

Annual Report July 2026

For the Year Ended 31 July 2026

Areca Equity Growth Fund

Management Company



200601021087(740840-D)

ANNUAL REPORT JULY 2026

✧ ARECA EQUITY GROWTH FUND

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CORPORATE DIRECTORY

MANAGER

Areca Capital Sdn Bhd
Company No: 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

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)

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

Maybank Trustees Berhad
Company No: 196301000109 (5004-P)
22nd Floor, Tower 1, Etiqa Twin Towers
11 Jalan Pinang
50450 Kuala Lumpur
Tel: 603- 2177 5999, Fax: 603-2177 5974

AUDITOR

Deloitte Malaysia PLT (LLP0010145-LCA)
Level 16, Menara LGB
1 Jalan Wan Kadir, Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel: 03-7610 8888, Fax: 03-7726 8986

TAX ADVISER

PricewaterhouseCoopers Taxation Services
Sdn Bhd (464731-M)
Level 10, Menara TH 1 Sentral
Jalan Rakyat, Kuala Lumpur Sentral
P O Box 10192
50706 Kuala Lumpur
Tel: 03-2173 1188, Fax: 03-2173 1288

MANAGER'S OFFICE AND BRANCHES

HEAD OFFICE

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

PENANG BRANCH

368-2-02 Bellisa Row
Jalan Burma, Georgetown
10350 Pulau Pinang
Tel : 604-210 2011
Fax: 604-210 2013

IPOH BRANCH

11, Persiaran Greentown 5
Greentown Business Centre
30450 Ipoh, Perak
Tel : 605-249 6697
Fax: 605-249 6696

MALACCA BRANCH

95A, Jalan Melaka Raya 24
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

Unit 5-1-8, 1st Floor
Lorong Api-Api 1
Api-Api Centre
88000 Kota Kinabalu, Sabah
Tel : 6088-276 757

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FUND INFORMATION

Name of the Fund	Areca Equity Growth Fund
Fund Category/ Type	Equity/Growth
Objective of the Fund	The Fund aims to provide investors with Medium to Long Term capital growth.
Performance Benchmark	1-year Average Returns of the funds under "Equity Malaysia" Non-Islamic category
Distribution Policy of the Fund	Incidental, subject to availability of distributable income.
Rebates & Soft Commissions	During the year under review, the Manager has received soft commissions from brokers and dealers by virtue of transactions conducted for the Fund and other funds managed by the Manager. The soft commissions were received in the form of goods and services, including financial data provider services such as access to the Bloomberg terminal, securities price quotations, fund performance benchmarks, and investment research. These goods and services are utilised to assist the Manager in the investment decision-making process and are of demonstrable benefit to the unitholders of the Fund. The Manager confirms that the soft commissions were accepted in compliance with the relevant regulatory requirements, that there was no churning of trades, and that all transactions were executed on terms most favourable to the Fund.
Inception Date	4 January 2021
Financial Year End	31 July

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ARECA EQUITY GROWTH FUND

FUND PERFORMANCE

	2026	2025	2024
NET ASSET VALUE ("NAV")			
Net Asset Value (RM million)	34.43	31.46	41.07
Units in circulation (million units)	30.79	40.56	44.33
NAV per unit (RM)	1.1182	0.7757	0.9264

HIGHEST & LOWEST NAV per unit			
<i>Please refer to Note 1 for further information on NAV and pricing policy</i>			
Highest NAV per unit (RM)	1.1546	0.9233	0.9623
Lowest NAV per unit (RM)	0.7754	0.6439	0.7733

ASSET ALLOCATION % of NAV			
Quoted equity securities			
Construction	7.45	8.21	26.97
Consumer Products & Services	5.98	12.30	9.21
Energy	13.69	4.71	8.59
Financial Services	-	10.76	-
Health Care	2.73	-	-
Industrial Products & Services	11.89	15.91	1.45
Plantation	-	2.26	1.80
Property	5.46	3.07	10.27
Technology	12.62	21.58	22.36
Telecommunications & Media	-	-	3.06
Transportation & Logistics	4.32	-	-
Utilities	-	4.72	2.06
Collective investment schemes	19.41	7.32	3.65
Liquid assets and other net current assets	16.45	9.16	10.58

DISTRIBUTION	
There was no distribution for the financial year under review.	

UNIT SPLIT	
There was no unit split exercise for the financial year under review.	

EXPENSE/TURNOVER			
Total expense ratio (TER) (%)	2.12	2.08	2.09
<i>Please refer to Note 2 for further information</i>			
Portfolio turnover ratio (PTR) (times)	2.06	2.54	1.72
<i>Please refer to Note 3 for further information</i>			

TOTAL RETURN			
<i>Please refer to Note 4 for further information</i>			
Total Return (%)	44.15	(16.27)	10.44
- Capital growth (%)	44.15	(16.27)	10.44
- Income distribution (%)	-	-	-

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ARECA EQUITY GROWTH FUND

FUND PERFORMANCE

	2026	2025	2024	2023	2022
Annual Total Return (%)	44.15	(16.27)	10.44	(1.03)	(9.58)
Performance Benchmark (%): 1-year Average Returns of the funds under "Equity Malaysia" Non-Islamic category	16.14	(7.07)	24.84	2.45	(5.83)

	1-yr	3-yrs	5-yrs
Average Total Return per annum (%)	44.15	11.10	3.86

NOTES:

Note 1: Selling of units by the Management Company (i.e. when you purchase units and invest 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: 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 3: 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 4: Fund performance figures are calculated based on NAV to NAV and assume reinvestment of distributions (if any) at NAV. The benchmark performance, based on the 1-year Average Returns of the funds under "Equity Malaysia" Non-Islamic category, is calculated assuming investment in the index. The total return and 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.

FUND REVIEW

During the year under review, the Fund achieved a total return of 44.15%, outperforming its benchmark (1-year Average Returns for the funds under “Equity Malaysia” Non-Islamic category of the Malaysia Lipper Fund table, “peers benchmarking”) return of 16.14%. The strong performance was primarily driven by the significant appreciation in SKYECHIP following its Initial Public Offering (via the Fund’s investment in Areca Strategic Income Fund 15) as well as its overweight position in the technology sector, which was the best-performing sector on Bursa Malaysia over the past year. Since the Fund’s inception on 4th January 2021, it has registered a total return of 11.82%, underperforming its benchmark return of 32.85%. In terms of portfolio strategy, the Fund remains focused on disciplined stock selection to generate outperformance. We maintain a bullish view on selected semiconductor and data centre-related stocks, where we continue to see attractive growth opportunities. At the same time, the Fund maintains a healthy cash position, providing flexibility to capitalise on attractive opportunities should the market experience a pullback.

