



**KAF iCASH FUND**

**SEMI-ANNUAL REPORT**

**31 JANUARY 2026**

# MANAGER'S REPORT

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

## 1. Launch Date

KAF iCash Fund ("KICF/the Fund") commenced operations on 3 September 2018 and will continue its operations until terminated according to the Master Deed dated 1 June 2018 and Supplemental Master Deed dated 22 February 2023.

## 2. Type of Fund

Islamic Income Fund.

## 3. Category of Fund

Islamic Money Market Fund.

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

The Fund's objective is to provide investors with liquidity while providing reasonable returns by investing its assets in Islamic deposits.

The Fund seeks to achieve its investment objective by investing in a portfolio of Islamic deposits placed with financial institutions in Malaysia. KICF will invest at least 90% of its Net Asset Value ("NAV") in placement of short-term Islamic deposits.

In managing the Fund, the Manager will seek out financial institutions that are able to offer attractive (i.e. rates at or above the benchmark rate) Islamic deposit rates. The manager will construct a portfolio of Islamic deposits with different maturity profiles for the liquidity requirement while maximizing the portfolio returns.

The benchmark used to measure KICF's performance is the Malayan Islamic Banking Berhad ("Maybank Islamic") 1-month fixed deposit rate.

Subject to the availability of income, distributions will be made on a monthly basis. All such distribution will be reinvested into the Fund.

## MANAGER'S REPORT

### 5. Review of Fund Operations and Performance

For the financial period ended 31 January 2026, KICF's asset allocation was in Islamic deposits which provided a steady level of return at a very low risk exposure from interest rate fluctuations and credit risk.

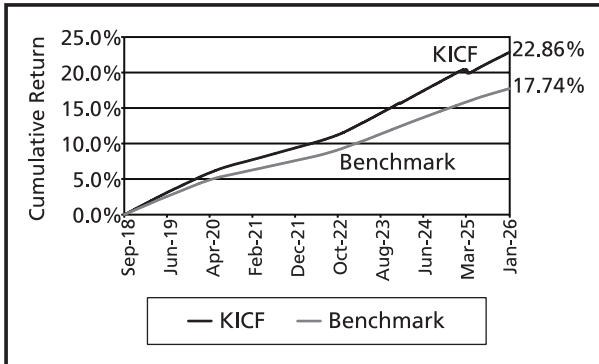
During the period under review, KICF based on its NAV per unit recorded a return of 1.55%. The Fund outperformed its benchmark which recorded a return of 0.92%.

Since its inception, KICF based on its NAV gave a return of 22.86%. The Fund outperformed its benchmark, which recorded a return of 17.74%.

During the period under review, KICF distributed a total of 0.06 sen in monthly distribution in the form of reinvested units.

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

**Performance Chart since Inception  
(3 September 2018 to 31 January 2026)**



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

## MANAGER'S REPORT

### Fund Performance as ranked by Lipper Asia Limited

Period	KICF		Mean of Industry's Islamic Money Market Funds
	% Change	Rank	% Change
<b>3 months</b> 30/10/2025 – 30/01/2026	0.74	24/45	0.64
<b>6 months</b> 30/07/2025 – 30/01/2026	1.54	21/44	1.32
<b>1 year</b> 30/01/2025 – 30/01/2026	2.35	35/43	2.90
<b>3 year</b> 30/01/2023 – 30/01/2026	9.42	23/38	9.31
<b>5 year</b> 29/01/2021 – 30/01/2026	14.16	13/33	13.00

Source: The Edge 9 February 2026 issue, The Edge-Lipper Fund Performance Table, an independent source.

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

For the financial period ended 31 January 2026, the Fund was ranked No. 21 out of 44 funds in the Edge-Lipper Fund Performance in the 6 months Islamic Money Market Fund category by Lipper Asia Limited. KICF achieved a return of 1.54 % compared to the mean of industry's Islamic Money Market funds' return of 1.32%.

During the financial period, the Fund's NAV slightly decreased to RM87.44 million from RM95.64million as at 31 July 2025 as a result of normal client redemption patterns. The NAV per unit was increased to RM1.1232 as compared to the NAV per unit of RM1.1067 on 31 July 2025.

KICF's total realised income amounted to RM1.54 million arising from profit income earned during the period under review.

