



KAF ISLAMIC DIVIDEND INCOME FUND

ANNUAL REPORT

31 JANUARY 2026

MANAGER'S REPORT

We are pleased to present the Manager's Report for the financial year ended 31 January 2026 ("the period").

1. Launch Date

KAF Islamic Dividend Income Fund ("KIDIF/the Fund") was launched on 15 January 2016 and commenced operations on 5 February 2016. The Fund will continue its operations until terminated according to the Deed dated 25 May 2015 and First Supplemental Deed dated 9 January 2023.

2. Type of Fund

Income Fund.

3. Category of Fund

Equity Fund (Islamic).

4. Fund's Objective, Benchmark and Distribution Policy

KIDIF aims to provide income by investing primarily in dividend yielding Shariah-compliant equities.

KIDIF will invest at least 70% of its Net Asset Value ("NAV") in Shariah-compliant equities listed on Bursa Malaysia. The Fund will focus its investments in Shariah-compliant equities with dividend yield that are able to generate income for the Fund. The Fund's portfolio may also include sukuk, Islamic money market instruments, Islamic collective investment scheme and Islamic deposit.

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

The Fund will distribute income on a half yearly basis, subject to the availability of income and/or realised gains.

5. Review of Fund Operations and Performance

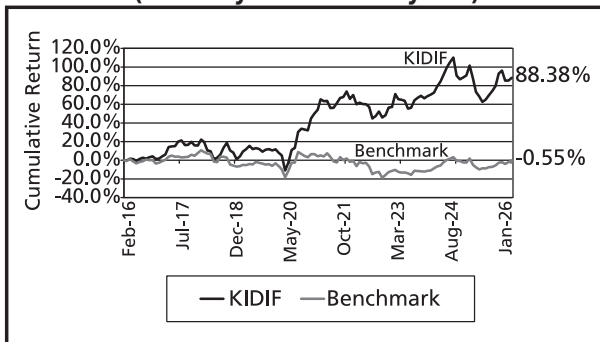
The Fund underperformed the benchmark by 4.24% during the year of review with a total return of 0.35% compared to the benchmark of 4.59%. This was largely due to the Fund's overweighting of energy and technology Shariah-compliant stocks, which underperformed the broader market during the year.

MANAGER'S REPORT

Since its commencement, based on its NAV, KIDIF has registered a return of 88.38% compared to its benchmark, the composite FTSE Bursa Malaysia EMAS Shariah Index which recorded a return of -0.55%. As such, the Fund outperformed its benchmark by 88.93%.

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

**Performance Chart since Commencement
(5 February 2016 - 31 January 2026)**



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

KIDIF's Performance against the Benchmark and Indices of Bursa Malaysia

Fund/Index	31/01/2025	31/01/2026	% Change
KIDIF (RM)	0.6983	0.7008*	0.35
FBM EMAS Shariah Index (benchmark)	11,737.14	12,275.32	4.59
FBM-KLCI	1,556.92	1,740.88	11.82
FBM EMAS Index	11,883.71	12,745.99	7.26

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

*Note: NAV per unit adjusted for income distribution.

MANAGER'S REPORT

We are pleased to declare a final gross/net distribution of 0.50 sen per unit declared on 15 January 2026, represents a yield of 0.69% based on the Fund's closing NAV per unit of RM0.7208 on 15 January 2026. The impact on NAV per unit arising from the distribution is as follows:

	RM/Unit as at 15 January 2026
NAV before distribution	0.7208
Less: Distribution of 0.50 sen net	(0.0050)
NAV after distribution	0.7158

During the year under review, KIDIF was ranked No. 13 out of 14 in the Edge-Lipper Fund Performance in the 1-year Equity Malaysia Income Islamic Fund category by Lipper Asia Limited, based on The Edge, 9 February 2026 issue.

Fund Performance as ranked by Lipper Asia Limited

Period	KIDIF		Average of Industry's Equity Malaysia Income Islamic Funds
	% Change	Rank	% Change
3 months 30/10/2025 - 30/01/2026	(3.84)	14/14	0.32
6 months 30/07/2025 - 30/01/2026	9.01	4/14	6.59
1 year 30/01/2025 - 30/01/2026	0.74	13/14	6.49
3 years 30/01/2023 - 30/01/2026	9.46	9/11	20.16
5 years 29/01/2021 - 30/01/2026	22.46	6/11	23.36

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

Past performance is not necessarily indicative of future performance.

MANAGER'S REPORT

During the financial year under review, KIDIF realised a net loss of RM0.45 million from disposal of Shariah-compliant equities. In addition, the Fund earned approximately RM2.48 million from dividend income and Islamic deposits. As at end of financial year, KIDIF's unrealised gain stood at RM2.47 million.

KIDIF's NAV decreased to RM117.05 million on 31 January 2026 from RM120.99 million on 31 January 2025 as a result of outflows. The NAV per unit increased to RM0.7008 (adjusted for income distribution) as at 31 January 2026 from RM0.6983 on 31 January 2025 due to positive return recorded during the financial year under review.

