

Date: 21 January 2026

Dear Unit Holder of KAF Enhanced Bond Fund

**KAF ENHANCED BOND FUND ("Fund") – Meeting of Unit Holders on 4 March 2026**

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We refer to the above.

We would like to inform you that we will be holding a Unit Holders' Meeting to consider the proposed changes to the Fund's investment strategy and permitted investments.

We are proposing to change the investment strategy and permitted investments of the Fund to allow investments in fixed income securities issued or traded in foreign markets, equities and/or equity-related securities of companies listed in foreign markets, and structured products. Additionally, we propose to adopt an investment approach that allows for investment in unrated fixed-income securities.

Currently, the Fund's investment strategy focuses on Malaysian fixed income securities with specific minimum ratings (e.g., P2/MARC-2 or BBB3) and government or bank-guaranteed securities. The proposed changes are intended to:

- Diversify investment exposure: Diversification of the Fund's investment in foreign markets to reduce the Fund's reliance on domestic economic performance. The Fund may invest up to 50% of its net asset value in eligible foreign markets.
- Enhance returns: By entering foreign markets, the Fund aims to opportunistically benefit from the growth potential of developed markets.
- Expand opportunities: Investment in structured products provides a more diverse investment alternative, which may potentially yield higher returns. Furthermore, the ability to invest in unrated fixed income securities allows selection based on the issuer's credit rating where a specific issue rating is unavailable.

Details of the Meeting of Unit Holders are as follows:

**Date:** Wednesday, 4 March 2026  
**Time** 10.00 a.m.  
**Venue:** KAF Investment Funds Berhad,  
Level 13, Menara IQ, Lingkaran TRX, 55188 Kuala Lumpur

A copy of the Notice of Meeting, along with a proxy form and the explanatory notes on the proposed resolution, are enclosed herewith for your reference and further action.

**Important Note:** If you are unable to attend the meeting, you may appoint a proxy to attend and vote on your behalf. The instrument appointing a proxy must be deposited at the KAF Investment Funds Berhad's office at Level 13, Menara IQ, Lingkaran TRX, 55188 Kuala Lumpur, or submitted electronically to [investmentfund@kaf.com.my](mailto:investmentfund@kaf.com.my) not later than **10.00 a.m. on Monday, 2 March 2026**.

We believe that the proposed change is in the best interest of our investors to allow the Fund to better achieve its objective of maximizing total returns.

We would like to take this opportunity to thank you for your continued support.

Yours faithfully,  
for **KAF INVESTMENT FUNDS BERHAD**

**MOHAMMAD FARIZ AHMAD SHAMSUDDIN**  
Chief Executive Officer

(This is a computer-generated letter and no signature is required)



**KAF ENHANCED BOND FUND**  
**NOTICE OF MEETING**

NOTICE IS HEREBY GIVEN for the convening of a meeting ("**Meeting**") of the unit holders of the KAF ENHANCED BOND FUND (hereinafter referred to as the "**Fund**") by the manager of the Fund, KAF Investment Funds Berhad (hereinafter referred to as the "**Manager**"), pursuant to Clause 19.3.1 of the deed dated 27 December 2001 (as modified by the supplemental deed dated 9 January 2014, second supplemental deed dated 12 March 2015 and third supplemental deed dated 20 March 2023) governing the Fund (hereinafter referred to as the "**Deed**").

The Meeting will be held at Level 13, Menara IQ, Lingkaran TRX, 55188 Kuala Lumpur on Wednesday, 4 March 2026 at 10.00 a.m. to consider and, if thought appropriate by the unit holders, to pass the following resolution:

**RESOLUTION**

**Change in the Investment Strategy and Permitted Investments of the Fund**

That, the Manager be and is hereby authorised to change the investment strategy and permitted investments of the Fund to allow investments in foreign markets; and to invest in unrated fixed income securities and structured products and approval be and is hereby given to the trustee of the Fund ("**Trustee**") and the Manager where necessary, to do all such acts, deeds and things and to execute, sign and deliver all such documents and/or agreements as the Trustee and the Manager shall deem fit, expedient or may be necessary to implement and give effect to the change in the investment strategy and permitted investments of the Fund, without further reference to the unit holders of the Fund, with full power to assent to any conditions, modifications, variations and/or amendments as may be required or as the Trustee and/or the Manager may in its or their discretion deem fit or expedient for the benefit for the unit holders of the Fund or as may be required by the relevant authorities.