Investment Policy and Strategy

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.

NAV per unit as at 31 July 2026

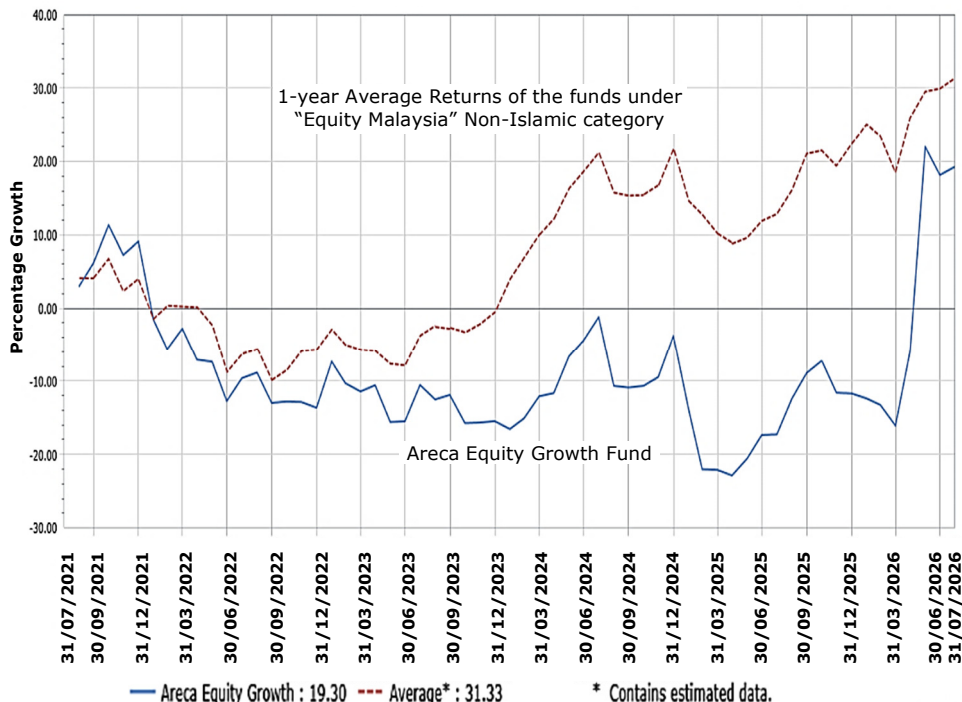
RM1.1182

Asset Allocation/Portfolio Composition	2026	2025	2024
Quoted equity securities	64.14%	83.52%	85.77%
Collective investment schemes	19.41%	7.32%	3.65%
Liquid assets and other net current assets	16.45%	9.16%	10.58%

FUND REVIEW

Performance of Areca Equity Growth Fund
for the period from 31 July 2021 to 31 July 2026

Total Return of Areca Equity Growth Fund vs Benchmark



Source: Lipper

MALAYSIAN EQUITY MARKET REVIEW

During the financial year under review, the FTSE Bursa Malaysia KLCI Index ("FBMKLCI") surged 14.00% to close at 1,725 points, while the FTSE Bursa Malaysia EMAS Index advanced 11.90% to 12,752 points. Separately, the FTSE Bursa Malaysia Small Cap Index declined 0.10% to 15,707 points, underperforming the broader market.

Foreign investors were net sellers with outflows of MYR11.4 billion for the period. In contrast, domestic institutions and proprietary investors were net buyers at MYR12.8 billion and MYR0.8 billion respectively, while domestic retail investors were net sellers, with net outflows of MYR2.2 billion. The data reflects the reclassified investor segmentation effective 6 April 2026.

Despite persistent foreign selling, Malaysian equities advanced strongly over the period, supported by resilient domestic institutional liquidity, improving policy visibility and a more constructive macroeconomic backdrop. Key positives included a reduction in United States ("US") tariffs on Malaysian exports from 25.00% to 19.00%, the signing of a US-Malaysia reciprocal trade agreement, the tabling of Budget 2026, a series of US Federal Reserve rate cuts, and a one-year extension of the US-China trade agreement.

Heading into 2026, Malaysian equities navigated a turbulent period but still delivered positive gains, supported by policy optimism, improved market liquidity and a firmer Ringgit. However, sentiment turned cautious amid escalating geopolitical tensions in the Middle East, which drove Brent crude oil prices sharply higher to as much as US\$118 per barrel following the prolonged closure of the Strait of Hormuz. Local indices subsequently rebounded following the signing of the US-Iran peace agreement, although investor sentiment remained guarded amid persistent inflation concerns and uncertainty over the durability of the truce.

Key developments included the US-Malaysia reciprocal trade agreement, which improved market access for exporters, and approved investments of a historic record of RM426.7 billion in 2025, up 11.00% year-on-year ("YoY"). On the political front, Barisan Nasional reinforced its mandate by securing 48 of the 56 seats contested in the 16th Johor state election. Meanwhile, US-listed Equinix announced plans to invest over US\$190 million in a new data centre in Kuala Lumpur, reinforcing Malaysia's position as a regional digital infrastructure hub. Separately, the Securities Commission Malaysia announced the introduction of the MY Value-Up programme under the Capital Market Masterplan 2026-2030, aimed at enhancing value creation, improving corporate performance, and raising the visibility of listed companies.

In commodities, Brent crude surged 29.40% to \$87.9/barrel amid escalating geopolitical tensions. In contrast, crude palm oil prices advanced 7.10% to RM4,498/tonne. Meanwhile, the Dollar index declined 0.10% to 99.9 for the period while the Ringgit appreciated 4.40% against the United States Dollar ("USD"), reaching 0.245.

Sector-wise, technology (+43.00%), plantation (+26.00%), and industrials (+19.00%) led gains, while telecommunications (-17.00%), health care (-10.00%), and construction (-8.00%) lagged. Top FBMKLCI gainers included IOI Properties (+79.00%), 99 Speed Mart (+61.00%), and Press Metal (+49.00%), while laggards were Axiata (-26.00%), CelcomDigi (-22.00%), and YTL Corp (-22.00%).

