



**KAF DANA ALIF**

**SEMI-ANNUAL REPORT**

**31 MARCH 2026**

# MANAGER'S REPORT

We are pleased to present the Manager's semi-annual report for the financial period ended 31 March 2026 ("the period").

## 1. Launch Date

KAF Investment Funds Berhad was appointed as the Manager of the Fund w.e.f. 1 October 2007 (new inception date), as a result of the rationalisation exercise between KAF Investment Funds Berhad and KLCity Unit Trust Berhad ("KLCUT"). KLCUT was previously the Manager of the Fund from its inception on 26 February 2003.

The Securities Commission ("SC") via their letter dated 13 August 2007 and 20 August 2007 approved the appointment of KAF Investment Funds Berhad ("KIFB") as the Manager of the Fund and the change of fund name from KL City Dana Iimbang to KAF Dana Alif ("KDL/the Fund"). The Fund will continue its operations until terminated according to the Supplemental Deed dated 28 September 2007, Second Supplemental Deed dated 9 January 2014, Third Supplemental Deed dated 12 March 2015, Fourth Supplemental Deed dated 20 August 2018 and Fifth Supplemental Deed dated 9 January 2023.

## 2. Type of Fund

Islamic Income and Growth Fund.

## 3. Category of Fund

Islamic Balanced Fund.

## 4. Fund's Objective, Benchmark and Distribution Policy

KDL is an Islamic balanced fund which aims to provide unit holders with a steady and consistent dividend income over the medium to long-term investment period. It is intended that returns will be further enhanced through capital appreciation of Shariah-compliant investments.

The benchmark used for the Fund is 60% FTSE Bursa Malaysia EMAS Shariah Index ("FBMS Index") and 40% Malayan Banking Bhd (Maybank) 1-month General Investment Account ("GIA") rate.

Distribution of income, if any is subject to the availability of income and/or realised gains and will be declared on yearly basis.

## MANAGER'S REPORT

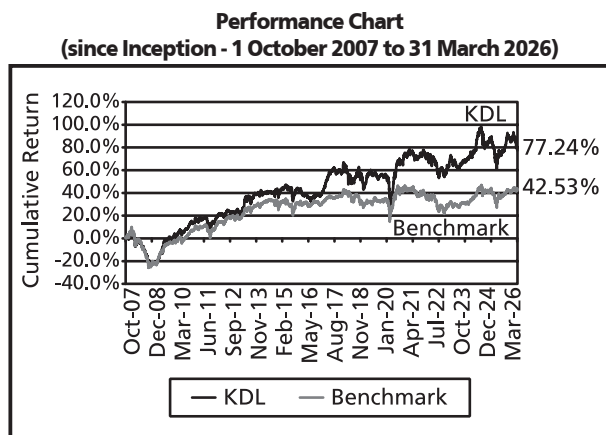
### 5. Review of Fund Operations and Performance

For the financial period under review, the Fund based on its Net Asset Value (“NAV”) per unit, recorded a negative return 5.19% and underperforming the benchmark which recorded a return of 0.81% due to heightened market volatility stemming from geopolitical tensions in the Middle East.

The Fund maintained a high Shariah-compliant equity exposure for most of the period with Shariah-compliant stock selection made up of a combination of undervalued large and mid-cap Shariah-compliant stocks and a selection of small-cap Shariah-compliant stocks.

Since the appointment of KIFB as the management company, based on its NAV, KDL recorded a return of 77.24%. This is higher than its benchmark, comprising a composite of 60% FTSE Bursa Malaysia EMAS Shariah Index and 40% 1-month Maybank General Investment Account, which rose by 42.53%. As such, the Fund outperformed its benchmark by 34.71 percentage points.

No cross-trade transaction carried out during the reported period ended 31 March 2026. The Fund has not undertaken any securities lending or repurchase transaction for the reported period.



Source: Novagni Analytics and Advisory Sdn Bhd, an independent source.

## MANAGER'S REPORT

### Fund performance as ranked by Lipper Asia Limited

Period	KDL		Average of Industry's Islamic Mixed Asset Balanced Funds
	% Change	Rank	% Change
<b>3 months</b> 26/12/2025 – 27/03/2026	(4.50)	23/25	(1.52)
<b>6 months</b> 26/09/2025 – 27/03/2026	(4.47)	18/25	(1.52)
<b>1 year</b> 27/03/2025 – 27/03/2026	3.32	20/25	5.77
<b>3 years</b> 27/03/2023 – 27/03/2026	8.86	21/24	18.91
<b>5 years</b> 26/03/2021 – 27/03/2026	2.22	16/22	13.78

Source: The Edge, 6 April 2026 issue, Edge-Lipper Fund Performance Table, an independent source.

KDL invests in a combination of growth and high dividend paying companies with the aim of achieving capital growth and steady income. During the period under review, the Fund realised a total net gain of RM0.41 million arising from gain on disposal of Shariah-compliant stocks, gross dividends income and profit of sukuk and Islamic liquid assets. As at end of period, total unrealised loss stood at RM0.13 million. The NAV of KDL decreased from RM17.35 million on 30 September 2025 to RM15.48 million as at 31 March 2026. The NAV per unit of the Fund as at 31 March 2026 decreased to RM0.6304 compared to RM0.6649 as at 30 September 2025. This performance was largely attributed to the Fund's positioning in high-growth stocks, which faced headwinds from heightened market volatility as geopolitical tensions escalated in the Middle East.

**Past performance is not necessarily indicative of future performance.**

## MANAGER'S REPORT

Returns	Local Market (RM'000)
<b>Realised Gain</b>	
Shariah-compliant equities	172
Dividend earned	197
Profit income	43
Net amortization of premium	(3)
Management fee rebate on Islamic collective investment schemes	6
<b>Unrealised Loss</b>	
Shariah-compliant equities	(455)
Islamic collective investment schemes	243
Unquoted sukuk	78

### 6. Asset Allocation and Investment Strategies Employed

Allocation to Shariah-compliant equities remained at moderate level as the Fund Manager adopted the strategy to position the funds amid higher uncertainty and volatility in the market. The Fund continued to increase dividend yielding Shariah-compliant stocks which provided stable income while tactically invested some portion in growth Shariah-compliant stocks which provided additional alpha.

Other than the investment strategy stated in the Replacement Master Prospectus dated 30 September 2023, the designated Fund Manager has not employed any other investment strategy.

There were no significant changes in the Fund's state of affairs during the period

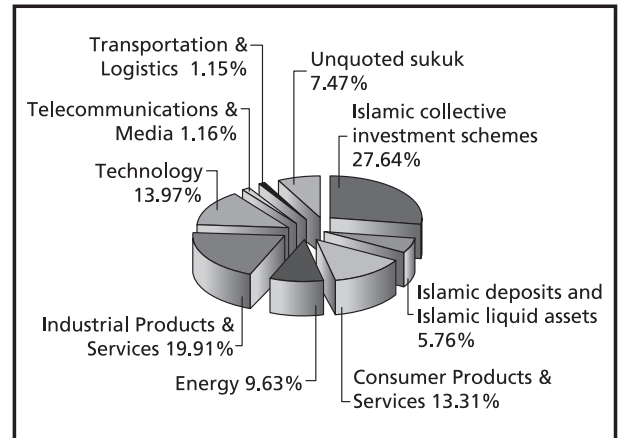
There were no circumstances which could materially affect any interest of the unit holders.

