

# Annual Report March 2026

For the Year Ended 31 March 2026

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Areca Islamic equityTRUST Fund

Management Company



200601021087(740840-D)

# ANNUAL REPORT MARCH 2026

## ✦ ARECA Islamic equityTRUST FUND

### Contents

CORPORATE DIRECTORY	2
MANAGER'S REPORT	
Fund Information, Performance & Review	3
Market Review & Outlook	8
TRUSTEE'S REPORT	10
STATEMENT BY MANAGER	10
SHARIAH ADVISER'S REPORT	11
AUDITORS' REPORT	12
FINANCIAL STATEMENTS FOR Areca Islamic equityTRUST Fund	15

## CORPORATE DIRECTORY

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### 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](http://www.arecacapital.com)  
e-mail: [invest@arecacapital.com](mailto: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 (*formerly known as  
Deloitte PLT*) (LLP0010145-LCA)  
Level 16, Menara LGB  
1 Jalan Wan Kadir, Taman Tun Dr. Ismail  
60000 Kuala Lumpur  
Tel: 603-7610 8888, Fax: 603-7726 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: 603-2173 1188, Fax: 603-2173 1288

### SHARIAH ADVISER

Amanie Advisors Sdn Bhd  
Company No: 200501007003 (684050-H)  
Level 13A-2, Menara Tokio Marine Life  
189, Jalan Tun Razak  
50400 Kuala Lumpur  
Tel: 603-2161 0260, Fax: 603-2161 0262

## MANAGER'S OFFICE AND BRANCHES

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### 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](http://www.arecacapital.com)  
e-mail: [invest@arecacapital.com](mailto: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

**FUND INFORMATION**

<b>Name of the Fund</b>	Areca Islamic equityTRUST Fund
<b>Fund Category/ Type</b>	Equity (Shariah-compliant)/Growth
<b>Objective of the Fund</b>	To provide investors with Medium to Long Term capital growth by investing primarily in a portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities.
<b>Performance Benchmark</b>	1-year Average Returns of the funds under Lipper’s “Equity Malaysia-Islamic” category
<b>Distribution Policy of the Fund</b>	Incidental, subject to the availability of distributable income.
<b>Rebates &amp; Soft Commissions</b>	<p>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.</p> <p>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.</p>
<b>Inception Date</b>	9 September 2022
<b>Financial Year End</b>	31 March

**FUND PERFORMANCE**

	<b>2026</b>	<b>2025</b>	<b>2024</b>
<b>NET ASSET VALUE ("NAV")</b>			
Net Asset Value (RM million)	1.72	1.26	1.13
Units in circulation (million units)	2.98	2.63	2.10
NAV per unit (RM)	0.5764	0.4789	0.5394

<b>HIGHEST &amp; LOWEST NAV per unit</b>			
<i>Please refer to <b>Note 1</b> for further information on NAV and pricing policy</i>			
Highest NAV per unit (RM)	0.5848	0.6386	0.5394
Lowest NAV per unit (RM)	0.4244	0.4564	0.4712

<b>ASSET ALLOCATION % of NAV</b>			
<b>Quoted Shariah-compliant equity securities</b>			
Construction	3.99	5.02	11.11
Consumer Products & Services	1.47	4.10	-
Energy	12.44	6.59	11.66
Financial Services	2.31	-	-
Health Care	1.68	13.93	3.35
Industrial Products & Services	19.14	15.67	19.01
Plantation	2.97	9.19	-
Property	4.51	8.54	20.42
Technology	10.47	12.46	20.40
Telecommunications & Media	-	-	8.48
Transportation & Logistics	-	1.19	-
Utilities	11.41	3.25	4.02
<b>Liquid assets and other net current assets</b>	29.61	20.06	1.55

<b>DISTRIBUTION</b>			
There was no distribution for the financial year under review.			

<b>UNIT SPLIT</b>			
There was no unit split exercise for the financial year under review.			

<b>EXPENSE/TURNOVER</b>			
Total expense ratio (TER) (%)			
<i>Please refer to <b>Note 2</b> for further information</i>	5.23	5.24	5.12
Portfolio turnover ratio (PTR) (times)			
<i>Please refer to <b>Note 3</b> for further information</i>	1.92	1.39	1.23

<b>TOTAL RETURN</b>			
<i>Please refer to <b>Note 4</b> for further information</i>			
Total Return (%)	20.33	(11.20)	7.88
- Capital growth (%)	20.33	(11.20)	7.88
- Income distribution (%)	-	-	-

**FUND PERFORMANCE**

	<b>2026</b>	<b>2025</b>	<b>2024</b>	<b>09.09.2022 (launch date) to 31.03.2023</b>
Annual Total Return (%)	20.33	(11.20)	7.88	-
Performance Benchmark (%): 1-year Average Returns of the funds under Lipper's "Equity Malaysia-Islamic" category	5.85	(2.25)	13.02	3.14*

\*Annualised for comparison purpose only

	<b>2026</b>	<b>2025</b>	<b>2024</b>
Total Return since launch (%)	15.28	(4.20)	7.88

	<b>1-yr</b>	<b>3-yrs</b>	<b>5-yrs</b>
Average Total Return per annum (%)	20.33	5.09	N/A

**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 Lipper's "Equity Malaysia-Islamic" category is calculated assuming investment in the index. 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.**

## FUND REVIEW

During the year under review, the Fund outperformed its benchmark with a total return of 20.33% compared to the benchmark (1-year Average Returns of the funds under "Equity Malaysia" Islamic category of the Malaysia Lipper Fund table, "peers benchmarking") total return of 5.85%.