## MANAGER'S REPORT

The following distributions have been declared during the period and the impacts on NAV per unit arising from the distributions are as follows:

Date	NAV per unit before Distribution	Distribution per unit	NAV per unit after Distribution
	RM	RM	RM
15-Aug-25	1.1082	0.0001	1.1081
17-Sep-25	1.1112	0.0001	1.1111
15-Oct-25	1.1137	0.0001	1.1136
17-Nov-25	1.1166	0.0001	1.1165
15-Dec-25	1.1191	0.0001	1.1190
15-Jan-26	1.1219	0.0001	1.1218

### 6. Asset Allocation and Investment Strategies Employed

For the financial period under review, KICF's asset allocation was in Islamic money market and Islamic deposit placements.

Other than the investment strategy stated in the Replacement Prospectus dated 14 August 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.

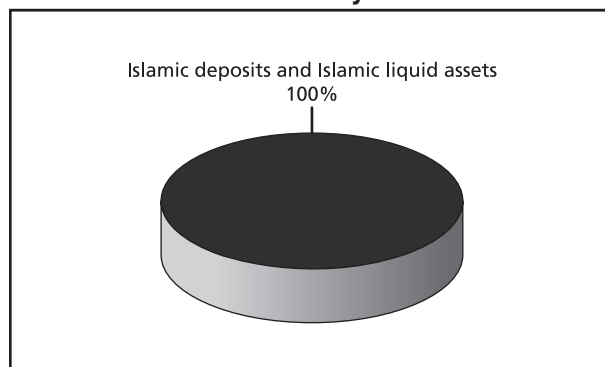
There were no circumstances, which could materially affect any interest of the unit holders.

#### Asset Allocation

Asset Class	Percentage of NAV as at	
	31/07/2025 (%)	31/01/2026 (%)
Islamic deposits and Islamic liquid assets	100	100

## MANAGER'S REPORT

### Portfolio of Investment and Other Assets as at 31 January 2026



### 7. Market Review

Malaysia's exports grew by 10.30% while imports increased by 12.00% Year-on-Year ("YoY") in December. The trade surplus increased to MYR19.3 billion in December; up from MYR6.1 billion in the previous month (November). Malaysia's Consumer Price Index ("CPI") was higher at 1.60% YoY in December compared to 1.40% in November.

Malaysian foreign reserves increased in January to USD125.6 billion from USD124.3 billion in December. Meanwhile, Malaysia's Purchasing Managers' Index ("PMI") was flat at 50.2 in January compared to 50.1 in the previous month.

US Treasury yields were higher in January with the Treasury 2-year, 5-year and 10-year benchmark yield closing the month at 3.52%, 3.79% and 4.24% respectively compared to 3.47%, 3.73% and 4.17% in December.

Malaysian Government Securities ("MGS") 3-year, 5-year and 10-year yield were flat, ending at 2.99%, 3.27% and 3.50% in January compared to 3.00%, 3.26% and 3.49% in the previous month.

**8. Market Outlook and Strategy**

January 2026 began as a continuation of the subdued tone seen at the end of 2025 for global fixed-income markets as investors shifted their focus on more exciting haven asset classes, particularly precious metals. US Treasuries were range bound throughout January with most market participants adopting a "wait-and-see" approach due to the high US political and economic uncertainties.

US President Donald Trump nominated Kevin Warsh as the next chairman of the US Federal Reserve ("the Fed") provided some reassurance to US bondholders who had been concerned about potential erosion of the Fed's independence and credibility. Warsh has a reputation as a traditional orthodox policymaker with significant experience in the Federal Reserve system and was known for his hawkish stance during his previous stint as a Fed governor in 2006 - 2011 although he has recently turned more dovish. Nonetheless, investors are generally of the opinion that Warsh will be able to resist political pressure from the Trump administration to cut rates should the inflation outlook not warrant further easing. The Fed left rates unchanged at 3.75% during the January Federal Open Market Committee ("FOMC") but most market participants continue to expect the Fed to deliver 2 cuts this year which will bring the Fed Funds Rate down to 3.25%.

