

Semi-Annual Report September 2025

For the Period Ended 30 September 2025

Areca Islamic equityTRUST Fund

Management Company



200601021087(740840-D)

SEMI-ANNUAL REPORT SEPTEMBER 2025

❖ ARECA Islamic equityTRUST 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)
Edward Iskandar Toh Bin Abdullah
(Non-Independent Executive/Chief Investment Officer)
(Resigned with effect from 16 April 2025)

INVESTMENT COMMITTEE MEMBERS

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

TRUSTEE

Maybank Trustees Berhad
Company No: 196301000109 (5004-P)
8th Floor, Menara Maybank
100 Jalan Tun Perak
50050 Kuala Lumpur
Tel: 03-2070 8833, Fax: 03-2070 9387

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: 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

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: 03-2161 0260, Fax: 03-2161 0262

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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ARECA Islamic equityTRUST FUND

FUND INFORMATION

Name of the Fund	Areca Islamic equityTRUST Fund
Fund Category/ Type	Equity (Shariah-compliant)/Growth
Objective of the Fund	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.
Performance Benchmark	1-year Average Returns of the funds under Lipper's "Equity Malaysia-Islamic" category
Distribution Policy of the Fund	Incidental, subject to the availability of distributable income.
Rebates & Soft Commissions	The Manager will retain soft commissions received from brokers or dealers, provided that: (a) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services; (b) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and (c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or fund manager shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions. The soft commissions may be in the form of goods and services such as data and quotation services, computer software incidental to the management of the Fund and investment related publications. Cash rebates, if any, will be directed to the account of the Fund. During the period under review, the Manager had not received any soft commissions.
Inception Date	9 September 2022
Financial Year End	31 March

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ARECA Islamic equityTRUST FUND

FUND PERFORMANCE

	2025	2024	2023
NET ASSET VALUE ("NAV")			
Net Asset Value (RM million)	1.28	1.43	1.07
Units in circulation (million units)	2.33	2.60	2.09
NAV per unit (RM)	0.5470	0.5519	0.5116

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)	0.5492	0.6386	0.5327
Lowest NAV per unit (RM)	0.4244	0.5157	0.5000

ASSET ALLOCATION % of NAV			
Quoted Shariah-compliant equity securities			
Construction	5.51	18.32	2.90
Consumer Products & Services	11.44	10.06	3.02
Energy	12.01	5.12	3.68
Health Care	9.19	-	2.41
Industrial Products & Services	18.07	11.37	24.65
Plantation	7.96	1.28	-
Property	8.26	14.88	7.96
Technology	12.58	9.55	34.71
Telecommunications & Media	-	-	5.77
Transportation & Logistics	-	3.27	-
Utilities	7.70	3.22	6.33
Liquid assets and other net current assets	7.28	22.93	8.57

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

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

EXPENSE/TURNOVER			
Total expense ratio (TER) (%)			
<i>Please refer to Note 2 for further information</i>	2.44	2.89	2.35
Portfolio turnover ratio (PTR) (times)			
<i>Please refer to Note 3 for further information</i>	0.67	0.79	0.80

	01.04.2025 to 30.09.2025	01.04.2024 to 30.09.2024	01.04.2023 to 30.09.2023
TOTAL RETURN			
<i>Please refer to Note 4 for further information</i>			
Total Return (%)	14.20	2.32	2.32
- Capital growth (%)	14.20	2.32	2.32
- Income distribution (%)	-	-	-

	2025	2024	2023
Annual Total Return (%)	30.31*	4.68*	4.68*
Performance Benchmark (%): 1-year Average Returns of the funds under Lipper's "Equity Malaysia-Islamic" category	20.61*	3.92*	2.76*
* Annualised for comparison purpose only			

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FUND PERFORMANCE

	2025	2024	2023
Total Return since launch (%)	9.40	10.38	2.32
	1-yr	3-yrs	5-yrs
Average Total Return per annum (%)	(0.89)	3.13	N/A

NOTES:

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

Note 2: 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 period under review, the Fund outperformed its benchmark with a total return of 14.20% compared to the benchmark (1-year Average Returns of the funds under Lipper's "Equity Malaysia-Islamic" category of the Malaysia Lipper Fund table, "peers benchmarking") total return of 9.79%.

