



KAF DANA ADIB

SEMI-ANNUAL REPORT

31 OCTOBER 2024

MANAGER'S REPORT

We are pleased to present the Manager's semi-annual report for the financial period ended 31 October 2024 ("the period").

1. Launch Date

KAF Dana Adib ("KDA/the Fund") commenced operations on 25 March 2004 and will continue its operations until terminated according to the Deed dated 25 February 2004, Supplemental Deed dated 9 January 2014, Second Supplemental Deed dated 12 March 2015 and Third Supplemental Deed dated 9 January 2023.

2. Type of Fund

Islamic Growth Fund.

3. Category of Fund

Islamic Equity Fund.

4. Fund's Objective, Benchmark and Distribution Policy

KDA's investment objective is to provide unit holders with medium to long term capital growth by investing in Shariah-compliant securities listed in the Malaysian equities market whilst abiding by Shariah principles.

The benchmark of the Fund is the FTSE Bursa Malaysia EMAS Shariah Index ("FBMS").

Income distribution (if any) is incidental.

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 of 0.63%, and underperformed the benchmark which also recorded a negative return of 0.20% due to underweight position in the Property and Construction sectors which outperformed the broader based markets during the period under review.

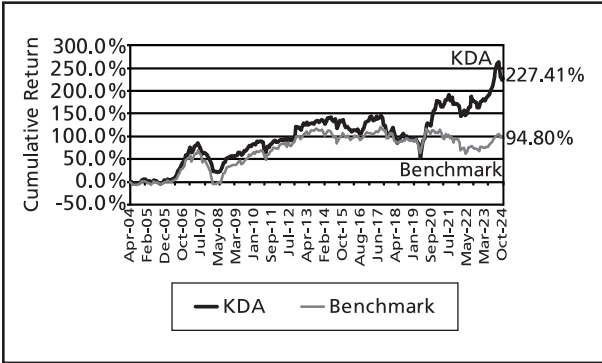
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Since inception, based on its NAV, KDA recorded a return of 227.41% compared to its benchmark, the composite FTSE Bursa Malaysia EMAS Shariah Index which rose by 94.80%. As such, the Fund outperformed its benchmark by 132.61 percentage points.

No cross-trade transaction carried out during the reported period ended 31 October 2024. The Fund has not undertaken any securities lending or repurchase transaction for the reported period.

Performance Chart since Inception
(25 March 2004 – 31 October 2024)



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

KDA’s Performance against the Benchmark and Various Indices of the Bursa Malaysia

Fund/Index	30/04/2024	31/10/2024	Change (%)
KDA (RM)	1.0218	1.0154	(0.63)
FBM EMAS Shariah Index (benchmark)	12,085.94	12,062.16	(0.20)
FBM KLCI	1,575.97	1,601.88	1.64
FBM EMAS Index	11,872.26	12,103.23	1.95

Fund Performance as ranked by Lipper Asia Limited

Period	KDA		Mean of Malaysian Industry's Islamic Equity Funds
	% Change	Rank	% Change
3 months 25/07/2024 – 25/10/2024	(9.94)	56/59	(5.81)
6 months 25/04/2024 – 25/10/2024	(0.07)	43/58	2.77
1 year 25/10/2023 – 25/10/2024	16.64	22/58	16.20
3 years 25/10/2021 – 25/10/2024	11.79	7/56	1.55
5 years 25/10/2019 – 25/10/2024	65.74	4/54	26.78

Source: The Edge, 4 November 2024 issue, Edge-Lipper Fund Performance Table, an independent source.

Past performance is not necessarily indicative of future performance.

For the period under review, KDA was ranked No. 43 out of 58 in the Edge-Lipper Fund Performance in the 6-months Islamic Equity Fund category by Lipper Asia Limited, based on The Edge, 4 November 2024 issue.

During the financial period under review, KDA realised a gain of RM1.67 million from Shariah-compliant equity sales. In addition, the Fund earned RM0.52 million from dividend and profit from Islamic cash deposits. As at end of financial period, KDA’s unrealised gain stood at RM3.36 million.

The NAV increased from RM38.91 million on 30 April 2024 to RM52.96 million on 31 October 2024 due to inflow of fresh funds into the portfolio. However, the NAV per unit of the Fund decreased to RM1.0154 at the end of the financial period under review from RM1.0218 at the end of the last financial year due to the recent market selloff since August 2024.

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6. Asset Allocation and Investment Strategies Employed

During the financial period under review, the Shariah-compliant equity exposure increased from 90.50% as of 30 April 2024 to 94.88% as of 31 October 2024 as the Fund Manager taken the opportunity to invest in growth Shariah-compliant stocks which has corrected since the market sell down in August 2024 as the positive outlook remain intact for the rest of the year 2024.

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.

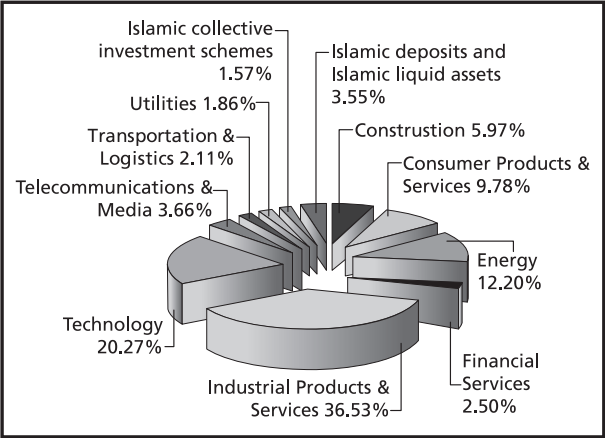
There were no significant changes in the Fund's state of affairs during the period.