In Malaysia, Bank Negara Malaysia ("BNM") also maintained the Overnight Policy Rate ("OPR") at 2.75% as the local economy continues to remain on firm footing and low inflation despite a small CPI uptick in December. The probability of further rate cuts this year remains low given the stable local economy unless there is a significant protracted external shock. Local bonds were also range bound in tandem with global peers in January despite a strengthening Ringgit due to the perceived large incoming supply of government bonds throughout 2026. Nonetheless, there was adequate support for the 3 government auctions for the month being the 5-year Government Investment Issues ("GII") 08/2030, 15-year MGS 01/2041 and 30-year GII 01/2056 which minted Bid-to-Cover ("BTC") ratios of 2.296x, 1.944x and 2.071x respectively

The primary challenge for Malaysian Fixed-Income at present is generating a solid return amid the low yield environment. We have positioned the portfolio to mitigate the risks amid elevated market uncertainties in 2026. We also continue to look for opportunities to buy quality assets at attractive prices while maintaining our conservative stance of medium portfolio duration and an emphasis on high credit quality.

**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 KICF from one broker/dealer by virtue of transactions conducted for KICF. 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 KICF 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 January		
	2026	2025	2024
	(Percentage of NAV)		
	%	%	%
Islamic deposits and Islamic liquid assets	100.00	100.00	100.00
<b>Total return for the year</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Capital growth	-	-	-
Income distribution	1,447	4,146	4,214

Performance	Income Return	Capital Return	Annual Total Return	
	%	%	KICF %	Benchmark %
<b>Financial year ended</b>				
31/07/2025	0.11	2.38	2.49	2.26
31/07/2024	0.11	3.28	3.39	2.53
31/07/2023	0.05	3.09	3.14	2.40
31/07/2022	0.77	1.14	1.91	1.57
31/07/2021	1.90	(0.01)	1.89	1.50

	Average Total Return	
	KICF %	Benchmark %
One (1) year	2.34	2.02
Three (3) years	3.14	2.38
Five (5) years	2.83	2.18

One (1) year  
Three (3) years  
Five (5) years

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

## KEY PERFORMANCE DATA

### 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

	As at 31 January		
	2026	2025	2024
<b>NAV and Units in Circulation</b>			
Total NAV (RM'000)	87,441	218,812	236,247
Units in circulation (in '000)	77,852	199,147	222,164
NAV per unit (RM)	1.1232	1.0987	1.0634
<b>Unit Prices for the year (RM per unit)</b>			
NAV (year high)	1.1232	1.0987	1.0634
NAV (year low)	1.1068	1.0811	1.0468
NAV (year high, ex-distribution)	1.1218	1.0971	1.0618
NAV (year low, ex-distribution)	1.1081	1.0824	1.0480
NAV	1.1232	1.0987	1.0634

	2026	
	Sen/unit	Payment Date
<b>Distribution</b>		
Interim - gross/net	0.01	15-Aug-25
Interim - gross/net	0.01	17-Sep-25
Interim - gross/net	0.01	15-Oct-25
Interim - gross/net	0.01	17-Nov-25
Interim - gross/net	0.01	15-Dec-25
Interim - gross/net	0.01	15-Jan-26

	2025	
	Sen/unit	Payment Date
<b>Distribution</b>		
Interim - gross/net	0.01	15-Aug-24
Interim - gross/net	0.01	17-Sep-24
Interim - gross/net	0.01	15-Oct-24
Interim - gross/net	0.01	15-Nov-24
Interim - gross/net	0.01	16-Dec-24
Interim - gross/net	0.01	15-Jan-25

## KEY PERFORMANCE DATA

	2024	
	Sen/unit	Payment Date
<b>Distribution</b>		
Interim - gross/net	0.01	15-Aug-23
Interim - gross/net	0.01	15-Sep-23
Interim - gross/net	0.01	16-Oct-23
Interim - gross/net	0.01	15-Nov-23
Interim - gross/net	0.01	15-Dec-23
Interim - gross/net	0.01	15-Jan-24

	As at 31 January		
	2026	2025	2024
<b>Unit split (unit)</b>	Nil	Nil	Nil
<b>Total Expense Ratio ("TER")</b>	0.20%	0.17%	0.17%
<b>Portfolio Turnover Ratio ("PTR")</b>	26.53 times	23.40 times	22.19 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 acquisitions and disposal of the Fund divided by the average fund size.

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

The PTR was higher than the previous period due to decrease in average NAV.