Since the Fund's inception on 9 September 2022, it has registered a total return of 9.40%, underperforming its benchmark return of 23.46%. Hence, the Fund has yet to achieve its objective over the long term.

The Fund invests in Shariah-compliant stocks. The Fund overweight the bashed down technology sector, positioning for the recovery in the sector. Meanwhile, we maintain a decent exposure in utilities and domestic focus consumer names to cushion the market volatility. The Fund also maintains a prudent cash level to capitalise on opportunities and accumulate high-quality stocks during periods of market weakness.

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 30 September 2025

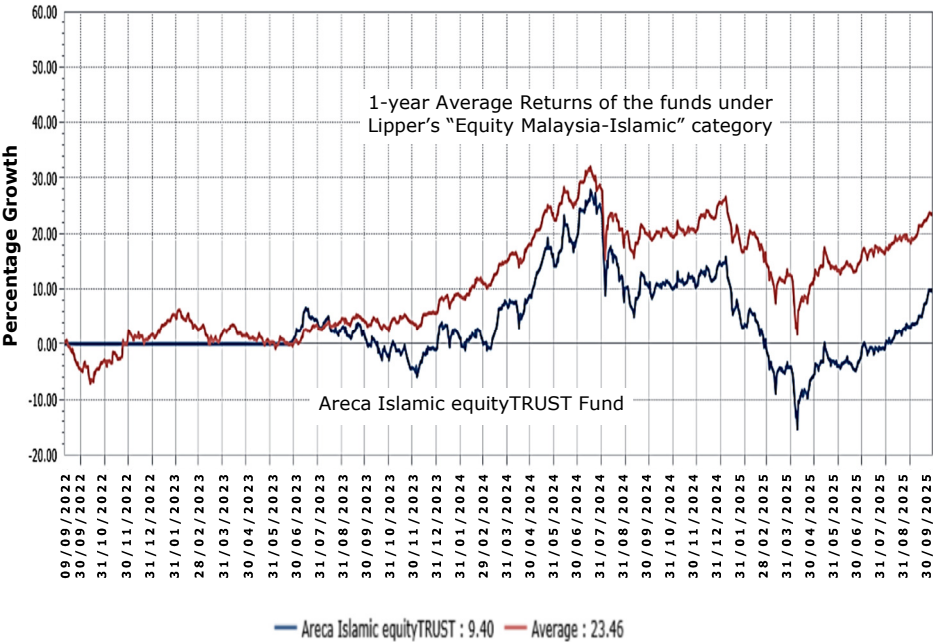
RM0.5470

Asset Allocation/Portfolio Composition	2025	2024	2023
Quoted Shariah-compliant equity securities	92.72%	77.07%	91.43%
Liquid assets and other net current assets	7.28%	22.93%	8.57%

FUND REVIEW

Performance of Areca Islamic equityTRUST Fund
for the period since inception to 30 September 2025

Total Return of Areca Islamic equityTRUST Fund vs Benchmark



Source Lipper

MALAYSIAN EQUITY MARKET REVIEW

During the period under review, the FTSE Bursa Malaysia KLCI Index ("FBMKLCI") advanced 6.50% to 1,612 points, while the broader FTSE Bursa Malaysia EMAS Index ("FBMEMAS") gained 5.60% to 11,986 points. Similarly, the FTSE Bursa Malaysia Small Cap Index ("FBMSCAP") grew 6.90% to 16,652 points, outperforming the FBMKLCI and FBMEMAS by 0.40% and 1.30% respectively.

Foreign investors were as net sellers for the period, with net outflows at MYR6.4 billion for the period. Meanwhile, domestic institutions were net buyers recording inflows of MYR7.2 billion while domestic retail investors recorded net outflows of MYR0.8 billion.

Equity indices fell early in the period amid persistent foreign outflows and uncertainty following Trump's April 2 announcement of reciprocal tariffs. Markets later rebounded sharply after Trump suspended implementation for 90 days, signalling a willingness to negotiate. However, investor sentiment remained cautious due to lingering tariff risks, geopolitical tensions, and concerns over the broader impact of the expanded Sales & Service Tax ("SST").

