

Annual Report December 2024

For the Period Ended 31 December 2024

Areca Aggressive Alpha Fund

Management Company



200601021087(740840-D)

ANNUAL REPORT DECEMBER 2024

✦ ARECA AGGRESSIVE ALPHA 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
(Chief Executive Officer Non-Independent)
Edward Iskandar Toh Bin Abdullah
(Executive Non-Independent)

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 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

Deloitte Tax Services Sdn Bhd (36421-T)
Level 16, Menara LGB
1 Jalan Wan Kadir, Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel: 03-7610 8888, Fax: 03-7726 8986

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 No 5-1-8, 1st Floor
Lorong Api-Api 1
Api-Api Centre
88000 Kota Kinabalu, Sabah
Tel : 6088-276 757

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FUND INFORMATION

Name of the Fund	Areca Aggressive Alpha Fund
Fund Category/ Type	Equity/Growth
Objective of the Fund	The Fund aims to provide investors with high capital growth over Medium to Long Term.
Performance Benchmark	1-year Average Returns of the Funds under "Equity Malaysia Small & Mid-Cap" Non-Islamic category
Distribution Policy of the Fund	Incidental and subject to the availability of realised income.
Rebates & Soft Commissions	<p>The Manager will retain soft commissions received from brokers or dealers, provided that:</p> <ul style="list-style-type: none">(a) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;(b) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and(c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or fund manager shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions. <p>The soft commissions may be in the form of goods and services such as data and quotation services, computer software incidental to the management of the Fund and investment related publications. Cash rebates, if any, will be directed to the account of the Fund. During the period under review, the Manager had not received any soft commissions.</p>
Inception Date	23 April 2024
Financial Year End	31 December

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FUND PERFORMANCE

23.04.2024
(launch date)
to 31.12.2024

NET ASSET VALUE ("NAV")

Net Asset Value (RM million)	6.91
Units in circulation (million units)	7.15
NAV per unit (RM)	0.9668

HIGHEST & LOWEST NAV per unit

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

Highest NAV per unit (RM)	1.0940
Lowest NAV per unit (RM)	0.9001

ASSET ALLOCATION % OF NAV

Quoted equity securities

Construction	9.66
Consumer Product & Services	14.86
Energy	3.72
Health Care	6.08
Industrial Product & Services	43.76
Property	2.60
Technology	12.67
Transportation & Logistic	3.04

Liquid assets and other net current assets

3.61

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) (%)	1.18
<i>Please refer to Note 2 for further information</i>	
Portfolio turnover ratio (PTR) (times)	1.46
<i>Please refer to Note 3 for further information</i>	

TOTAL RETURN

*Please refer to **Note 4** for further information*

Total Return (%)	(3.32)
- Capital growth (%)	(3.32)
- Income distribution (%)	-

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ARECA AGGRESSIVE ALPHA FUND

FUND PERFORMANCE

23.04.2024
(launch date)
to 31.12.2024

Annual Total Return (%)	(4.77)*
Performance Benchmark (%): 1-year Average Returns of the Funds under "Equity Malaysia Small & Mid-Cap" Non-Islamic category	5.34*
<i>* Annualised for comparison purpose only</i>	

Total Return since launch (%)	(3.32)
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	1-yr	3-yrs	5-yrs
Average Total Return per annum (%)	N/A	N/A	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 total return and benchmark data are sourced from Lipper.

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

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

FUND REVIEW

During the period under review, the Fund registered a loss of 3.32% vs. its benchmark of 5.34%. The underperformance was mainly due to the Fund’s exposure to the technology sector, which didn’t perform compared with the construction and data centre play.

Investment Policy and Strategy

The Fund will primarily investing in Malaysia listed equity focusing on high potential capital gains, typically in those small and medium sized companies. The Fund will also invest in equity-related securities which include call warrants, preference shares and convertible instruments.

The Fund may invest in units or shares of other collective investment schemes which have similar objective. In addition, the Fund may also invest in money market instruments or Short Term Fixed Income Funds for the purpose of liquidity management or temporary defensive strategy.