6. Asset Allocation and Investment Strategies

During the year, the designated Fund Manager did not employ any other investment strategy other than the investment strategy stated in the Replacement Master Prospectus dated 30 September 2023.

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

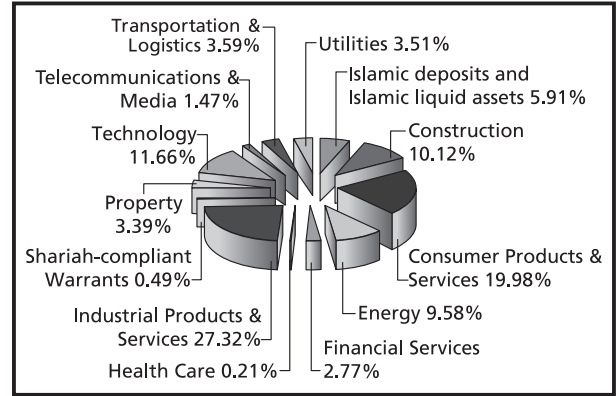
There were no circumstances, which could materially affect any interest of the unit holders.

Asset Allocation

Asset Class	Percentage of NAV as at		Change in Exposure over period (%)
	31/01/2025 (%)	31/01/2026 (%)	
Shariah-compliant equities	90.37	94.09	3.72
Islamic deposits and Islamic liquid assets	9.63	5.91	(3.72)

MANAGER'S REPORT

Portfolio of Investment and Other Assets as at 31 January 2026



7. Review of the Market

Global equities performed well during 2025, with MSCI World, MSCI Asia Pacific and MSCI ASEAN appreciating by 19.49%, 25.35% and 11.98%, respectively. In the United States, S&P 500, Dow Jones Industrial Index and NASDAQ increased by 16.39%, 12.97% and 20.36% respectively, during the review period. Unfortunately, local equities did not participate in the global rally, with FBM-KLCI recording a tepid gain of 2.30%, while FBM70 and FBM Small Cap declined by 10.82% and 12.20% respectively, in the same period.

Global fixed-income markets rallied ahead of the Federal Open Market Committee ("FOMC") meeting in September, anticipating rate cuts, but stagnated subsequently despite the three 25 basis point ("bp") reductions by US Federal Reserve ("the Fed") over the last four months of the year. The Fed's forward guidance remains murky as it navigates a softening labor market against stubbornly high tariff-fueled inflation. In Malaysia, Bank Negara had already acted preemptively, cutting its key interest rate by 25 bp in July. This was a protective measure to shield the domestic economy from escalating external trade risks and preserve growth momentum.

MANAGER'S REPORT

The Malaysian Government Securities ("MGS") benchmark 3-year, 5-year and 10-year yields closed the year at 3.00%, 3.26% and 3.49% from 3.47%, 3.62% and 3.82%, respectively, in 2024. US Treasury benchmark 2-year, 5-year and 10-year yields declined to 3.47%, 3.73% and 4.17% from 4.24%, 4.38% and 4.57% in the previous period. The Malaysian Ringgit appreciated against the US Dollar in 2025, closing at RM4.06 from RM4.47 previously.

Malaysia's Gross Domestic Product ("GDP") grew by a robust 6.3% Year-on-Year ("YoY") in the fourth quarter of 2025, an acceleration from the 5.2% recorded in the previous quarter. Private consumption rose 5.3%, supported by favorable labor market conditions and the government's continued social assistance programs such as Sumbangan Tunai Rahmah ("STR"). Exports grew by 6.3% in 4Q25, accelerating from the previous quarter's 1.4% expansion in 3Q25, reinforcing Malaysia's external position despite firmer import growth. On the supply side, growth remained broad-based, with agriculture emerging as the key outperformer, expanding to 5.1% in 4Q25 vs 3Q25 of 0.4% on improved oil palm output, while other major sectors continued to grow at a steady pace quarters of contraction.

8. Market Outlook and Strategy

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

MANAGER'S REPORT

Against this backdrop, our investment strategy remains focused on identifying high-quality companies trading at attractive valuations. Periods of heightened volatility often lead to sentiment-driven market dislocations, creating opportunities where fundamentally strong businesses trade below their intrinsic value. Companies benefiting from trade diversion arising from US-China tensions are likely to remain well positioned in the current environment. Looking ahead to 2026, global market momentum remains constructive, supported by expectations of a gradually easing interest rate environment. Continued efforts to strengthen supply chain resilience and economic self-sufficiency are also expected to drive further investment from both governments and the private sector.