## MANAGER'S REPORT

### Asset Allocation

Asset class	Percentage of NAV as at		Changes in Exposure over period (%)
	30/09/2025 (%)	31/03/2026 (%)	
Shariah-compliant equity securities and Islamic derivative instruments	57.02	59.13	2.11
Islamic collective investment schemes	26.02	27.64	1.62
Unquoted sukuk	6.76	7.47	0.71
Islamic deposits and Islamic liquid assets	10.20	5.76	(4.44)

### Portfolio of Shariah-compliant Equity and Other Assets as at 31 March 2026



**7. Market Review**

During the review period, the MSCI Asia Pacific, MSCI ASEAN indices had appreciated by 2.67% and 0.46%, respectively, compared with MSCI World's dropped by 1.12%. MSCI World Small Cap, MSCI Asia Pacific Small Cap and MSCI ASEAN Small Cap had gained 3.55%, 0.91% and 0.27% during the period review. S&P 500, Dow Jones Industrial Index and NASDAQ indices decreased by 2.39%, 0.12% and 3.81% during the review period. The FBM-KLCI and FBM Syariah registered gains of 4.87% and 0.84%, respectively, while FBM Small Cap dropped by 12.05% in the same period.

March was a volatile month for global fixed-income as market participants re-evaluated the timing of the US Federal Reserve ("the Fed") rate cuts throughout the year. The consensus for the Fed rate cuts has shifted toward a cautious stance, with many expecting fewer or no rate cuts in 2026 due to sticky inflation and a resilient, yet cooling, labor market. While official forecasts previously suggested multiple cuts, officials and market participants are now weighing risks from potential energy shocks and geopolitical conflict, with many projecting rates to remain around the 3.5%–3.75% range for longer. Similar to the US Treasury yields movements, Malaysia Government Securities' ("MGS") yields had traded within a narrow range for the month. Despite that, with low local inflation and the economy in overall decent health, market participants are not expecting any change to the Overnight Policy Rate ("OPR") for now.

The MGS benchmark 3-year, 5-year and 10-year yields closed at 3.29%, 3.46% and 3.65% from 3.10%, 3.22% and 3.45%, respectively, in the previous period. US Treasury benchmark 2-year, 5-year and 10-year yields increased to 3.83%, 4.0% and 4.35% from 3.61%, 3.74%, and 4.15% during the review period. The Malaysian Ringgit rallied strongly against the US Dollar during this period, closing at RM4.03 from RM4.21 previously.

Malaysia's Gross Domestic Product ("GDP") grew by a robust 6.3% Year-on-Year ("YoY") in the fourth quarter of 2025, an acceleration from the 5.2% recorded in the previous quarter. Private consumption rose 5.3%, supported by favorable labor market conditions and the government's continued social assistance programs such as Sumbangan Tunai Rahmah ("STR"). Exports grew by 6.3% in 4Q25, accelerating from the previous quarter's 1.4% expansion in 3Q25, reinforcing Malaysia's external position despite firmer

import growth. On the supply side, growth remained broad-based, with agriculture emerging as the key outperformer, expanding to 5.1% in 4Q25 vs 3Q25 of 0.4% on improved oil palm output, while other major sectors continued to grow at a steady pace.

**8. Market Outlook & Strategy**

Global financial markets experienced heightened volatility in 2025, driven by policy uncertainty, geopolitical tensions, and uncertainty surrounding the direction of the new US administration. While sweeping fiscal and regulatory changes have been proposed, implementation has been constrained by political and logistical challenges. However, reciprocal tariffs increasingly appear to be a structural feature of US economic policy rather than a temporary negotiating tool. Despite these developments, global trade volumes have remained resilient, driven by evolving supply chains and increased bilateral trade agreements between countries seeking to offset the impact of tariffs. Rather than contracting, trade flows are gradually being redirected toward non-tariff jurisdictions, reflecting the continued strength of global demand and the reconfiguration of global supply chains.

The US Supreme Court ruled that President Trump's tariffs were illegal, ironically further introducing uncertainty into the future landscape of global trade. Although the ruling was very much welcomed by markets, its impact on the economy for now is quite limited, as the President immediately imposed a global tariff rate of 15%. Other than that, the administration officials had already planned alternative legal pathways to impose tariffs, in one form or another.

Against this backdrop, our investment strategy remains focused on identifying high-quality companies trading at attractive valuations. Periods of heightened volatility often lead to sentiment-driven market dislocations, creating opportunities to buy fundamentally strong businesses trading below their intrinsic value. Companies benefiting from trade diversion arising from US–China tensions are likely to remain well-positioned in the current environment. Some parts of the Artificial Intelligence ("AI") supply chain remain in a chronic supply crunch, especially in high-performance computing ("HPC") components such as High Bandwidth Memory ("HBM") and optical components. Looking ahead to 2026, global market momentum remains constructive,

## MANAGER'S REPORT

supported by expectations of a gradually easing interest rate environment. Continued efforts to strengthen supply chain resilience and economic self-sufficiency are also expected to drive further investment from both governments and the private sector.

### 9. Changes made to the Fund's prospectus

There were no changes made to the Fund's prospectus during the reported period.

### 10. Soft Commission

The Manager had received a soft commission (in the form of goods and services) during the period under review, which intended to bring direct benefit or advantage to the management of KDL from one broker/dealer by virtue of transactions conducted for KDL. The broker/dealer had also executed trades for other funds or investments managed by the Manager.

The soft commission received is in the form of research services that can add value to the investment process by analysing data to extract insights and arrive at meaningful conclusions. Such data assists the Manager in the investment decision-making process which is of demonstrable benefit to unit holders of KDL and other funds or investments managed by the Manager.

The soft commissions received were for the benefit of the Fund, and there was no churning of trades.

## KEY PERFORMANCE DATA

Portfolio Composition	As at 31 March			
	2026	2025	2024	
	(Percentage of NAV)			
	%	%	%	
<b>Quoted Shariah-compliant equities</b>				
Construction	-	2.72	1.11	
Consumer Products & Services	13.31	5.44	9.54	
Energy	9.63	1.95	4.22	
Finance Services	-	5.03	3.68	
Health Care	-	-	1.55	
Industrial Products & Services	19.91	14.90	18.18	
Technology	13.97	9.71	12.63	
Telecommunications & Media	1.16	0.51	1.66	
Transportations & Logistics	1.15	-	1.06	
Utilities	-	1.17	-	
<b>Total Quoted Shariah-compliant equities</b>	<b>59.13</b>	<b>41.43</b>	<b>53.63</b>	
<b>Islamic collective investment schemes</b>	<b>27.64</b>	<b>39.20</b>	<b>20.20</b>	
<b>Unquoted sukuk</b>	<b>7.47</b>	<b>6.80</b>	<b>23.34</b>	
<b>Islamic deposits and Islamic liquid assets</b>	<b>5.76</b>	<b>12.57</b>	<b>2.83</b>	
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	
<b>Total return for the year</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Capital growth	(1,053)	(1,110)	959	
Income distribution	227	251	79	
<b>Performance</b>	<b>Income Return</b>	<b>Capital Return</b>	<b>Annual Total Return</b>	
	%	%	<b>KDL</b>	<b>Benchmark</b>
			%	%
<b>Financial year ended</b>				
30/09/2025	1.53	1.03	2.57	(0.26)
30/09/2024	1.52	6.16	7.78	8.40
30/09/2023	-	8.51	8.51	6.06
30/09/2022	3.50	(13.11)	(10.07)	(11.31)
30/09/2021	3.04	0.89	3.96	(1.99)

## KEY PERFORMANCE DATA

	Average Total Return	
	KDL %	Benchmark %
One (1) year	2.16	6.05
Three (3) years	2.13	3.48
Five (5) years	0.32	0.09

Source: Novagni Analytics and Advisory Sdn Bhd, an independent source.