The strategy of the Fund is to invest in Shariah-compliant stocks within the Areca Equity Trust Fund. We are maintaining a decent cash level for now in line with the Areca Equity Trust Fund as we plan to accumulate high-quality stocks during periods of market weakness.

Since the Fund's inception on 9 September 2022, it has registered a total return of 15.28%, underperforming its peers benchmarking return of 18.99%. Hence, the Fund has yet to achieve its objective.

### **Investment Policy and Strategy**

The Fund will invest a maximum of 98% of its NAV in Shariah-compliant equities and Shariah-compliant equity-related securities and a minimum of 2% of its NAV in Islamic Liquid Assets. Shariah-compliant equity-related securities includes but not limited to different classes of listed and unlisted Shariah-compliant shares, Shariah-compliant warrants, Shariah-compliant options, Islamic preference shares and Shariah-compliant convertible securities. The Fund will normally invest in Shariah-compliant 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 may also invest in units or shares of other Islamic CIS which have similar objective. Nevertheless, the Fund may also invest in Islamic money market or short term Islamic fixed income funds for the purpose of liquidity, diversification of investments and investment risk mitigation. 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 Islamic Liquid Assets or Islamic money market and short term Islamic fixed income funds.

**NAV per unit** as at 31 March 2026

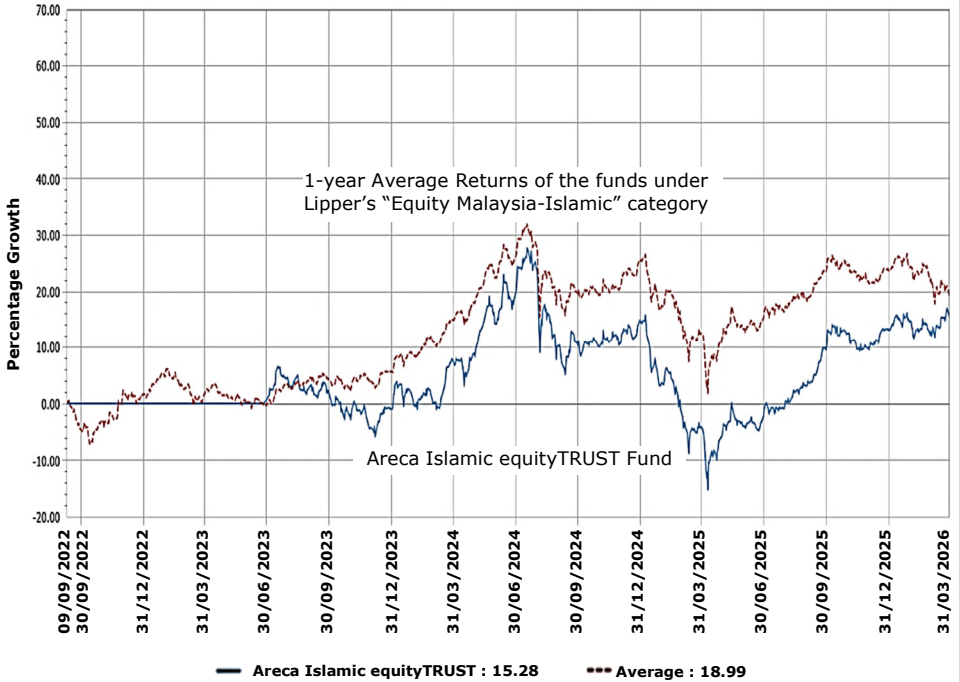
RM0.5764

<b>Asset Allocation/Portfolio Composition</b>	<b>2026</b>	<b>2025</b>	<b>2024</b>
Quoted Shariah-compliant equity securities	70.39%	79.94%	98.45%
Liquid assets and other net current assets	29.61%	20.06%	1.55%

FUND REVIEW

Performance of Areca Islamic equityTRUST Fund  
for the period since inception to 31 March 2026

Total Return of Areca Islamic equityTRUST Fund vs Benchmark



Source Lipper

## **MALAYSIAN EQUITY MARKET REVIEW**

During the financial year under review, the FTSE Bursa Malaysia KLCI Index ("FBMKLCI") surged 11.70% to close at 1,690 points, while the FTSE Bursa Malaysia EMAS Index ("FBMEMAS") advanced 8.40% to 12,304 points. In contrast, the FTSE Bursa Malaysia Small Cap Index ("FBMSCAP") declined by 6.00% to 14,646 points, underperforming the broader market.

Foreign investors were net sellers with outflows of MYR12.4 billion for the period, compared to MYR13.3 billion of net selling in the same period last year. In contrast, domestic institutions provided a strong offset, recording net inflows of MYR16.9 billion, while domestic retail investors were net sellers, with net outflows of MYR4.5 billion.

