamic Cash Fund

FUND INFORMATION

Name of the Fund	Areca Islamic Cash Fund
Fund Category/ Type	Islamic Fixed Income/Income
Objective of the Fund	The Fund seeks to offer investors regular income.
Performance Benchmark	Maybank 1 Month Islamic Fixed Deposit-i
Distribution Policy of the Fund	Income distribution for the Fund is twice a year, subject to availability of distributable income.
Rebates & Soft Commissions	<p>The Manager will retain soft commissions received from brokers or dealers, provided that:</p> <ul style="list-style-type: none">(a) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;(b) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and(c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or fund manager shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions. <p>The soft commissions may be in the form of goods and services such as data and quotation services, computer software incidental to the management of the Fund and investment related publications. Cash rebates, if any, will be directed to the account of the Fund. During the period under review, the Manager had not received any soft commissions.</p>
Inception Date	18 June 2015
Financial Year End	30 September

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Areca Islamic Cash Fund

FUND PERFORMANCE

**01.10.2025
to 31.12.2025**

NET ASSET VALUE ("NAV")

Net Asset Value (RM million)	133.43*
Units in circulation (million units)	121.83*
NAV per unit (RM)	1.0953*
<i>* Ex-Distribution</i>	

HIGHEST & LOWEST NAV per unit

*Please refer to **Note 1** for further information on NAV and pricing policy*

Highest NAV per unit (RM)	1.1131*
Lowest NAV per unit (RM)	1.0952*
<i>* Ex-Distribution</i>	

ASSET ALLOCATION % of NAV

Unquoted Islamic fixed income securities

Islamic Commercial Paper	0.75
Unquoted Sukuk	24.58

Islamic collective investment scheme

	1.79
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Short-term Islamic deposits

	28.58
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Liquid assets and other net current assets

	44.30
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DISTRIBUTION

*Please refer to **Note 2** for further information*

Distribution date	31 Dec 2025
Gross distribution (sen per unit)	1.8000 (31 Dec)
Net distribution (sen per unit)	1.8000 (31 Dec)
NAV before distribution (RM per unit)	1.1131 (30 Dec)
NAV after distribution (RM per unit)	1.0952 (31 Dec)

UNIT SPLIT

There was no unit split exercise for the financial period under review.

EXPENSE/TURNOVER

Total expense ratio (TER) (%)	0.16
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*Please refer to **Note 3** for further information*

Portfolio turnover ratio (PTR) (times)	0.52
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*Please refer to **Note 4** for further information*

TOTAL RETURN

*Please refer to **Note 5** for further information*

Total Return (%)	0.61
- Capital growth (%)	(1.01)
- Income distribution (%)	1.63

	1-yr	3-yrs	5-yrs
Average Total Return per annum (%)	2.53	2.83	2.41

QUARTERLY REPORT DECEMBER 2025

Areca Islamic Cash Fund

NOTES:

Note 1: *Selling of units by the Management Company (i.e. when you purchase units and invests in the Fund) and redemption of units by the Management Company (i.e. when you redeem your units and liquidate your investments) will be carried out at NAV per unit (the actual value of a unit). The entry/exit fee (if any) would be computed separately based on your net investment/liquidation amount.*

Note 2: *Net distribution of 1.8000 sen per unit was declared on 31 December 2025 and was automatically reinvested into additional units on the same day at NAV per unit after distribution at no entry fee.*

Note 3: *TER is calculated based on the total fees and expenses incurred by the Fund, divided by the average net asset value calculated on a daily basis.*

Note 4: *PTR is computed based on the average of the total acquisitions and total disposals of the investment securities of the Fund, divided by the average net asset value calculated on a daily basis.*

Note 5: *Fund performance figures are calculated based on NAV to NAV and assume reinvestment of distributions (if any) at NAV. The total return and the benchmark data are sourced from Lipper.*

The abovementioned performance computations have been adjusted to reflect distribution payments and unit splits wherever applicable.

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

QUARTERLY REPORT DECEMBER 2025
Areca Islamic Cash Fund

FUND REVIEW

For the quarter ended 31st December 2025, the Fund posted a return of 0.61% against the benchmark Maybank 1 Month Islamic Fixed Deposit-i return of 0.46% matching the Fund's objective of providing opportunity for regular income to investors.

We will maintain a short duration strategy through increasing exposure into short-term and liquid corporate papers while seeking attractive yield opportunities. We will also seek out opportunities through other Cash fund products under Islamic Principles that may enhance the performance of the Fund.

The Fund continues to prioritise liquidity and invest predominantly in repos and Islamic general investment accounts.

Investment Policy and Strategy

The Fund may invest up to 30% of its NAV in Islamic fixed income securities including Ringgit denominated sukuk and invest its remaining NAV in Short-Term Islamic money market instruments and Islamic Deposits and placement with Islamic investment account with different maturity periods to meet the objective of the Fund.