### Basis of calculation and assumption made in calculating the returns:-

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

Capital return = NAV per Unit end / NAV per Unit begin - 1

Income return = Income distribution per Unit / NAV per Unit ex-date

Total return = (1+Capital return) x (1+Income return) - 1

## KEY PERFORMANCE DATA

NAV and Units in Circulation	As at 31 March		
	2026	2025	2024
Total NAV (RM'000)	15,482	17,098	22,732
Units in circulation (in'000)	24,558	27,292	35,053
NAV per unit (RM)	0.6304	0.6265	0.6485
<b>Unit Prices for the year (RM per unit)</b>			
NAV (year high)	0.6881	0.6856	0.6508
NAV (year low)	0.6304	0.6036	0.6118
NAV (year high, ex-distribution)	Nil	Nil	Nil
NAV (year low, ex-distribution)	Nil	Nil	Nil
NAV	0.6304	0.6265	0.6485
<b>Distributions</b>	Nil	Nil	Nil
<b>Unit split</b>	Nil	Nil	Nil
<b>Total Expense Ratio ("TER")</b>	1.86%	1.74%	1.75%
<b>Portfolio Turnover Ratio ("PTR")</b>	0.23 times	0.29 times	0.28 times

**Note:** Total Expense Ratio ("TER") is calculated by taking the total fees and recovered expenses incurred by the Fund divided by the average fund size. Portfolio Turnover Ratio ("PTR") is calculated by taking the average of the acquisition and disposal of the Fund divided by the average fund size.

The TER was higher than the previous period due to overall decrease in the average NAV during the financial period under review (refer to Note 14).

The PTR was lower than the previous period due to decrease in portfolio rebalancing activities undertaken by the Fund (refer to Note 15).

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

## SHARIAH ADVISER'S REPORT

TO THE UNIT HOLDERS OF  
**KAF DANA ALIF ("FUND")**

We hereby confirm the following:

- 1 To the best of our knowledge, after having made all reasonable enquiries, **KAF Investment Funds Berhad** has operated and managed the Fund for the period covered by these financial statements namely, the semi-annual period ended 31 March 2026, in accordance with 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 instruments that have been classified as Shariah-compliant.

For and on behalf of the Shariah Adviser,  
**BIMB SECURITIES SDN BHD**

**MUHAMMAD SHAHIER SA'MIN**  
Designated Shariah Person

Kuala Lumpur, Malaysia  
28 May 2026

## TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF  
**KAF DANA ALIF**

We, **Universal Trustee (Malaysia) Berhad** ("the Trustee") being the Trustee of **KAF Dana Alif** ("the Fund") are of the opinion that **KAF Investment Funds Berhad** ("the Manager"), acting in the capacity of Manager of the Fund, has fulfilled their duties in the following manner for the financial period ended 31 March 2026.

- (a) The Fund is being managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, Supplemental Deed, other provisions of the Deed, the SC's Guidelines on the Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) Valuation/pricing is carried out in accordance with the Deed and any regulatory requirements; and
- (c) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements.

For and on behalf of the Trustee,  
**UNIVERSAL TRUSTEE (MALAYSIA) BERHAD**

**Ahmad Mahadi**  
Manager

Kuala Lumpur, Malaysia  
28 May 2026

## STATEMENT BY THE MANAGER

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

TO THE UNIT HOLDERS OF  
**KAF DANA ALIF**

We, **Datuk Khatijah Ahmad** and **Mohammed Reza Tan Sri Abu Talib**, two of the Directors of **KAF Investment Funds Berhad**, do hereby state that, in the opinion of the Manager, the unaudited financial statements set out on pages 15 to 69 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 March 2026 and of its financial performance, changes in equity and cash flows of the Fund for the financial period ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,  
**KAF Investment Funds Berhad**

**Datuk Khatijah Ahmad**      **Mohammed Reza Tan Sri Abu Talib**  
Director                              Executive Director

Kuala Lumpur, Malaysia  
28 May 2026

	Note	2026 RM	2025 RM
<b>INCOME</b>			
Dividend income		197,150	135,441
Profit income from financial assets at fair value through profit or loss		24,424	70,522
Profit income from financial assets at amortised cost		14,895	22,581
Net loss on financial assets at fair value through profit or loss	6	(875,264)	(899,096)
		<u>(638,795)</u>	<u>(670,552)</u>
<b>EXPENSES</b>			
Manager's fee	3	(135,652)	(136,709)
Trustee's fee	4	(9,720)	(9,000)
Transaction costs		(30,494)	(29,566)
Audit fee		(3,989)	(3,978)
Tax agent's fee		(1,795)	(1,790)
Other expenses		(5,324)	(7,950)
		<u>(186,974)</u>	<u>(188,993)</u>
<b>NET LOSS BEFORE TAXATION</b>			
		(825,769)	(859,545)
<b>TAXATION</b>			
	5	-	-
<b>NET LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD</b>			
		<u>(825,769)</u>	<u>(859,545)</u>
Net loss after taxation is made up of the following:			
Realised amount		227,257	250,670
Unrealised amount		(1,053,026)	(1,110,215)
		<u>(825,769)</u>	<u>(859,545)</u>

*The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.*

## UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	2026 RM	2025 RM
<b>ASSETS</b>			
Cash and cash equivalents	7	869,010	2,165,431
Financial assets at fair value through profit or loss	6	14,589,730	14,953,446
Amount due from Manager - creation of units		12,608	-
Other receivables	8	47,239	17,263
<b>TOTAL ASSETS</b>		<b>15,518,587</b>	<b>17,136,140</b>
<b>LIABILITIES</b>			
Amount due to Manager - Manager's fee		20,710	20,078
Amount due to Trustee		3,623	2,854
Other payables and accruals	9	12,469	15,253
<b>TOTAL LIABILITIES</b>		<b>36,802</b>	<b>38,185</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>15,481,785</b>	<b>17,097,955</b>
<b>EQUITY</b>			
Unit holders' capital		15,764,909	17,571,044
Accumulated losses		(283,124)	(473,089)
<b>TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<b>15,481,785</b>	<b>17,097,955</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>	11	<b>24,558,235</b>	<b>27,292,228</b>
<b>NAV PER UNIT</b>		<b>0.6304</b>	<b>0.6265</b>

The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.

## UNAUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

Note	Unit holders' capital RM	Accumulated losses RM	Total RM
<b>BALANCE AS AT 1 OCTOBER 2025</b>			
	16,809,924	542,645	17,352,569
<b>Movement in unit holders' capital:</b>			
Creation of units arising from applications	323,934	-	323,934
Cancellation of units	(1,368,949)	-	(1,368,949)
	<u>(1,045,015)</u>	<u>-</u>	<u>(1,045,015)</u>
Total comprehensive loss for the financial period	-	(825,769)	(825,769)
<b>BALANCE AS AT 31 March 2026</b>			
	<b>15,764,909</b>	<b>(283,124)</b>	<b>15,481,785</b>
<b>BALANCE AS AT 1 OCTOBER 2024</b>			
	18,650,932	386,456	19,037,388
<b>Movement in unit holders' capital:</b>			
Creation of units arising from applications	506,514	-	506,514
Cancellation of units	(1,586,402)	-	(1,586,402)
	<u>(1,079,888)</u>	<u>-</u>	<u>(1,079,888)</u>
Total comprehensive loss for the financial period	-	(859,545)	(859,545)
<b>BALANCE AS AT 31 MARCH 2025</b>			
	<b>17,571,044</b>	<b>(473,089)</b>	<b>17,097,955</b>

The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.