As 2025 progressed, domestic equity markets faced sustained selling pressure amid uncertainty surrounding United States ("US") tariff policies and a sharp correction in Artificial Intelligence ("AI") and data centre-related stocks. The sell-off intensified following tighter US export curbs on AI chips and the emergence of China's DeepSeek AI chatbot, which heightened competitive concerns across the sector. Market sentiment deteriorated further after President Trump's April 2 announcement of reciprocal tariffs triggered a broad-based sell-off, before markets staged a swift V-shaped rebound when implementation was paused for 90 days, allowing room for negotiations.

Despite the rebound, investor caution remained elevated, reflecting ongoing tariff uncertainty, global monetary policy risks, geopolitical tensions, and concerns over the expansion of the Sales and Service Tax ("SST"). While foreign investors continued to reduce exposure to Malaysian equities, local indices trended higher, supported by a more constructive policy backdrop. Key positives included a reduction in 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.

Toward end of the period, the FBMKLCI recorded strong gains, underpinned by policy optimism, improved market liquidity and a firmer Ringgit. However, sentiment turned more cautious amid escalating Middle East tensions. Nonetheless, market performance remained selective and volatile, with small caps lagging amid weaker earnings delivery, lingering uncertainty over global monetary policy, and elevated geopolitical risks.

Key developments included the US-Malaysia reciprocal trade agreement, which improved market access for exporters, and approved investments of RM285.2 billion in the first nine months of 2025 (+13.20% year-over-year). In the technology space, Malaysia's partnership with Arm Holdings to acquire chip design blueprints marked progress up the semiconductor value chain. The formalisation of the Johor-Singapore Special Economic Zone and the unveiling of the RM430 billion 13th Malaysia Plan (2026-2030) further reinforced Malaysia's push towards a high-tech, high value-added economy.

In commodities, Brent crude surged 58.40% to \$118.4/barrel amid escalating geopolitical tensions. In contrast, Crude Palm Oil ("CPO") prices shed 0.70% to RM4,729 /tonne. Meanwhile, the Dollar index declined by 4.10% to 99.96 for the period while the Ringgit strengthened 8.80% against the US Dollar, reaching 4.05.

Sector-wise, plantation (+21.00%), industrials (+19.00%), and properties (+10.00%) led gains, while healthcare (-14.00%), telecommunications (-11.00%), and construction (-3.00%) lagged. Top FBMKLCI gainers included Petronas Chemicals (+68.00%), 99 Speed Mart (+67.00%), and Press Metal (+59.00%), while laggards were YTL Corp (-16.00%), CelcomDigi (-15.00%), and Gamuda (-11.00%).

## **MALAYSIAN EQUITY MARKET OUTLOOK**

Malaysia occupies a structurally differentiated position in the current environment. The country is both an oil and gas producer through PETRONAS and the upstream sector, and a significant net importer of refined petroleum products and petrochemicals. This dual exposure makes the net economic impact of elevated crude prices more nuanced. On the positive side, higher oil prices support government revenues through PETRONAS dividends and petroleum income taxes, providing fiscal headroom and enabling continued infrastructure spending. Malaysia's trade surplus, which reached RM16.7 billion in February 2026 and was partly driven by commodity exports, is likely to receive further support from elevated energy export revenues in the near term.

On the other hand, rising refined product import costs and higher petrochemical feedstock prices are creating inflationary pressures. Malaysia's inflation rate, which stood at a relatively benign 1.40% year-on-year in February 2026, is expected to face upward pressure from fuel and transportation cost pass-through. Bank Negara Malaysia, which maintained the overnight policy rate at 2.75% at its latest meeting, now faces a delicate balance between supporting economic growth and containing imported inflation.

The ceasefire on April 8 introduces a new dynamic for Malaysia. The immediate implication is a partial reversal of the oil price spike that had supported the domestic energy sector. With Brent crude declining following the ceasefire announcement, oil and gas stocks may face near-term profit-taking. However, prices remain well above the pre-conflict level of approximately USD73 per barrel, meaning Malaysia's energy sector continues to benefit from an elevated price environment relative to the start of the year. For the broader economy, the ceasefire is clearly positive, as it reduces inflation risks, supports domestic consumption, and lowers the probability of a global growth slowdown that would otherwise weigh on Malaysia's export-oriented sectors.

As discussed earlier, our base case assumed that the conflict would be intense but relatively short, lasting approximately two to four weeks, which has largely materialised. At the fund level, we had prudently raised cash ahead of the conflict as part of our proactive risk management approach and deployed selectively during periods of market weakness. The current two-week ceasefire window, with peace talks scheduled to begin in Islamabad on April 10, represents the most meaningful step toward a durable resolution since the conflict began. While risks remain, including the possibility of a ceasefire breakdown or incomplete reopening of the Strait of Hormuz, we believe the balance of probabilities has shifted meaningfully toward a resolution scenario. We remain disciplined in balancing prudent risk management with the pursuit of long-term investment opportunities.