9. Changes made to the Fund's Prospectus

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

10. Soft Commission

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

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

KEY PERFORMANCE DATA

Portfolio Composition	As at 31 January		
	2026	2025	2024
	(Percentage of NAV)		
	%	%	%
Quoted Shariah-compliant equities			
Construction	10.12	7.50	4.37
Consumer Products & Services	19.98	4.78	5.79
Energy	9.58	12.79	17.16
Financial Services	2.77	0.80	2.10
Health Care	0.21	-	1.89
Industrial Products & Services	27.32	31.25	22.84
Property	3.39	2.21	1.10
Shariah-compliant Warrants	0.49	-	0.01
Technology	11.66	25.08	21.20
Telecommunications & Media	1.47	2.70	2.16
Transportation & Logistics	3.59	1.12	-
Utilities	3.51	2.14	3.18
Total Quoted Shariah-compliant equities	94.09	90.37	81.80
Islamic collective investment schemes	-	-	2.18
Islamic deposits and Islamic liquid assets	5.91	9.63	16.02
Total	100.00	100.00	100.00
Total return for the year	RM'000	RM'000	RM'000
Capital growth	1,243	(2,166)	(209)
Income distribution	(491)	3,432	1,092

KEY PERFORMANCE DATA

Performance	Income Return	Capital Return	Annual Total Return	
	%	%	KIDIF %	Benchmark %
Financial year ended				
31/01/2026	0.69	(0.34)	0.35	4.59
31/01/2025	1.94	6.69	8.76	4.07
31/01/2024	3.94	(2.88)	0.95	1.82
31/01/2023	5.91	0.94	6.91	(4.26)
31/01/2022	5.20	(1.39)	3.74	(10.11)
			Average Total Return	
			KIDIF %	Benchmark %
One (1) year			0.35	4.59
Three (3) years			3.39	3.61
Five (5) years			4.44	(0.93)

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

Basis of calculation and assumption made in calculating the returns:

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

An illustration of the above would be as follow:

$$\begin{aligned} \text{Capital return} &= \text{NAV per Unit end} / \text{NAV per Unit begin} - 1 \\ \text{Income return} &= \text{Income distribution per Unit} / \text{NAV per Unit ex-date} \\ \text{Total return} &= (1 + \text{Capital return}) \times (1 + \text{Income return}) - 1 \end{aligned}$$

KEY PERFORMANCE DATA

NAV and Units in Circulation	As at 31 January		
	2026	2025	2024
Total NAV (RM'000)	117,049	120,991	62,196
Units in circulation (in '000)	168,204	173,268	95,026
NAV per unit (RM)	0.6959	0.6983	0.6545
Unit Prices for the year (RM per unit)			
NAV (year high)	0.7465	0.8232	0.6873
NAV (year low)	0.5276	0.6492	0.6075
NAV (year high, ex-distribution)	0.7158	0.8132	0.6649
NAV (year low, ex-distribution)	0.7158	0.7171	0.6316
NAV	0.6959	0.6983	0.6545
Distribution			
Interim - gross/net (sen per unit)	-	1.00	2.00
Payment date	-	15/07/2024	17/07/2023
Final - gross/net (sen per unit)	0.50	0.50	0.50
Payment date	15/01/2026	15/01/2025	15/01/2024
Unit split	Nil	Nil	Nil
Total Expense Ratio ("TER")	1.63%	1.59%	1.67%
Portfolio Turnover Ratio ("PTR")	0.84 times	0.63 times	0.85 times

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

The TER was higher than the previous year due to overall increase in the Fund's expenses during the year under review (refer to Note 16).

PTR was higher than the previous year due to increase in portfolio rebalancing activities undertaken by the Fund (refer to Note 17).

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 ISLAMIC DIVIDEND INCOME FUND ("FUND")

We hereby confirm the following:

- 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 year ended 31 January 2026, in accordance with Shariah principles and requirements, and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
- The assets of the Fund comprise instruments that have been classified as Shariah-compliant except for the securities which have been reclassified as Shariah non-compliant by the Shariah Advisory Council of the Securities Commission Malaysia as follows:

No.	Securities	Reclassification Effective Date	Remarks
(i)	Securemetric Berhad	29 November 2024	These securities have been partially disposed of on 6 January and 10 February 2025 and have been completely disposed of on 14 February 2025 at a loss, in accordance with the Fund's Shariah investment guidelines as provided in the Fund's deed and disclosed in the Fund's prospectus.

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

MUHAMMAD SHAHIER SA'MIN
Designated Shariah Person

Kuala Lumpur, Malaysia
30 March 2026

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF
KAF ISLAMIC DIVIDEND INCOME FUND ("Fund"),

We have acted as Trustee of the Fund for the financial year ended 31 January 2026 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **KAF Investment Funds Berhad** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For **Maybank Trustees Berhad**
[Registration No. : 196301000109 (5004-P)]

NORHAZLIANA BINTI MOHAMMED HASHIM
Head, Unit Trust & Corporate Operations

30 March 2026

STATEMENT BY THE MANAGER

TO THE UNIT HOLDERS OF
KAF ISLAMIC DIVIDEND INCOME FUND

We, **Datuk Khatijah Ahmad** and **Mohammed Reza Tan Sri Abu Talib**, two of the Directors of **KAF Investment Funds Berhad**, do hereby state that, in the opinion of the Manager, the audited financial statements set out on pages 18 to 76 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 January 2026 and of its financial performance, changes in equity and cash flows of the Fund for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