**UNAUDITED STATEMENT OF CASH FLOWS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**SUMMARY OF MATERIAL ACCOUNTING POLICIES**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

	Note	2026 RM	2025 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of Shariah-compliant investments		3,921,095	9,384,946
Purchase of Shariah-compliant investments		(3,838,592)	(7,806,715)
Dividend received		170,559	136,559
Profit income received		42,968	104,340
Manager's fee paid		(129,311)	(134,452)
Trustee's fee paid		(11,206)	(7,585)
Payment of other fees and expenses		(11,323)	(17,186)
<b>Net cash generated from operating activities</b>		<b>144,190</b>	<b>1,659,907</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		311,326	506,514
Payments for cancellation of units		(1,481,982)	(1,586,402)
<b>Net cash used in financing activities</b>		<b>(1,170,656)</b>	<b>(1,079,888)</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(1,026,466)</b>	<b>580,019</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		<b>1,895,476</b>	<b>1,585,412</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	7	<b>869,010</b>	<b>2,165,431</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
Cash at bank		16,006	220,475
Islamic deposits with a licensed financial institution		853,004	1,944,956
	7	<b>869,010</b>	<b>2,165,431</b>

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

**A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note K.

*The accompanying summary of material accounting policies and notes to the financial statements form an integral part of these financial statements.*

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

#### (a) Standards, amendments to published standards and interpretations that are effective

- Amendments to MFRS9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026).
  - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition);
  - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
  - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
  - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
  - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

#### (b) Standards and amendments that have been issued that are applicable to the Fund but not yet effective

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.
  - The new MFRS introduces a new structure of profit or loss statement.
    - (a) Income and expenses are classified into 3 new main categories:
      - (i) Operating category which typically includes results from the main business activities;
      - (ii) Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
      - (iii) Financing category that presents income and expenses from financing liabilities.
    - (b) Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
      - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal.
      - Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### B INCOME RECOGNITION

Dividend income from Shariah-compliant investments are recognised on the ex-dividend date, when the right to receive the dividends have been established.

Profit income from Islamic deposits with a licensed financial institution and unquoted sukuk are recognised using the effective profit rate method on an accrual basis.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gains or losses on sale of Shariah-compliant investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the Shariah-compliant investments, which is determined on a weighted average cost basis (for Shariah-compliant equities and Islamic collective investment schemes) or cost adjusted for accretion of discount or amortisation of premium (for unquoted sukuk).

### C DISTRIBUTION

A distribution to the Fund's unit holders is accounted for as a deduction from the realised reserve. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee of the Fund.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### D TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable profits earned during the financial year.

Withholding taxes on investment income from Shariah-compliant investments are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

### E FUNCTIONAL AND PRESENTATION CURRENCY

Items included in 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 the Fund's functional and presentation currency.

### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

#### (i) Classification

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

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The Fund classifies its Shariah-compliant investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

#### (i) Classification (cont'd)

The contractual cash flows of the Fund's unquoted sukuk are solely principal and profit. However, these Shariah-compliant securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all Shariah-compliant investments are measured at fair value through profit or loss.

Investments in Islamic collective investment schemes (except Islamic REITs) are debt instruments with contractual cash flows that do not represent solely payments of principal and profit, and therefore are classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents amount due from Manager - creation of units and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to Manager, amount due to Trustee and other payables and accruals as financial liabilities measured at amortised cost.

#### (ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

#### (ii) Recognition and measurement (cont'd)

Financial assets are derecognised when the rights to receive cash flows from the Shariah-compliant investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within net gain/(loss) on financial assets at fair value through profit or loss in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

In accordance to the Deeds, quoted Shariah-compliant equities (including Islamic REITs) in Malaysia are valued at the last traded market price quoted on Bursa Malaysia Securities Berhad ("Bursa Malaysia") at the date of the statement of financial position. In circumstances where the last traded market price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

#### (ii) Recognition and measurement (cont'd)

Unquoted sukuk are revalued to reflect its fair value on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission ("SC") as per the SC's Guidelines on Unit Trust Funds. Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager records its basis for using a non-BPA price, obtains necessary internal approvals to use the non-BPA price, and keeps an audit trail of all decisions and basis for adopting the use of non-BPA price.

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated using the effective profit rate method over the period from the date of placement to the date of maturity of the respective Islamic deposits.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective profit rate method.

#### (iii) Impairment for assets carried at amortised cost

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month and lifetime expected credit losses as any such impairment would be wholly insignificant to the Fund.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

#### (iii) Impairment for assets carried at amortised cost (cont'd)

##### Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

##### Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

##### Quantitative criteria:

Any contractual payment which is more than 90 days past due is considered credit-impaired.

##### Qualitative criteria:

The obligor meets unlikeliness to pay criteria, which indicates the obligor is in significant financial difficulty. The Fund considers the following instances:

- the obligor is in breach of financial covenants;
- concessions have been made by the creditor relating to the obligor's financial difficulty;
- it is becoming probable that the obligor will enter bankruptcy or other financial reorganisation; and
- the obligor is insolvent.

Financial instruments that are credit-impaired are assessed on an individual basis.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

#### (iii) Impairment for assets carried at amortised cost (cont'd)

##### Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of obligor's sources of income or assets to generate sufficient future cash flows to pay the amount. The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

### G CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank and Islamic deposits with a licensed financial institution with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### H 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, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### I CREATION AND CANCELLATION OF UNITS

The Fund issues cancellable units, which are cancelled at the unit holder's 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 NAV. The outstanding units are carried at the redemption amount that is payable as at the date of the statement of financial position if the unit holder exercises the right to put the units back to the Fund.

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

### J UNIT HOLDERS' CAPITAL

The unit holders' capital to the Fund meets the definition of puttable instruments classified as equity instruments under MFRS 132 'Financial Instruments: Presentation'. Those criteria include:

- the units entitle the unit holder to a proportionate share of the Fund's NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units in the Fund over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if a unit holder exercises the right to put the unit back to the Fund.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission Malaysia's ("SC") Guidelines on Unit Trust Funds.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

### 1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

KAF Dana Alif (hereinafter referred to as "the Fund") was constituted pursuant to a Deed dated 21 February 2003 (hereinafter referred to as "the Deed"), between the Manager, KLCity Unit Trust Berhad, the Trustee, Universal Trustee (Malaysia) Berhad and the registered unit holders of the Fund. A Supplemental Deed dated 28 September 2007 has been registered with the SC for the change of Manager from KLCity Unit Trust Berhad to KAF Investment Funds Berhad ("the Manager") as well as the subsequent issuance of the Second Supplemental Deed dated 9 January 2014, Third Supplemental Deed dated 12 March 2015, Fourth Supplemental Deed dated 20 August 2018 and Fifth Supplemental Deed dated 9 January 2023 (collectively referred to as "the Deeds").

The principal activity of the Fund is to invest in "Permitted Investments" as defined under Article 7 of the Deed, which includes Shariah-compliant securities and shares of companies quoted on Bursa Malaysia and short-term Shariah-compliant investments.

All Shariah-compliant investments will be subject to the SC's Guidelines on Unit Trust Funds and the Deeds, except where exemptions and variations have been approved by the SC, internal policies and procedures and Fund's objective.

On 1 October 2007, KAF Investment Funds Berhad became its Manager and the Fund was renamed as KAF Dana Alif and will continue its operations until terminated according to the conditions in the Deed.

The Manager, KAF Investment Funds Berhad, is incorporated in Malaysia. Its principal activities are the management of unit trust funds and provision of fund management.

The principal place of business of the Manager is located at Level 13 Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES**

Financial instruments of the Fund as at the financial period end are as follows:

	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets at amortised cost</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>

**2026**

Cash and cash equivalents	-	869,010	869,010
Financial assets at fair value through profit or loss	14,589,730	-	14,589,730
Amount due from Manager - creation of units	-	12,608	12,608
Dividend receivables	-	46,877	46,877
	<u>14,589,730</u>	<u>928,495</u>	<u>15,518,225</u>

**2025**

Cash and cash equivalents	-	2,165,431	2,165,431
Financial assets at fair value through profit or loss	14,953,446	-	14,953,446
Dividend receivables	-	16,724	16,724
	<u>14,953,446</u>	<u>2,182,155</u>	<u>17,135,601</u>

All current liabilities are financial liabilities which are carried at amortised cost.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

The Fund is exposed to a variety of risks which include market risk (including price risk and interest rate risk), liquidity risk, credit risk and Shariah status reclassification risk from its financial instruments.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the Shariah-compliant investment restrictions as stipulated in the Replacement Master Prospectus and the SC's Guidelines on Unit Trust Funds.