### **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 Islamic equityTRUST Fund ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 March 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 deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

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

NORHAZLIANA BINTI MOHAMMED HASHIM  
HEAD, UNIT TRUST & CORPORATE OPERATIONS

Kuala Lumpur  
26 May 2026

## STATEMENT BY MANAGER

### To the Unitholders of Areca Islamic equityTRUST 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 March 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  
26 May 2026

**SHARIAH ADVISER'S REPORT**

**To the Unitholders of Areca Islamic equityTRUST Fund ("Fund")**

We hereby confirm the following:

1. 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 Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprises of instruments that have been classified as Shariah-compliant.

**For and on behalf of Amanie Advisors Sdn Bhd**

AHMAD ANAS FADZIL  
REGISTERED SHARIAH OFFICER

Kuala Lumpur  
26 May 2026

**INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF ARECA Islamic equityTRUST FUND**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **ARECA Islamic equityTRUST FUND** ("the Fund"), which comprise the statement of financial position as at 31 March 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 15 to 34.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 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.

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equity TRUST FUND

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**

26 May 2026

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

**STATEMENT OF FINANCIAL POSITION**

*As At 31 March 2026*

	<b>Note</b>	<b>2026 RM</b>	<b>2025 RM</b>
<b>Assets</b>			
Investments	5	1,208,731	1,007,235
Cash and cash equivalents	6	525,766	293,498
Amount due from stockbrokers		44,480	-
Dividend receivables		3,022	2,252
Prepayment of shares		28,652	-
<b>Total Assets</b>		<u>1,810,651</u>	<u>1,302,985</u>
<b>Unitholders' Fund And Liabilities</b>			
<b>Liabilities</b>			
Amount due to stockbrokers		65,941	18,545
Other payables and accrued expenses	7	<u>27,449</u>	<u>24,485</u>
<b>Total Liabilities</b>		<u>93,390</u>	<u>43,030</u>
<b>Unitholders' Fund</b>			
Unitholders' capital		1,616,307	1,379,757
Retained earnings/(Accumulated losses)		<u>100,954</u>	<u>(119,802)</u>
<b>Net Asset Value Attributable To Unitholders</b>		<u>1,717,261</u>	<u>1,259,955</u>
<b>Total Unitholders' Fund And Liabilities</b>		<u>1,810,651</u>	<u>1,302,985</u>
<b>Number Of Units In Circulation</b>	8	<u>2,979,034</u>	<u>2,630,809</u>
<b>Net Asset Value Per Unit (RM)</b>		<u>0.5764</u>	<u>0.4789</u>

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

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equity TRUST FUND

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For The Financial Year Ended 31 March 2026*

	<b>Note</b>	<b>2026 RM</b>	<b>2025 RM</b>
<b>Investments Income/(Loss)</b>			
Dividend income		23,049	20,163
Profit income		6,434	5,988
Net gain/(loss) on investments at fair value through profit or loss ("FVTPL")	5	<u>275,736</u>	<u>(142,305)</u>
Total Investments Income/(Loss)		<u>305,219</u>	<u>(116,154)</u>
 <b>Expenditure</b>			
Management fee	9	(25,254)	(27,128)
Trustee's fee	10	(6,000)	(11,514)
Audit fee		(12,000)	(10,800)
Tax agent's fee		(3,900)	(3,300)
Transaction costs		(18,418)	(13,630)
Other expenses		<u>(18,891)</u>	<u>(18,327)</u>
Total Expenditure		<u>(84,463)</u>	<u>(84,699)</u>
 <b>Net Income/(Loss) Before Taxation</b>		220,756	(200,853)
<b>Taxation</b>	11	<u>-</u>	<u>-</u>
<b>Net Income/(Loss) After Taxation And Total Comprehensive Income/(Loss) For The Financial Year</b>		<u>220,756</u>	<u>(200,853)</u>
 <b>Net Income/(Loss) After Taxation Is Made Up Of:</b>			
Realised gain		9,444	27,076
Unrealised gain/(loss)		<u>211,312</u>	<u>(227,929)</u>
		<u>220,756</u>	<u>(200,853)</u>

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

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equity TRUST FUND

**STATEMENT OF CHANGES IN NET ASSET VALUE**

*For The Financial Year Ended 31 March 2026*

	<b>Unitholders' capital RM</b>	<b>(Accumulated losses)/ Retained earnings RM</b>	<b>Total net asset value RM</b>
<b>Balance as at 1 April 2024</b>	1,049,441	81,051	1,130,492
Amounts received from units created	330,316	-	330,316
Total comprehensive loss for the financial year	-	(200,853)	(200,853)
<b>Balance as at 31 March 2025</b>	<u>1,379,757</u>	<u>(119,802)</u>	<u>1,259,955</u>
<b>Balance as at 1 April 2025</b>	1,379,757	(119,802)	1,259,955
Amounts received from units created	367,607	-	367,607
Amounts paid for units cancelled	(131,057)	-	(131,057)
Total comprehensive income for the financial year	-	220,756	220,756
<b>Balance as at 31 March 2026</b>	<u>1,616,307</u>	<u>100,954</u>	<u>1,717,261</u>