MALAYSIAN EQUITY MARKET OUTLOOK

Malaysia's equity market extended its recovery in July, with the FBMKLCI climbing from around 1,664 at the end of June to close the month near 1,725, a gain of roughly 4.00%, one of the market's stronger months in 2026. Malaysia's second quarter of 2026 Gross Domestic Product ("GDP") grew 5.80% YoY in the Department of Statistics' advance estimate, accelerating from 5.40% in first quarter and standing out as one of the stronger growth prints in the region, a marked contrast to the slowdown reported by China over the same period. Bank Negara Malaysia kept the overnight policy rate unchanged at 2.75%, with softer domestic inflation supporting the outlook for consumer spending and providing a stable financing backdrop for business investment.

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Foreign fund flows showed tentative signs of stabilisation after a difficult stretch: institutions had been net sellers of roughly RM6.4 billion over the two months to early July before returning to net buying in the second week of the month, a pattern that continued through most of July with net inflows concentrated in financials, utilities, and other quality large-cap names rather than a broad-based return across the market. This selective positioning, favouring resilient, defensive earnings over broader risk-taking, is consistent with the caution warranted by the renewed Middle East escalation and its associated oil price volatility.

Domestic politics added a layer of near-term uncertainty. The ruling Pakatan Harapan coalition delivered a weak showing in the Johor state election on 11 July, with Barisan Nasional retaining the state comfortably, though the result is not expected to affect the federal government's parliamentary majority or policy continuity. The Ringgit has traded in a relatively narrow range around 4.08 – 4.09 against the USD through late July, with Bank Negara widely expected to smooth any excessive volatility around the state election calendar, consistent with measures used in prior periods of political uncertainty.

The renewed escalation in the Middle East and the accompanying rise in oil prices have mixed implications for Malaysia. On one hand, higher crude prices strengthen government finances through increased PETRONAS dividends and petroleum related tax revenues. On the other, they raise feedstock and input costs for downstream refining and petrochemical activities. With Brent crude holding above USD88 per barrel, the balance of risks remains supportive for Malaysia's energy sector in the near term. Nevertheless, the longevity of this tailwind will depend on how the geopolitical situation evolves, an outcome that remains inherently difficult to forecast.

At the Fund level, we remain invested but disciplined, consistent with the proactive risk management approach maintained through the year's geopolitical volatility. The combination of a resilient second quarter GDP print, a stable policy rate, and the return of foreign buying, even if still selective, supports our constructive medium-term view, while the fragility of the Iran ceasefire warrants continued caution on near-term positioning. We continue to balance domestic recovery exposure across consumer, construction, and utilities with structural growth themes in Artificial Intelligence, semiconductors, and data infrastructure.

CROSS TRADE

No cross trade transactions have been carried out during the financial year under review.

SECURITIES FINANCING TRANSACTIONS

The Fund had not undertaken any securities financing transactions during the financial year under review.

STATE OF AFFAIRS

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

TRUSTEE'S REPORT

To the Unitholders of Areca Equity Growth Fund ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 July 2026 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Areca Capital Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deeds; and
3. Any creation and cancellation of units are carried out in accordance with the deeds and any regulatory requirement.

For Maybank Trustees Berhad
[Registration No. : 196301000109 (5004-P)]

NORHAZLIANA BINTI MOHAMMED HASHIM
HEAD, UNIT TRUST & CORPORATE OPERATIONS

Kuala Lumpur
30 September 2026

STATEMENT BY MANAGER

To the Unitholders of Areca Equity Growth Fund

We, **WONG TECK MENG** and **DR. JUNID SAHAM**, two of the Directors of the Manager, Areca Capital Sdn Bhd, do hereby state that in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Fund as at 31 July 2026 and the financial performance and the cash flows of the Fund for the financial year ended on that date.

For and on behalf of the Manager
Areca Capital Sdn Bhd

WONG TECK MENG
CEO/EXECUTIVE DIRECTOR

DR. JUNID SAHAM
INDEPENDENT NON-EXECUTIVE DIRECTOR

Kuala Lumpur
30 September 2026

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ARECA EQUITY GROWTH FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Areca Equity Growth Fund** ("the Fund"), which comprise the statement of financial position as at 31 July 2026, and the statement of profit or loss and other comprehensive income, statement of changes in net asset value and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 14 to 33.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 July 2026, and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Manager and Trustee for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matter

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

DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

MAK WAI KIT
Partner - 03546/12/2026 J
Chartered Accountant

30 September 2026

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ARECA EQUITY GROWTH FUND

STATEMENT OF FINANCIAL POSITION

As At 31 July 2026

	Note	2026 RM	2025 RM
Unitholders' Fund			
Unitholders' capital		22,337,670	32,347,089
Distributable reserve		5,290,946	-
Unrealised reserve		6,802,695	(883,701)
Net Asset Value Attributable To Unitholders		34,431,311	31,463,388
Assets			
Investments	5	28,767,360	28,580,260
Cash and cash equivalents	6	5,671,913	3,390,663
Amount due from Manager		50,000	2,000
Amount due from stockbrokers		-	38,825
Dividend receivables		14,918	12,166
Total Assets		34,504,191	32,023,914
Liabilities			
Amount due to Manager - others		4,000	-
Amount due to stockbrokers		-	491,840
Other payables and accrued expenses	7	68,880	68,686
Total Liabilities		72,880	560,526
Net Asset Value Attributable To Unitholders		34,431,311	31,463,388
Number Of Units In Circulation	8	30,791,272	40,563,078
Net Asset Value Per Unit (RM)		1.1182	0.7757

The accompanying Notes form an integral part of the Financial Statements.