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

Asset Allocation

Asset Class	Percentage of NAV as at		Change in exposure over period (%)
	30/04/2024 (%)	31/10/2024 (%)	
Shariah-compliant equities and Islamic derivative instruments	90.50	94.88	4.38
Islamic collective investment schemes	3.07	1.57	(1.50)
Islamic deposits and Islamic liquid assets	6.43	3.55	(2.88)

Portfolio of Investment and Other Assets as at 31 October 2024



7. Review of the Stock Market

2023 ended with a bang with global markets rallying strongly after the US Federal Reserve ("the Fed") signaled an end to its rate hike campaign. The rally continued into 2024 except for China which continued to grapple with weakening retail sales and ongoing concerns in the property market. The domestic markets however recorded strong performance in January 2024 driven by the recent developments in the Johor-Singapore Special Economic Zones which fueled an upbeat sentiment in the property and construction sectors. Financial markets soared in February 2024 driven by strong corporate earnings and favorable global economic data.

The positive momentum continued in March 2024 as the market consensus expected interest rate to cut earlier than expected coupled with the increased optimism in artificial intelligence (AI) related stocks. Global markets reversed in April 2024 as heightened tensions in the Middle East but local markets rebound on the back of stronger corporate earnings expectations. In May 2024, global markets had positive momentum driven by strong earnings results particularly within the technology sector. The rally continued until August 2024 when global markets experienced a deep sell-down due to recession fears and the unwinding of Japanese Yen carry trade.

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In September 2024, global markets struggled to recover but the China and Hong Kong markets delivered impressive results with double digit returns as a result of the sizeable stimulus announced by the Chinese government. However, the returns in the Northern Asia region normalized in the final month of the period under review as investors held back purchases amid the uncertainty of the upcoming US election in November 2024.

8. Market Outlook and Strategy

In September, the Fed cut rates by 50 basis points while expectations remain for at least another two rate cuts by end of the year due to weakening US growth as evidenced by the job market slowdown and easing inflationary pressures which remain stubbornly above the Fed's 2% target. With a clear Fed direction pointing toward loosening monetary conditions, we expect that financial markets will end positively by the year end. Nonetheless, we remain cautiously optimistic due to the prevailing economic narrative which has shifted several times between a 'soft landing' and a possible recession thus fueling volatility in the financial markets.

Another positive factor includes the catalyst effect from the long awaited sizeable stimulus from China as Beijing is expected to announce more fiscal measures targeting the property sector and domestic consumption to achieve its 5% growth target for this year. The Chinese and Hong Kong stock markets have rallied significantly outperforming the US markets and could further spill over to the regional markets. In terms of economic fundamentals, we believe the technology and industrial sectors could benefit from the promising growth trend in Northern Asia and potentially offsetting earnings pressure from the US Dollar weakening against the Ringgit.

However, we do not discount the probability of further correction in shorter term due the lagging impact of higher interest rates to the global economy, heightened geopolitical tensions especially in Middle East and the US election in November. The recent conflicts between Iran and Israel have sparked oil prices to go higher which may benefit the energy sector but on the flip side may dampen global market sentiment. Hence, we could see a broad correction in short term but also on the flipside, there could be some positive offsets by potential gains in Energy sector.

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On the local front, the impending the subsidy rationalisation of petrol could have a more significant impact than the recent rationalisation of diesel. The removal of petrol subsidies are likely to cause at least a short-term uptick in inflation and potentially affecting domestic consumption and overall economic growth. The recent Ringgit strengthening may also reverse if there is a surge in foreign outflows on profit taking activities which would benefit the exporters especially in the technology and industrial sectors.

Our short-term strategy focuses on the energy sector which is poised to gain from increased geopolitical risks and we also still have a preference for the construction sector given it is a direct beneficiary from the higher domestic infrastructure activities. In the long term, we aim to further increase our exposure in the technology and industrial sectors particularly as earnings begin to recover after the slowdown in this year and after the US Election risks subside. Lastly from a macro perspective, the loosening monetary condition is expected to provide additional support for the financial markets.

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 KDA from one broker/dealer by virtue of transactions conducted for KDA. 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 KDA 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 October		
	2024	2023	2022
	(Percent of NAV)		
	%	%	%
Quoted Shariah-compliant equities			
Construction	5.97	5.36	4.75
Consumer Products & Services	9.78	8.95	9.90
Energy	12.20	13.15	13.75
Financial Services	2.50	5.04	4.50
Health Care	-	-	1.62
Industrial Products & Services	36.53	20.61	19.39
Plantation	-	-	1.19
Property	-	1.83	6.45
Technology	20.27	26.39	21.33
Telecommunications & Media	3.66	1.33	0.83
Transportation & Logistics	2.11	-	-
Utilities	1.86	5.13	5.25
Total Quoted Shariah-compliant equities	94.88	87.79	88.96
Islamic collective investment schemes	1.57	5.90	6.86
Islamic deposits and Islamic liquid assets	3.55	6.31	4.18
Total	100.00	100.00	100.00
Total return for the year	RM'000	RM'000	RM'000
Capital growth	(3,315)	(350)	(3,111)
Income Distribution	1,644	989	280