By August, equities strengthened further, supported by several positive developments, including a reduction in United States ("US") tariffs on Malaysian exports (from 25.00% to 19.00%), a 90-day extension of the US-China trade truce, the tabling of the 13th Malaysia Plan ("13MP"), and the US Federal Reserve's ("Fed") September rate cut.

Notable events include the announcement of an expanded SST effective 1 July, targeting premium goods and services. The 13MP, a RM430 billion blueprint for 2026 – 2030 (7.50% higher than the 12th Malaysia Plan ("12MP")), was unveiled to position Malaysia as a high-tech, high value-added economy. Bank Negara Malaysia ("BNM") also lowered the Overnight Policy Rate ("OPR") by 25 basis points ("bps") to 2.75%, its first cut in nearly two years, to support growth amid mounting external risks.

In the commodities space, Brent crude oil prices declined by 10.30% to \$67.0/barrel driven by global trade tensions, weakening demand expectations, and Organisation of Petroleum Exporting Countries Plus ("OPEC+") plans to increase output. Similarly, crude palm oil ("CPO") prices fell by 9.60% to RM4,305/tonne. On the currency front, the dollar index slipped 6.20% to 97.78 for the period while the Ringgit appreciated 5.20% against the greenback, reaching 4.21.

Sector-wise, construction (+25.00%), technology (+17.00%) and utilities (+14.00%) outperformed, while healthcare (-14.00%), financials (-2.00%) and transportation (-1.00%) underperformed. Among the FBMKLCI constituents, the top gainers were Axiata (+50.00%), YTL Corp (+39.00%), and 99 Speed Mart (+34.00%), while the biggest laggards were PPB (-11.00%), QL (-7.00%), and RHB Bank (-4.00%).

MALAYSIAN EQUITY MARKET OUTLOOK

Malaysia's equity market continued to show positive momentum in September 2025, with the FBMKLCI holding above the 1,600 level. Nonetheless, year-to-date performance still lags behind global peers. We remain cautiously optimistic that Malaysia will eventually catch up, supported by several key domestic and global developments.

We expect an expansionary Budget 2026—scheduled to be tabled in October—to align with the first year of the 13MP, a RM430 billion blueprint for 2026 – 2030. The government is likely to increase spending on public subsidies and social assistance to ease rising living costs. At the same time, greater investment is expected in future-focused sectors such as semiconductors, energy transition, digitalisation, and innovation as part of the country's long-term growth agenda.

The US monetary easing cycle—marked by a 25 bps Fed Funds Rate ("FFR") cut on September 18, 2025—is expected to reignite risk appetite for emerging market equities, including Malaysia.

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Our portfolios remain anchored in domestic recovery sectors such as consumer, construction, and utilities, alongside growth sectors in future-ready themes including Artificial Intelligence ("AI"), semiconductors, and data centers. Valuations remain compelling: the FBMKLCI's price-to-earnings ratio ("PER") is currently around 15.3 times—roughly one standard deviation below its 10-year historical average—reinforcing its appeal as a value opportunity within the region.

CROSS TRADE

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

SECURITIES FINANCING TRANSACTIONS

The Fund had not undertaken any securities financing transactions during the financial period 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 period 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 period ended 30 September 2025 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 period 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
25 November 2025

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 unaudited 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 30 September 2025 and the financial performance and the cash flows of the Fund for the financial period 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
25 November 2025

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 period covered by these unaudited 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 comprise of instruments that have been classified as Shariah-compliant.

For Amanie Advisors Sdn Bhd

TAN SRI DR MOHD DAUD BAKAR
EXECUTIVE CHAIRMAN

Kuala Lumpur
25 November 2025

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ARECA Islamic equityTRUST FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION*As At 30 September 2025*

	Note	30.09.2025 RM	30.09.2024 RM
Assets			
Investments	5	1,182,903	1,105,188
Cash and cash equivalents	6	114,677	300,084
Amount due from stockbrokers		29,797	41,965
Dividend receivables		2,881	873
Total Assets		1,330,258	1,448,110
Unitholders' Fund And Liabilities			
Liabilities			
Amount due to stockbrokers		26,083	-
Other payables and accrued expenses	7	28,459	14,038
Total Liabilities		54,542	14,038
Unitholders' Fund			
Unitholders' capital		1,248,700	1,362,051
Retained earnings		27,016	72,021
Net Asset Value Attributable To Unitholders		1,275,716	1,434,072
Total Unitholders' Fund And Liabilities		1,330,258	1,448,110
Number Of Units In Circulation	8	2,332,207	2,598,644
Net Asset Value Per Unit (RM)		0.5470	0.5519