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

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

**STATEMENT OF CASH FLOWS**

*For The Financial Year Ended 31 March 2026*

	<b>Note</b>	<b>2026 RM</b>	<b>2025 RM</b>
<b>Cash Flows From/(Used In) Operating Activities</b>			
Proceeds from disposal of investments		2,403,185	1,862,719
Purchase of investments		(2,325,245)	(1,878,139)
Prepayment of shares		(28,652)	-
Dividend income received		21,112	18,147
Profit income received		6,434	5,988
Management fee paid		(24,776)	(26,833)
Trustee's fee paid		(5,929)	(6,319)
Transaction costs paid		(18,035)	(13,566)
Payment for other fees and expenses		(32,376)	(40,627)
Net Cash Used In Operating Activities		(4,282)	(78,630)
<b>Cash Flows From/(Used In) Financing Activities</b>			
Cash proceeds from units created		367,607	330,316
Payment for cancellation of units		(131,057)	-
Net Cash From Financing Activities		236,550	330,316
<b>Net Increase In Cash And Cash Equivalents</b>		232,268	251,686
<b>Cash And Cash Equivalents At Beginning Of Year</b>		293,498	41,812
<b>Cash And Cash Equivalents At End Of Year</b>		525,766	293,498
<b>Cash And Cash Equivalents Comprise:</b>			
Cash at banks	6	13,539	9,657
Short-term Islamic deposits	6	512,227	283,841
		525,766	293,498

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

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 GENERAL INFORMATION**

Areca Islamic equityTRUST Fund ("the Fund") was established pursuant to the Trust Deed dated 1 March 2022 ("the Deed") 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 Deed, which include Shariah-compliant equities and Shariah-compliant equity-related securities, Islamic deposits with financial institutions, units or shares in Islamic collective investment schemes and any other form of Shariah-compliant investment as may be agreed upon by the Manager and the Trustee from time to time. The Fund was launched on 9 September 2022 and will continue its operations until terminated in accordance with the conditions provided in Part 12 of the Deed.

The investment objective of the Fund is to provide investors with medium to long term capital growth by investing primarily in a portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities. Any material changes to the Fund's objective 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 26 May 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:

	<b>Effective for annual periods beginning on or after</b>
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.

Profit income from short-term Islamic 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, profit 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 ("the 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.

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equity TRUST FUND

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 investments 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 profit method.

The effective profit method is a method of calculating the amortised cost of a financial liability and of allocating profit expense over the relevant years. The effective profit 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 profit 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**

Investment in quoted Shariah-compliant 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.

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.

Gain 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

	<b>2026</b>	<b>2025</b>
	<b>RM</b>	<b>RM</b>
<b>Financial assets at FVTPL:</b>		
Quoted Shariah-compliant equity securities	<u>1,208,731</u>	<u>1,007,235</u>
	<u><u>1,208,731</u></u>	<u><u>1,007,235</u></u>
<b>Net gain/(loss) on investments at FVTPL comprise:</b>		
Realised gain on disposals	64,424	85,624
Unrealised gain/(loss) on changes in fair value	<u>211,312</u>	<u>(227,929)</u>
	<u><u>275,736</u></u>	<u><u>(142,305)</u></u>

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

	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<b>ACE Market</b>				
<b>Consumer Products &amp; Services</b>				
A1 A.K. Koh Group Bhd	148,000	<u>36,145</u>	<u>25,160</u>	<u>1.47</u>
		<u>36,145</u>	<u>25,160</u>	<u>1.47</u>
<b>Energy</b>				
Northern Solar Holdings Bhd*	60,000	<u>42,592</u>	<u>36,600</u>	<u>2.13</u>
		<u>42,592</u>	<u>36,600</u>	<u>2.13</u>
<b>Industrial Products &amp; Services</b>				
Ambest Group Bhd	93,000	<u>27,872</u>	<u>29,760</u>	<u>1.73</u>
		<u>27,872</u>	<u>29,760</u>	<u>1.73</u>

\* This stock is currently Shariah non-compliant and in a loss position; it may be retained until it reaches breakeven.