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

Kuala Lumpur, Malaysia
30 March 2026

INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF
KAF ISLAMIC DIVIDEND INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of **KAF Islamic Dividend Income Fund** ("the Fund") give a true and fair view of the financial position of the Fund as at 31 January 2026, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 January 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 18 to 76.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF
KAF ISLAMIC DIVIDEND INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF
KAF ISLAMIC DIVIDEND INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF
KAF ISLAMIC DIVIDEND INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' responsibilities for the audit of the financial statements (cont'd)

- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT

LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
30 March 2026

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

	Note	2026 RM	2025 RM
INCOME			
Dividend income		2,202,214	2,067,348
Profit income from financial assets at amortised cost		281,286	257,077
Net gain on financial assets at fair value through profit or loss	6	793,687	1,004,665
		<u>3,277,187</u>	<u>3,329,090</u>
EXPENSES			
Manager's fee	3	(1,788,940)	(1,530,252)
Trustee's fee	4	(71,557)	(61,210)
Transaction costs		(633,530)	(430,221)
Audit fee		(9,000)	(8,000)
Tax agent's fee		(6,100)	(6,100)
Other expenses		(16,189)	(27,311)
		<u>(2,525,316)</u>	<u>(2,063,094)</u>
NET PROFIT BEFORE TAXATION		751,871	1,265,996
TAXATION	5	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>751,871</u>	<u>1,265,996</u>
Net profit after taxation is made up of the following:			
Realised amount		(491,554)	3,432,346
Unrealised amount		1,243,425	(2,166,350)
		<u>751,871</u>	<u>1,265,996</u>

Total amount for distributions (net) and distributions per unit (gross and net) for the distributions, including the declaration date for each distributions, are disclosed in Note 11 to the financial statements.

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2026

	Note	2026 RM	2025 RM
ASSETS			
Cash and cash equivalents	7	6,453,053	11,462,650
Financial assets at fair value through profit or loss	6	110,126,884	109,335,239
Amount due from broker	8	1,959,409	-
Amount due from Manager - creation of units		41,754	404,814
Other receivables	9	6,685	3,685
TOTAL ASSETS		<u>118,587,785</u>	<u>121,206,388</u>
LIABILITIES			
Amount due to broker	8	951,671	-
Amount due to Manager			
- Manager's fee		163,338	168,221
- Cancellation of units		398,052	20,916
Amount due to Trustee		6,533	6,729
Other payables and accruals	10	19,390	19,706
TOTAL LIABILITIES		<u>1,538,984</u>	<u>215,572</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>117,048,801</u>	<u>120,990,816</u>
EQUITY			
Unit holders' capital		114,267,438	118,127,083
Retained earnings		2,781,363	2,863,733
TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>117,048,801</u>	<u>120,990,816</u>
NUMBER OF UNITS IN CIRCULATION	13	<u>168,203,611</u>	<u>173,268,145</u>
NAV PER UNIT		<u>0.6959</u>	<u>0.6983</u>

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

	Note	Unit holders' capital	Retained earnings	Total
		RM	RM	RM
BALANCE AS AT 1 FEBRUARY 2025		118,127,083	2,863,733	120,990,816
Movement in unit holders' capital:				
Creation of units arising from applications		29,099,165	-	29,099,165
Creation of units arising from distributions		834,241	-	834,241
Cancellation of units		(33,793,051)	-(33,793,051)	
		<u>(3,859,645)</u>	<u>-(3,859,645)</u>	
Total comprehensive income for the financial year		-	751,871	751,871
Distributions	11	-	(834,241)	(834,241)
		<u>-</u>	<u>(82,370)</u>	<u>(82,370)</u>
BALANCE AS AT 31 JANUARY 2026		<u>114,267,438</u>	<u>2,781,363</u>	<u>117,048,801</u>
BALANCE AS AT 1 FEBRUARY 2024		58,288,400	3,907,908	62,196,308
Movement in unit holders' capital:				
Creation of units arising from applications		73,792,677	-	73,792,677
Creation of units arising from distributions		2,310,171	-	2,310,171
Cancellation of units		(16,264,165)	-(16,264,165)	
		<u>59,838,683</u>	<u>-</u>	<u>59,838,683</u>
Total comprehensive income for the financial year		-	1,265,996	1,265,996
Distributions	11	-	(2,310,171)	(2,310,171)
		<u>-</u>	<u>(1,044,175)</u>	<u>(1,044,175)</u>
BALANCE AS AT 31 JANUARY 2025		<u>118,127,083</u>	<u>2,863,733</u>	<u>120,990,816</u>