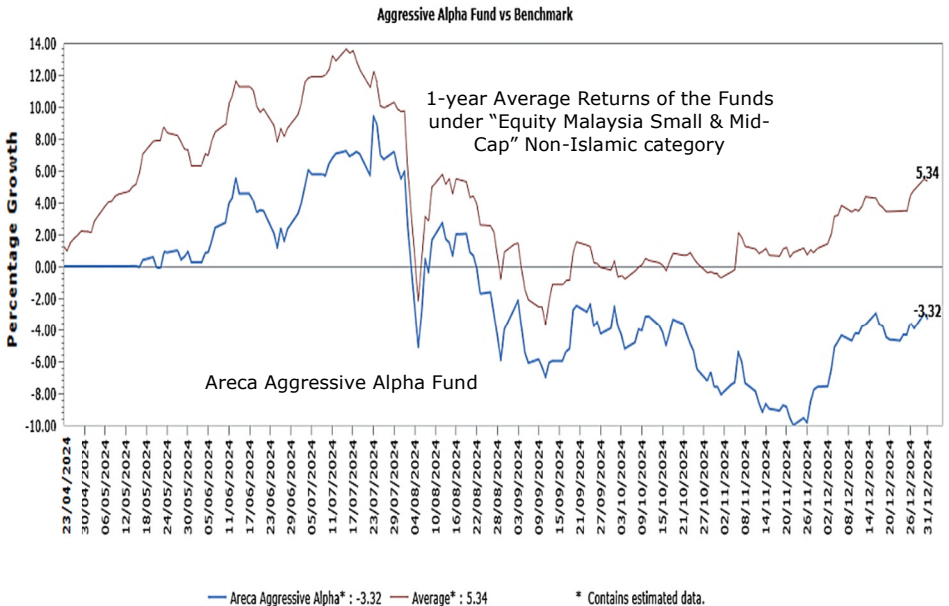
NAV per unit as at 31 December 2024

RM0.9668

Asset Allocation/Portfolio Composition

Quoted equity securities	2024 96.39%
Liquid assets and other net current assets	3.61%

**Performance of Areca Aggressive Alpha Fund
for the period since inception to 31 December 2024**



Source Lipper

MALAYSIAN EQUITY MARKET REVIEW

During the financial period under review, the FTSE Bursa Malaysia KLCI Index ("FBMKLCI") gained 12.90% to close at 1,642 points, while the FTSE Bursa Malaysia EMAS Index ("FBMEMAS") surged 16.30% to 12,586 points. The FTSE Bursa Malaysia Small Cap Index ("FBMSCAP") rose 9.90% to 17,964 points, underperforming the broad market.

Foreign investors were net sellers in six of the twelve months, bringing 12M 2024 foreign outflows to MYR4.2 billion (2023: -MYR2.3 billion). Domestic institutions were net buyers, with net inflows of MYR9.9 billion (2023: +MYR3.3 billion), while domestic retail investors were net sellers, offloading MYR5.7 billion (2023: -MYR1.0 billion).

Equities rallied on easing inflation, boosting expectations of United States ("U.S.") Federal Reserve ("Fed") policy loosening. This was further supported by optimism surrounding Malaysia's economic reforms, record-high approved investments, and robust corporate earnings. Notably, foreign inflows favoured the construction, property, and utilities sectors, driven by increased construction activities and data centre developments in Johor. The financial industry also outperformed, benefiting from foreign buying amid a stronger Ringgit.

A brief market dip occurred late in the period due to weaker U.S. jobs data and disappointing tech earnings, but markets subsequently rebounded on renewed confidence in a soft landing in the U.S. economy. By the end of the period, investors shifted their focus to Donald Trump's decisive victory in the U.S. presidential election. However, the rally was short-lived as foreign investors accelerated selling due to a weaker Ringgit and lack of a major market catalyst. Towards year-end, the FBMKLCI rebounded strongly, supported by window-dressing activities.

Key events include Malaysia approving RM254.7 billion of investments for 9M 2024, marking a steady 10.70% increase from the previous year. Notable agreements included Infineon's commitment of RM30 billion to expand its Kulim facility and Microsoft's RM10 billion commitment over the next four years to support Malaysia's digital transformation. The national Budget 2025, totalling MYR421 billion (20.00% of Gross Domestic Product), proposed subsidy cuts, reduced fiscal deficit, increased minimum wage from RM1,500 to RM1,700, and a new 2.00% tax on dividend income over RM100,000. Tenaga has also set the base electricity tariff for Peninsular Malaysia at 45.62 sen/kWh for RP4, representing a 14.00% increase from RP3. Furthermore, Malaysia was named a BRICS partner.