**Market risk**

**(a) Price risk**

The Fund is exposed to price risk because of the Shariah-compliant investments held by the Fund and classified at fair value through profit or loss. Price risk is the risk that the fair value of a Shariah-compliant investment will fluctuate because of changes in market prices (other than those arising from interest rate risk). Such fluctuation may cause the Fund's NAV and price of units to fall as well as rise and income produced by the Fund may also fluctuate. The price risk is managed through diversification and selection of Shariah-compliant securities and other Shariah-compliant financial instruments within specified limits according to the Deed.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Market risk (cont'd)**

**(a) Price risk (cont'd)**

The table below shows the financial assets of the Fund as at 31 March which are exposed to price risk:

	<b>2026 RM</b>	<b>2025 RM</b>
<b>Shariah-compliant investments</b>		
Quoted Shariah-compliant equities at fair value through profit or loss	9,154,203	7,086,380
Islamic collective investment schemes at fair value through profit or loss	4,279,722	6,703,551
Unquoted sukuk at fair value through profit or loss*	1,155,805	1,163,515
	<u>14,589,730</u>	<u>14,953,446</u>

\* Includes profit receivables of RM12,185 (2025: RM12,185).

The following table summarises the sensitivity of the Fund's Shariah-compliant investments to price risk movements as at 31 March. The analysis is based on the assumptions that the market price increased and decreased by 5% (2025: 5%) with all other variables held constant and that the fair value of the Fund's Shariah-compliant investments moved according to the historical correlation of the index. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Market risk (cont'd)**

**(a) Price risk (cont'd)**

**2026**

	<b>Changes in price %</b>	<b>Impact on loss before taxation/ NAV RM</b>
Quoted Shariah-compliant equities at fair value through profit or loss	+/- 5	<u>457,710</u>
Islamic collective investment schemes at fair value through profit or loss	+/- 5	<u>213,986</u>
Unquoted sukuk at fair value through profit or loss	+/- 5	<u>57,181</u>

**2025**

Quoted Shariah-compliant equities at fair value through profit or loss	+/- 5	<u>354,319</u>
Islamic collective investment schemes at fair value through profit or loss	+/- 5	<u>335,178</u>
Unquoted sukuk at fair value through profit or loss	+/- 5	<u>57,567</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Market risk (cont'd)**

**(b) Interest rate risk**

Interest rate risk is the risk that the value of the Fund will fluctuate because of changes in market interest rates.

The Fund's exposure to the interest rate risk is mainly confined to short-term Islamic deposits with a licensed financial institution and unquoted sukuk. Interest rate risk is actively managed by duration targeting based on the interest rate outlook. The Manager overcomes the exposure to interest rate risk of short-term Islamic deposits with a licensed financial institution by way of maintaining Islamic deposits with a licensed financial institution on a short-term basis.

Interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments are carried out for the Fund are in accordance with Shariah requirements.

The table below summarises the sensitivity of the Fund's NAV to movements in price of unquoted sukuk held by the Fund as at 31 March as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increased and decreased by 5% (2025: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Market risk (cont'd)**

**(b) Interest rate risk (cont'd)**

<b>Increase/(Decrease) in loss before taxation/NAV</b>	
<b>+5%</b>	<b>-5%</b>
<b>RM</b>	<b>RM</b>

**2026**

Unquoted sukuk at fair value through profit or loss	(16,725)	17,071
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**2025**

Unquoted sukuk at fair value through profit or loss	(18,348)	18,754
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The effective weighted average profit rates per annum and the average remaining maturities of unquoted sukuk and Islamic deposits placement with a licensed financial institution as at the date of the statement of financial position are as follows:

	<b>Weighted average profit rate</b>		<b>Average remaining maturities</b>	
	<b>2026 %</b>	<b>2025 %</b>	<b>2026 Days</b>	<b>2025 Days</b>
Unquoted sukuk	3.85	3.90	3,573	3,938
Islamic deposits with a licensed financial institution	2.65	2.85	1	2

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulties in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of Islamic liquid assets to meet anticipated payment and cancellations of unit by unit holders. Islamic liquid assets comprise cash at bank, Islamic deposits with a licensed financial institution and other Shariah-compliant instruments, which are capable of being converted into cash within 7 days.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table below are the contractual undiscounted cash flows.

	<b>Less than 1 month RM</b>	<b>Between 1 month to 1 year RM</b>	<b>Total RM</b>
<b>As at 31 March 2026</b>			
Amount due to Manager			
- Manager's fee	20,710	-	20,710
Amount due to Trustee	3,623	-	3,623
Other payables and accruals	-	12,469	12,469
<b>Contractual undiscounted cash outflows</b>	<b>24,333</b>	<b>12,469</b>	<b>36,802</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Liquidity risk (cont'd)**

	<b>Less than 1 month RM</b>	<b>Between 1 month to 1 year RM</b>	<b>Total RM</b>
<b>As at 31 March 2025</b>			
Amount due to Manager			
- Manager's fee	20,078	-	20,078
Amount due to Trustee	2,854	-	2,854
Other payables and accruals	-	15,253	15,253
<b>Contractual undiscounted cash outflows</b>	<b>22,932</b>	<b>15,253</b>	<b>38,185</b>

**Credit risk**

Credit risk refers to the inability of an issuer or counterparty to make timely payments of profit, principals and proceeds from realisation of Shariah-compliant investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from unquoted sukuk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer. In addition, the Manager imposes a minimum rating requirement as rated by either local and/or foreign rating agencies and manages the duration of the Shariah-compliant investment in accordance with the objective of the Fund.

Credit risk arising from placements in Islamic deposits with a licensed financial institution is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Credit risk (cont'd)**

The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The maximum exposure to credit risk before any credit enhancements is the carrying amount of the financial assets as set out below:

	2026 RM	2025 RM
Cash and cash equivalents	869,010	2,165,431
Financial assets at fair value through profit or loss	1,155,805	1,163,515
Other assets*	59,485	16,724
	<u>2,084,300</u>	<u>3,345,670</u>

The following table sets out the credit risk concentration of the Fund:

	Financial assets at fair value through profit or loss RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<b>As at 31 March 2026</b>				
<b>Unquoted sukuk</b>				
- AAA	1,155,805	-	-	1,155,805
<b>Financial services</b>				
- AAA	-	853,004	-	853,004
- AA3	-	16,006	-	16,006
<b>Others</b>				
- not rated	-	-	59,485	59,485
	<u>1,155,805</u>	<u>869,010</u>	<u>59,485</u>	<u>2,084,300</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Credit risk (cont'd)**

	Financial assets at fair value through profit or loss RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<b>As at 31 March 2025</b>				
<b>Unquoted sukuk</b>				
- AAA	1,163,515	-	-	1,163,515
<b>Financial services</b>				
- AA3	-	1,944,956	-	1,944,956
- A1	-	220,475	-	220,475
<b>Others</b>				
- not rated	-	-	16,724	16,724
	<u>1,163,515</u>	<u>2,165,431</u>	<u>16,724</u>	<u>3,345,670</u>

\* Other assets comprises amount due from Manager-creation of units and dividend receivables.

**Shariah status reclassification risk**

**(a) Shariah-compliant equity securities**

This risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council ("SAC") of the SC. If this occurs, the Manager will take the necessary steps to dispose of such securities.

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Shariah status reclassification risk (cont'd)**

**(a) Shariah-compliant equity securities (cont'd)**

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:

- (i) to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the reclassification effective date by the SAC of the SC. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the reclassification effective date. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the reclassification effective date should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser;
- (ii) to hold such securities if the value of the said securities is below the investment cost on the reclassification effective date until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser; or
- (iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund's value.