The attention of the unit holders is drawn to the following clauses of the Deed:

Clause 19.4.1

- (a) *The quorum required for a meeting of the Unit Holders, shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, whether present in person or by proxy.*
- (b) *If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation at the time of the meeting.*
- (c) *If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.*

Clause 19.4.3

*Every question arising at any Unit Holders' meeting shall be decided in the first instance by a show of hands unless a poll be demanded or if it be a question which under this Deed requires a Special Resolution a poll shall be taken.*



Clause 19.4.4

*On a show of hands every Unit Holder who is present in person or by proxy shall have one vote.*

Clause 19.4.5

*Upon a poll every Unit Holder present in person or by proxy shall have one vote for every Unit held by him.*

Clause 19.4.6

*A poll may be demanded before or immediately after any question is put to a show of hands.*

Clause 19.4.7

*A poll may be demanded by the chairman of the meeting, the Trustee, the Manager or by Unit Holders holding (or representing by proxy) between them not less than one-tenth (1/10) of the total number of Units then in issue.*

Clause 19.4.12

*Every Unit Holder entitled to attend a meeting and to vote thereat may vote personally or by proxy. The proxy appointed need not be a Unit Holder. Where a Unit Holder is a company, the proxy may be any officer of such company appointed in the manner provided in section 333(1) of the Companies Act 2016. The Manager or the Trustee may accept a certificate under section 333(5) of the Companies Act 2016 as evidence of the proxy's appointment. The proxy may exercise on behalf of the company the same powers as the company could if it were a natural person and the company is to be taken to be a natural person present at the meeting in person.*

Clause 19.4.13

*In the case of Jointholders, any one of such Jointholders, provided he is not less than eighteen (18) years of age on the date of the meeting, may vote either personally or by proxy as comprised in the jointholding, but if both Jointholders are present at any meeting either personally or by proxy the Jointholder whose name stands first in the Register, provided he is not less than eighteen (18) years of age on the date of the meeting, shall alone be entitled to vote in respect thereof.*

Clause 19.4.18

*The instrument appointing a proxy shall be duly stamped, if required, and deposited at the office of the Manager not less than forty-eight (48) hours before the time appointed for the meeting or adjourned meeting as the case may be at which the person named in such instrument proposes to vote. For the avoidance of doubt, the instrument appointing a proxy shall be deemed to be deposited at the office of the Manager if it is sent by e-mail or such other digital or electronic medium to the Manager at the e-mail address or such other digital or electronic medium notified by the Manager in the notice of meeting or adjourned meeting, as the case may be.*

Clause 19.4.19

*A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or the power of attorney or other authority under which the proxy was signed or the sale of Units in respect of which the proxy was given provided that no intimation in writing of such death, insanity, revocation or sale shall have been received at the place so appointed for the deposit of proxies or if no such place is appointed at the registered office of the Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.*

Clause 19.4.20

*If within one (1) hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the request of Unit Holders shall be dissolved. In any other case, it shall stand adjourned to such day and time not being less than fifteen (15) days thereafter and to such place as may be appointed by the Manager or Trustee; at such adjourned meeting, the Unit Holders present in person or by proxy shall be a quorum for the transaction of business including the passing of Special Resolutions.*

Clause 19.4.21

*At least seven (7) days' notice of any adjourned meeting of Unit Holders shall be given in the same manner as for an original meeting and such notice shall state that the Unit Holders present at the adjourned meeting whatever their number and the number of Units held by them will form a quorum.*

Clause 19.4.26

*Resolutions passed at a meeting of Unit Holders bind all Unit Holders whether or not they were present at the meeting at which the resolutions were passed. No objection may be made as to any vote cast unless such objection is made at the meeting.*

An instrument of proxy is enclosed herewith and should, if used, be deposited at the office of the Manager at Level 13, Menara IQ, Lingkaran TRX, 55188 Kuala Lumpur, not later than 10.00 a.m. on Monday, 2 March 2026. The instrument of proxy may also be deposited electronically by submitting the same to the Manager at [investmentfund@kaf.com.my](mailto:investmentfund@kaf.com.my) by the date and time mentioned above.

The resolution must be approved by not less than two-third (2/3) of all the unit holders present and voting at the Meeting. The results of the voting will be declared by the chairman or in such manner as the chairman may direct.

Please note that an institutional unit trust scheme adviser (IUTA) who holds units in the Fund is the only person recognised as the unit holder. The Manager does not recognise the investors/beneficiaries of the IUTA and the IUTA shall be responsible for managing these investors/ beneficiaries.

Dated: 21 January 2026

For and on behalf of the Manager,

KAF Investment Funds Berhad



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Mohammad Fariz Ahmad Shamsuddin  
Chief Executive Officer

Encl: Form of Proxy and Explanatory Notes  
cc. 1. CIMB Commerce Trustee Berhad  
2. Securities Commission Malaysia