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

	Note	2026	2025
		RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		95,235,561	38,079,066
Purchase of Shariah-compliant investments		(96,874,787)	(95,508,087)
Dividends received		2,198,714	2,112,306
Profit income received		281,286	257,077
Manager's fee paid		(1,793,823)	(1,432,988)
Trustee's fee paid		(71,753)	(57,319)
Payment of other fees and expenses		(31,105)	(31,837)
Net cash used in operating activities		<u>(1,055,907)</u>	<u>(56,581,782)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		29,462,225	75,397,178
Payments for cancellation of units		(33,415,915)	(16,269,429)
Net cash (used in)/ generated from financing activities		<u>(3,953,690)</u>	<u>59,127,749</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<u>(5,009,597)</u>	<u>2,545,967</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		<u>11,462,650</u>	<u>8,916,683</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	<u>6,453,053</u>	<u>11,462,650</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash at bank		380,498	74,785
Islamic deposit with a licensed financial institution		6,072,555	11,387,865
	7	<u>6,453,053</u>	<u>11,462,650</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 YEAR ENDED 31 JANUARY 2026

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 L.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026).
 - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition);
 - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

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

B INCOME RECOGNITION

Dividend income from Shariah-compliant investments are recognised on the ex-dividend date, when the right to receive the dividend has 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).

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 DISTRIBUTION

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

D TAXATION

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

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

E FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional and presentation currency.

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(i) Classification (cont'd)

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.

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

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

(ii) Recognition and measurement

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

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(ii) Recognition and measurement (cont'd)

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

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

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within net gain/(loss) on financial assets at fair value through profit or loss in the financial year 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 Deed, quoted Shariah-compliant investments in Malaysia are valued at the last traded market price quoted on the Bursa Malaysia Securities Berhad ("Bursa Securities") 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.

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(iii) Impairment for assets carried at amortised cost

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

Qualitative criteria:

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

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

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

Write-off

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

G CASH AND CASH EQUIVALENTS

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

H AMOUNT DUE FROM/(TO) BROKERS

Amounts due from/(to) brokers represent receivables for quoted Shariah-compliant securities sold and payables for quoted Shariah-compliant securities purchased that have been contracted for but not yet 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 brokers 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 brokers, probability that the brokers 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 YEAR ENDED 31 JANUARY 2026

I 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.

J 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.

K 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 YEAR ENDED 31 JANUARY 2026

K 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.

L 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 YEAR ENDED 31 JANUARY 2026

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

KAF Islamic Dividend Income Fund (the “Fund”) was constituted pursuant to a Deed dated 25 May 2015 (the “Deed”) and First Supplemental Deed dated 9 January 2023, between KAF Investment Funds Berhad (the “Manager”) and Maybank Trustees Berhad (the “Trustee”).

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 Bursa Securities, sukuk, 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 5 February 2016 and will continue its operations until terminated according to the conditions in the Deed.

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

The Manager, KAF Investment Funds Berhad, is incorporated in Malaysia. Its principal activities are the management of unit 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 YEAR ENDED 31 JANUARY 2026

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund as at the financial year end are as follow:

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RM	RM	RM
2026			
Cash and cash equivalents	-	6,453,053	6,453,053
Financial assets at fair value through profit or loss	110,126,884	-	110,126,884
Amount due from broker	-	1,959,409	1,959,409
Amount due from Manager - creation of units	-	41,754	41,754
Dividend receivables	-	6,000	6,000
	<u>110,126,884</u>	<u>8,460,216</u>	<u>118,587,100</u>
2025			
Cash and cash equivalents	-	11,462,650	11,462,650
Financial assets at fair value through profit or loss	109,335,239	-	109,335,239
Amount due from Manager - creation of units	-	404,814	404,814
Dividend receivables	-	2,500	2,500
	<u>109,335,239</u>	<u>11,869,964</u>	<u>121,205,203</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

The Fund is exposed to a variety of risks which include market risk (including 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 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 Shariah-compliant financial instruments within specified limits according to the Deed.

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

	2026 RM	2025 RM
Shariah-compliant investments		
- Quoted Shariah-compliant equities at fair value through profit or loss	<u>110,126,884</u>	<u>109,335,239</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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 January. The analysis is based on the assumptions that the market price increased and decreased by 5% (2025: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the 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 profit before taxation/NAV RM
2026		
Quoted Shariah-compliant equities at fair value through profit or loss	+/- 5	<u>5,506,344</u>
2025		
Quoted Shariah-compliant equities at fair value through profit or loss	+/- 5	<u>5,466,762</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

Market risk (cont'd)

(b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to short-term Islamic deposit with a licensed financial institution. 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 deposit with a licensed financial institution by way of maintaining Islamic deposit with a licensed financial institution on a short-term basis.

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

The effective weighted average profit rates 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 rates		Average remaining maturities	
	2026	2025	2026	2025
	%	%	Day(s)	Day(s)
Islamic deposit with a licensed financial institution	2.65	2.85	3	4

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

Liquidity risk

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

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

The amounts in the table below are the contractual undiscounted cashflows.