Performance	Income Return	Capital Return	Annual Total Return	
	%	%	KDA %	Benchmark %
Financial year ended				
30/04/2024	0.00	19.90	19.90	12.57
30/04/2023	0.00	1.65	1.65	(10.69)
30/04/2022	0.00	(2.08)	(2.08)	(9.42)
30/04/2021	0.00	65.35	65.35	21.88
30/04/2020	0.00	(18.71)	(18.71)	(8.00)

KEY PERFORMANCE DATA

	Average Total Return	
	KDA %	Benchmark %
One (1) year	17.33	11.26
Three (3) years	4.17	(1.40)
Five (5) years	13.21	0.39

Source: Novagni Analytics & 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 October		
	2024	2023	2022
Total NAV (RM'000)	52,957	32,544	32,683
Units in Circulation (in'000)	52,156	37,606	42,336
NAV per unit (RM)	1.0154	0.8654	0.7720
Unit Prices for the year (RM per unit)			
NAV (year high)	1.1708	0.8764	0.8593
NAV (year low)	0.9715	0.8068	0.7164
NAV (year high, ex-distribution)	Nil	Nil	Nil
NAV (year low, ex-distribution)	Nil	Nil	Nil
NAV	1.0154	0.8654	0.7720
Distributions	Nil	Nil	Nil
Unit split	Nil	Nil	Nil
Total Expense Ratio ("TER")	1.67%	1.72%	1.68%
Portfolio Turnover Ratio ("PTR")	0.34 times	0.28 times	0.22 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 lower than the previous period due to overall increase in average NAV during the period under review (refer to Note 15).

The PTR was higher than the previous period due to increase in portfolio rebalancing activities undertaken by the Fund (refer to Note 16).

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 ADIB ("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 October 2024, 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
19 December 2024

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF
KAF DANA ADIB

We, **Universal Trustee (Malaysia) Berhad** ("the Trustee") being the Trustee of **KAF Dana Adib** ("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 October 2024.

- (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 Lourdsamy Bin Abdullah
Assistant Manager

Kuala Lumpur, Malaysia
19 December 2024

STATEMENT BY THE MANAGER

TO THE UNIT HOLDERS OF
KAF DANA ADIB

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 14 to 67 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 October 2024 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 Director	Mohammed Reza Tan Sri Abu Talib Executive Director
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Kuala Lumpur, Malaysia
19 December 2024

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	Note	2024 RM	2023 RM
INCOME			
Dividend income		467,904	473,210
Profit income from financial assets at amortised cost		55,246	50,177
Net (loss)/gain on financial assets at fair value through profit or loss	6	(1,649,133)	500,753
		(1,125,983)	1,024,140
EXPENSES			
Manager's fee	3	(379,922)	(266,964)
Trustee's fee	4	(17,730)	(12,458)
Transaction costs		(120,266)	(75,572)
Audit fee		(4,033)	(3,519)
Tax agent's fee		(2,420)	(2,336)
Other expenses		(20,593)	(23,866)
		(544,964)	(384,715)
NET (LOSS)/PROFIT BEFORE TAXATION		(1,670,947)	639,425
TAXATION	5	-	-
NET (LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD		(1,670,947)	639,425
Net (loss)/profit after taxation is made up of the following:			
Realised amount		1,643,585	988,983
Unrealised amount		(3,314,532)	(349,558)
		(1,670,947)	639,425

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 OCTOBER 2024

	Note	2024 RM	2023 RM
ASSETS			
Cash and cash equivalents	7	2,008,411	2,239,134
Financial assets at fair value through profit or loss	6	51,073,232	30,489,346
Amount due from Manager - creation of units		60,924	224,868
Other receivables	9	9,194	1,680
TOTAL ASSETS		53,151,761	32,955,028
LIABILITIES			
Amount due to brokers	8	-	130,461
Amount due to Manager			
- Cancellation of units		101,475	217,225
- Manager's fees		67,210	41,191
Amount due to Trustee		3,136	1,922
Other payables and accruals	10	22,826	20,228
TOTAL LIABILITIES		194,647	411,027
NET ASSET VALUE ("NAV") OF THE FUND		52,957,114	32,544,001
EQUITY			
Unit holders' capital		21,749,622	3,250,426
Retained earnings		31,207,492	29,293,575
TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		52,957,114	32,544,001
NUMBER OF UNITS IN CIRCULATION	12	52,155,500	37,605,500
NAV PER UNIT		1.0154	0.8654