**KAF ENHANCED BOND FUND  
FORM OF PROXY**

I/We (block letters, please) .....  
(NRIC No. / Passport No. .... / Registration  
No.....) being a unit holder of ..... units in the  
**KAF ENHANCED BOND FUND** hereby appoint the chairman of the meeting\*/  
..... \* (NRIC No. /  
Passport No. ....) or failing him/her, the chairman of the meeting, to  
be my/our proxy to vote for me/us and on my/our behalf at the meeting of unit holders to  
be held at 10.00 a.m. on Wednesday, 4 March 2026 and at any adjournment thereof.  
My/our said proxy has my/our instructions to vote as indicated with an "X" or "✓" in respect  
of the following resolution set out below:

|    | RESOLUTION   | FOR | AGAINST |
|----|--|-----|---------|
| 1. | <b>Change in the Investment Strategy and Permitted Investments of the Fund</b><br>That, the Manager be and is hereby authorised to change the investment strategy and permitted investments of the Fund to allow investments in foreign markets; and to invest in unrated fixed income securities and structured products and approval be and is hereby given to the trustee of the Fund ("Trustee") and the Manager where necessary, to do all such acts, deeds and things and to execute, sign and deliver all such documents and/or agreements as the Trustee and the Manager shall deem fit, expedient or may be necessary to implement and give effect to the change in the investment strategy and permitted investments of the Fund, without further reference to the unit holders of the Fund, with full power to assent to any conditions, modifications, variations and/or amendments as may be required or as the Trustee and/or the Manager may in its or their discretion deem fit or expedient for the benefit for the unit holders of the Fund or as may be required by the relevant authorities. |     |         |

In the absence of any specific instructions, my/our proxy will vote or abstain from voting on the resolution as he/she thinks fit.

\* Please delete as appropriate

*If unit holder is an individual:*

SIGNED by the said (unit holder's name) ..... on  
the ..... day of .....

.....  
(Witness's signature)  
Name:

.....  
(Signature of unit holder)  
Name:

*If unit holder is a company:*

\* THE COMMON SEAL of the said ..... was hereto affixed on the ..... day of ..... in accordance with its Constitution in the presence of:

\* The company stamp of the said ..... was hereto affixed on the ..... day of .....

\_\_\_\_\_  
(Authorised signatory's  
signature)

Name:

\_\_\_\_\_  
(Authorised signatory's  
signature)

Name:

\_\_\_\_\_  
Common Seal / Company  
Stamp

\* Please delete as appropriate

*Notes:*

1. *This form of proxy must be deposited at the Manager's office at Level 13, Menara IQ, Lingkaran TRX, 55188 Kuala Lumpur, not later than 10.00 a.m. on Monday, 2 March 2026. This form of proxy may also be deposited electronically by submitting the same to the Manager at [investmentfund@kaf.com.my](mailto:investmentfund@kaf.com.my) by the date and time mentioned above.*
2. *In the case of Jointholders, any one of such Jointholders may vote either personally or by proxy as comprised in the jointholding, but if Jointholders are present at any meeting either personally or by proxy, the Jointholder whose name stands first in the register shall alone be entitled to vote in respect thereof.*
3. *Where a unit holder is a company, the proxy may be any officer of such company appointed in the manner provided in section 333(1) of the Companies Act 2016.*



**KAF ENHANCED BOND FUND**  
**(the "Fund")**

**THE MANAGER'S EXPLANATORY NOTES IN RESPECT OF THE RESOLUTION  
PROPOSED FOR THE UNIT HOLDERS' MEETING TO BE HELD ON 4 MARCH 2026**

1. Resolution

- 1.1. The Fund is a fixed income fund which seeks to maximise total returns by investing primarily in money market securities and other fixed income securities which provide current income, capital appreciation or a combination of both income and capital appreciation.
- 1.2. The Fund's existing investment strategy focuses on Malaysian fixed income securities with a minimum rating of P2 by RAM Rating Services Berhad ("RAM") or MARC-2 by Malaysian Rating Corporation Berhad or its equivalent for short-term issues and/or BBB3 by RAM or its equivalent for long-term issues. It also includes securities issued or guaranteed by Malaysia's federal government, Bank Negara Malaysia or other related Malaysian government agencies or any state government of Malaysia, as well as securities/instruments issued or guaranteed/endorsed by Malaysian banks or other licensed financial institutions.
  - 1.2.1. In view of the above, the Manager is proposing to change the investment strategy and permitted investments of the Fund to allow the Fund to invest in fixed income securities issued or traded in foreign markets, equities and/or equity-related securities of companies listed in foreign markets, structured products; and adopt the investment approach of unrated fixed income securities. Firstly, the Manager intends to diversify the Fund's investment in foreign markets, opportunistically benefit from the growth potential of the developed markets to enhance the Fund's return profile and reduce the Fund's reliance on domestic economic performance. As a result, the Fund may invest up to 50% of its net asset value in foreign countries that are eligible markets whenever opportunities arise. Structured products provide a more diverse investment alternative which may potentially yield higher returns. It offers unique risk-return profiles and diversification benefits. The Manager also wishes to expand the Fund's investment opportunities in unrated fixed income securities. This is where, in the event that a particular fixed income security is unrated at the point of purchase, the Manager may refer to the issuer's credit rating as the case may be for selection.
- 1.3. If the resolution is passed, the following amendments will also be included in the supplementary master prospectus for the Fund:
  - (a) inclusion of new specific risk descriptions, such as currency risk, country risk and structured products risk.
  - (b) amendment to the description of "Credit/default" risk.
  - (c) amendment to the description of management of specific risks.
  - (d) amendment to the valuation basis for "Other unlisted bonds/sukuk".