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ARECA EQUITY GROWTH FUND

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 31 July 2026

	Note	2026 RM	2025 RM
Investments Income/(Loss)			
Dividend income		561,210	700,945
Interest income		84,344	114,167
Net gain/(loss) on investments at fair value through profit or loss ("FVTPL")	5	<u>13,499,251</u>	<u>(5,929,683)</u>
Total Investments Income/(Loss)		<u>14,144,805</u>	<u>(5,114,571)</u>
Expenditure			
Management fee	9	(618,997)	(649,429)
Trustee's fee	10	(20,534)	(20,441)
Audit fee		(12,000)	(12,000)
Tax agent's fee		(4,830)	(3,630)
Transaction costs		(443,538)	(553,813)
Other expenses		<u>(67,564)</u>	<u>(22,013)</u>
Total Expenditure		<u>(1,167,463)</u>	<u>(1,261,326)</u>
Net Income/(Loss) Before Taxation		12,977,342	(6,375,897)
Taxation	11	<u>-</u>	<u>-</u>
Net Income/(Loss) After Taxation And Total Comprehensive Income/(Loss) For The Financial Year		<u>12,977,342</u>	<u>(6,375,897)</u>
Net Income/(Loss) After Taxation Is Made Up Of:			
Realised gain/(loss)		5,290,946	(278,136)
Unrealised gain/(loss)		<u>7,686,396</u>	<u>(6,097,761)</u>
		<u>12,977,342</u>	<u>(6,375,897)</u>

The accompanying Notes form an integral part of the Financial Statements.

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ARECA EQUITY GROWTH FUND

STATEMENT OF CHANGES IN NET ASSET VALUE

For The Financial Year Ended 31 July 2026

	Unitholders' capital RM	Distributable reserve RM	Unrealised reserve RM	Total net asset value RM
Balance as at 1 August 2024	49,399,475	(13,544,313)	5,214,060	41,069,222
Amounts received from units created	3,129,316	-	-	3,129,316
Amounts paid for units cancelled	(6,359,253)	-	-	(6,359,253)
Total comprehensive loss for the financial year	-	(278,136)	(6,097,761)	(6,375,897)
Reclassification of distributable reserve to unitholders' capital	(13,822,449)	13,822,449	-	-
Balance as at 31 July 2025 (Represented)	<u>32,347,089</u>	<u>-</u>	<u>(883,701)</u>	<u>31,463,388</u>
Balance as at 1 August 2025	32,347,089	-	(883,701)	31,463,388
Amounts received from units created	5,165,725	-	-	5,165,725
Amounts paid for units cancelled	(15,175,144)	-	-	(15,175,144)
Total comprehensive income for the financial year	-	5,290,946	7,686,396	12,977,342
Balance as at 31 July 2026	<u>22,337,670</u>	<u>5,290,946</u>	<u>6,802,695</u>	<u>34,431,311</u>

The accompanying Notes form an integral part of the Financial Statements.

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STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 July 2026

	Note	2026 RM	2025 RM
Cash Flows From/(Used In) Operating Activities			
Proceeds from disposal of investments		77,318,326	88,864,649
Purchase of investments		(64,425,607)	(84,748,659)
Dividend income received		526,622	626,918
Interest received		84,344	114,167
Management fee paid		(623,438)	(666,782)
Trustee's fee paid		(20,399)	(20,966)
Transaction costs paid		(445,285)	(555,945)
Payment for other fees and expenses		(75,894)	(38,143)
Net Cash From Operating Activities		<u>12,338,669</u>	<u>3,575,239</u>
Cash Flows From/(Used In) Financing Activities			
Cash proceeds from units created		5,117,725	3,127,316
Payment for cancellation of units		(15,175,144)	(6,359,253)
Net Cash Used In Financing Activities		<u>(10,057,419)</u>	<u>(3,231,937)</u>
Net Increase In Cash And Cash Equivalents		2,281,250	343,302
Cash And Cash Equivalents At Beginning Of Year		<u>3,390,663</u>	<u>3,047,361</u>
Cash And Cash Equivalents At End Of Year		<u><u>5,671,913</u></u>	<u><u>3,390,663</u></u>
Cash And Cash Equivalents Comprise:			
Cash at banks	6	4,042	8,228
Short-term deposits	6	<u>5,667,871</u>	<u>3,382,435</u>
		<u><u>5,671,913</u></u>	<u><u>3,390,663</u></u>

The accompanying Notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Areca Equity Growth Fund ("the Fund") was established pursuant to the Trust Deed dated 19 October 2020, as modified by the First Supplemental Deed dated 29 August 2022 ("the Deeds") between Areca Capital Sdn Bhd as the Manager, Maybank Trustees Berhad as the Trustee and all the registered unitholders of the Fund.

The principal activity of the Fund is to invest in "Permitted Investments" as defined under Schedule 7 of the Deeds, which include listed and unlisted securities, deposits with financial institutions, derivatives such as futures contracts for hedging purposes only, collective investment schemes, and any other form of investment as may be agreed upon by the Manager and the Trustee from time to time. The Fund was launched on 4 January 2021 and will continue its operations until terminated in accordance with the conditions provided in Part 12 of the Deeds.

The investment objective of the Fund is to provide investors with medium to long term capital growth. Any material change to the investment objective of the Fund would require unitholders' approval.

The Manager of the Fund is Areca Capital Sdn Bhd, a company incorporated in Malaysia. It is engaged in managing, administering, marketing and distributing unit trust funds, managing and administering funds under private mandates and the regulated activities of financial planning and providing investment advice.

The financial statements were authorised for issue by the Board of Directors of the Manager on 30 September 2026.

2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRSs") and the relevant Securities Commission Malaysia guidelines.

New MFRS and Amendments to MFRSs in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the relevant new MFRS and Amendments to MFRSs which were in issue by the MASB but not yet effective and not early adopted by the Fund are listed below:

	Effective for annual periods beginning on or after
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The Manager of the Fund anticipates that the abovementioned new MFRS and Amendments to MFRSs will be adopted in the annual financial statements of the Fund when they become effective and that the adoption of these new MFRS and Amendments to MFRSs is not expected to have material impact on the financial statements of the Fund in the period of initial application.

3 MATERIAL ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Fund have been prepared under the historical cost convention except for financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Fund takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2, leasing transactions that are within the scope of MFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 or value-in-use in MFRS 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Income Recognition

Dividend income is recognised based on the date when the right to receive the dividend has been established.

Interest income from short-term deposits is recognised on an accrual basis based on the effective yield of the asset.

Realised gain and loss on disposal of investments is arrived at based on net sales proceeds less carrying value. Any unrealised gain and loss previously charged to profit or loss in relation to the disposal of this investment will be reversed and classified as realised gain or loss during the financial year.

Unrealised gains and losses are calculated based on changes in the fair value of financial instruments at the end of the reporting year.