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 OCTOBER 2024

	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 MAY 2024	6,026,770	32,878,439	38,905,209
Movement in unit holders' capital:			
Creation of units arising from applications	27,612,813	-	27,612,813
Cancellation of units	(11,889,961)	-	(11,889,961)
	<u>15,722,852</u>	<u>-</u>	<u>15,722,852</u>
Total comprehensive loss for the financial period		- (1,670,947)	(1,670,947)
BALANCE AS AT 31 OCTOBER 2024	<u>21,749,622</u>	<u>31,207,492</u>	<u>52,957,114</u>
BALANCE AS AT 1 MAY 2023	5,812,752	30,688,025	36,500,777
Movement in unit holders' capital:			
Creation of units arising from applications	3,644,245	-	3,644,245
Cancellation of units	(6,206,571)	(2,033,875)	(8,240,446)
	<u>(2,562,326)</u>	<u>(2,033,875)</u>	<u>(4,596,201)</u>
Total comprehensive income for the financial period		- 639,425	639,425
BALANCE AS AT 31 OCTOBER 2023	<u>3,250,426</u>	<u>29,293,575</u>	<u>32,544,001</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 CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of Shariah-compliant investments	9,814,868	12,288,251
Purchase of Shariah-compliant investments	(26,257,392)	(8,892,938)
Dividend received	476,739	489,434
Profit income received	55,246	50,177
Manager's fee paid	(359,679)	(271,336)
Trustee's fee paid	(16,786)	(12,662)
Payment of other fees and expenses	(23,366)	(28,898)
Net cash (used in)/ generated from operating activities	<u>(16,310,370)</u>	<u>3,622,028</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	27,633,633	3,419,377
Payments for cancellation of units	(11,788,486)	(8,023,221)
Net cash generated from/ (used in) financing activities	<u>15,845,147</u>	<u>(4,603,844)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(465,223)</u>	<u>(981,816)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>2,473,634</u>	<u>3,220,950</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>7 2,008,411</u>	<u>2,239,134</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank	288,876	16,993
Islamic deposit with a licensed financial institution	1,719,535	2,222,141
	<u>7 2,008,411</u>	<u>2,239,134</u>

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 OCTOBER 2024

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

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

- Amendment to MFRS 101 and MFRS Practice Statement 2 'Disclosure of Accounting Policies'.
- Amendment to MFRS 108 'Definition of Accounting Estimates'.
- Amendment to MFRS 101 'Classification of liabilities as current or non-current'.

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

(b) Standards and amendments that have been issued but not yet effective

There are no new standards, amendments to standards or interpretations that have yet to be effective and are applicable to the Fund.

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 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).

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

B INCOME RECOGNITION (CONT'D)

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.

C 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.

D 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

E 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 Fund has not taken the option to irrevocably designate any Shariah-compliant equity securities as fair value through other comprehensive income. 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 receivable 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 brokers, amount due to Manager, amount due to Trustee and other payables and accruals as financial liabilities measured at amortised cost.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(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.

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 financial 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 real estate investment trust(s) ("REIT(s)")) in Malaysia are valued at the last traded market price quoted on the 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 OCTOBER 2024

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(ii) Recognition and measurement (cont'd)

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.

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:

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

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.

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 period.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

F CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank and Islamic deposit 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.

G AMOUNT DUE FROM/(TO) BROKERS

Amounts due from/(to) brokers represent receivables for quoted Shariah-compliant securities, Islamic collective investment schemes sold and payables for quoted Shariah-compliant securities purchased that have been contracted for but yet to be settled or delivered on the statement of financial position date respectively. The due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, profit income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

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 OCTOBER 2024

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.

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 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

J UNIT HOLDERS' CAPITAL (CONT'D)

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.

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 OCTOBER 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

KAF Dana Adib (hereinafter referred to as “the Fund”) was constituted pursuant to a Deed dated 25 February 2004 (hereinafter referred to as “the Deed”), between KAF Investment Funds Berhad (“the Manager”) and Universal Trustee (Malaysia) Berhad (“the Trustee”) as well as the subsequent issuance of the Supplemental Deed dated 9 January 2014, Second Supplemental Deed dated 12 March 2015 and Third 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 schedule 7.1.1 of the Deed, which includes Shariah-compliant securities quoted on the Bursa Malaysia, sukuk and Islamic money market instruments and any other forms of instruments that comply with Shariah requirements as may be approved by the relevant authorities from time to time. The Fund commenced operations on 25 March 2004 and will continue its operations until terminated according to the conditions in the Deeds.

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 the Fund’s objective.

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 OCTOBER 2024

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
RM	RM	RM

2024

Cash and cash equivalents	-	2,008,411	2,008,411
Financial assets at fair value through profit or loss	51,073,232	-	51,073,232
Amount due from Manager - creation of units	-	60,924	60,924
Dividend receivables	-	7,250	7,250
	<u>51,073,232</u>	<u>2,076,585</u>	<u>53,149,817</u>

2023

Cash and cash equivalents	-	2,239,134	2,239,134
Financial assets at fair value through profit or loss	30,489,346	-	30,489,346
Amount due from Manager - creation of units	-	224,868	224,868
	<u>30,489,346</u>	<u>2,464,002</u>	<u>32,953,348</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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 and 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 financial Shariah-compliant instruments within specified limits according to the Deed.