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

As at 31 January 2026

Amount due to broker	951,671	-	951,671
Amount due to Manager			
- Manager's fee	163,338	-	163,338
- Cancellation of units	398,052	-	398,052
Amount due to Trustee	6,533	-	6,533
Other payables and accruals	-	19,390	19,390
Contractual undiscounted cash outflows	1,519,594	19,390	1,538,984

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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 January 2025			
Amount due to Manager			
- Manager's fee	168,221	-	168,221
- Cancellation of units	20,916	-	20,916
Amount due to Trustee	6,729	-	6,729
Other payables and accruals	-	19,706	19,706
Contractual undiscounted cash outflows	195,866	19,706	215,572

Credit risk

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

Credit risk arising from placements in Islamic deposit with a licensed financial institution 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 YEAR ENDED 31 JANUARY 2026

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

Credit risk (cont'd)

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

	2026 RM	2025 RM
Cash and cash equivalents	6,453,053	11,462,650
Other assets*	2,007,163	407,314
	8,460,216	11,869,964

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

	Cash and cash equivalents RM	Other assets* RM	Total RM
--	---------------------------------------	------------------------	-------------

**As at 31
January 2026**

**Financial
services**

- AAA	380,498	-	380,498
- AA3	6,072,555	-	6,072,555

Others

- not rated	-	2,007,163	2,007,163
	6,453,053	2,007,163	8,460,216

**As at 31
January 2025**

**Financial
services**

- AAA	74,785	-	74,785
- AA3	11,387,865	-	11,387,865

Others

- not rated	-	407,314	407,314
	11,462,650	407,314	11,869,964

* Other assets comprises amount due from Manager - creation of units, amount due from broker 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. 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 disposals of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:

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

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

Shariah status reclassification risk (cont'd)

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

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

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

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Fair value hierarchy

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

Fair value hierarchy (cont'd)

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.

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
As at 31 January 2026				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant equities	110,126,884	-	-	110,126,884

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

Fair value hierarchy (cont'd)

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

Level 1	Level 2	Level 3	Total
RM	RM	RM	RM

**As at 31
January
2025**

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

- Quoted Shariah- compliant equities	109,335,239	-	- 109,335,239
---	-------------	---	---------------

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

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

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 5.00% per annum based on the Fund's NAV on a daily basis before deducting the Manager's and Trustee's fees for that particular day.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

4. TRUSTEE'S FEE

Clause 13.2.2 of the Deed provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.15% per annum based on the Fund's NAV on a daily basis before deducting the Manager's and Trustee's fees calculated for that particular day or subject to a minimum of RM12,000 per annum.

The Trustee's fee provided in the financial statements is computed on this basis at a rate of 0.06% (2025: 0.06%) per annum or at the minimum of RM12,000 per annum.

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

5. TAXATION

	2026 RM	2025 RM
Current taxation		
- Malaysia taxation	-	-

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

	2026 RM	2025 RM
Net profit before taxation	751,871	1,265,996
Taxation at Malaysian statutory rate of 24% (2025: 24%)	180,449	303,839
Tax effects of:		
Investment income not subject to tax	(786,525)	(798,982)
Expenses not deductible for tax purposes	173,384	123,278
Restriction on tax deductible expenses for unit trust funds	432,692	371,865
Tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 RM	2025 RM
Net gain on financial assets at fair value through profit or loss:		
- realised (loss)/gain on sale of Shariah-compliant investments	(449,738)	3,171,015
- unrealised gain/(loss) on fair value movement	1,243,425	(2,166,350)
	<u>793,687</u>	<u>1,004,665</u>
Financial assets at fair value through profit or loss:		
- Quoted Shariah-compliant equities	<u>110,126,884</u>	<u>109,335,239</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity Units	Aggregate cost RM	Fair value as at 31/01/2026 expressed as percentage of NAV of Fund	
			Fair value as at 31/01/2026 RM	percentage of NAV of Fund %

QUOTED SHARIAH-COMPLIANT EQUITIES

Construction

Lim Seong Hai Capital Berhad	2,645,800	3,883,893	5,556,180	4.75
MN Holdings Berhad	2,234,000	2,758,922	3,596,740	3.07
Muhibbah Engineering (M) Berhad	2,910,800	2,429,483	1,586,386	1.36
UUE Holdings Berhad	2,199,200	1,007,422	1,099,600	0.94
	<u>9,989,800</u>	<u>10,079,720</u>	<u>11,838,906</u>	<u>10.12</u>

Consumer Products & Services

Able Global Berhad	1,123,100	2,191,728	1,875,577	1.60
Airasia X Berhad	1,500,000	2,795,100	3,150,000	2.69
Aquawalk Group Berhad	11,500,000	3,860,100	5,060,000	4.32
Farm Price Holdings Berhad	5,488,500	2,943,165	2,167,957	1.85

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026		percentage of NAV of Fund
			as at 31/01/2026	expressed as	
	Units	RM	RM		%
QUOTED SHARIAH-COMPLIANT EQUITIES					
Consumer Products & Services					
HI Mobility Berhad	600,000	1,320,000	1,380,000		1.18
Mr D.I.Y. Group (M) Berhad	2,300,000	4,071,119	4,209,000		3.60
Oriental Kopi Holdings Berhad	4,050,000	3,911,386	5,548,500		4.74
	<u>26,561,600</u>	<u>21,092,598</u>	<u>23,391,034</u>		<u>19.98</u>
Energy					
Bumi Armada Berhad	5,300,000	3,293,698	1,616,500		1.39
Carimin Petroleum Berhad	1,374,800	1,110,297	742,392		0.63
Dayang Enterprise Holdings Berhad	1,603,200	3,061,096	2,869,728		2.45
Keyfield International Berhad	1,314,500	3,089,449	1,971,750		1.68