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

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UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME*For The Financial Period Ended 30 September 2025*

		01.04.2025 to 30.09.2025 RM	01.04.2024 to 30.09.2024 RM
Investments Income	Note		
Dividend income		13,361	7,413
Profit income		2,918	2,154
Net gain on investments at fair value through profit or loss ("FVTPL")	5	165,172	26,505
Total Investments Income		181,451	36,072
Expenditure			
Management fee	9	11,602	13,080
Trustee's fee	10	2,561	8,084
Audit fee		5,400	4,500
Tax agent's fee		1,650	1,650
Transaction costs		6,390	7,422
Other expenses		7,030	10,366
Total Expenditure		34,633	45,102
Net Income/(Loss) Before Tax		146,818	(9,030)
Income Tax Expense	11	-	-
Net Income/(Loss) After Tax And Total Comprehensive Income/(Loss) For The Financial Period		146,818	(9,030)
Net Income/(Loss) After Tax Is Made Up Of:			
Realised (loss)/gain		(177,445)	88,622
Unrealised gain/(loss)		324,263	(97,652)
		146,818	(9,030)

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

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ARECA Islamic equityTRUST FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE*For The Financial Period Ended 30 September 2025*

	Unitholders' capital RM	Retained earnings RM	Total net asset value RM
Balance as at 1 April 2024	1,049,441	81,051	1,130,492
Amounts received from units created	312,610	-	312,610
Total comprehensive loss for the financial period	-	(9,030)	(9,030)
Balance as at 30 September 2024	1,362,051	72,021	1,434,072
Balance as at 1 April 2025	1,379,757	(119,802)	1,259,955
Amounts paid for units cancelled	(131,057)	-	(131,057)
Total comprehensive income for the financial period	-	146,818	146,818
Balance as at 30 September 2025	1,248,700	27,016	1,275,716

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

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UNAUDITED STATEMENT OF CASH FLOWS

For The Financial Period Ended 30 September 2025

	Note	01.04.2025 to 30.09.2025 RM	01.04.2024 to 30.09.2024 RM
Cash Flows From/(Used In) Operating Activities			
Proceeds from disposal of investments		742,531	1,004,129
Purchase of investments		(774,728)	(1,011,943)
Dividend income received		12,054	9,441
Profit income received		2,918	2,154
Management fee paid		(11,702)	(12,580)
Trustee's fee paid		(5,537)	(5,891)
Transaction costs paid		(6,270)	(7,282)
Payment for other fees and expenses		(7,030)	(32,366)
Net Cash Used In Operating Activities		(47,764)	(54,338)
Cash Flows From/(Used In) Financing Activities			
Cash proceeds from units created		-	312,610
Payment for cancellation units		(131,057)	-
Net Cash (Used In)/ From Financing Activities		(131,057)	312,610
Net (Decrease)/Increase In Cash And Cash Equivalents		(178,821)	258,272
Cash And Cash Equivalents At Beginning Of Period		293,498	41,812
Cash And Cash Equivalents At End Of Period		114,677	300,084
Cash And Cash Equivalents Comprise:			
Cash at banks	6	9,948	9,032
Short-term Islamic deposits	6	104,729	291,052
		114,677	300,084

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

NOTES TO THE UNAUDITED 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.

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.

Adoption of Amendments to MFRS

The Fund has applied the following the relevant Amendments for the first time for the financial period beginning on 1 April 2025:

Amendments to MFRS 101 *Classification of Liabilities as Current and Non-current*

The adoption of the above did not give rise to any material effects on the financial statements of the Fund.

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: Disclosures</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

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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 period.

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

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 ("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.

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

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 period 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 period.

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 period 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.