In terms of commodities, Brent crude oil prices gained 3.10% to \$74.60/barrel amid supply glut and demand fears. Conversely, crude palm oil ("CPO") prices surged by 32.70% to RM4,861/tonne attributable to supply tightness. Moreover, the Dollar index gained 7.10% to 108.5 for the period while the Ringgit appreciated 2.70% against the United States Dollar ("USD"), reaching 4.47.

Sector-wise, construction (+61.00%), utilities (+38.00%), and properties (+32.00%) led gains, while telecommunications (-4.00%), consumer (-1.00%), and energy (+1.00%) lagged. Top FBMKLCI gainers included Sunway (+133.00%), Gamuda (+107.00%), and YTL Power (+74.00%), while laggards were Petronas Chemicals (-28.00%), Nestle Malaysia (-15.00%), and PPB Group (-14.00%).

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MALAYSIAN EQUITY MARKET OUTLOOK AND STRATEGY

Moving into 2025, we expect developed economies to continue interest rate cuts but at a more gradual pace. Trump's pro-growth policies are seen to be more inflationary in nature which could result in shallower rate cuts than market expectations. Potential tariffs on China and the rest of the world could also disrupt global trade growth. We anticipate USD strength and America exceptionalism to be key headwinds for Emerging Markets to perform.

Malaysia's economy is expected to grow 4.00% in 2024, before expanding to 4.50%-5.50% in 2025, according to Bank Negara Malaysia. Growth is expected to be supported by various strategic investments in the country in addition to resilient private consumption growth. Petrol subsidy rationalisation by the Government and higher cost of living are key factors to monitor, in addition to external policies introduced under Trump's administration.

Overall, we continue to expect better performance for the local bourse due to continued corporate earnings growth in 2025, undemanding valuation and better domestic liquidity. We believe that 2025 will be the year where the local technology players to see follow-through benefit from the global semiconductor growth.

In terms of portfolio strategy, we continue to be positioned in technology and small and mid-cap space.

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.

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TRUSTEE'S REPORT

To the Unitholders of Areca Aggressive Alpha Fund ("Fund")

We have acted as Trustee of the Fund for the financial period from 23 April 2024 (launch date) to 31 December 2024 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
21 February 2025

STATEMENT BY MANAGER

To the Unitholders of Areca Aggressive Alpha Fund

We, **WONG TECK MENG** and **EDWARD ISKANDAR TOH BIN ABDULLAH**, 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 for the financial period from 23 April 2024 (launch date) to 31 December 2024 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

EDWARD ISKANDAR TOH BIN ABDULLAH
CIO/EXECUTIVE DIRECTOR

Kuala Lumpur
21 February 2025

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF ARECA AGGRESSIVE ALPHA FUND**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **ARECA AGGRESSIVE ALPHA FUND** ("the Fund"), which comprise the statement of financial position as at 31 December 2024, 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 financial period from 23 April 2024 (launch date) to 31 December 2024, and notes to the financial statements, including material accounting policy information, as set out on pages 13 to 30.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and cash flows for the financial period from 23 April 2024 (launch date) to 31 December 2024 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"), 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 Manager's report, but does not include the financial statements of the Fund and our auditors' report thereon.

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

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

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

Responsibilities of the Manager and Trustee for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matter

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

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

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

21 February 2025

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STATEMENT OF FINANCIAL POSITION

As At 31 December 2024

	Note	2024 RM
Assets		
Investments	5	6,663,438
Cash and cash equivalents	6	<u>278,955</u>
Total Assets		<u><u>6,942,393</u></u>
 Unitholders' Fund And Liabilities		
Liabilities		
Other payables and accrued expenses	7	<u>29,552</u>
Total Liabilities		<u><u>29,552</u></u>
 Unitholders' Fund		
Unitholders' capital		7,255,232
Accumulated losses		<u>(342,391)</u>
Net Asset Value Attributable To Unitholders		<u><u>6,912,841</u></u>
 Total Unitholders' Fund And Liabilities		<u><u><u>6,942,393</u></u></u>
 Number Of Units In Circulation	8	<u><u>7,149,877</u></u>
Net Asset Value Per Unit (RM)		<u><u><u>0.9668</u></u></u>

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

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Period From 23 April 2024 (Launch Date) To 31 December 2024