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026		percentage of NAV of Fund
			as at 31/01/2026	expressed as	
	Units	RM	RM		%
QUOTED SHARIAH-COMPLIANT EQUITIES					
Energy					
Lianson Fleet Group Berhad	600,000	954,000	1,218,000		1.04
Pekat Group Berhad	500,000	747,519	675,000		0.58
Perdana Petroleum Berhad	2,433,000	532,372	389,280		0.34
Petra Energy Berhad	1,083,800	1,183,655	585,252		0.50
Uzma Berhad	2,923,533	1,703,450	1,140,178		0.97
	<u>17,132,833</u>	<u>15,675,536</u>	<u>11,208,080</u>		<u>9.58</u>
Financial Services					
Bank Islam Malaysia Berhad	1,312,000	3,215,810	3,240,640		2.77
Health Care					
LAC Med Berhad	250,000	187,500	250,000		0.21

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026 expressed as	
			as at 31/01/2026	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

CBH Engineering Holding Berhad	9,563,300	3,774,524	5,116,365	4.37
CPE Technology Berhad	2,003,600	2,138,496	1,031,854	0.88
Critical Holdings Berhad	2,635,600	2,323,838	2,332,506	1.99
Destini Berhad	850,000	331,330	255,000	0.22
EG Industries Berhad	4,396,700	3,694,864	4,968,271	4.24
EPB Group Berhad	2,300,000	1,419,230	770,500	0.66
HSS Engineers Berhad	3,163,500	2,917,024	1,217,948	1.04
ICENTS Group Holdings Berhad	3,080,000	876,598	1,324,400	1.13

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026 expressed as	
			as at 31/01/2026	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

ISF Group Berhad	6,391,700	2,991,350	3,483,477	2.98
Oxford Innotech Berhad	2,330,000	675,700	570,850	0.49
PMW International Berhad	500,000	170,000	150,000	0.13
SKP Resources Berhad	2,119,375	2,153,787	1,282,222	1.10
Southern Cable Group Berhad	4,229,500	5,867,741	8,755,065	7.48
Wentel Engineering Holdings Berhad	2,741,900	785,868	712,894	0.61
	<u>46,305,175</u>	<u>30,120,350</u>	<u>31,971,352</u>	<u>27.32</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026 expressed as	
			as at 31/01/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Property				
KSL Holdings Berhad	260,100	621,270	795,906	0.68
Matrix Concepts Holdings Berhad	1,434,350	1,716,551	2,051,120	1.75
Sime Darby Property Berhad	750,000	1,048,071	1,125,000	0.96
	<u>2,444,450</u>	<u>3,385,892</u>	<u>3,972,026</u>	<u>3.39</u>
Shariah-compliant Warrants				
Aurelius Technologies Berhad - WA	269,700	-	40,455	0.03
Farm Price Holdings Berhad - WA	2,744,250	-	384,195	0.33
Lianson Fleet Group Berhad - WB	60,000	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026 expressed as	
			as at 31/01/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Shariah-compliant Warrants				
REDtone Digital Berhad - WB	818,700	-	73,683	0.06
SKP Resources Berhad - WB	62,380	-	312	-
UUE Holdings Berhad - WA	504,480	-	78,194	0.07
	<u>4,459,510</u>	<u>-</u>	<u>576,839</u>	<u>0.49</u>
Technology				
Cloudpoint Technology Berhad	4,109,900	3,180,391	2,383,742	2.03
Inari Amertron Berhad	747,300	1,858,648	1,203,153	1.03
Malaysian Pacific Industries Berhad	100,100	3,254,412	3,203,200	2.74
Mi Technovation Berhad	2,184,500	4,537,854	6,859,330	5.86
	<u>7,141,800</u>	<u>12,831,305</u>	<u>13,649,425</u>	<u>11.66</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026 expressed as	
			as at 31/01/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Telecommunications & Media				
OCC Group Berhad	1,900,000	1,114,438	712,500	0.61
REDtone Digital Berhad	1,637,400	1,637,400	605,838	0.52
Telekom Malaysia Berhad	50,000	330,169	395,000	0.34
	<u>3,587,400</u>	<u>3,082,007</u>	<u>1,713,338</u>	<u>1.47</u>
Transportation & Logistics				
AGX Group Berhad	3,109,500	1,574,987	1,756,868	1.50
Westports Holdings Berhad	400,796	2,347,600	2,448,864	2.09
	<u>3,510,296</u>	<u>3,922,587</u>	<u>4,205,732</u>	<u>3.59</u>
Utilities				
Tenaga Nasional Berhad	294,800	4,058,878	4,109,512	3.51