Transaction Costs

Transaction costs are costs incurred to acquire or dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the profit or loss.

Income Tax

Pursuant to Paragraph 35 and 35A, Schedule 6 of the Income Tax Act 1967, interest income derived by the Fund is exempt from tax, and pursuant to Paragraph 61(1)(b) of the Income Tax Act 1967, gains from realisation of investments are not treated as income and is also exempt from tax.

Functional and Presentation Currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Fund's functional currency.

Unitholders' Capital

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments.

The units in the Fund are puttable instruments which entitle the unitholders to a pro-rata share of the net asset value of the Fund. The units are subordinated and have identical features. There is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units. The total expected cash flows from the units in the Fund over the life of the units are based on the change in the net asset value of the Fund.

Creation and Cancellation of Units

The Fund issues cancellable units, which are cancelled at the unitholders' option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The outstanding units are carried at the redemption amount that is payable at the net asset value if the holder exercises the right to put the units back to the Fund.

Units are created and cancelled at the unitholders' option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

Financial Instruments

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting year following the change of the business model.

Financial Assets

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, the Fund can make an irrevocable election at the time of initial recognition to account for the equity investment either at fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL").

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Fund commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Impairment of Financial Assets

The Fund assesses at the end of each reporting year whether there is any objective evidence that a financial asset is impaired.

The Fund applies the simplified approach under MFRS 9 which requires expected lifetime loss to be recognised from initial recognition. The expected loss allowance is based on provisional matrix.

Derecognition of Financial Assets

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Equity Instruments

The Fund measures its equity investments at fair value with gains or losses on valuation recognised in profit or loss unless the Fund's management has made an irrevocable election to recognise the fair value gains and losses in other comprehensive income at its initial stage.

Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is any liability with contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

Financial Liabilities Measured Subsequently at Amortised Cost

Financial liabilities that are not held for trading, or designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant years. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Investments

Investments in quoted equity securities are classified as FVTPL and valued at the last done market price quoted on Bursa Malaysia at the end of the reporting year.

Investments in collective investment schemes are valued at FVTPL based on the Net Asset Value ("NAV") of such collective investment schemes at the end of the reporting year.

Gains or losses arising from the changes in the fair value of the investments are recognised in the profit or loss and are classified as unrealised gain or loss.

Classification of Realised and Unrealised Gains and Losses

Gains or losses arising from the disposal of financial instruments are recognised as realised gains or losses in the profit or loss.

Gains or losses arising from the changes in the valuation of financial instruments at the end of the reporting year are recognised as unrealised gains or losses in the profit or loss.

Provisions

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, where it is probable that the Fund will be required to settle that obligation and a reliable estimate can be made of the amount or timing of the obligation.

The amount recognised as a provision will be the best estimate of the amount required to settle the present obligation at the reporting date, taking into account the uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount will be the present value of those cash flows.

Statement of Cash Flows

The Fund adopts the direct method in the preparation of the statement of cash flows.

Cash and cash equivalents, which comprise cash and balances with banks and other financial institutions and deposit placements, are short-term, highly liquid investments with maturities of three months or less from the date of acquisition or are readily convertible to cash with insignificant risk of changes in value.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Critical judgements in applying accounting policies

In the process of applying the Fund's accounting policies, which are described in Note 3 above, the Manager is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

The Manager believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 INVESTMENTS

	2026 RM	2025 RM
Financial assets at FVTPL:		
Quoted equity securities	22,085,593	26,276,561
Collective investment schemes	6,681,767	2,303,699
	<u>28,767,360</u>	<u>28,580,260</u>
Net gain/(loss) on investments at FVTPL comprise:		
Realised gain on disposals	5,812,855	168,078
Unrealised gain/(loss) on changes in fair value	7,686,396	(6,097,761)
	<u>13,499,251</u>	<u>(5,929,683)</u>

Financial assets at fair value through profit or loss as at 31 July 2026 are as follows:

	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED EQUITY SECURITIES				
ACE Market				
Consumer Products & Services				
A1 A.K. Koh Group Bhd	2,543,000	635,750	406,880	1.18
Oasis Home Holding Bhd	2,250,000	742,500	990,000	2.88
		<u>1,378,250</u>	<u>1,396,880</u>	<u>4.06</u>
Energy				
Enproserve Group Bhd	763,400	183,216	156,497	0.45
Northern Solar Holdings Bhd	2,251,000	1,454,962	1,519,425	4.42
		<u>1,638,178</u>	<u>1,675,922</u>	<u>4.87</u>
Industrial Products & Services				
AMS Advanced Material Bhd	602,500	177,658	286,188	0.83
		<u>177,658</u>	<u>286,188</u>	<u>0.83</u>

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	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED EQUITY SECURITIES				
Main Market				
Construction				
Gamuda Bhd	299,324	1,312,469	1,278,113	3.71
IJM Corporation Bhd	536,000	1,369,714	1,286,400	3.74
		<u>2,682,183</u>	<u>2,564,513</u>	<u>7.45</u>
Consumer Products & Services				
Farm Fresh Bhd	296,000	690,894	663,040	1.92
		<u>690,894</u>	<u>663,040</u>	<u>1.92</u>
Energy				
Dayang Enterprise Holdings Bhd	340,000	624,308	544,000	1.58
Dialog Group Bhd	446,000	810,141	883,080	2.56
Perdana Petroleum Bhd	3,455,000	627,428	552,800	1.60
Solarvest Holdings Bhd	226,000	682,181	680,260	1.98
Velesto Energy Bhd	1,515,000	477,225	378,750	1.10
		<u>3,221,283</u>	<u>3,038,890</u>	<u>8.82</u>
Health Care				
Sunway Healthcare Holdings Bhd	486,320	847,471	938,598	2.73
		<u>847,471</u>	<u>938,598</u>	<u>2.73</u>
Industrial Products & Services				
Cahaya Mata Sarawak Bhd	423,000	616,552	444,150	1.29
Nationgate Holdings Bhd	627,000	689,700	746,130	2.17
SAM Engineering & Equipment (M) Bhd	254,000	1,048,839	1,155,700	3.35
Sunway Bhd	277,200	1,415,412	1,463,616	4.25
		<u>3,770,503</u>	<u>3,809,596</u>	<u>11.06</u>
Property				
Malaysian Resources Corporation Bhd	377,000	116,870	116,870	0.34
PTT Synergy Group Bhd	1,192,000	1,584,600	1,764,160	5.12
		<u>1,701,470</u>	<u>1,881,030</u>	<u>5.46</u>
Technology				
Malaysian Pacific Industries Bhd	17,200	369,095	791,200	2.30
Unisem (M) Bhd	376,100	1,359,817	1,715,016	4.98
Vitrox Corporation Bhd	120,000	522,971	1,044,000	3.03
VSTECs Bhd	467,400	535,720	794,580	2.31
		<u>2,787,603</u>	<u>4,344,796</u>	<u>12.62</u>
Transportation & Logistics				
MISC Bhd	186,000	1,534,368	1,486,140	4.32
		<u>1,534,368</u>	<u>1,486,140</u>	<u>4.32</u>
Total quoted equity securities		<u>20,429,861</u>	<u>22,085,593</u>	<u>64.14</u>