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

	2024 RM	2023 RM
Shariah-compliant investments		
- Quoted Shariah-compliant equities at fair value through profit or loss	50,239,561	28,570,058
- Islamic collective investment schemes at fair value through profit or loss	833,671	1,919,288
	<u>51,073,232</u>	<u>30,489,346</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Market risk (cont'd)

(a) Price risk (cont'd)

The following table summarises the sensitivity of the Fund's Shariah-compliant investments to price risk movements as at 31 October. The analysis is based on the assumptions that the market price increased and decreased by 5% (2023: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted Shariah-compliant securities, having regard to the historical volatility of the prices. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in price %	Impact on (loss)/profit before taxation/ NAV RM
2024		
- Quoted Shariah-compliant equities at fair value through profit or loss	+/- 5	<u>2,511,978</u>
- Islamic collective investment schemes at fair value through profit or loss	+/- 5	<u>41,684</u>
2023		
- Quoted Shariah-compliant equities at fair value through profit or loss	+/- 5	<u>1,428,503</u>
- Islamic collective investment schemes at fair value through profit or loss	+/- 5	<u>95,964</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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 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 of short-term Islamic deposits with licensed financial institutions by way of maintaining Islamic deposits 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 effective weighted average profit rate per annum and the average remaining maturities of Islamic deposit with a licensed financial institution as at the date of the statement of financial position are as follows:

	Weighted average profit rate		Average remaining maturities	
	2024 %	2023 %	2024 Days	2023 Days
Islamic deposit with a licensed financial institution	2.85	2.85	1	1

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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 levels of Islamic liquid assets to meet anticipated payment and cancellation 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 RM	Between 1 month to 1 year RM	Total RM
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As at 31 October 2024

Amount due to Manager			
- Cancellation of units	101,475	-	101,475
- Manager's fees	67,210	-	67,210
Amount due to Trustee	3,136	-	3,136
Other payables and accruals	-	22,826	22,826
Contractual undiscounted cash outflows	171,821	22,826	194,647

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Liquidity risk (cont'd)

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
As at 31 October 2023			
Amount due to brokers	130,461	-	130,461
Amount due to Manager			
- Cancellation of units	217,225	-	217,225
- Manager's fees	41,191	-	41,191
Amount due to Trustee	1,922	-	1,922
Other payables and accruals	-	20,228	20,228
Contractual undiscounted cash outflows	390,799	20,228	411,027

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 investments. 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 OCTOBER 2024

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:

	2024 RM	2023 RM
Cash and cash equivalents	2,008,411	2,239,134
Other assets*	68,174	224,868
	2,076,585	2,464,002

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

Cash and cash equivalents RM	Other assets* RM	Total RM
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As at 31 October 2024

Financial services

- AA3	1,719,535	-	1,719,535
- A1	288,876	-	288,876

Others

-not rated	-	68,174	68,174
	2,008,411	68,174	2,076,585

As at 31 October 2023

Financial services

- AAA	2,222,141	-	2,222,141
- A1	16,993	-	16,993

Others

- not rated	-	224,868	224,868
	2,239,134	224,868	2,464,002

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

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

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 or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such securities.

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 effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the SAC of the SC or the date of review ("Review") by the Shariah Adviser. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser;

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

Shariah status reclassification risk (cont'd)

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

- (ii) to hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification or Review 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.

(b) Islamic collective investment schemes or Islamic deposits

This risk refers to the risk of a possibility that the currently held 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 such collective investment schemes or deposits.

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

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 OCTOBER 2024

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 October 2024				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant equities	50,239,561	-	-	50,239,561
- Islamic collective investment schemes	833,671	-	-	833,671
	<u>51,073,232</u>	<u>-</u>	<u>-</u>	<u>51,073,232</u>

As at 31 October 2023				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant equities	28,570,058	-	-	28,570,058
- Islamic collective investment schemes	1,919,288	-	-	1,919,288
	<u>30,489,346</u>	<u>-</u>	<u>-</u>	<u>30,489,346</u>

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

3. MANAGER'S FEE

Clause 13.1.3 of the Deed provides that the Manager is entitled to an annual management fee at a rate not exceeding 2.0% 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 1.50% (2023: 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

Clause 13.2.2 of the Master Deed provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.10% 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.

The Trustee's fee provided in the financial statements is computed on this basis at a rate of 0.07% (2023: 0.07%) 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 OCTOBER 2024

5. TAXATION

	2024 RM	2023 RM
Current taxation		
- Malaysia taxation	-	-

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

	2024 RM	2023 RM
Net (loss)/profit before taxation	(1,670,947)	639,425
Taxation at Malaysian statutory rate of 24% (2023: 24%)	(401,027)	153,462
Tax effects of:		
Investment loss not deductible for tax purposes/(Investment income not subject to tax)	270,236	(245,794)
Expenses not deductible for tax purposes	35,066	24,770
Restriction on tax deductible expenses for unit trust funds	95,725	67,562
Tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 RM	2023 RM
Net (loss)/gain on financial assets at fair value through profit or loss:		
- realised gain on sale of Shariah-compliant investments	1,665,399	850,311
- unrealised loss on fair value movement	(3,314,532)	(349,558)
	(1,649,133)	500,753
Financial assets at fair value through profit or loss:		
- Quoted Shariah-compliant equities	50,239,561	28,570,058
- Islamic collective investment schemes	833,671	1,919,288
	51,073,232	30,489,346

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Construction

AME Elite Consortium Berhad	300,000	495,000	477,000	0.90
Binastra Corporation Berhad	316,600	240,616	468,568	0.88
Econpile Holdings Berhad	1,421,600	619,333	561,532	1.06
MN Holdings Berhad	590,100	359,850	545,843	1.03
Muhibbah Engineering (M) Berhad	1,192,800	985,837	1,109,304	2.10
	<u>3,821,100</u>	<u>2,700,635</u>	<u>3,162,247</u>	<u>5.97</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Consumer Products & Services