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Shariah status reclassification risk (cont'd)**

**(b) Sukuk or Islamic money market instruments or Islamic collective investment schemes or Islamic deposits**

This risk refers to the risk of a possibility that the currently held sukuk or Islamic Money Market or Islamic collective investment schemes or Islamic deposits invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such bond or money market instruments or collective investment schemes or deposits.

**Capital risk**

The capital of the Fund is represented by equity consisting of unit holders' 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 unit holders. 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 unit holders 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.

**Fair value estimation**

Financial instruments comprise financial assets and financial liabilities. 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 (i.e. exit price).

The fair value of financial assets traded in active markets (such as publicly-traded Shariah-compliant securities) are based on quoted market prices at the close of trading on the financial year end date.

An active market is a market in which transactions for the assets and liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Fair value estimation (cont'd)**

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

The carrying values of cash and cash equivalents, amount due from Manager - creation of units, dividend receivables and all current liabilities are reasonable approximations of their fair values due to their short-term nature.

**Fair value hierarchy**

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Fair value hierarchy (cont'd)**

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>As at 31 March 2026</b>				
<b>Financial assets at fair value through profit or loss</b>				
- Quoted Shariah-compliant equities	9,154,203	-	-	9,154,203
- Islamic collective investment schemes	4,279,722	-	-	4,279,722
- Unquoted sukuk	-	1,155,805	-	1,155,805
	<b>13,433,925</b>	<b>1,155,805</b>	<b>-</b>	<b>14,589,730</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Fair value hierarchy (cont'd)**

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value: (cont'd)

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>As at 31 March 2025</b>				
<b>Financial assets at fair value through profit or loss</b>				
- Quoted Shariah-compliant equities	7,086,380	-	-	7,086,380
- Islamic collective investment schemes	6,703,551	-	-	6,703,551
- Unquoted sukuk	-	1,163,515	-	1,163,515
	<u>13,789,931</u>	<u>1,163,515</u>	<u>-</u>	<u>14,953,446</u>

Investments whose values are based on quoted market prices in active markets are therefore classified within Level 1, include active quoted Shariah-compliant equities and Islamic collective investment schemes.

Financial instruments that are traded in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable input are classified within Level 2. These include unquoted investment-grade corporate sukuk and Islamic commercial papers. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Fair value hierarchy (cont'd)**

The Fund's policies on valuation of these financial assets are stated in Note F.

**3. MANAGER'S FEE**

The Seventh Schedule of the Deed provides that the Manager is entitled to an annual management fee at a rate not exceeding 2.00% per annum based on the Fund's NAV on a daily basis before deducting the Manager's and Trustee's fees calculated for that particular day.

The Manager's fee provided in the financial statements is computed on this basis at a rate of 1.50% (2025: 1.50%) per annum.

There will be no further liability to the Manager in respect of Manager's fee other than amounts recognised in the financial statements.

**4. TRUSTEE'S FEE**

The Eighth Schedule of the Deed provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.10% per annum based on the Fund's NAV on a daily basis before deducting the Manager's and Trustee's fees calculated for that particular day or subject to a minimum of RM18,000 per annum.

The Trustee's fee provided in the financial statements is computed on this basis at a rate of 0.08% (2025: 0.08%) per annum.

There will be no further liability to the Trustee in respect of Trustee's fee other than the amounts recognised in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**5. TAXATION**

	2026 RM	2025 RM
Current taxation		
- Malaysia taxation	-	-

The numerical reconciliation between net loss before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	2026 RM	2025 RM
Net loss before taxation	(825,769)	(859,545)
Taxation at Malaysian statutory rate of 24% (2025: 24%)	(198,185)	(206,291)
Tax effects of:		
Investment loss not deductible for tax purpose	153,311	160,932
Expenses not deductible for tax purposes	10,896	11,031
Restriction on tax deductible expenses for unit trust funds	33,978	34,328
Tax expense	-	-

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	2026 RM	2025 RM
Net loss on financial assets at fair value through profit or loss:		
- realised gain on sale of Shariah-compliant investments	171,822	206,192
- unrealised loss on fair value movement	(1,053,026)	(1,110,215)
- management fee rebate on Islamic collective investment schemes#	5,940	4,927
	(875,264)	(899,096)
Financial assets at fair value through profit or loss:		
- Quoted Shariah-compliant equities	9,154,203	7,086,380
- Islamic collective investment schemes	4,279,722	6,703,551
- Unquoted sukuk*	1,155,805	1,163,515
	14,589,730	14,953,446

\* Includes profit receivable of RM12,185 (2025: RM12,185).

#In arriving at the fair value of the Islamic collective investment schemes, the management fee initially paid to the Manager of the Islamic collective investment schemes has been considered as part of its NAV. In order to prevent the double charging of management fee which is not permissible under the SC's Guidelines on Unit Trust Fund, management fee charged on the Fund's investment in the Islamic collective investment schemes has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of the Islamic collective investment schemes is reflected as an increase in the NAV of the Islamic collective investment schemes.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2026 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2026 expressed as percentage of NAV of Fund	
			Units	RM
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Consumer Products &amp; Services</b>				
Able Global Berhad	50,000	102,005	77,500	0.50
Aquawalk Group Berhad	1,450,000	457,285	340,750	2.20
Farm Price Holdings Berhad	500,000	203,350	177,500	1.15
Hong Leong Industries Berhad	46,900	618,203	785,106	5.07
Mr D.I.Y. Group (M) Berhad	180,000	315,000	275,400	1.78
Oriental Kopi Holdings Berhad	400,000	448,000	404,000	2.61
	<u>2,626,900</u>	<u>2,143,843</u>	<u>2,060,256</u>	<u>13.31</u>
<b>Energy</b>				
Keyfield International Berhad	270,000	503,415	375,300	2.42
Uzma Berhad	681,100	275,846	265,629	1.72
Velesto Energy Berhad	2,500,000	462,500	850,000	5.49
	<u>3,451,100</u>	<u>1,241,761</u>	<u>1,490,929</u>	<u>9.63</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2026 expressed as percentage of NAV of Fund	
			Units	RM
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Industrial Products &amp; Services</b>				
Ancom Nylex Berhad	135,447	120,317	123,934	0.80
Aurelius Technologies Berhad	480,200	368,540	278,516	1.80
Aurelius Technologies Berhad - WA	43,400	-	4,123	0.03
Coraza Integrated Technology Berhad	750,000	406,650	450,000	2.91
CPE Technology Berhad	455,300	487,171	173,014	1.12
Destini Berhad	760,000	220,704	224,200	1.45
EG Industries Berhad	600,000	605,000	642,000	4.15
HSS Engineers Berhad	550,000	315,280	167,750	1.08
ISF Group Berhad	850,000	332,755	327,250	2.11
Malayan Cement Berhad	50,000	321,435	302,500	1.95

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2026 expressed as percentage of NAV of Fund	
			as at 31/03/2026	percentage of NAV of Fund
	Units	RM	RM	%
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Industrial Products &amp; Services</b>				
Pantech Group Holdings Berhad	600,000	443,951	387,000	2.50
SKP Resources Berhad - WB	196,700	-	984	0.01
	<u>5,471,047</u>	<u>3,621,803</u>	<u>3,081,271</u>	<u>19.91</u>
<b>Technology</b>				
Cloudpoint Technology Berhad	253,300	177,522	113,985	0.74
Frontken Corporation Berhad	164,000	433,255	613,360	3.96
Malaysian Pacific Industries Berhad	23,200	931,374	667,696	4.31
Mi Technovation Berhad	300,000	647,242	768,000	4.96
	<u>740,500</u>	<u>2,189,393</u>	<u>2,163,041</u>	<u>13.97</u>
<b>Telecommunications &amp; Media</b>				
OCK Group Berhad	500,000	225,000	180,000	1.16