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	Quantity Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
COLLECTIVE INVESTMENT SCHEME				
Areca Strategic Income Fund 15	1,534,804	1,534,804	6,681,767	19.41
		<u>1,534,804</u>	<u>6,681,767</u>	<u>19.41</u>
Total investments		21,964,665	28,767,360	83.55
Unrealised gain on investments			<u>6,802,695</u>	

Financial assets at fair value through profit or loss as at 31 July 2025 are as follows:

	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED EQUITY SECURITIES				
ACE Market				
Consumer Products & Services				
A1 A.K. Koh Group Bhd	2,543,000	635,750	635,750	2.02
		<u>635,750</u>	<u>635,750</u>	<u>2.02</u>
Energy				
Enproserve Group Bhd	1,735,000	416,400	433,750	1.38
		<u>416,400</u>	<u>433,750</u>	<u>1.38</u>
Industrial Products & Services				
Kawan Renergy Bhd	939,100	711,526	704,325	2.24
Northeast Group Bhd	741,000	481,650	503,880	1.60
		<u>1,193,176</u>	<u>1,208,205</u>	<u>3.84</u>
Main Market				
Construction				
Ekovest Bhd	472,000	190,264	195,880	0.62
Eversendai Corporation Bhd	743,600	463,105	316,030	1.00
Gamuda Bhd	294,465	1,271,615	1,525,329	4.85
IJM Corporation Bhd	191,000	373,204	546,260	1.74
		<u>2,298,188</u>	<u>2,583,499</u>	<u>8.21</u>
Consumer Products & Services				
Eco-Shop Marketing Bhd	1,110,000	1,254,300	1,487,400	4.73
HI Mobility Bhd	698,300	851,926	1,361,685	4.33
Sime Darby Bhd	236,000	390,273	384,680	1.22
		<u>2,496,499</u>	<u>3,233,765</u>	<u>10.28</u>
Energy				
Yinson Holdings Bhd	448,135	1,090,690	1,048,636	3.33
		<u>1,090,690</u>	<u>1,048,636</u>	<u>3.33</u>

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	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED EQUITY SECURITIES				
Main Market				
Financial Services				
CIMB Group Holdings Bhd	143,000	937,780	936,650	2.98
Public Bank Bhd	436,000	1,875,193	1,835,560	5.83
RHB Bank Bhd	100,000	618,000	613,000	1.95
		<u>3,430,973</u>	<u>3,385,210</u>	<u>10.76</u>
Industrial Products & Services				
Press Metal Aluminium Holdings Bhd	206,200	1,096,595	1,101,108	3.50
SAM Engineering & Equipment (M) Bhd	434,500	1,805,603	1,811,865	5.76
Sunway Bhd	186,700	765,117	883,091	2.81
		<u>3,667,315</u>	<u>3,796,064</u>	<u>12.07</u>
Plantation				
Genting Plantations Bhd	144,800	706,474	710,968	2.26
		<u>706,474</u>	<u>710,968</u>	<u>2.26</u>
Property				
Mah Sing Group Bhd	825,000	947,347	965,250	3.07
		<u>947,347</u>	<u>965,250</u>	<u>3.07</u>
Technology				
D & O Green Technologies Bhd	1,269,800	1,913,732	1,333,290	4.24
Malaysian Pacific Industries Bhd	117,100	2,512,849	2,358,394	7.49
Unisem (M) Bhd	652,500	1,787,082	1,520,325	4.83
VSTECs Bhd	485,900	1,546,037	1,579,175	5.02
		<u>7,759,700</u>	<u>6,791,184</u>	<u>21.58</u>
Utilities				
Tenaga Nasional Bhd	114,000	1,557,949	1,484,280	4.72
		<u>1,557,949</u>	<u>1,484,280</u>	<u>4.72</u>
Total quoted equity securities		<u>26,200,461</u>	<u>26,276,561</u>	<u>83.52</u>
	Quantity Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
COLLECTIVE INVESTMENT SCHEMES				
Areca Dynamic Growth Fund 10	1,088,500	1,088,500	699,905	2.22
Areca Global Emerging Momentum Fund 3 – MYR Class	2,314,611	2,175,000	1,603,794	5.10
Total collective investment schemes		<u>3,263,500</u>	<u>2,303,699</u>	<u>7.32</u>
Total investments				
		<u>29,463,961</u>	<u>28,580,260</u>	<u>90.84</u>
Unrealised loss on investments				
			<u>(883,701)</u>	

6 CASH AND CASH EQUIVALENTS

	2026 RM	2025 RM
Cash at banks	4,042	8,228
Short-term deposits	5,667,871	3,382,435
	<u>5,671,913</u>	<u>3,390,663</u>

Short-term deposits represent deposits placed with local licensed financial institutions.

The weighted average interest rate for short-term deposits is 2.83% (2025: 2.75%) per annum and the average maturity period is 4 days (2025: 1 day).