Able Global Berhad	546,200	1,124,722	1,059,628	2.00
CAB Cakaran Corporation Berhad	616,700	434,325	385,438	0.73
Farm Price Holdings Berhad	1,850,000	755,460	1,017,500	1.92
Life Water Berhad	750,000	487,500	487,500	0.92
Perak Transit Berhad	250,000	171,250	185,000	0.35
Power Root Berhad	492,900	934,406	699,918	1.32
PWF Corporation Berhad	375,000	339,735	335,625	0.64
Sime Darby Berhad	253,900	556,124	589,048	1.11
Synergy House Berhad	395,300	368,028	419,018	0.79
	<u>5,530,000</u>	<u>5,171,549</u>	<u>5,178,675</u>	<u>9.78</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Energy

Carimin Petroleum Berhad	451,500	381,411	370,230	0.70
Dayang Enterprise Holdings Berhad	571,500	1,050,028	1,217,295	2.30
Hibiscus Petroleum Berhad	862,960	1,565,620	1,725,920	3.26
Keyfield International Berhad	450,000	1,065,930	972,000	1.83
Perdana Petroleum Berhad	990,800	200,550	272,470	0.51
Petra Energy Berhad	472,000	506,981	613,600	1.16
T7 Global Berhad	1,764,300	815,950	882,150	1.67
UZMA Berhad	500,000	475,430	407,500	0.77
	6,063,060	6,061,901	6,461,165	12.20

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Financial Services

Bank Islam Malaysia Berhad	487,900	1,256,333	1,322,209	2.50
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Industrial Products & Services

Ancom Nylex Berhad	518,856	468,636	534,422	1.01
Aurelius Technologies Berhad	118,300	398,206	330,057	0.62
CPE Technology Berhad	903,900	967,173	768,315	1.45
Critical Holdings Berhad	523,400	448,656	549,570	1.04
Cypark Resources Berhad	450,000	407,800	364,500	0.69
EG Industries Berhad	1,153,100	1,494,260	2,271,607	4.29

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

Elridge Energy Holdings Berhad	2,100,000	846,500	924,000	1.74
EPB Group Berhad	702,500	420,820	417,987	0.79
HSS Engineers Berhad	843,300	907,165	978,228	1.85
JAG Berhad	720,000	230,000	226,800	0.43
Kelington Group Berhad	463,500	625,098	1,432,215	2.70
Kinergy Advancement Berhad	2,120,000	761,900	699,600	1.32
Malayan Cement Berhad	100,000	493,000	464,000	0.88
NationGate Holdings Berhad	1,117,600	1,862,322	2,358,136	4.45
Northeast Group Berhad	1,893,900	956,116	1,249,974	2.36

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

P.I.E. Industrial Berhad	244,900	775,715	1,275,929	2.41
Pantech Group Holdings Berhad	571,000	321,454	522,465	0.99
Pecca Group Berhad	200,000	264,000	254,000	0.48
QES Group Berhad	500,000	325,050	252,500	0.48
SKP Resources Berhad	965,025	1,064,226	1,013,276	1.91
Southern Cable Group Berhad	616,700	582,754	561,197	1.06
UCHI Technologies Berhad	300,000	1,098,120	1,158,000	2.19
YBS International Berhad	1,000,300	820,546	730,219	1.38
SKP Resources Berhad-WB	111,300	-	3,339	0.01
	18,257,581	16,539,516	19,340,336	36.53

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as percentage of NAV of Fund	
			as at 31/10/2024	%
	Units	RM	RM	

QUOTED SHARIAH-COMPLIANT EQUITIES

Technology

Cloudpoint Technology Berhad	1,516,500	1,110,854	1,175,288	2.22
Frontken Corporation Berhad	417,300	1,184,744	1,606,605	3.03
Genetec Technology Berhad	606,700	1,244,386	418,623	0.79
Greatech Technology Berhad	400,600	967,394	881,320	1.66
Inari Amertron Berhad	234,600	768,309	675,648	1.28
ITMAX System Berhad	650,000	1,743,209	2,333,500	4.41
Malaysian Pacific Industries Berhad	53,000	1,279,370	1,378,000	2.60
Mi Technovation Berhad	288,100	544,856	550,271	1.04
Pentamaster Corporation Berhad	70,200	299,768	270,270	0.51
SFP Tech Holdings Berhad	492,300	378,480	300,303	0.57

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as percentage of NAV of Fund	
			as at 31/10/2024	%
	Units	RM	RM	

QUOTED SHARIAH-COMPLIANT EQUITIES

Technology

TT Vision Holdings Berhad	613,100	670,355	426,105	0.80
Unisem (M) Berhad	237,800	746,050	720,534	1.36
	5,580,200	10,937,776	10,736,466	20.27

Telecommunications & Media

OCK Group Berhad	1,850,000	1,077,940	888,000	1.67
OCK Group Berhad-WB	40,700	-	5,291	0.01
REDtone Digital Berhad	650,000	650,000	656,500	1.24
TIME dotCom Berhad	80,200	389,252	390,574	0.74
	2,620,900	2,117,192	1,940,365	3.66

Transportation & Logistics

AGX Group Berhad	977,400	493,768	498,474	0.94
Sealink International Berhad	2,243,000	681,483	616,825	1.17
	3,220,400	1,175,251	1,115,299	2.11

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2024 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Utilities