**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 iCASH FUND ("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 January 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 comprises 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  
30 March 2026

## TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF  
**KAF iCASH FUND**

We have acted as the Trustee of **KAF iCash Fund** ("the Fund") for the financial period ended 31 January 2026. To the best of our knowledge, **KAF Investment Funds Berhad** ("the Manager") has managed the Fund in accordance with the following:

- a) Limitations imposed on the investment powers of the management company under the Deed, securities laws and the Guidelines on Unit Trust Funds;
- b) Valuation/pricing is carried out in accordance with the Deed and;
- c) Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements; and
- d) The distributions to the unit holders of the Fund is in line with the investment objectives of the Fund.

For and on behalf of  
**PB Trustee Services Berhad**

**Cheah Kuan Yoon**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
30 March 2026

## STATEMENT BY THE MANAGER

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

TO THE UNIT HOLDERS OF  
**KAF iCASH FUND**

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 46 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 January 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  
30 March 2026

	Note	2026 RM	2025 RM
<b>INCOME</b>			
Profit income from financial assets at fair value through profit or loss		1,541,777	4,357,976
<b>EXPENSES</b>			
Manager's fee	3	(75,774)	(186,515)
Trustee's fee	4	(7,900)	(15,543)
Audit fee		(4,039)	(4,033)
Tax agent's fee		(1,814)	(1,815)
Other expenses		(4,939)	(4,376)
		(94,466)	(212,282)
<b>NET PROFIT BEFORE TAXATION</b>			
		1,447,311	4,145,694
<b>TAXATION</b>			
	6	-	-
<b>NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>			
		1,447,311	4,145,694
Net profit after taxation is made up of the following:			
Realised amount		1,447,311	4,145,694

Total amount for distributions (net) and distributions per unit (gross and net) for the distributions, including the date for each distribution, are disclosed in Note 5.

*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 JANUARY 2026

	Note	2026 RM	2025 RM
<b>ASSETS</b>			
Cash and cash equivalents	8	112,817	11,208
Financial assets at fair value through profit or loss	7	87,354,271	228,595,695
Amount due from Manager - creation of units		-	250,000
Prepayment	9	685	1,185
<b>TOTAL ASSETS</b>		<b>87,467,773</b>	<b>228,858,088</b>
<b>LIABILITIES</b>			
Amount due to Manager			
- Cancellation of units		-	10,000,000
- Manager's fee		11,602	31,569
Amount due to Trustee		2,552	2,631
Other payables and accruals	11	12,333	12,327
<b>TOTAL LIABILITIES</b>		<b>26,487</b>	<b>10,046,527</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>87,441,286</b>	<b>218,811,561</b>
<b>EQUITY</b>			
Unit holders' capital		53,232,924	186,908,701
Retained earnings		34,208,362	31,902,860
<b>TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<b>87,441,286</b>	<b>218,811,561</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>	12	<b>77,852,011</b>	<b>199,146,593</b>
<b>NAV PER UNIT</b>		<b>1.1232</b>	<b>1.0987</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 JANUARY 2026

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
<b>BALANCE AS AT 1 AUGUST 2025</b>		62,829,245	32,815,005	95,644,250
<b>Movement in unit holders' capital:</b>				
Creation of units arising from applications		152,302,317	-	152,302,317
Creation of units arising from distributions		21,210	-	21,210
Cancellation of units		(161,919,848)	-	(161,919,848)
		(9,596,321)	-	(9,596,321)
Total comprehensive income for the financial period		-	1,447,311	1,447,311
Distributions	5	-	(53,954)	(53,954)
		-	1,393,357	1,393,357
<b>BALANCE AS AT 31 JANUARY 2026</b>		<b>53,232,924</b>	<b>34,208,362</b>	<b>87,441,286</b>
<b>BALANCE AS AT 1 AUGUST 2024</b>		224,059,948	27,892,011	251,951,959
<b>Movement in unit holders' capital:</b>				
Creation of units arising from applications		259,698,276	-	259,698,276
Creation of units arising from distributions		55,793	-	55,793
Cancellation of units		(296,905,316)	-	(296,905,316)
		(37,151,247)	-	(37,151,247)
Total comprehensive income for the financial period		-	4,145,694	4,145,694
Distributions	5	-	(134,845)	(134,845)
		-	4,010,849	4,010,849
<b>BALANCE AS AT 31 JANUARY 2025</b>		<b>186,908,701</b>	<b>31,902,860</b>	<b>218,811,561</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 JANUARY 2026