7 OTHER PAYABLES AND ACCRUED EXPENSES

	2026 RM	2025 RM
Accrued expenses:		
Management fee	46,999	51,440
Trustee's fee	1,751	1,616
Audit fee	12,000	12,000
Tax agent's fee	4,230	3,630
Other expenses	3,900	-
	<u>68,880</u>	<u>68,686</u>

8 NUMBER OF UNITS IN CIRCULATION

	2026 Units	2025 Units
At beginning of the year	40,563,078	44,333,510
Created during the year	5,961,881	4,032,624
Cancelled during the year	<u>(15,733,687)</u>	<u>(7,803,056)</u>
At end of the year	<u>30,791,272</u>	<u>40,563,078</u>

9 MANAGEMENT FEE

The Schedule 8 of the Deeds provides that the Manager is entitled to an annual management fee of up to 2.00% per annum computed daily on the net asset value of the Fund before deducting the management fee and Trustee's fee for the relevant day.

The management fee provided in the financial statements averaged 1.81% (2025: 1.91%) per annum for the financial year, net of management fee rebates on the collective investment schemes.

10 TRUSTEE'S FEE

The Schedule 9 of the Deeds provides that the Trustee is entitled to an annual Trustee's fee of up to 0.06% per annum computed daily on the net asset value of the Fund before deducting the management fee and Trustee's fee for the relevant day, subject to a minimum fee of RM6,000 per annum.

The Trustee's fee provided in the financial statements was 0.06% (2025: 0.06%) per annum for the financial year.

11 TAXATION

There is no income tax expenses for the year as interest income derived by the Fund is exempted from tax pursuant to Paragraph 35 and 35A, Schedule 6 of the Income Tax Act 1967. Gains arising from realisation of investments are not treated as income pursuant to Paragraph 61(1)(b) of the Income Tax Act 1967.

12 TOTAL EXPENSE RATIO AND PORTFOLIO TURNOVER RATIO

Total Expense Ratio (TER)

Total expense ratio for the Fund is 2.12% (2025: 2.08%) for the financial year ended 31 July 2026. The total expense ratio which includes management fee, Trustee's fee, audit fee, tax agent's fee and other expenses, is calculated as follows:

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

- A = Management fee
- B = Trustee's fee
- C = Audit fee
- D = Tax agent's fee
- E = Other expenses
- F = Average net asset value of the Fund

The average net asset value of the Fund for the financial year is RM34,221,400 (2025: RM34,066,042).

Portfolio Turnover Ratio (PTR)

The portfolio turnover ratio for the Fund is 2.06 times (2025: 2.54 times) for the financial year ended 31 July 2026. The portfolio turnover ratio is derived from the following calculation:

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

Where: total acquisition for the financial year = RM63,967,221 (2025: RM85,304,184)
total disposal for the financial year = RM77,279,373 (2025: RM87,617,328)

13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

There were no units held by the Manager or parties related to the Manager during the current and previous financial years.

14 TRADE WITH BROKERS/DEALERS

Details of transactions with brokers/dealers are as follows:

Brokers/Dealers	Value of Trades RM	% of Total Trades %	Fees RM	% of Total Brokerage Fee %
2026				
Public Investment Bank Bhd	30,234,048	22.39	100,437	22.64
Kenanga Investment Bank Bhd	27,931,704	20.68	82,569	18.62
CIMB Securities Sdn Bhd	26,997,640	19.99	88,686	19.99
CGS International Securities Malaysia Sdn Bhd	25,650,006	18.99	81,917	18.47
Maybank Investment Bank Bhd	14,372,331	10.64	54,014	12.18

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Brokers/Dealers	Value of Trades RM	% of Total Trades %	Fees RM	% of Total Brokerage Fee %
2026				
RHB Investment Bank Bhd	5,225,322	3.87	19,422	4.38
CLSA Securities Malaysia Sdn Bhd	1,136,474	0.84	3,731	0.84
TA Securities Holdings Bhd	978,496	0.73	3,232	0.73
AmInvestment Bank Bhd	899,600	0.67	-	-
UOB Kay Hian Securities (M) Sdn Bhd	729,858	0.54	2,409	0.54
Others	885,925	0.66	7,121	1.61
	<u>135,041,404</u>	<u>100.00</u>	<u>443,538</u>	<u>100.00</u>
2025				
Public Investment Bank Bhd	55,607,380	33.42	183,416	33.12
Maybank Investment Bank Bhd	18,645,092	11.21	74,993	13.54
CGS International Securities Malaysia Sdn Bhd	17,979,671	10.81	53,312	9.63
Kenanga Investment Bank Bhd	17,521,948	10.53	48,314	8.73
CIMB Securities Sdn Bhd	13,958,485	8.39	59,221	10.69
UOB Kay Hian Securities (M) Sdn Bhd	9,497,457	5.71	30,949	5.59
JPMorgan Securities (Malaysia) Sdn Bhd	8,795,088	5.29	29,037	5.24
CLSA Securities Malaysia Sdn Bhd	8,568,720	5.15	28,308	5.11
RHB Investment Bank Bhd	6,124,950	3.68	19,442	3.51
Hong Leong Investment Bank Bhd	6,073,919	3.65	16,799	3.03
Others	3,590,916	2.16	10,022	1.81
	<u>166,363,626</u>	<u>100.00</u>	<u>553,813</u>	<u>100.00</u>

15 RISK MANAGEMENT POLICIES

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund seeks to provide investors with medium to long term capital growth by investing principally in equities and equity-related securities. In order to meet its stated investment objectives, the Fund utilises risk management for both defensive and proactive purposes. Rigorous analysis of sources of risk in the portfolio is carried out and the following policies are implemented to provide effective ways to reduce future risk and enhance future returns within the Fund's mandate.

The key risks faced by the Fund are credit risk, liquidity risk, market risk (including interest rate risk and price risk) primarily on its investment and capital risk.

Categories of Financial Instruments

	2026 RM	2025 RM
Financial assets		
Carried at FVTPL:		
Investments	<u>28,767,360</u>	<u>28,580,260</u>
Amortised cost:		
Cash and cash equivalents	5,671,913	3,390,663
Amount due from Manager	50,000	2,000
Amount due from stockbrokers	-	38,825
Dividend receivables	<u>14,918</u>	<u>12,166</u>

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	2026 RM	2025 RM
Financial liabilities		
Amortised cost:		
Amount due to Manager - others	4,000	-
Amount due to stockbrokers	-	491,840
Other payables and accrued expenses	68,880	68,686

Credit risk management

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations to make timely repayments of interest, principal and proceeds from realisation of investments.

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/counterparty's credit profile to minimise such risk. It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. None of the Fund's financial assets were past due nor impaired as at 31 July 2026.