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

	<b>No. of Shares Units</b>	<b>Aggregate Cost RM</b>	<b>Fair Value RM</b>	<b>Fair Value as a % of Net Asset Value %</b>
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<b>Main Market</b>				
<b>Construction</b>				
Gamuda Bhd	6,605	27,476	24,637	1.44
IJM Corporation Bhd	20,000	48,985	43,800	2.55
		<u>76,461</u>	<u>68,437</u>	<u>3.99</u>
<b>Energy</b>				
Dialog Group Bhd	17,000	30,965	37,230	2.17
Velesto Energy Bhd	275,200	69,960	93,568	5.45
Wasco Greenergy Bhd	66,000	41,534	46,200	2.69
		<u>142,459</u>	<u>176,998</u>	<u>10.31</u>
<b>Financial Services</b>				
Syarikat Takaful Malaysia Keluarga Bhd	12,000	39,116	39,600	2.31
		<u>39,116</u>	<u>39,600</u>	<u>2.31</u>
<b>Health Care</b>				
Sunway Healthcare Holdings Bhd	14,460	20,640	28,920	1.68
		<u>20,640</u>	<u>28,920</u>	<u>1.68</u>
<b>Industrial Products &amp; Services</b>				
Cahaya Mata Sarawak Bhd	31,000	41,447	35,340	2.06
Kelington Group Bhd	11,100	56,121	54,945	3.20
Malaysia Smelting Corporation Bhd	18,700	34,733	34,969	2.04
Press Metal Aluminium Holdings Bhd	7,000	53,209	56,000	3.26
SAM Engineering & Equipment (M) Bhd	18,700	62,245	59,653	3.47
Sunway Bhd	12,100	56,453	58,080	3.38
		<u>304,208</u>	<u>298,987</u>	<u>17.41</u>
<b>Plantation</b>				
United Plantations Bhd	1,500	29,404	51,000	2.97
		<u>29,404</u>	<u>51,000</u>	<u>2.97</u>
<b>Property</b>				
IOI Properties Group Bhd	11,000	20,790	36,520	2.13
PTT Synergy Group Bhd	30,000	39,000	40,800	2.38
		<u>59,790</u>	<u>77,320</u>	<u>4.51</u>
<b>Technology</b>				
Malaysian Pacific Industries Bhd	1,200	20,534	34,536	2.01
Unisem (M) Bhd	14,800	30,119	38,628	2.25
ViTroX Corporation Bhd	14,000	60,419	58,800	3.42
VSTECs Bhd	10,500	43,190	47,985	2.79
		<u>154,262</u>	<u>179,949</u>	<u>10.47</u>

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

	<b>No. of Shares Units</b>	<b>Aggregate Cost RM</b>	<b>Fair Value RM</b>	<b>Fair Value as a % of Net Asset Value %</b>
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<b>Main Market</b>				
<b>Utilities</b>				
Gas Malaysia Bhd	9,500	42,085	57,000	3.32
Tenaga Nasional Bhd	10,000	136,163	139,000	8.09
		<u>178,248</u>	<u>196,000</u>	<u>11.41</u>
<b>Total investments</b>		<u>1,111,197</u>	<u>1,208,731</u>	<u>70.39</u>
<b>Unrealised gain on investments</b>			<u>97,534</u>	

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

	<b>No. of Shares Units</b>	<b>Aggregate Cost RM</b>	<b>Fair Value RM</b>	<b>Fair Value as a % of Net Asset Value %</b>
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<b>ACE Market</b>				
<b>Industrial Products &amp; Services</b>				
Topmix Bhd	37,000	19,446	15,540	1.23
		<u>19,446</u>	<u>15,540</u>	<u>1.23</u>
<b>Technology</b>				
Edeltech Holdings Bhd	27,700	11,905	6,786	0.54
Infomina Bhd	14,000	25,518	14,560	1.16
LGMS Bhd	8,600	12,155	7,869	0.62
Ramssol Group Bhd	24,900	16,185	21,539	1.71
SFP Tech Holdings Bhd	90,000	41,267	24,750	1.96
SMRT Holdings Bhd	30,700	29,731	30,393	2.41
		<u>136,761</u>	<u>105,897</u>	<u>8.40</u>
<b>Main Market</b>				
<b>Construction</b>				
Gamuda Bhd	11,348	32,390	47,662	3.79
WCT Holdings Bhd	23,000	30,022	15,525	1.23
		<u>62,412</u>	<u>63,187</u>	<u>5.02</u>
<b>Consumer Products &amp; Services</b>				
AirAsia X Bhd	9,500	19,936	14,725	1.17
Capital A Bhd	45,000	36,225	36,900	2.93
		<u>56,161</u>	<u>51,625</u>	<u>4.10</u>

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

	<b>No. of Shares Units</b>	<b>Aggregate Cost RM</b>	<b>Fair Value RM</b>	<b>Fair Value as a % of Net Asset Value %</b>
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<b>Main Market</b>				
<b>Energy</b>				
BM Greentech Bhd	7,700	15,400	14,091	1.12
BM Greentech Bhd - Warrants 2024/2027	1,925	-	866	0.07
Dayang Enterprise Holdings Bhd	34,700	72,504	68,012	5.40
		<u>87,904</u>	<u>82,969</u>	<u>6.59</u>
<b>Health Care</b>				
IHH Healthcare Bhd	12,300	88,944	85,116	6.75
KPJ Healthcare Bhd	34,000	79,358	90,440	7.18
		<u>168,302</u>	<u>175,556</u>	<u>13.93</u>
<b>Industrial Products &amp; Services</b>				
CPE Technology Bhd	21,400	29,986	14,338	1.14
Hume Cement Industries Bhd	9,400	29,995	25,474	2.02
L&P Global Bhd	47,000	19,637	8,460	0.67
Pantech Global Bhd	48,000	25,680	24,960	1.98
SAM Engineering & Equipment (M) Bhd	4,100	18,965	15,211	1.21
Sunway Bhd	11,600	30,184	52,664	4.18
V.S. Industry Bhd	47,000	46,040	40,655	3.22
V.S. Industry Bhd - Warrants 2024/2026	2,830	-	226	0.02
		<u>200,487</u>	<u>181,988</u>	<u>14.44</u>
<b>Plantation</b>				
Johor Plantations Group Bhd	50,000	64,654	62,000	4.92
United Plantations Bhd	2,400	47,046	53,760	4.27
		<u>111,700</u>	<u>115,760</u>	<u>9.19</u>
<b>Property</b>				
Naim Holdings Bhd	20,800	23,458	17,576	1.40
Sime Darby Property Bhd	39,700	61,716	53,198	4.22
UEM Sunrise Bhd	48,800	49,365	36,844	2.92
		<u>134,539</u>	<u>107,618</u>	<u>8.54</u>
<b>Technology</b>				
MY E.G. Services Bhd	28,000	24,732	25,480	2.02
Notion VTec Bhd	36,500	64,833	25,733	2.04
		<u>89,565</u>	<u>51,213</u>	<u>4.06</u>
<b>Transportation &amp; Logistics</b>				
Avangaad Bhd (Formerly known as E.A. Technique (M) Bhd)	53,500	17,799	14,980	1.19
		<u>17,799</u>	<u>14,980</u>	<u>1.19</u>