Tenaga Nasional Berhad	70,000	900,288	982,800	1.86
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TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES

45,631,141	46,860,440	50,239,561	94.88
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UNREALISED GAIN ON QUOTED SHARIAH-COMPLIANT EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

3,379,121

FAIR VALUE OF TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES

50,239,561

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of Islamic collective investment scheme as at 31 October 2024 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2024 expressed as	
			as at 31/10/2024	percentage of NAV of Fund
	Units	RM	RM	%

ISLAMIC COLLECTIVE INVESTMENT SCHEME

Islamic REIT

Axis Real Estate Investment Trust	465,738	856,231	833,671	1.57
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TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEME

465,738	856,231	833,671	1.57
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UNREALISED LOSS ON ISLAMIC COLLECTIVE INVESTMENT SCHEME AT FAIR VALUE THROUGH PROFIT OR LOSS

(22,560)

FAIR VALUE OF TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEME

833,671

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023 expressed as	
			as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Construction

Econpile Holdings Berhad	434,800	200,678	132,614	0.41
Gamuda Berhad	60,229	258,648	279,463	0.86
MN Holdings Berhad	1,500,000	485,790	720,000	2.21
Muhibbah Engineering (M) Berhad	887,100	577,545	612,099	1.88
Sunway Construction Group Berhad	900	1,407	1,719	0.01
	<u>2,883,029</u>	<u>1,524,068</u>	<u>1,745,895</u>	<u>5.36</u>

Consumer Products & Services

Berjaya Food Berhad	365,400	263,930	248,472	0.76
MST Golf Group Berhad	416,800	328,017	200,064	0.61
PETRONAS Dagangan Berhad	33,600	759,046	768,096	2.36

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023 expressed as	
			as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Consumer Products & Services

Power Root Berhad	492,900	934,406	971,013	2.98
QL Resources Berhad	37,000	218,353	204,610	0.63
Sime Darby Berhad	227,500	490,679	520,975	1.60
	<u>1,573,200</u>	<u>2,994,431</u>	<u>2,913,230</u>	<u>8.95</u>

Energy

Carimin Petroleum Berhad	699,400	595,467	566,514	1.74
Dialog Group Berhad	211,600	591,444	454,940	1.40
Hibiscus Petroleum Berhad	982,960	1,738,249	2,624,503	8.06
Perdana Petroleum Berhad	1,190,800	242,239	303,654	0.93
T7 Global Berhad	700,000	322,200	329,000	1.01
	<u>3,784,760</u>	<u>3,489,599</u>	<u>4,278,611</u>	<u>13.15</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023 expressed as	
			as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Financial Services

Bank Islam Malaysia Berhad	487,900	1,256,333	1,048,985	3.22
Syarikat Takaful Malaysia Keluarga Berhad	161,003	649,046	592,491	1.82
	648,903	1,905,379	1,641,476	5.04

Industrial Products & Services

Ancom Nylex Berhad	890,000	844,371	1,068,000	3.28
Citaglobal Berhad	81,600	114,852	129,744	0.40
EG Industries Berhad	696,100	725,794	995,423	3.06
Kelington Group Berhad	903,500	1,218,502	1,346,215	4.14
Kinergy Advancement Berhad	400,000	130,000	128,000	0.39

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023 expressed as	
			as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

P.I.E. Industrial Berhad	386,900	1,225,497	1,199,390	3.69
Pantech Group Holdings Berhad	836,000	470,641	727,320	2.23
Peklat Group Berhad	750,000	363,750	315,000	0.97
SKP Resources Berhad	565,025	638,996	446,370	1.37
SKP Resources Berhad-WB	111,300	-	5,565	0.02
UCHI Technologies Berhad	100,000	316,650	345,000	1.06
	5,720,425	6,049,053	6,706,027	20.61

Property

S P Setia Berhad-RCPS-i	650,000	681,134	594,750	1.83
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023 expressed as	
			as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Technology

Cloudpoint Technology Berhad	745,000	428,297	447,000	1.37
D&O Green Technologies Berhad	220,200	516,600	722,256	2.22
Frontken Corporation Berhad	524,600	1,362,735	1,668,228	5.13
Genetec Technology Berhad	175,800	433,884	414,888	1.27
Greatech Technology Berhad	200,300	967,394	925,386	2.85
Inari Amertron Berhad	285,500	813,097	813,675	2.50
Infomina Berhad	480,800	507,869	735,624	2.26
Malaysian Pacific Industries Berhad	43,000	1,003,821	1,106,820	3.40
SFP Tech Holdings Berhad	683,300	146,530	666,218	2.05

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023 expressed as	
			as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Technology

Unisem (M) Berhad	237,800	746,050	703,888	2.16
ViTrox Corporation Berhad	55,700	430,874	383,216	1.18
	3,652,000	7,357,151	8,587,199	26.39

Telecommunications & Media

TIME dotCom Berhad	80,200	389,252	426,664	1.31
OCK Group Berhad-WB	40,700	-	5,088	0.02
	120,900	389,252	431,752	1.33

Utilities

Tenaga Nasional Berhad	168,800	2,157,093	1,671,120	5.13
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of quoted Shariah-compliant equities as at 31 October 2023 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES

19,202,017	26,547,160	28,570,058	87.79
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UNREALISED GAIN ON QUOTED SHARIAH-COMPLIANT EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