	Note	Financial period from 23.04.2024 (launch date) to 31.12.2024 RM
Investments Loss		
Dividend income		45,044
Interest income		10,374
Net loss on investments at fair value through profit or loss ("FVTPL")	5	<u>(283,192)</u>
Total Investments Loss		<u>(227,774)</u>
Expenditure		
Management fee	9	36,009
Trustee's fee	10	12,000
Audit fee		10,000
Tax agent's fee		3,600
Transaction costs		52,743
Other expenses		<u>265</u>
Total Expenditure		<u>114,617</u>
Net Loss Before Tax		(342,391)
Income Tax Expense	11	<u>-</u>
Net Loss After Tax And Total Comprehensive Loss For The Financial Period		<u><u>(342,391)</u></u>
Net Loss After Tax Is Made Up Of:		
Realised gain		217,247
Unrealised loss		<u>(559,638)</u>
		<u><u>(342,391)</u></u>

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

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STATEMENT OF CHANGES IN NET ASSET VALUE

For The Financial Period From 23 April 2024 (Launch Date) To 31 December 2024

	Unitholders’ capital RM	Accumulated losses RM	Total net asset value RM
Balance as at 23 April 2024 (launch date)	-	-	-
Amounts received from units created	7,801,778	-	7,801,778
Amounts paid for units cancelled	(546,546)	-	(546,546)
Total comprehensive loss for the financial period	-	(342,391)	(342,391)
Balance as at 31 December 2024	<u>7,255,232</u>	<u>(342,391)</u>	<u>6,912,841</u>

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

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STATEMENT OF CASH FLOWS

For The Financial Period From 23 April 2024 (Launch Date) To 31 December 2024

	Note	Financial period from 23.04.2024 (launch date) to 31.12.2024 RM
Cash Flows From Operating Activities		
Proceeds from disposal of investments		4,160,636
Purchase of investments		(11,107,266)
Dividend income received		45,044
Interest received		10,374
Management fee paid		(30,242)
Trustee's fee paid		(1,815)
Transaction costs paid		(52,743)
Payment for other fees and expenses		(265)
Net Cash Used In Operating Activities		<u>(6,976,277)</u>
Cash Flows From Financing Activities		
Cash proceeds from units created		7,801,778
Payment for cancellation of units		(546,546)
Net Cash Generated From Financing Activities		<u>7,255,232</u>
Net Increase In Cash And Cash Equivalents		278,955
Cash And Cash Equivalents At Launch Date		<u>-</u>
Cash And Cash Equivalents At The End Of Period		<u><u>278,955</u></u>
Cash And Cash Equivalents Comprise:		
Cash at bank	6	8,483
Short-term deposits	6	270,472
		<u><u>278,955</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Areca Aggressive Alpha Fund ("the Fund") was established pursuant to the Trust Deed dated 23 May 2023 ("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 equities and equity-related securities, deposit with financial institutions, liquid assets, collective investment schemes and any other form of investment as may be agreed upon by the Manager and the Trustee from time to time. The Fund was launched on 23 April 2024 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 high capital growth over medium to long term. 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 21 February 2025.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Adoption of New Revised Standards

On 23 April 2024 (launch date), the Fund has adopted all the new and revised standards that are relevant to its operations and effective from the launch date.

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

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

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**Effective for annual
periods beginning
on or after**

MFRS 18 *Presentation and Disclosure in Financial Statements*
Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial
Instruments: Disclosures*

1 January 2027

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 Amendments will have no material impact on the financial statements of the Fund in the period of initial application.

3 MATERIAL ACCOUNTING POLICIES

Basis of Accounting

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

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

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

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

The principal accounting policies adopted are set out below.

Income Recognition

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

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

Realised gain and loss on disposal of investments is arrived at based on net sales proceeds less carrying value. Any unrealised gain and loss previously charged to profit or loss in relation to the disposal of this investment will be reversed and classified as realised gain or loss during the financial 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, interest income derived by the Fund is exempt from tax, and pursuant to Paragraph 61(1)(b) of the Income Tax Act 1967, gains from realisation of investments are not treated as income and is also exempt from tax.

Functional and Presentation Currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("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 period 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.

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 transfer nor retain 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 continue to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Equity Instruments

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

Financial Liabilities

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

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

Financial Liabilities Measured Subsequently at Amortised Cost

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

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

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

Investments

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

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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 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.

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 year.