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

	<b>No. of Shares Units</b>	<b>Aggregate Cost RM</b>	<b>Fair Value RM</b>	<b>Fair Value as a % of Net Asset Value %</b>
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<b>Main Market</b>				
<b>Utilities</b>				
Mega First Corporation Bhd	10,200	35,937	40,902	3.25
		<u>35,937</u>	<u>40,902</u>	<u>3.25</u>
<b>Total investments</b>		<u>1,121,013</u>	<u>1,007,235</u>	<u>79.94</u>
<b>Unrealised loss on investments</b>			<u>(113,778)</u>	

**6 CASH AND CASH EQUIVALENTS**

	<b>2026 RM</b>	<b>2025 RM</b>
Cash at banks	13,539	9,657
Short-term Islamic deposits	512,227	283,841
	<u>525,766</u>	<u>293,498</u>

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

The weighted average profit rate for short-term Islamic deposits is 2.63% (2025: 2.83%) per annum and the average maturity period is 1 day (2025: 2 days).

**7 OTHER PAYABLES AND ACCRUED EXPENSES**

	<b>2026 RM</b>	<b>2025 RM</b>
Accrued expenses:		
Management fee	2,613	2,135
Trustee's fee	5,321	5,250
Audit fee	12,000	10,800
Tax agent's fee	3,300	3,300
Other expenses	4,215	3,000
	<u>27,449</u>	<u>24,485</u>

**8 NUMBER OF UNITS IN CIRCULATION**

	<b>2026 Units</b>	<b>2025 Units</b>
At beginning of the year	2,630,809	2,095,986
Created during the year	646,828	534,823
Cancelled during the year	(298,603)	-
At end of the year	<u>2,979,034</u>	<u>2,630,809</u>

## **9 MANAGEMENT FEE**

The Schedule 8 of the Deed 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 is 2.00% (2025: 2.00%) per annum for the financial year.

## **10 TRUSTEE'S FEE**

The Schedule 9 of the Deed 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 is subject to this minimum fee for the financial year. For the previous financial year, the Trustee's fee provided in the financial statements, which is subject to a minimum fee of RM6,000 per annum, included an under-accrual of RM5,514 for the financial year ended 31 March 2024.

## **11 TAXATION**

There is no income tax expenses for the year as profit 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 5.23% (2025: 5.24%) for the financial year ended 31 March 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 RM1,262,643 (2025: RM1,356,344).

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

**Portfolio Turnover Ratio (PTR)**

The portfolio turnover ratio for the Fund is 1.92 times (2025: 1.39 times) for the financial year ended 31 March 2026. The portfolio turnover ratio is derived from the following calculation:

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

Where: total acquisition for the financial year = RM2,402,248 (2025: RM1,899,284)  
total disposal for the financial year = RM2,447,837 (2025: RM1,862,719)

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

As at end of the financial year, the total number and value of units held by the Manager is as follows:

	←----- 2026 -----→	←----- 2025 -----→		
	No. of units	RM	No. of units	RM
The Manager (The above units are held legally and beneficially)	-	-	2,000	958
	-	-	2,000	958

The Directors of the Manager are of the opinion that the transactions with the related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. These dealings with related parties have been transacted at arm's length basis.

**14 TRADE WITH BROKERS/DEALERS**

Details of transactions with brokers/dealers are as follows:

	Value of Trades RM	% of Total Trades %	Fees RM	% of Total Brokerage Fee %
<b>2026</b>				
Public Investment Bank Bhd	1,637,191	33.76	6,149	33.39
Kenanga Investment Bank Bhd	1,083,023	22.34	3,614	19.62
CGS International Securities Malaysia Sdn Bhd	943,128	19.45	3,690	20.03
CIMB Securities Sdn Bhd	387,239	7.99	1,474	8.00
Maybank Investment Bank Bhd	298,433	6.15	1,756	9.53
CLSA Securities Malaysia Sdn Bhd	177,896	3.67	689	3.74
RHB Investment Bank Bhd	114,263	2.36	407	2.21
UOB Kay Hian Securities (M) Sdn Bhd	63,110	1.30	210	1.14
AmInvestment Bank Bhd	61,750	1.27	246	1.34
M & A Securities Sdn Bhd	28,652	0.59	-	-
Others	54,234	1.12	183	1.00
	4,848,919	100.00	18,418	100.00