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

Note	2026 RM	2025 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from maturity of Islamic deposits with licensed financial institutions	2,525,331,110	5,782,851,149
Placement of Islamic deposits with licensed financial institutions	(2,517,433,938)	(5,759,632,257)
Profit received from Islamic deposits with licensed financial institutions	1,880,345	4,493,641
Manager's fee paid	(75,728)	(182,500)
Trustee's fee paid	(6,311)	(15,208)
Payment of other fees and expenses	(15,355)	(12,093)
<b>Net cash generated from operating activities</b>	<b>9,680,123</b>	<b>27,502,732</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	152,338,292	259,448,276
Payments for cancellation of units	(161,919,848)	(286,905,316)
Payment for distributions	(32,744)	(79,052)
<b>Net cash used in financing activities</b>	<b>(9,614,300)</b>	<b>(27,536,092)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>65,823</b>	<b>(33,360)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>46,994</b>	<b>44,568</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>8 112,817</b>	<b>11,208</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash at bank	8 112,817	11,208

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 J.

*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 JANUARY 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 JANUARY 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.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 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 (cont'd)

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.

### B INCOME RECOGNITION

Profit income from Islamic deposits with licensed financial institutions is 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).

### C DISTRIBUTIONS

A distribution to the Fund's unit holders is accounted for as a deduction from 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.

### 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.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

### 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.

The contractual cash flows of the Fund's Islamic deposits with licensed financial institutions 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.

The Fund classifies cash and cash equivalents as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

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

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

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.

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.

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated based on 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.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

#### (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.

#### 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.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

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

##### 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.

##### 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 that is readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

### H 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.

### I UNIT HOLDERS' CAPITAL

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

- the units entitle the unit holders 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 JANUARY 2026

### J 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 on 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 JANUARY 2026

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

KAF iCash Fund (hereinafter referred to as "the Fund") was constituted pursuant to a Master Deed dated 1 June 2018 (hereinafter referred to as "the Deed") between KAF Investment Funds Berhad ("the Manager") and PB Trustee Services Berhad ("the Trustee") as well as the subsequent issuance of the Supplemental Master Deed dated 22 February 2023.

The principal activity of the Fund is to invest in "Permitted Investments" as defined under the Schedule 7 of the Master Deed, which includes placement of deposits with any financial institutions and any other investments permitted by the SC from time to time. The Fund commenced operations on 3 September 2018 and will continue its operations until terminated according to the conditions in the Deed.

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

The Manager, KAF Investment Funds Berhad, is incorporated in Malaysia. Its principal activities are the management of unit trusts 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 JANUARY 2026

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

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

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RM	RM	RM
<b>2026</b>			
Cash and cash equivalents	-	112,817	112,817
Financial assets at fair value through profit or loss	87,354,271	-	87,354,271
	<u>87,354,271</u>	<u>112,817</u>	<u>87,467,088</u>
<b>2025</b>			
Cash and cash equivalents	-	11,208	11,208
Financial assets at fair value through profit or loss	228,595,695	-	228,595,695
Amount due from Manager - creation of units	-	250,000	250,000
	<u>228,595,695</u>	<u>261,208</u>	<u>228,856,903</u>

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

The Fund is exposed to a variety of risks which include market risk (including 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 Prospectus and the SC's Guidelines on Unit Trust Funds.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

#### Market risk

#### Interest rate risk

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

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 carried out for the Fund are in accordance with Shariah requirements.

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

The effective weighted average profit rate per annum and the average remaining maturities of Islamic deposits with licensed financial institutions as at the date of the statement of financial position are as follows:

	Weighted average profit rate		Average remaining maturities	
	2026 %	2025 %	2026 Days	2025 Days
Islamic deposits with licensed financial institutions	3.18	3.63	27	126

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 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 obligation. The Manager manages this risk by maintaining sufficient level of Islamic liquid assets to meet anticipated payments and cancellations of units by unit holders. Islamic liquid assets comprise cash at bank, Islamic deposits with licensed financial institutions 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.