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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 period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

5 INVESTMENTS

	2025 RM	2024 RM
Financial assets at FVTPL:		
Quoted Shariah-compliant equity securities	1,182,903	1,105,188
	<u>1,182,903</u>	<u>1,105,188</u>
Net gain on investments at FVTPL comprise:		
Realised (loss)/gain on disposals	(159,091)	124,157
Unrealised gain/(loss) on changes in fair value	324,263	(97,652)
	<u>165,172</u>	<u>26,505</u>

Financial assets at fair value through profit or loss as at 30 September 2025 are as follows:

	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES				
ACE Market				
Construction				
MN Holdings Bhd	13,000	19,435	23,530	1.84
		<u>19,435</u>	<u>23,530</u>	<u>1.84</u>
Consumer Products & Services				
A1 A.K Koh Group Bhd	91,000	22,750	19,565	1.53
		<u>22,750</u>	<u>19,565</u>	<u>1.53</u>
Energy				
Enproserve Group Bhd	44,000	10,560	10,780	0.84
Northern Solar Holdings Bhd	43,000	30,100	33,110	2.60
		<u>40,660</u>	<u>43,890</u>	<u>3.44</u>
Industrial Products & Services				
Kawan Renergy Bhd	38,000	22,610	29,070	2.28
		<u>22,610</u>	<u>29,070</u>	<u>2.28</u>

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	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES				
Main Market				
Construction				
Gamuda Bhd	5,405	15,530	29,890	2.34
IJM Corporation Bhd	6,000	14,280	16,920	1.33
		29,810	46,810	3.67
Consumer Products & Services				
Eco-Shop Marketing Bhd	41,000	46,330	60,270	4.72
HI Mobility Bhd	27,000	34,470	66,150	5.19
		80,800	126,420	9.91
Energy				
DIALOG Group Bhd	16,700	21,209	31,563	2.47
Lianson Fleet Group Bhd	26,000	41,903	52,000	4.08
Uzma Bhd	51,000	22,440	25,755	2.02
		85,552	109,318	8.57
Health Care				
IHH Healthcare Bhd	10,800	78,097	81,540	6.39
KPJ Healthcare Bhd	13,000	30,343	35,750	2.80
		108,440	117,290	9.19
Industrial Products & Services				
Hume Cement Industries Bhd	9,400	29,995	32,806	2.57
Press Metal Aluminium Holdings Bhd	8,500	42,644	50,235	3.94
SAM Engineering & Equipment (M) Bhd	7,000	21,210	26,880	2.11
Sunway Bhd	16,200	56,593	91,530	7.17
		150,442	201,451	15.79
Plantation				
Johor Plantations Group Bhd	41,000	53,016	57,810	4.53
United Plantations Bhd	1,900	37,245	43,662	3.43
		90,261	101,472	7.96
Property				
IOI Properties Group Bhd	18,000	34,020	37,620	2.95
Sime Darby Property Bhd	34,900	53,022	51,303	4.02
S P Setia Bhd	16,000	16,802	16,480	1.29
		103,844	105,403	8.26
Technology				
D & O Green Technologies Bhd	19,000	22,610	26,410	2.07
Inari Amertron Bhd	18,000	35,337	37,260	2.92
Malaysian Pacific Industries Bhd	1,700	29,090	48,824	3.83
Unisem (M) Bhd	17,000	33,360	47,940	3.76
		120,397	160,434	12.58

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	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES				
Main Market				
Utilities				
Mega First Corporation Bhd	10,200	35,937	38,760	3.04
Tenaga Nasional Bhd	4,500	61,480	59,490	4.66
		<u>97,417</u>	<u>98,250</u>	<u>7.70</u>
Total investments		<u>972,418</u>	<u>1,182,903</u>	<u>92.72</u>
Unrealised gain on investments			<u>210,485</u>	

Financial assets at fair value through profit or loss as at 30 September 2024 are as follows:

	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES				
ACE Market				
Consumer Products & Services				
Farm Price Holdings Bhd	19,700	9,017	11,229	0.78
		<u>9,017</u>	<u>11,229</u>	<u>0.78</u>
Industrial Products & Services				
Topmix Bhd	37,000	19,446	18,130	1.26
		<u>19,446</u>	<u>18,130</u>	<u>1.26</u>
Technology				
ECA Integrated Solution Bhd	71,800	48,979	13,642	0.95
Edelteq Holdings Bhd	27,700	11,905	9,141	0.64
Infomina Bhd	14,000	25,518	21,000	1.47
LGMS Bhd	8,600	12,155	11,180	0.78
Ramssol Group Bhd	24,900	16,185	13,944	0.97
SMRT Holdings Bhd	43,700	42,321	45,885	3.20
		<u>157,063</u>	<u>114,792</u>	<u>8.01</u>
Main Market				
Construction				
Gamuda Bhd	16,021	81,303	129,450	9.02
IJM Corporation Bhd	32,200	72,960	94,346	6.58
WCT Holdings Bhd	41,900	54,692	38,967	2.72
		<u>208,955</u>	<u>262,763</u>	<u>18.32</u>
Consumer Products & Services				
Capital A Bhd	122,600	98,693	121,374	8.46
Parkson Holdings Bhd	65,200	18,432	11,736	0.82
		<u>117,125</u>	<u>133,110</u>	<u>9.28</u>
Energy				
Dayang Enterprise Holdings Bhd	18,800	36,659	42,864	2.99
Dialog Group Bhd	14,200	33,733	30,530	2.13
		<u>70,392</u>	<u>73,394</u>	<u>5.12</u>

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	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES				
Main Market				
Industrial Products & Services				
BM Greentech Bhd	7,700	15,400	13,167	0.92
CPE Technology Bhd	21,400	29,986	20,330	1.42
L&P Global Bhd	47,000	19,637	15,980	1.11
SAM Engineering & Equipment (M) Bhd	7,700	35,616	32,340	2.26
Sunway Bhd	14,900	38,771	62,580	4.36
V.S. Industry Bhd – Warrants 2024/2026	2,830	-	523	0.04
		<u>139,410</u>	<u>144,920</u>	<u>10.11</u>
Plantation				
United Plantations Bhd	700	17,592	18,326	1.28
		<u>17,592</u>	<u>18,326</u>	<u>1.28</u>
Property				
Eco World Development Group Bhd	41,900	68,273	75,001	5.23
Mah Sing Group Bhd	32,500	59,511	55,900	3.90
Naim Holdings Bhd	20,800	23,458	22,464	1.57
Sime Darby Property Bhd	40,800	65,162	59,976	4.18
		<u>216,404</u>	<u>213,341</u>	<u>14.88</u>
Technology				
Notion VTec Bhd	24,000	50,400	22,080	1.54
		<u>50,400</u>	<u>22,080</u>	<u>1.54</u>
Transportation & Logistics				
E.A. Technique (M) Bhd	151,300	50,337	46,903	3.27
		<u>50,337</u>	<u>46,903</u>	<u>3.27</u>
Utilities				
Mega First Corporation Bhd	10,500	32,548	46,200	3.22
		<u>32,548</u>	<u>46,200</u>	<u>3.22</u>
Total investments		<u>1,088,689</u>	<u>1,105,188</u>	<u>77.07</u>
Unrealised gain on investments			<u>16,499</u>	

6 CASH AND CASH EQUIVALENTS

	2025 RM	2024 RM
Cash at banks	9,948	9,032
Short-term Islamic deposits	<u>104,729</u>	<u>291,052</u>
	<u>114,677</u>	<u>300,084</u>

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

The weighted average profit rate for short-term Islamic deposits is 2.65% (2024: 2.83%) per annum and the average maturity period is 1 day (2024: 1 day).

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7 OTHER PAYABLES AND ACCRUED EXPENSES

	2025 RM	2024 RM
Accrued expenses:		
Management fee	2,035	2,340
Trustee's fee	2,274	2,248
Audit fee	16,200	4,500
Tax agent's fee	4,950	4,950
Other expenses	3,000	-
	<u>28,459</u>	<u>14,038</u>

8 NUMBER OF UNITS IN CIRCULATION

	2025 Units	2024 Units
At beginning of the period	2,630,809	2,095,986
Created during the period	-	502,658
Cancelled during the period	<u>(298,602)</u>	<u>-</u>
At end of the period	<u>2,332,207</u>	<u>2,598,644</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% (2024: 2.00%) per annum for the financial period.

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 0.06% (2024: 0.06%) per annum for the financial period.