2,022,898

FAIR VALUE OF TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES

28,570,058

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

Details of Islamic collective investment schemes as at 31 October 2023 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/10/2023	percentage of NAV of Fund
	Units	RM	RM	%

ISLAMIC COLLECTIVE INVESTMENT SCHEMES

Islamic REITs

AME Real Estate Investment Trust	290,000	327,700	359,600	1.11
Axis Real Estate Investment Trust	861,706	1,584,825	1,559,688	4.79

TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES

1,151,706	1,912,525	1,919,288	5.90
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UNREALISED GAIN ON ISLAMIC COLLECTIVE INVESTMENT SCHEMES AT FAIR VALUE THROUGH PROFIT OR LOSS

6,763

FAIR VALUE OF TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES

1,919,288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

7. CASH AND CASH EQUIVALENTS

	2024 RM	2023 RM
Cash at bank	288,876	16,993
Islamic deposits with licensed financial institution*	1,719,535	2,222,141
	2,008,411	2,239,134

* A total of RM1,719,535 (2023: Nil) of short-term Islamic deposit is placed with KAF Investment Bank Berhad, the intermediate holding company of the Manager.

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

8. AMOUNT DUE FROM/(TO) BROKERS

The amount due from/(to) brokers which relates to sale/ (purchase) of Shariah-compliant investment securities and instruments are unsecured, interest free and receivable/(payable) according to the settlement rules of the applicable stock exchange.

9. OTHER RECEIVABLES

	2024 RM	2023 RM
Dividend receivables	7,250	-
Prepayment of Shariah advisory fees	1,944	1,680
	9,194	1,680

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

10. OTHER PAYABLES AND ACCRUALS

	2024 RM	2023 RM
Audit and tax agent's fees	12,826	11,328
Sundry accruals	10,000	8,900
	22,826	20,228

11. 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; and
- (c) Cash placements and liquid assets in local market which are placed in Shariah-compliant instruments.

12. NUMBER OF UNITS IN CIRCULATION

	2024 Number of units	2023 Number of units
At the beginning of the financial period	38,075,500	42,830,500
Creation of units arising from applications	25,140,000	4,255,000
Cancellation of units	(11,060,000)	(9,480,000)
At the end of the financial period	52,155,500	37,605,500

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

13. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial period ended 31 October 2024 are as follows:

Name of brokers	Percentage of total		Percentage of total	
	Value of trades RM	trades %	Brokerage fees RM	brokerage %
2024				
CGS				
International Securities Malaysia Sdn Bhd	9,694,306	27.15	19,396	26.13
Affin Hwang Investment Bank Berhad	9,094,227	25.47	16,754	22.58
Maybank Investment Bank Berhad	8,219,151	23.02	18,429	24.83
RHB Investment Bank Berhad	4,389,613	12.29	9,896	13.33
CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd)	2,273,711	6.37	5,116	6.89
Public Investment Bank Berhad	650,000	1.82	1,462	1.97
MIDF Amanah Investment Bank Berhad	487,500	1.37	-	-
AM Investment Bank Berhad	471,200	1.32	2,356	3.18
Hong Leong Investment Bank Berhad	230,365	0.65	426	0.57
Phillip Capital Sdn Bhd	191,300	0.54	383	0.52
	35,701,373	100.00	74,218	100.00

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

13. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with brokers for the financial period ended 31 October 2023 are as follows:

Name of brokers	Percentage of total		Percentage of total	
	Value of trades RM	trades %	Brokerage fees RM	brokerage %
2023				
KAF Equities Sdn Bhd*	9,538,165	46.13	21,006	43.99
Maybank Investment Bank Berhad	6,145,549	29.72	14,095	29.52
CIMB Investment Bank Berhad	2,082,751	10.07	4,166	8.73
Affin Hwang Investment Bank Berhad	1,640,621	7.94	3,281	6.87
Public Investment Bank Berhad	622,871	3.01	2,354	4.93
RHB Investment Bank Berhad	251,100	1.22	2,511	5.26
Kenanga Investment Bank Berhad	213,500	1.03	-	-
Hong Leong Investment Bank Berhad	181,475	0.88	336	0.70
	20,676,032	100.00	47,749	100.00

*A related company to the Manager

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 terms and conditions that have been agreed upon by the parties involved.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

14. 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
Datuk Khatijah Ahmad	Director 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

Significant related party transactions and balances that are not already disclosed in other notes to the financial statements are set out below:

	2024		2023	
	No. of units	RM	No. of units	RM
KAF Investment Funds Berhad	88,506	89,869	348,865	301,908

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2024

15. TOTAL EXPENSE RATIO ("TER")

	2024	2023
TER (annualised)	1.67%	1.72%

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 RM50,241,161 (2023: RM35,400,164).

16. PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR	0.34 times	0.28 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 = RM26,170,323 (2023: RM8,988,280)
total disposal for the financial period = RM8,182,665 (2023: RM10,859,176)

17. SEMI-ANNUAL ACCOUNTS

The semi-annual accounts for the six months' period ended 31 October 2024 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

Board of Directors

Datuk Khatijah binti Ahmad
Tan Sri Abu Talib Othman
Mohammed Reza Tan Sri Abu Talib
Mohd Hasnul Ismar bin Mohd Ismail
Nor Rejina binti Abdul Rahim

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

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**