NAV per unit as at 31 December 2025

RM1.0953

Asset Allocation/Portfolio Composition

31.12.2025

Unquoted Islamic fixed income securities

25.33%

Islamic collective investment scheme

1.79%

Short-term Islamic deposits

28.58%

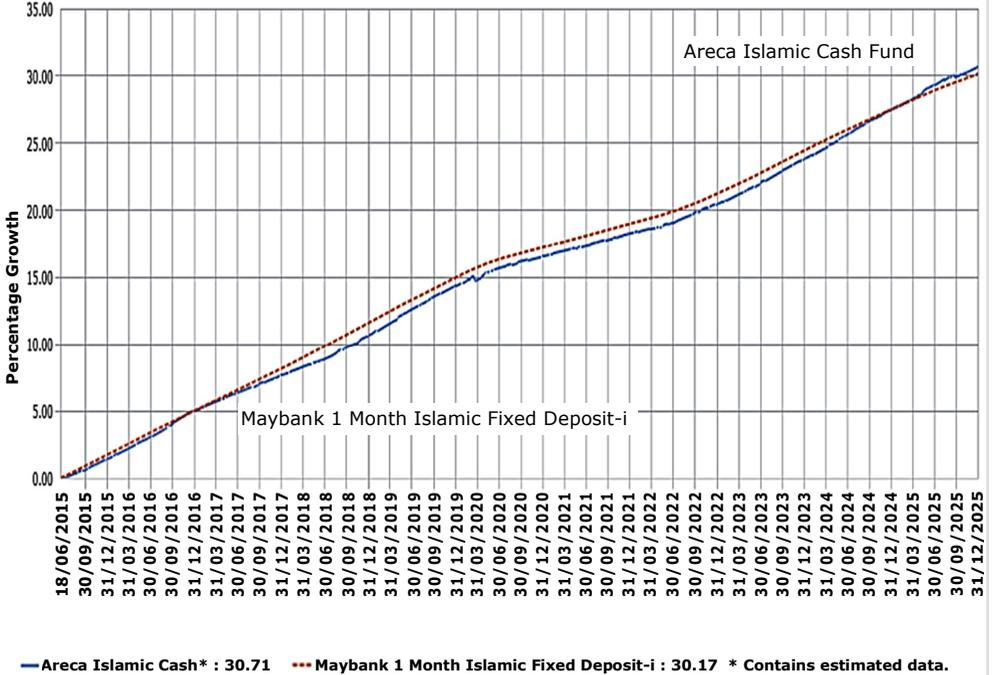
Liquid assets and other net current assets

44.30%

FUND REVIEW

Performance of Areca Islamic Cash Fund
for the period since inception to 31 December 2025

Total Return of Areca Islamic Cash Fund vs Benchmark



QUARTERLY REPORT DECEMBER 2025

Areca Islamic Cash Fund

GLOBAL FIXED INCOME MARKET REVIEW AND OUTLOOK

United States ("US") economic data was partly distorted by the 43-day federal government shutdown however trends became clearer once reporting resumed. Labour market conditions softened modestly with unemployment increasing to 4.60% in November before easing to 4.40% in December. While nonfarm payrolls rose by a merely 50,000 jobs; the weakest monthly gains after the pandemic. Inflation moderated from earlier highs of 3.00% but remained above the Federal Reserve's ("Fed") 2.00% target with year-on-year ("YoY") Consumer Price Index ("CPI") at 2.70% in December suggesting persistent price pressures.

Against this backdrop, the Fed delivered two consecutive 25 basis points ("bps") rate cuts in the fourth quarter of year 2025 ("Q4 2025"), lowering the federal funds target range to 3.50% – 3.75%. In addition, the Fed began purchasing short-term Treasury securities, primarily Treasury bills to maintain sufficient reserves and to keep the federal funds rate within its target range. The US Treasury ("UST") yields reflected these developments where the front-end yields declined, with the 3-year Treasury yield down 6 bps quarter-on-quarter ("QoQ"). In contrast, longer-dated yields remained relatively firm with the 10-year Treasury yield edging up by 2 bps QoQ as investors continued to price in fiscal concerns and elevated term premiums. Overall, Q4 2025 reflected a stabilised US fixed-income environment shaped by Fed easing, post-shutdown data clarity and measured policy interventions.

MALAYSIA FIXED INCOME MARKET REVIEW AND OUTLOOK

Malaysia's economy accelerated in Q4 2025, with Gross Domestic Product ("GDP") expanding to 5.70% vs 5.00% in the fourth quarter of year 2024 ("Q4 2024"). Manufacturing drove the recovery, with the Purchasing Managers' Index ("PMI") rising above 50 for the first time since May 2024 and industrial output increasing 4.30% YoY in November, led by manufacturing growth of 4.90%. Investment momentum remained solid, supported by strong capital goods imports and expansion in electronics output (+10.70%), signalling continued capacity build-up. Inflation remained contained with headline CPI at 1.40% and core inflation at 2.20% whilst unemployment fell to an 11-year low of 2.90% in November. Against this backdrop, Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 2.75%, reflecting confidence in the economy amidst external uncertainties.