The credit risk for cash at bank is considered negligible since the counterparties are reputable banks with high quality external ratings.

The following table set out the Fund's portfolio of investments by industry:

	Short-term deposits RM	Quoted equity securities RM	Collective investment schemes RM
2026			
Industry			
Construction	-	2,564,513	-
Consumer Products & Services	-	2,059,920	-
Energy	-	4,714,812	-
Financial Services	5,667,871	-	6,681,767
Health Care	-	938,598	-
Industrial Products & Services	-	4,095,784	-
Property	-	1,881,030	-
Technology	-	4,344,796	-
Transportation & Logistics	-	1,486,140	-
	<u>5,667,871</u>	<u>22,085,593</u>	<u>6,681,767</u>

2025			
Industry			
Construction	-	2,583,499	-
Consumer Products & Services	-	3,869,515	-
Energy	-	1,482,386	-
Financial Services	3,382,435	3,385,210	2,303,699
Industrial Products & Services	-	5,004,269	-
Plantation	-	710,968	-
Property	-	965,250	-
Technology	-	6,791,184	-
Utilities	-	1,484,280	-
	<u>3,382,435</u>	<u>26,276,561</u>	<u>2,303,699</u>

Liquidity risk management

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund manages its liquidity risk by investing predominantly in securities that it expects to be able of being converted into cash with 7 days.

All financial liabilities are repayable on demand or due within 1 year from the date of the statement of financial position.

Market risk management

This is a class of risk that inherently exists in an economy and cannot be avoided by any business or Fund. It is usually due to changes in market variables such as interest rates and market prices.

During the financial year, as the Fund invests in Malaysia listed quoted equity securities and collective investment schemes, the performance of the Fund might go up or down in accordance with the prevailing market risk in Malaysia.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Fund's short-term deposits and cash at banks earn interest at floating rates but is not exposed to any significant interest rate risk as the floating rates, represented by overnight cash rates, do not fluctuate significantly year-on-year.

The Fund is exposed to risk of fluctuation in fair value of financial assets as a result of change in the market interest rate. The valuation for financial assets at FVTPL move inversely to the market interest rate movements. As the market interest rate rise, the fair value of financial assets at FVTPL decrease and vice versa.

Price risk management

Price risk is the risk of unfavourable changes in the value of quoted equity securities and collective investment schemes as the result of changes in the levels of the equity indices. The price risk exposure arises from the Fund's investment in quoted equity securities and collective investment schemes. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

Price risk sensitivity

The Manager's best estimate of the effect on the income for the year due to a reasonably possible change in price, with all other variables held constant is indicated in the table below:

	Changes in price %	Effect on profit or loss Increase/(Decrease) RM
2026		
Investments	+5/-5%	<u>1,438,368/(1,438,368)</u>
2025		
Investments	+5/-5%	<u>1,429,013/(1,429,013)</u>

Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital, distributable reserve and unrealised reserve. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions.

For quoted equity securities in general, fair values have been estimated by reference to the last done market price quoted on Bursa Malaysia at the end of the reporting year.

The fair value of the collective investment schemes are determined based on Net Assets Value ("NAV") per unit of such collective investment schemes as at the end of the reporting year.

For deposits and placements with financial institutions with maturities of less than twelve months, the carrying value is reasonable estimate of fair value.

The carrying amounts of other financial assets and financial liabilities approximate their fair values due to short maturity of these instruments.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2026				
Financial assets at FVTPL				
Quoted equity securities	22,085,593	-	-	22,085,593
Collective investment scheme	-	6,681,767	-	6,681,767
2025				
Financial assets at FVTPL				
Quoted equity securities	26,276,561	-	-	26,276,561
Collective investment schemes	-	2,303,699	-	2,303,699

There is no transfer between Levels 1, 2 and 3 during the financial year.

17 COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with current year's financial statements presentation:

	2025 RM	Reclassification RM	2025 RM
Statement Of Financial Position			
Unitholders' Fund			
Unitholders' capital	46,169,538	(13,822,449)	32,347,089
Accumulated losses	(14,706,150)	14,706,150	-
Unrealised reserve	-	(883,701)	(883,701)

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	2025 RM	Reclassification RM	2025 RM
Statement Of Changes In Net Asset Value			
Balance as at 1 August 2024			
Accumulated losses	(8,330,253)	8,330,253	-
Distributable reserve	-	(13,544,313)	(13,544,313)
Unrealised reserve	-	5,214,060	5,214,060
Total comprehensive loss for the financial year			
Accumulated losses	(6,375,897)	6,375,897	-
Distributable reserve	-	(278,136)	(278,136)
Unrealised reserve	-	(6,097,761)	(6,097,761)
Reclassification of distributable reserve to unitholders' capital			
Unitholders' capital	-	(13,822,449)	(13,822,449)
Distributable reserve	-	13,822,449	13,822,449
Balance as at 31 July 2025 (Represented)			
Unitholders' capital	46,169,538	(13,822,449)	32,347,089
Accumulated losses	(14,706,150)	14,706,150	-
Unrealised reserve	-	(883,701)	(883,701)

18 RE-PRESENTATION OF STATEMENT OF CHANGES IN NET ASSET VALUE

During the financial year, the Fund revised the presentation of its Statement of Changes in Net Asset Value ("NAV"). Previously, the statement was presented in a format similar to a statement of changes in equity of a corporate entity, comprising share capital and retained earnings.

The Statement of Changes in NAV has been re-presented to better reflect the nature of a unit trust fund and to enhance the transparency, relevance and comparability of information provided to unitholders and other users of the financial statements. Under the revised presentation, NAV is analysed into unitholders' capital, distributable reserve and unrealised reserve, which is more consistent with the Fund's capital structure and the presentation guidance applicable to unit trust funds, including relevant guidelines issued by the Securities Commission Malaysia.

Accordingly, comparative information has been reclassified, where necessary, to conform with the current year's presentation. Under the revised presentation, only realised income that is available or intended for distribution to unitholders remains in the Distributable Reserve. Realised losses and realised income that are no longer intended for future distribution are reclassified to Unitholders' Capital.

These changes relate solely to the classification and presentation of the components of NAV and do not affect the Fund's total net asset value attributable to unitholders, financial position, financial performance, cash flows, or the amount of distributions previously declared and paid by the Fund.



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