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2026 expressed as percentage of NAV of Fund	
			as at 31/03/2026	percentage of NAV of Fund
	Units	RM	RM	%
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Transportation &amp; Logistics</b>				
Westports Holdings Berhad	30,136	187,523	178,706	1.15
	<u>12,819,683</u>	<u>9,609,323</u>	<u>9,154,203</u>	<u>59.13</u>
<b>TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>UNREALISED LOSS ON QUOTED SHARIAH-COMPLIANT EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
			(455,120)	
<b>FAIR VALUE OF TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
			<u>9,154,203</u>	

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of Islamic collective investment schemes as at 31 March 2026 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2026 expressed as percentage of NAV of Fund	
			Units	RM
<b>ISLAMIC COLLECTIVE INVESTMENT SCHEMES</b>				
<b>Islamic Unit Trust Fund</b>				
KAF iCASH Fund*	1,820,112	2,002,131	2,053,633	13.26
KAF Sukuk Fund*	12,812	2,034,419	2,226,089	14.38
	<u>1,832,924</u>	<u>4,036,550</u>	<u>4,279,722</u>	<u>27.64</u>
<b>TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES</b>				
	<u>1,832,924</u>	<u>4,036,550</u>	<u>4,279,722</u>	<u>27.64</u>
<b>UNREALISED GAIN ON ISLAMIC COLLECTIVE INVESTMENT SCHEMES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>243,172</u>		
<b>FAIR VALUE OF TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES</b>				
		<u>4,279,722</u>		

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of unquoted sukuk as at 31 March 2026 are set out as follows:

Name of issuer	Nominal value	Aggregate cost	Fair value as at 31/03/2026 expressed as percentage of NAV of Fund	
			RM	RM
<b>UNQUOTED SUKUK</b>				
Projek Lebuhraya Usahasama Berhad - 5.63% 11/01/2036	1,000,000	1,077,767	1,155,805	7.47
<b>TOTAL UNQUOTED SUKUK</b>	<u>1,000,000</u>	<u>1,077,767</u>	<u>1,155,805</u>	<u>7.47</u>
<b>UNREALISED GAIN ON UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>78,038</u>		
<b>FAIR VALUE OF TOTAL UNQUOTED SUKUK</b>				
		<u>1,155,805</u>		

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2025 expressed as	
			as at 31/03/2025	percentage of NAV of Fund
	Units	RM	RM	%
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Construction</b>				
Gamuda Berhad	110,656	521,496	464,755	2.72
<b>Consumer Products &amp; Services</b>				
Able Global Berhad	50,000	102,005	72,500	0.42
Farm Price Holdings Berhad	500,000	203,350	205,000	1.20
Hong Leong Industries Berhad	46,900	618,203	653,786	3.82
	596,900	923,558	931,286	5.44

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2025 expressed as	
			as at 31/03/2025	percentage of NAV of Fund
	Units	RM	RM	%
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Energy</b>				
Hibiscus Petroleum Berhad	100,000	196,018	189,000	1.11
Petra Energy Berhad	120,000	151,083	142,800	0.84
	220,000	347,101	331,800	1.95
<b>Financial Services</b>				
Bank Islam Malaysia Berhad	245,300	643,207	627,968	3.67
Syarikat Takaful Malaysia Keluarga Berhad	64,389	285,279	233,088	1.36
	309,689	928,486	861,056	5.03

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2025 expressed as	
			as at 31/03/2025	percentage of NAV of Fund
	Units	RM	RM	%
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Industrial Products &amp; Services</b>				
Ancom Nylex Berhad	233,116	209,146	226,123	1.32
Aurelius Technologies Berhad	43,400	120,041	137,578	0.80
CPE Technology Berhad	455,300	487,171	305,051	1.78
EG Industries Berhad	300,000	605,000	609,000	3.56
Kelington Group Berhad	150,000	210,300	519,000	3.04
Northeast Group Berhad	500,000	262,100	205,000	1.20
Pantech Group Holdings Berhad	600,000	443,952	441,000	2.58
SKP Resources Berhad-WB	196,700	-	1,967	0.01
YBS International Berhad	250,000	201,250	103,750	0.61
	<u>2,728,516</u>	<u>2,538,960</u>	<u>2,548,469</u>	<u>14.90</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/03/2025 expressed as	
			as at 31/03/2025	percentage of NAV of Fund
	Units	RM	RM	%
<b>QUOTED SHARIAH-COMPLIANT EQUITIES</b>				
<b>Technology</b>				
Cloudpoint Technology Berhad	435,600	305,284	344,124	2.01
Frontken Corporation Berhad	164,000	433,255	611,720	3.58
Genetec Technology Berhad	220,000	257,400	261,800	1.53
Malaysian Pacific Industries Berhad	23,200	931,374	443,120	2.59
	<u>842,800</u>	<u>1,927,313</u>	<u>1,660,764</u>	<u>9.71</u>
<b>Telecommunications &amp; Media</b>				
REDtone Digital Berhad	150,000	138,000	87,750	0.51
<b>Utilities</b>				
Mega First Corporation Berhad	50,000	206,250	200,500	1.17

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of quoted Shariah-compliant equities as at 31 March 2025 are set out as follows: (cont'd)

Name of counter	Quantity Units	Aggregate cost RM	Fair value as at 31/03/2025 expressed as	
			as at 31/03/2025 RM	percentage of NAV of Fund %
<b>TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES</b>	5,008,561	7,531,164	7,086,380	41.43
<b>UNREALISED LOSS ON QUOTED SHARIAH-COMPLIANT EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		(444,784)		
<b>FAIR VALUE OF TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES</b>		<u>7,086,380</u>		

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of Islamic collective investment schemes as at 31 March 2025 are set out as follows:

Name of counter	Quantity Units	Aggregate cost RM	Fair value as at 31/03/2025 expressed as	
			as at 31/03/2025 RM	percentage of NAV of Fund %
<b>ISLAMIC COLLECTIVE INVESTMENT SCHEMES</b>				
<b>Islamic Real Estate Investment Trusts (REITs)</b>				
AME Real Estate Investment Trust	205,000	231,650	328,000	1.92
Axis Real Estate Investment Trust	141,504	251,305	254,707	1.49
	<u>346,504</u>	<u>482,955</u>	<u>582,707</u>	<u>3.41</u>
<b>Islamic Unit Trust Fund</b>				
KAF iCASH Fund*	2,727,435	3,000,179	3,003,179	17.56
KAF Sukuk Fund*	18,734	2,974,804	3,117,665	18.23
	<u>2,746,169</u>	<u>5,974,983</u>	<u>6,120,844</u>	<u>35.79</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of Islamic collective investment schemes as at 31 March 2025 are set out as follows: (cont'd)

Name of counter	Quantity Units	Aggregate cost RM	Fair value as at 31/03/2025 expressed as	
			Fair value as at 31/03/2025 RM	percentage of NAV of Fund %
<b>TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES</b>	<u>3,092,673</u>	<u>6,457,938</u>	<u>6,703,551</u>	<u>39.20</u>
<b>UNREALISED GAIN ON ISLAMIC COLLECTIVE INVESTMENT SCHEMES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>245,613</u>		
<b>FAIR VALUE OF TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES</b>		<u>6,703,551</u>		

\*Funds managed by the Manager of the Fund.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)**

Details of unquoted sukuk as at 31 March 2025 are set out as follows:

Name of issuer	Nominal value RM	Aggregate cost RM	Fair value as at 31/03/2025 expressed as	
			Fair value as at 31/03/2025 RM	percentage of NAV of Fund %
<b>UNQUOTED SUKUK</b>				
Projek Lebuhraya Usahasama Berhad - 5.63% 11/01/2036	<u>1,000,000</u>	<u>1,084,467</u>	<u>1,163,515</u>	<u>6.80</u>
<b>TOTAL UNQUOTED SUKUK</b>	<u>1,000,000</u>	<u>1,084,467</u>	<u>1,163,515</u>	<u>6.80</u>
<b>UNREALISED GAIN ON UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>79,048</u>		
<b>FAIR VALUE OF TOTAL UNQUOTED SUKUK</b>		<u>1,163,515</u>		

The weighted average profit rates per annum and the average remaining maturities of unquoted sukuk are shown in Note 2(b) to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**7. CASH AND CASH EQUIVALENTS**

	2026 RM	2025 RM
Cash at bank	16,006	220,475
Islamic deposits with licensed financial institutions*	853,004	1,944,956
	<u>869,010</u>	<u>2,165,431</u>

\* Nil (2025: RM1,944,956) of short-term Islamic deposit is placed with KAF Investment Bank Berhad, the intermediate holding company of the Manager.