Malaysia's bond market in Q4 2025 remained stable and well-supported with demand concentrated at the shorter end amidst duration caution. Short-term Malaysia Government Securities ("MGS") and Government Investment Issues ("GII") yields declined by 6 bps - 11 bps reflecting confidence in the domestic bond markets. However, the 10-year yields for both MGS and GII rose by 4 bps driven by weaker demand at long-term auctions and investors' sensitivity to duration risk. This cautious sentiment was mirrored in Government bond auctions where the average bid-to-cover ("BTC") ratio for this quarter fell to 2.1 times from 2.3 times, although selective maturities, such as MGII 8/30 achieved the highest BTC of 2.8 times. Meanwhile, foreign investors remained net buyers, increasing total holdings of MGS and GII of by 3.40% from the third quarter ("Q3") to RM300 billion providing support to bond prices. Overall, the last quarter reflected a healthy and ample liquidity in the market with investors' preferences for the short end and selective exposure at the long end demonstrating cautious optimism amid global uncertainties.

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UNAUDITED STATEMENT OF FINANCIAL POSITION*As At 31 December 2025*

	31.12.2025
	RM
Assets	
Investments	36,187,440
Cash at banks	46,158,374
Short-term Islamic deposits	38,130,231
Amount due from Manager	<u>14,968,834</u>
Total Assets	<u><u>135,444,879</u></u>
Unitholders' Fund And Liabilities	
Liabilities	
Other payables and accrued expenses	64,627
Distribution payable	<u>1,946,834</u>
Total Liabilities	<u><u>2,011,461</u></u>
Unitholders' Fund	
Unitholders' capital	127,004,098
Retained earnings	<u>6,429,320</u>
Net Assets Value Attributable To Unitholders	<u><u>133,433,418</u></u>
Total Unitholders' Fund And Liabilities	<u><u>135,444,879</u></u>
Number Of Units In Circulation	<u>121,825,116</u>
Net Asset Value Per Unit (RM)(Ex-Distribution)	<u><u>1.0953</u></u>

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UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME*For The Financial Period Ended 31 December 2025*

	01.10.2025 to 31.12.2025 RM
Investments Income	
Profit income	904,564
Net loss on investments at fair value through profit or loss ("FVTPL")	<u>(57,059)</u>
Total Investments Income	<u>847,505</u>
Expenditure	
Management fee	(133,052)
Trustee's fee	(13,606)
Audit fee	(2,700)
Tax agent's fee	(825)
Other expenses	<u>(19,550)</u>
Total Expenditure	<u>(169,733)</u>
Net Income Before Taxation	677,772
Taxation	<u>-</u>
Net Income After Taxation And Total Comprehensive Income For The Financial Period	<u>677,772</u>
Net Income After Taxation Is Made Up Of:	
Realised gain	723,670
Unrealised loss	<u>(45,898)</u>
	<u>677,772</u>
Distribution For The Financial Period:	
Net distribution	1,946,834
Gross distribution per unit (sen)	1.8000
Net distribution per unit (sen)	<u>1.8000</u>

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UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE

For The Financial Period Ended 31 December 2025

	Unitholders' capital RM	Retained earnings RM	Total net asset value RM
Balance as at 1 October 2025	96,710,442	7,698,382	104,408,824
Amounts received from units created	43,540,794	-	43,540,794
Reinvestments of units	1,946,834	-	1,946,834
Amounts paid for units cancelled	(15,193,972)	-	(15,193,972)
Total comprehensive income for the financial period	-	677,772	677,772
Distribution to unitholders for the financial period	-	(1,946,834)	(1,946,834)
Balance as at 31 December 2025	127,004,098	6,429,320	133,433,418

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UNAUDITED STATEMENT OF CASH FLOWS

For The Financial Period Ended 31 December 2025

	01.10.2025 to 31.12.2025 RM
Cash Flows From/(Used In) Operating Activities	
Proceeds from redemption/maturity of short-term Islamic deposits	61,223,780
Placement of short-term Islamic deposits	(39,473,000)
Proceeds from maturity of investments	9,000,000
Purchase of investments	(2,986,767)
Profit income received	872,628
Management fee paid	(132,644)
Trustee's fee paid	(19,774)
Payment for other fees and expenses	(37,596)
Net Cash From Operating Activities	<u>28,446,627</u>
Cash Flows From/(Used In) Financing Activities	
Cash proceeds from units created	32,890,996
Payments for cancellation of units	(15,193,972)
Net Cash From Financing Activities	<u>17,697,024</u>
Net Increase In Cash And Cash Equivalents	46,143,651
Cash And Cash Equivalents At Beginning Of Period	<u>14,723</u>
Cash And Cash Equivalents At End Of Period	<u><u>46,158,374</u></u>
Cash And Cash Equivalents Comprise:	
Cash at banks	<u>46,158,374</u>



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