**ANNUAL REPORT MARCH 2026**  
ARECA Islamic equityTRUST FUND

<b>Brokers/Dealers</b>	<b>Value of Trades RM</b>	<b>% of Total Trades %</b>	<b>Fees RM</b>	<b>% of Total Brokerage Fee %</b>
<b>2025</b>				
Public Investment Bank Bhd	1,126,959	29.98	4,121	30.24
JPMorgan Securities (Malaysia) Sdn Bhd	1,081,805	28.78	3,865	28.36
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd)	432,984	11.52	1,591	11.67
CLSA Securities Malaysia Sdn Bhd	220,656	5.87	883	6.48
CIMB Securities Sdn Bhd	209,771	5.58	727	5.33
UOB Kay Hian Securities (M) Sdn Bhd	199,213	5.30	663	4.86
Kenanga Investment Bank Bhd	185,374	4.93	655	4.81
Maybank Investment Bank Bhd	184,335	4.90	648	4.75
RHB Investment Bank Bhd	118,241	3.14	477	3.50
	<b>3,759,338</b>	<b>100.00</b>	<b>13,630</b>	<b>100.00</b>

## 15 RISK MANAGEMENT POLICIES

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund seeks to provide medium to long term capital growth by investing principally in Shariah-compliant equities and Shariah-compliant 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 profit rate risk and price risk) primarily on its investments, capital risk and reclassification of Shariah status risk.

### Categories of Financial Instruments

	<b>2026 RM</b>	<b>2025 RM</b>
<b>Financial assets</b>		
<b>Carried at FVTPL:</b>		
Investments	1,208,731	1,007,235
<b>Amortised cost:</b>		
Cash and cash equivalents	525,766	293,498
Amount due from stockbrokers	44,480	-
Dividend receivables	3,022	2,252
Prepayment of shares	28,652	-
<b>Financial liabilities</b>		
<b>Amortised cost:</b>		
Amount due to stockbrokers	65,941	18,545
Other payables and accrued expenses	27,449	24,485

**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 profit, principal and proceeds from realisation of Shariah-compliant 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 March 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:

	<b>Short-term Islamic deposits RM</b>	<b>Quoted Shariah-compliant equity securities RM</b>
<b>2026</b>		
<b>Industry</b>		
Construction	-	68,437
Consumer Products & Services	-	25,160
Energy	-	213,598
Financial Services	512,227	39,600
Health Care	-	28,920
Industrial Products & Services	-	328,747
Plantation	-	51,000
Property	-	77,320
Technology	-	179,949
Utilities	-	196,000
	<b>512,227</b>	<b>1,208,731</b>
<b>2025</b>		
<b>Industry</b>		
Construction	-	63,187
Consumer Products & Services	-	51,625
Energy	-	82,969
Financial Services	283,841	-
Health Care	-	175,556
Industrial Products & Services	-	197,528
Plantation	-	115,760
Property	-	107,618
Technology	-	157,110
Transportation & Logistics	-	14,980
Utilities	-	40,902
	<b>283,841</b>	<b>1,007,235</b>

### **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 profit rates and market prices.

During the financial year, as the Fund invests only in Malaysia listed quoted Shariah-compliant equity securities, the performance of the Fund might go up or down in accordance with the prevailing market risk in Malaysia.

### **Profit rate risk management**

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rate. The Fund's short-term Islamic deposits and cash at banks earn profit at floating rates but is not exposed to any significant profit 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 profit rate. The valuation for financial assets at FVTPL move inversely to the market profit rate movements. As the market profit 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 fair value of quoted Shariah-compliant equity securities as the result of changes in the levels of the equity indices. The price risk exposure arises from the Fund's investment in quoted Shariah-compliant equity securities. 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:

	<b>Changes in price %</b>	<b>Effect on profit or loss Increase/(Decrease) RM</b>
<b>2026</b>		
Investments	+5/-5%	<u>60,437/(60,437)</u>
<b>2025</b>		
Investments	+5/-5%	<u>50,362/(50,362)</u>

### Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings/(accumulated losses). 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 Shariah-compliant investment activities of the Fund.

### Reclassification of Shariah status risk

This risk refers to the risk that the currently held Shariah-compliant investments in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia, the Shariah Advisory Council of Bank Negara Malaysia or the relevant Shariah Supervisory Board of an approved Islamic Index. If this occurs, the Manager will take the necessary steps to dispose off such Shariah-compliant securities.

There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant securities. The value of the Fund may also be adversely affected in the event of a disposal of Shariah-non compliant securities at a price lower than the investment cost.

## 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 Shariah-compliant equity securities in general, fair values have been estimated by reference to last done market price quoted on Bursa Malaysia 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 a 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
<b>2026</b>				
<b>Financial assets at FVTPL</b>				
Quoted Shariah-compliant equity securities	1,208,731	-	-	1,208,731
<b>2025</b>				
<b>Financial assets at FVTPL</b>				
Quoted Shariah-compliant equity securities	1,007,235	-	-	1,007,235

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



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