The weighted average profit rates per annum and the average remaining maturities of Islamic deposits with a licensed financial institution are shown in Note 2(b) to the financial statements.

**8. OTHER RECEIVABLES**

	2026 RM	2025 RM
Dividend receivables	46,877	16,724
Prepayment of Shariah advisory fees	362	539
	<u>47,239</u>	<u>17,263</u>

**9. OTHER PAYABLES AND ACCRUALS**

	2026 RM	2025 RM
Audit and tax agent's fees	10,869	10,853
Sundry accruals	1,600	4,400
	<u>12,469</u>	<u>15,253</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**10. SHARIAH INFORMATION OF THE FUND**

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the SAC of the SC;
- (b) Collective investment schemes which were verified as Shariah-compliant by the Shariah Adviser;
- (c) Sukuk as per the list of sukuk available at Bond Info Hub, Fully Automated System For Issuing/Tendering of Bank Negara Malaysia and The Bond and Sukuk Information Exchange; and
- (d) Cash placements and liquid assets in local market which are placed in Shariah-compliant instruments.

**11. NUMBER OF UNITS IN CIRCULATION**

	2026 Number of units	2025 Number of units
At the beginning of the financial period	26,098,235	28,927,228
Creation of units arising from applications	490,000	785,000
Cancellation of units	(2,030,000)	(2,420,000)
At the end of the financial period	<u>24,558,235</u>	<u>27,292,228</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**12. TRANSACTIONS WITH BROKERS/DEALERS**

Details of transactions with brokers/dealers for the financial period ended 31 March 2026 are as follows:

Name of brokers/dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	RM	%	RM	%
<b>2026</b>				
CGS International Securities (M) Sdn Bhd	1,045,713	13.97	4,350	21.35
RHB Investment Bank Berhad	1,037,783	13.87	2,335	11.46
Affin Hwang Investment Bank Berhad	942,354	12.59	1,554	7.63
UOB Kay Hian (M) Sdn Bhd	794,564	10.62	1,589	7.80
Public Investment Bank Berhad	699,265	9.34	1,573	7.72
MBSB Investment Bank Berhad	683,155	9.13	1,366	6.71
Maybank Investment Bank Berhad	672,000	8.98	3,360	16.49
CLSA Securities (M) Sdn Bhd	378,395	5.06	757	3.71
AM Investment Bank Berhad	264,000	3.53	528	2.59
Hong Leong Investment Bank Berhad	218,612	2.92	431	2.11
Others	747,240	9.99	2,532	12.43
	<u>7,483,081</u>	<u>100.00</u>	<u>20,375</u>	<u>100.00</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**12. TRANSACTIONS WITH BROKERS/DEALERS (CONT'D)**

Details of transactions with brokers/dealers for the financial period ended 31 March 2025 are as follows:

Name of brokers/dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	RM	%	RM	%
<b>2025</b>				
RHB Investment Bank Berhad	5,535,733	42.12	3,104	17.80
Affin Hwang Investment Bank Berhad	2,108,206	16.04	3,237	18.57
Maybank Investment Bank Berhad	1,735,878	13.21	3,472	19.91
MIDF Amanah Investment Bank Berhad	1,421,848	10.82	2,849	16.34
Public Investment Bank Berhad	697,367	5.30	1,569	9.00
Hong Leong Investment Bank Berhad	512,213	3.90	947	5.43
UOB Kay Hian Securities (M) Sdn Bhd	485,622	3.69	971	5.57
UBS Securities Malaysia Sdn Bhd	424,396	3.23	764	4.38
CIMB Securities Sdn Bhd	205,628	1.56	483	2.77
CGS International Securities Malaysia Sdn Bhd	17,250	0.13	40	0.23
	<u>13,144,141</u>	<u>100.00</u>	<u>17,436</u>	<u>100.00</u>

The Manager is of the opinion that all the transactions with the related company have been entered into in the normal course of business and have been established on term and conditions that have been agreed upon by the parties involved.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

**13. UNITS HELD BY MANAGER AND RELATED PARTIES**

The related parties and their relationships with the Fund are as follows:

Related parties	Relationships
KAF Investment Funds Berhad	The Manager
KAF-Seagroatt & Campbell Berhad	Immediate holding company of the Manager
AKKA Sdn Bhd	Ultimate holding company of the Manager
Subsidiaries and associates of the ultimate holding company of the Manager as disclosed in its financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager

	2026		2025	
	No. of units	RM	No. of units	RM
KAF Investment Funds Berhad	57,894	36,496	28,176	17,652

The above units were transacted at the prevailing market price. All related party units are held legally.

**14. TOTAL EXPENSE RATIO ("TER")**

	2026	2025
TER ("annualised")	1.86%	1.74%

TER is derived from the following calculation:

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

- A = Manager's fee
- B = Trustee's fee
- C = Audit fee
- D = Tax agent's fee
- E = Other expenses, excluding withholding taxes
- F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis was RM16,851,258 (2025: RM18,277,120).

**15. PORTFOLIO TURNOVER RATIO ("PTR")**

	2026	2025
PTR	0.23 times	0.29 times

PTR is derived from the following calculation:

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

- where: total acquisition for the financial period = RM3,821,176 (2025: RM1,424,634)
- total disposal for the financial period = RM3,762,350 (2025: RM9,219,321)

**16. SEMI-ANNUAL ACCOUNTS**

The semi-annual accounts for the six months' period ended 31 March 2026 is unaudited.

## **CORPORATE INFORMATION**

### **Manager**

KAF Investment Funds Berhad  
Reg. No: 199501004999

### **Registered Office**

Level 13A, Menara IQ  
Lingkaran TRX  
Tun Razak Exchange  
55188 Kuala Lumpur

### **Business Office**

Level 13, Menara IQ  
Lingkaran TRX  
Tun Razak Exchange  
55188 Kuala Lumpur  
Tel: 03-9767 6000 Fax: 03-9767 6001  
Website: [www.kaf.com.my](http://www.kaf.com.my)

### **Board of Directors**

Datuk Khatijah binti Ahmad  
Mohammed Reza Tan Sri Abu Talib  
Nor Rejina binti Abdul Rahim  
Tunku Rozita binti Tunku Abdul Malek

### **Secretary**

Siti Nurmazita binti Mustapha (LS 0009160)

### **Trustee**

Universal Trustee (Malaysia) Berhad

### **Auditor & Reporting Accountant**

PricewaterhouseCoopers PLT

### **Tax Adviser**

PricewaterhouseCoopers Taxation Services Sdn Bhd

### **Shariah Adviser**

BIMB Securities Sdn Bhd  
Reg. No: [199401004484 (290163-X)]

### **Banker**

Alliance Bank Malaysia Berhad

**KAF Investment Funds Berhad** Reg. No: 199501004999  
Level 13, Menara IQ,  
Lingkaran TRX, Tun Razak Exchange  
55188 Kuala Lumpur  
Tel: 03-9767 6000 Fax: 03-9767 6001

For more information,  
log on to [www.kaf.com.my](http://www.kaf.com.my)