5 INVESTMENTS

	2024
	RM
Financial assets at FVTPL:	
Quoted equity securities	6,663,438
	<u>6,663,438</u>

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**Financial period
from 23.04.2024
(launch date)
to 31.12.2024
RM**

Net loss on investments at FVTPL comprise:

Realised gain on disposals	276,446
Unrealised loss on changes in fair values	(559,638)
	(283,192)

Financial assets at fair value through profit or loss as at 31 December 2024 are as follows:

	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED EQUITY SECURITIES				
ACE Market				
Construction				
Southern Score Builders Bhd	400,000	221,030	240,000	3.47
UUE Holdings Bhd	300,000	191,760	259,500	3.75
		412,790	499,500	7.22
Consumer Products & Services				
Carlo Rino Group Bhd	500,000	113,050	100,000	1.45
OB Holdings Bhd	1,500,000	360,000	315,000	4.56
Sorento Capital Bhd	300,000	140,640	138,000	1.99
		613,690	553,000	8.00
Industrial Products & Services				
BWYS Group Bhd	1,000,000	268,760	225,000	3.25
EPB Group Bhd	560,000	330,400	308,000	4.46
Northeast Group Bhd	300,000	209,760	180,000	2.60
Powerwell Holdings Bhd	600,000	246,780	273,000	3.95
Volcano Bhd	610,000	485,006	497,150	7.19
Wentel Engineering Holdings Bhd	500,000	168,500	145,000	2.10
		1,709,206	1,628,150	23.55
Technology				
TT Vision Holdings Bhd	300,000	269,704	240,000	3.47
		269,704	240,000	3.47
Main Market				
Construction				
Fajarbaru Builder Group Bhd	450,000	223,260	168,750	2.44
		223,260	168,750	2.44
Consumer Products & Services				
Guan Chong Bhd	120,000	464,815	474,000	6.86
		464,815	474,000	6.86

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	No. of Shares Units	Aggregate Cost RM	Fair Value RM	Fair Value as a % of Net Asset Value %
QUOTED EQUITY SECURITIES				
Energy				
Dialog Group Bhd	100,000	247,219	185,000	2.67
Uzma Bhd	94,200	116,403	72,534	1.05
		<u>363,622</u>	<u>257,534</u>	<u>3.72</u>
Health Care				
Pharmaniaga Bhd	800,000	353,760	284,000	4.11
Supercomnet Technologies Bhd	100,000	152,000	136,000	1.97
		<u>505,760</u>	<u>420,000</u>	<u>6.08</u>
Industrial Products & Services				
ATA IMS Bhd	400,000	193,120	118,000	1.71
Feytech Holdings Bhd	300,000	258,000	235,500	3.41
P.A. Resources Bhd	1,000,000	325,000	270,000	3.91
RGT Bhd	30,000	17,298	17,550	0.25
Seng Fong Holdings Bhd	200,000	214,200	196,000	2.83
SKB Shutters Corporation Bhd	200,000	179,810	186,000	2.69
TMK Chemical Bhd	200,000	350,000	374,000	5.41
		<u>1,537,428</u>	<u>1,397,050</u>	<u>20.21</u>
Property				
SEAL Incorporated Bhd	270,000	211,610	179,550	2.60
		<u>211,610</u>	<u>179,550</u>	<u>2.60</u>
Technology				
Greatech Technology Bhd	48,400	118,113	111,804	1.62
JCY International Bhd	500,000	311,320	282,500	4.09
Unisem (M) Bhd	80,000	268,348	241,600	3.49
		<u>697,781</u>	<u>635,904</u>	<u>9.20</u>
Transportation & Logistics				
E.A. Technique (M) Bhd	700,000	213,410	210,000	3.04
		<u>213,410</u>	<u>210,000</u>	<u>3.04</u>
Total investments		<u>7,223,076</u>	<u>6,663,438</u>	<u>96.39</u>
Unrealised loss on investments			<u>(559,638)</u>	

6 CASH AND CASH EQUIVALENTS

	2024 RM
Cash at bank	8,483
Short-term deposits	270,472
	<u>278,955</u>

Short-term deposits represent deposits placed with a local licensed financial institution.

The effective interest rate for short-term deposits is 2.90% per annum and the remaining maturity period is 2 days.