11 INCOME TAX EXPENSE

There is no income tax expense for the period as profit income derived by the Fund is exempted income 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 2.44% (2024: 2.89%) for the financial period ended 30 September 2025. 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 period is RM1,156,976 (2024: RM1,304,330).

Portfolio Turnover Ratio (PTR)

The portfolio turnover ratio for the Fund is 0.67 times (2024: 0.79 times) for the financial period ended 30 September 2025. The portfolio turnover ratio is derived from the following calculation:

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

where: total acquisition for the financial period = RM782,923 (2024: RM1,011,943)
total disposal for the financial period = RM772,427 (2024: RM1,046,234)

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

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

	<----- 2025 ----->		<----- 2024 ----->	
	No. of units	RM	No. of units	RM
The Manager	-	-	2,000	1,104
(The above units are held legally and beneficially)				
	-	-	2,000	1,104

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.

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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 %
2025				
Public Investment Bank Bhd	1,078,056	69.34	4,035	63.15
Maybank Investment Bank Bhd	121,444	7.81	774	12.11
CLSA Securities Malaysia Sdn Bhd	80,946	5.21	368	5.76
CGS International Securities Malaysia Sdn Bhd	67,133	4.32	295	4.62
UOB Kay Hian Securities (M) Sdn Bhd	63,110	4.06	210	3.29
CIMB Securities Sdn Bhd	59,914	3.85	240	3.76
Kenanga Investment Bank Bhd	24,313	1.57	112	1.75
AMInvestment Bank Bhd	22,750	1.46	246	3.85
Hong Leong Investment Bank Bhd	21,886	1.41	110	1.71
KAF Investment Bank Bhd	15,120	0.97	-	-
	1,554,672	100.00	6,390	100.00
2024				
JPMorgan Securities (Malaysia) Sdn Bhd	853,354	41.50	3,055	41.16
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS- CIMB Securities Sdn Bhd)	420,564	20.45	1,534	20.67
Public Investment Bank Bhd	333,800	16.23	1,198	16.14
CIMB Securities Sdn Bhd	165,171	8.03	567	7.64
UOB Kay Hian Securities (M) Sdn Bhd	102,436	4.98	342	4.61
RHB Investment Bank Bhd	78,079	3.80	303	4.08
CLSA Securities Malaysia Sdn Bhd	60,788	2.96	283	3.81
Kenanga Investment Bank Bhd	42,105	2.05	140	1.89
	2,056,297	100.00	7,422	100.00

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.

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Categories of Financial Instruments

	2025 RM	2024 RM
Financial assets		
Carried at FVTPL:		
Investments	1,182,903	1,105,188
Amortised cost:		
Cash and cash equivalents	114,677	300,084
Amount due from stockbrokers	29,797	41,965
Dividend receivables	2,881	873
Financial liabilities		
Amortised cost:		
Amount due to stockbrokers	26,083	-
Other payables and accrued expenses	28,459	14,038

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 30 September 2025.

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:

	Quoted Shariah-compliant equity securities RM
2025	
Industry	
Construction	70,340
Consumer Products & Services	145,985
Energy	153,208
Health Care	117,290
Industrial Products & Services	230,521
Plantation	101,472
Property	105,403
Technology	160,434
Utilities	98,250
	<u>1,182,903</u>

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**Quoted
Shariah-compliant
equity securities
RM**

2024

Industry

Construction	262,763
Consumer Products & Services	144,339
Energy	73,394
Industrial Products & Services	163,050
Plantation	18,326
Property	213,341
Technology	136,872
Transportation & Logistics	46,903
Utilities	46,200
	<u>1,105,188</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 Shariah-compliant 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 the market variables such as profit rate and market prices.

During the financial period, as the Fund invests only in Malaysian 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 period-on-period.

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.

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Price risk sensitivity

The Manager's best estimate of the effect on the income for the period 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
2025		
Investments	+5/-5%	<u>59,145/(59,145)</u>
2024		
Investments	+5/-5%	<u>55,259/(55,259)</u>

Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. 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 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 end of the reporting period.

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.

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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
2025				
Financial assets at FVTPL				
Quoted Shariah-compliant equity securities	1,182,903	-	-	1,182,903
2024				
Financial assets at FVTPL				
Quoted Shariah-compliant equity securities	1,105,188	-	-	1,105,188

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



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