

KAF DANA AL-IDDHIKHAR (KDAI)
AUGUST 2026

The fund aims to seek to provide a regular stream of income by investing primarily in Islamic money market instruments and other fixed income securities, which comply with Shariah requirements.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Conservative in nature in terms of Shariah-compliant investment;
- Prefer a consistent, reasonable and stable level of return on Shariah-compliant investment;
- Prefer a lower level of investment risk; and
- Have a short-term investment horizon.

MANAGER'S COMMENTS

Malaysia's exports rose by 45.4% while imports increased by 43.9% Year-on-Year (YoY) in June 2026 (June). The trade surplus reduced to Malaysian Ringgit (MYR) 14.9 billion (bn) in June; down from MYR40.4bn in the previous month. Malaysia's Consumer Price Index (CPI) was lower at 1.9% YoY in June compared to 2.00% in May 2026 (May). Malaysian foreign reserves increased in July 2026 (July) to United States Dollar (USD) 131.8bn from USD130.5bn in June. Meanwhile, Malaysia's Purchasing Managers' Index (PMI) was flat at 50.7 in July compared to 50.7 in the previous month. US Treasury yields were higher in July with the Treasury 2-year, 5-year and 10-year benchmark yield closing the month at 4.29%, 4.45% and 4.73% respectively compared to 4.17%, 4.23% and 4.47% in June. Malaysian Government Securities (MGS) 3-year, 5-year yield and 10-year yield were higher, ending at 3.30%, 3.49% and 3.70% in July compared to 3.26%, 3.40% and 3.60% in the previous month.

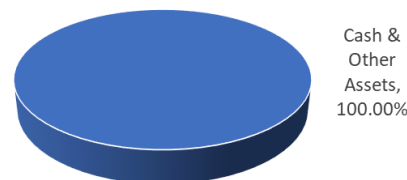
July was looking like another quiet month for global bond markets until tensions in the Middle East flared up again and sent crude oil prices flying. The threat of an expanding prolonged war, supply chain disruptions, rising inflation and higher interest rates came roaring back to the forefront causing investors to scramble to exit their bond positions. Although the US Federal Reserve (the Fed) committee held rates unchanged during the Federal Open Market Committee (FOMC) meeting in July, the selloff was aggravated by Fed Chairman Kevin Warsh's hawkish stance to fight stubborn US inflation. Most market participants are pricing in a 25 basis point (bp) hike in September which will bring the Fed Funds Rate up to the 4.00%. Back in Malaysia, local bonds were also sold off in tandem with global peers with the 10-year Malaysian Government Securities (MGS) spiking up 10 basis points to breach the 3.70% level by the end of July. While Malaysia has been viewed by foreign investors as more resilient than its regional peers due to the local oil & gas industry, the recent political uncertainty has dampened investor confidence. Furthermore, local inflation appeared to be under control after Year-on-Year (YoY) CPI fell slightly to 1.90% until compared to with the Producer Price Index (PPI) which further accelerated to an alarming 9.2% YoY suggesting that rising inflation is likely brewing below the surface. Bank Negara Malaysia left the Overnight Policy Rate (OPR) unchanged at 2.75% during the July Monetary Policy Committee (MPC) but the soft investor sentiment was reflected in the 3 government auctions for the month namely the 10-year MGS 07/2035, 3-year Government Investment Issue (GII) 10/2029 and 15-year MGS 01/2041 which minted Bid-to-Cover (BTC) ratios of 1.867x, 2.26x and 2.05x respectively. Despite the risks of a prolonged conflict in the Middle East and potential rate hikes, bond yields have risen to attractive levels. Hence, we look for opportunities to buy quality assets while keeping an eye on potential inflationary risks. For now, we maintain our conservative stance of medium portfolio duration and an emphasis on high credit quality.

INVESTMENT STRATEGY

The fund seeks to achieve its objective by investing primarily in Islamic money market instruments and other Sukuk. The Manager will decide which instrument or security to buy based primarily on their yield, relative to their credit quality and the period to maturity. The fund will at all times place/invest its cash in Islamic money market deposits/instruments and Sukuk (listed or unlisted), which are rated by RAM, MARC or other approved rating agencies.

FUND DETAILS AS AT 31 JULY 2026

Manager	KAF Investment Funds Bhd.
Trustee	CIMB Islamic Trustee Bhd.
Fund Category	Islamic Money Market Fund.
Fund Type	Income Fund.
Launch Date	6 October 2005
Unit net asset value (NAV)	RM0.5358
Fund size	RM2,566mil
Units in Circulation	4,789mil
Financial Year End	30 September.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	Malayan Banking Berhad ("Maybank") one (1) month General Investment Account ("GIA") rate.
Sales Charge	None.
Repurchase Charge	None.
Annual management fee	0.375% per annum of NAV.
Annual trustee fee	0.025% of NAV per annum subject to a minimum trustee fee of RM 12,000.
Redemption payment period	Within 7 days after receipt of the request to repurchase.
Distribution policy	Income, if any, will be distributed on a monthly basis. All such distribution will be reinvested into the fund.

SECTOR ALLOCATION* AS AT 31 JULY 2026


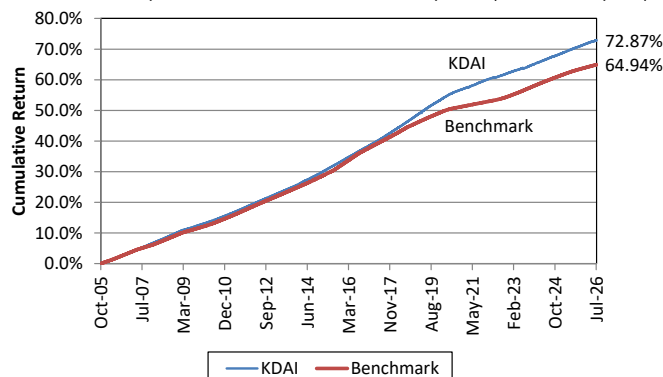
*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.
Source: KAF Investment Funds Berhad.

Distribution History

Month (2026)	Distribution (sen)
January	0.01
February	0.01
March	0.01
April	0.01
May	0.01
June	0.01
July	0.01

FUND PERFORMANCE ANALYSIS AS AT 31 JULY 2026

Net Asset Value prices. Cumulative return over the period (% since inception)



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
KDAI	0.13	0.34	0.75	1.63	5.49	8.83
Benchmark	0.11	0.31	0.63	1.31	5.22	8.35

Source: Novagani Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 JULY 2026

Cash & other assets 100.00%

*as percentage of Net Asset Value.

Disclaimer:

Based on the Malaysian Fund Volatility Report issued by Refinitiv Lipper dated 11 August 2026, the Volatility Factor (VF) for this fund is 0.08 and is classified as "Very Low". "Very Low" includes funds with VF that are between 0 to 4.635. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Replacement Master Prospectus dated 30 September 2023 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, investors should be highlighted of the fact that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 03-9767 6000 for a copy of the PHS and the Master Prospectus or collect one from any of our authorised distributors. The Manager wishes to highlight the specific risks of the fund are interest rate risk and credit/default risk. These risks and other general risks are elaborated in the Master Prospectus.