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7 OTHER PAYABLES AND ACCRUED EXPENSES

	2024 RM
Accrued expenses:	
Management fee	5,767
Trustee's fee	10,185
Audit fee	10,000
Tax agent's fee	3,600
	<u>29,552</u>

8 NUMBER OF UNITS IN CIRCULATION

	2024 Units
At launch date	-
Created during the period	7,746,526
Cancelled during the period	<u>(596,649)</u>
At end of the period	<u>7,149,877</u>

9 MANAGEMENT FEE

The Schedule 8 of the Deed provides that the Manager is entitled to an annual management fee up to 1.00% per annum computed daily on the net asset value of the Fund before the deduction of the management fee and Trustee's fee for the relevant day.

The management fee provided in the financial statements is 1.00% per annum for the period from 14 May 2024 to 31 December 2024. There was no management fee provided in the financial statements for the period from 23 April 2024 (launch date) to 13 May 2024.

10 TRUSTEE'S FEE

The Schedule 9 of the Deed provides that the Trustee is entitled to an annual Trustee's fee up to 0.06% per annum computed daily on the net asset value of the Fund before the deduction of the management fee and Trustee's fee for the relevant day, subject to a minimum fee of RM12,000 per annum.

The Trustee's fee provided in the financial statements with a minimum fee of RM12,000 per annum for the financial period.

11 INCOME TAX EXPENSE

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

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12 TOTAL EXPENSE RATIO AND PORTFOLIO TURNOVER RATIO

Total Expense Ratio (TER)

Total expense ratio for the Fund is 1.18% for the financial period from 23 April 2024 (launch date) to 31 December 2024. 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 RM5,223,457.

Portfolio Turnover Ratio (PTR)

The portfolio turnover ratio for the Fund is 1.46 times for the financial period from 23 April 2024 (launch date) to 31 December 2024. 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 = RM11,107,266
total disposal for the financial period = RM4,160,636

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

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

	←-----2024-----→	
	No. of units	RM
The Manager	1,000	967
Directors of the Manager	124,416	120,286
(The above units are held legally and beneficially)		
	125,416	121,253

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 %
2024				
Affin Hwang Investment Bank Bhd	4,472,627	29.30	14,777	28.02
Kenanga Investment Bank Bhd	3,157,652	20.68	9,207	17.46
Maybank Investment Bank Bhd	2,051,850	13.44	8,975	17.02
Public Investment Bank Bhd	1,365,523	8.94	4,520	8.57
UOB Kay Hian Securities (M) Sdn Bhd	1,023,054	6.70	3,378	6.40
CIMB Securities Sdn Bhd	931,699	6.10	6,540	12.40
RHB Investment Bank Bhd	919,093	6.02	3,036	5.75
CGS International Securities Malaysia Sdn Bhd	698,168	4.57	2,310	4.38
Alliance Islamic Bank Bhd	360,000	2.36	-	-
Malacca Securities Sdn Bhd	156,800	1.03	-	-
Others	131,436	0.86	-	-
	<u>15,267,902</u>	<u>100.00</u>	<u>52,743</u>	<u>100.00</u>

15 RISK MANAGEMENT POLICIES

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Categories of Financial Instruments

	2024 RM
Financial assets	
Carried at FVTPL:	
Investments	<u>6,663,438</u>
Amortised cost:	
Cash and cash equivalents	<u>278,955</u>
Financial liabilities	
Amortised cost:	
Other payables and accrued expenses	<u>29,552</u>

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Credit risk management

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

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

The Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at 31 December 2024.

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:

2024	Short-term deposits	Quoted equity securities
Industry	RM	RM
Construction	-	668,250
Consumer Product & Services	-	1,027,000
Energy	-	257,534
Financial Services	270,472	-
Health Care	-	420,000
Industrial Product & Services	-	3,025,200
Property	-	179,550
Technology	-	875,904
Transportation & Logistics	-	210,000
	<u>270,472</u>	<u>6,663,438</u>

Liquidity risk management

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

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

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Market risk management

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

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

Interest rate risk management

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

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

Price risk management

Price risk is the risk of unfavourable changes in the value of quoted equity securities as the result of changes in the levels of the equity indices. The price risk exposure arises from the Fund's investments in quoted 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 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
2024		
Investments	+5/-5%	<u>333,172/(333,172)</u>

Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and 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 investment activities of the Fund.

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16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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
2024				
Financial assets at FVTPL				
Quoted equity securities	6,663,438	-	-	6,663,438

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

17 COMPARATIVE FIGURES

There are no comparative figures as this is the Fund's first set of financial statements.



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