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM

#### As at 31 January 2026

Amount due to Manager			
- Manager's fee	11,602	-	11,602
Amount due to Trustee	2,552	-	2,552
Other payables and accruals	-	12,333	12,333
<b>Contractual undiscounted cash outflows</b>	<b>14,154</b>	<b>12,333</b>	<b>26,487</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

#### Liquidity risk (cont'd)

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM

#### As at 31 January 2025

Amount due to Manager			
Cancellation of units	10,000,000	-	10,000,000
Manager's Fee	31,569	-	31,569
Amount due to Trustee	2,631	-	2,631
Other payables and accruals	-	12,327	12,327
<b>Contractual undiscounted cash outflows</b>	<b>10,034,200</b>	<b>12,327</b>	<b>10,046,527</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 placements in Islamic deposits with licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

#### Credit risk (cont'd)

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	112,817	11,208
Financial assets at fair value through profit or loss	87,354,271	228,595,695
Other assets*	-	250,000
	<u>87,467,088</u>	<u>228,856,903</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	Total RM
<b>As at 31 January 2026</b>			
<b>Financial services</b>			
- AA3	-	112,817	112,817
<b>Islamic deposits with licensed financial institutions</b>			
- AAA	50,374,890	-	50,374,890
- AA3	36,979,381	-	36,979,381
	<u>87,354,271</u>	<u>112,817</u>	<u>87,467,088</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 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* Total RM	Total RM
<b>As at 31 January 2025</b>				
<b>Financial services</b>				
- A1	-	11,208	-	11,208
<b>Islamic deposits with licensed financial institutions</b>				
- AAA	109,359,789	-	-	109,359,789
- AA3	78,661,930	-	-	78,661,930
- A1	40,573,976	-	-	40,573,976
<b>Others</b>				
- not rated	-	-	250,000	250,000
	<u>228,595,695</u>	<u>11,208</u>	<u>250,000</u>	<u>228,856,903</u>

\* Other assets comprise of amount due from Manager - creation of units.

#### Shariah status reclassification risk

This risk refers to the risk of a possibility that the currently held Islamic deposits placed 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 withdraw such deposits.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

#### 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.

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 and all current liabilities are reasonable approximations of their fair values due to their short-term nature.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

#### 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.

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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 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:

Level 1	Level 2	Level 3	Total
RM	RM	RM	RM

**As at 31  
January  
2026**

**Financial  
assets at  
fair value  
through  
profit or  
loss:**

- Islamic deposits with licensed financial institutions	- 87,354,271	- 87,354,271	
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**As at 31  
January  
2025**

**Financial  
assets at  
fair value  
through  
profit or  
loss:**

- Islamic deposits with licensed financial institutions	- 228,595,695	- 228,595,695	
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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2026

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

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

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 inputs are classified within Level 2. These include Islamic deposits with licensed financial institutions. 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.

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

### 3. MANAGER'S FEE

Clause 13.1.2 of the Master Deed provides that the Manager is entitled to an annual management fee at a rate not exceeding 1.50% 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 0.15% (2025: 0.15%) 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.

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

**4. TRUSTEE'S FEE**

Clause 13.2.2 of the Master Deed provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.15% 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 RM15,000 per annum.

The Trustee's fee provided in the financial statements is computed based on this basis at a rate of 0.0125% (2025: 0.0125%) 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.

**5. DISTRIBUTIONS**

	Gross/Net distribution per unit (sen)	
	2026 Sen/Unit	2025 Sen/Unit
Gross/Net distribution for the financial period:		
Interim, declared and reinvested on 15/08/2025 (2024: 15/08/2024)	0.01	0.01
Interim, declared and reinvested on 17/09/2025 (2024: 17/09/2024)	0.01	0.01
Interim, declared and reinvested on 15/10/2025 (2024: 15/10/2024)	0.01	0.01
Interim, declared and reinvested on 17/11/2025 (2024: 15/11/2024)	0.01	0.01
Interim, declared and reinvested on 15/12/2025 (2024: 16/12/2024)	0.01	0.01
Interim, declared and reinvested on 15/01/2026 (2025: 15/01/2025)	0.01	0.01
	<b>0.06</b>	<b>0.06</b>

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

**5. DISTRIBUTIONS (CONT'D)**

	Gross/Net distribution per unit (sen)	
	2026 Sen/Unit	2025 Sen/Unit
Distributions to unit holders are from the following sources:		
Profit income from Islamic deposits with licensed financial institutions	140,144	341,751
Gross realised income	140,144	341,751
Less:		
Expenses	(86,190)	(206,906)
Gross/Net distribution	<b>53,954</b>	<b>134,845</b>

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of unit in circulation.

The distributions are made from current year's net realised income.

**6. TAXATION**

	2026 RM	2025 RM
Current taxation		
- Malaysia taxation	-	-

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

**6. TAXATION (CONT'D)**

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

	2026 RM	2025 RM
Net profit before taxation	1,447,311	4,145,694
Taxation at Malaysian statutory rate of 24% (2025: 24%)	347,355	994,967
Tax effects of:		
Investment income not subject to tax	(370,026)	(1,045,914)
Expenses not deductible for tax purposes	3,095	4,974
Restriction on tax deductible expenses for unit trust funds	19,576	45,973
Tax expense	-	-

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

	2026 RM	2025 RM
Financial assets at fair value through profit or loss:		
- Islamic deposits with licensed financial institutions*	87,354,271	228,595,695

\*Includes profit receivables of RM380,597 (2025: RM1,362,288). A total of RM14,055,781 (2025: RM43,213,285) of short-term Islamic deposits are placed with KAF Investment Bank Berhad, the intermediate holding company of the Manager.

The weighted average profit rate and the average remaining maturities of Islamic deposits with licensed financial institutions are shown in Note 2 to the financial statements.

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

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

The Fund's Shariah-compliant investments in Islamic deposits with licensed financial institutions are short-term in nature. Therefore, the fair values of Islamic deposits with licensed financial institutions are taken to approximate their carrying values.

**8. CASH AND CASH EQUIVALENTS**

	2026 RM	2025 RM
Cash at bank	112,817	11,208

**9. PREPAYMENT**

	2026 RM	2025 RM
Prepayment of Shariah advisory fee	685	1,185

**10. SHARIAH INFORMATION OF THE FUND**

The Shariah Adviser confirmed that the investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the Shariah Advisory Council of Bank Negara Malaysia.

**11. OTHER PAYABLES AND ACCRUALS**

	2026 RM	2025 RM
Audit and tax agent's fees	10,883	10,877
Sundry accruals	1,450	1,450
	12,333	12,327

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

**12. NUMBER OF UNITS IN CIRCULATION**

	2026 Number of units	2025 Number of units
At the beginning of the financial period	86,420,985	233,063,796
Creation of units arising from applications	136,270,234	238,453,252
Creation of units arising from distributions	19,040	51,190
Cancellation of units	(144,858,248)	(272,421,645)
At the end of the financial period	<u>77,852,011</u>	<u>199,146,593</u>

**13. UNITS HELD BY THE 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
KAF Enhanced Bond Fund KAF Dana Alif	Fund managed by 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

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

**13. UNITS HELD BY THE MANAGER AND RELATED PARTIES (CONT'D)**

	2026		2025	
	No. of units	RM	No. of units	RM
KAF Investment Funds Berhad	7	8	62	68
KAF Enhanced Bond Fund	926,325	1,040,448	-	-
KAF Dana Alif	1,820,018	2,044,244	-	-
Subsidiaries and associates of the ultimate holding company of the Manager	<u>3,110,175</u>	<u>3,493,349</u>	<u>3,118,138</u>	<u>3,425,898</u>

The above units were transacted at the prevailing market price. All related party units are held beneficially, except for the Manager where the units are held legally.

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

**14. TOTAL EXPENSE RATIO (“TER”)**

	2026	2025
TER (“annualised”)	0.20%	0.17%

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
- 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 RM95,021,292 (2025: RM246,657,689).

**15. PORTFOLIO TURNOVER RATIO (“PTR”)**

	2026	2025
PTR	26.53 times	23.40 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 = RM2,517,433,938 (2025: RM5,759,632,257)
- total disposal for the financial period = RM2,525,331,110 (2025: RM5,782,851,149)

**16. SEMI-ANNUAL ACCOUNTS**

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

**CORPORATE INFORMATION**

**Manager**

KAF Investment Funds Berhad  
Reg. No: 199501004999

**Registered Office**

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

**Business Office**

Level 13, Menara IQ  
Lingkar TRX  
Tun Razak Exchange  
55188 Kuala Lumpur  
Tel: 03-9767 6000 Fax: 03-9767 6001  
Website: 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**

PB Trustee Services Berhad

**Auditor & Reporting Accountant**

PricewaterhouseCoopers PLT

**Tax Adviser**

PricewaterhouseCoopers Taxation Services Sdn Bhd

**Shariah Adviser**

BIMB Securities Sdn Bhd  
Reg. No: 199401004484

**Banker**

Alliance Bank (M) Berhad

**KAF Investment Funds Berhad** Reg. No: 199501004999  
Level 13, Menara IQ,  
Lingkar 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)**