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2026 expressed as	
			as at 31/01/2026	percentage of NAV of Fund
	Units	RM	RM	%
TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES				
	<u>122,989,664</u>	<u>107,652,183</u>	<u>110,126,884</u>	<u>94.09</u>
UNREALISED GAIN ON QUOTED SHARIAH-COMPLIANT EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS				
			<u>2,474,701</u>	
FAIR VALUE OF TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES				
			<u>110,126,884</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2025 expressed as	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Construction				
AME Elite Consortium Berhad	1,000,000	1,706,000	1,700,000	1.41
Econpile Holdings Berhad	2,883,900	1,192,841	1,196,818	0.99
Gamuda Berhad	608,120	2,581,643	2,456,805	2.03
MN Holdings Berhad	1,508,700	1,153,715	1,553,961	1.28
Muhibbah Engineering (M) Berhad	2,910,800	2,429,483	2,168,546	1.79
	<u>8,911,520</u>	<u>9,063,682</u>	<u>9,076,130</u>	<u>7.50</u>
Consumer Products & Services				
Able Global Berhad	1,187,000	2,316,428	2,219,690	1.83
CAB Cakaran Corporation Berhad	1,240,000	892,314	663,400	0.55

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2025 expressed as	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Consumer Products & Services				
Farm Price Holdings Berhad	2,860,400	1,783,668	1,229,972	1.02
Perak Transit Berhad	500,000	372,500	400,000	0.33
Power Root Berhad	446,000	840,200	660,080	0.55
PWF Corporation Berhad	698,900	632,702	608,043	0.50
	<u>6,932,300</u>	<u>6,837,812</u>	<u>5,781,185</u>	<u>4.78</u>
Energy				
Carimin Petroleum Berhad	1,374,800	1,110,297	1,058,596	0.88
Dayang Enterprise Holdings Berhad	1,303,200	2,484,406	2,762,784	2.28

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2025 expressed as	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Energy				
Hibiscus Petroleum Berhad	2,251,440	5,078,047	4,142,650	3.42
Keyfield International Berhad	1,164,500	2,759,449	2,724,930	2.25
Perdana Petroleum Berhad	2,433,000	532,372	571,755	0.47
Petra Energy Berhad	1,222,900	1,335,571	1,663,144	1.38
T7 Global Berhad	3,187,700	1,494,174	1,530,096	1.27
Uzma Berhad	1,417,900	1,217,750	1,020,888	0.84
	<u>14,355,440</u>	<u>16,012,066</u>	<u>15,474,843</u>	<u>12.79</u>
Financial Services				
Bank Islam Malaysia Berhad	397,000	961,057	972,650	0.80

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2025 expressed as	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED SHARIAH-COMPLIANT EQUITIES				
Industrial Products & Services				
Aurelius Technologies Berhad	139,700	454,107	440,055	0.36
CBH Engineering Holding Berhad	2,000,000	630,000	680,000	0.56
CPE Technology Berhad	2,003,600	2,138,496	1,903,420	1.57
Critical Holdings Berhad	1,167,500	1,010,398	992,375	0.82
Cypark Resources Berhad	1,500,000	1,303,049	1,230,000	1.02
EG Industries Berhad	2,591,000	4,354,808	6,347,950	5.25
Elridge Energy Holdings Berhad	2,945,900	1,159,088	1,325,655	1.10
EPB Group Berhad	2,300,000	1,419,230	1,253,500	1.04

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2025 expressed as	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

HSS Engineers Berhad	2,607,100	2,638,535	2,528,887	2.09
JAG Berhad	5,056,700	1,610,695	1,542,294	1.27
Kelington Group Berhad	837,300	1,402,043	2,796,582	2.31
Kinergy Advancement Berhad	1,414,300	510,877	466,719	0.38
NationGate Holdings Berhad	2,641,500	4,546,920	4,728,285	3.91
Northeast Group Berhad	3,157,800	1,631,765	1,610,478	1.33
Pantech Group Holdings Berhad	651,600	406,393	589,698	0.49
P.I.E. Industrial Berhad	225,600	841,802	1,044,528	0.86
QES Group Berhad	1,001,400	648,452	510,714	0.42
SKP Resources Berhad	1,472,175	1,563,733	1,604,671	1.33

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value as at 31/01/2025 expressed as	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Industrial Products & Services

Southern Cable Group Berhad	1,197,100	1,134,395	1,316,810	1.09
Uchi Technologies Berhad	652,500	2,314,774	2,525,175	2.09
Wentel Engineering Holdings Berhad	2,741,900	785,868	781,441	0.65
YBS International Berhad	2,000,000	1,628,041	1,590,000	1.31
	<u>40,304,675</u>	<u>34,133,469</u>	<u>37,809,237</u>	<u>31.25</u>

Property

Matrix Concepts Holdings Berhad	1,221,300	2,176,684	2,674,647	2.21
---------------------------------	-----------	-----------	-----------	------

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Shariah-compliant Warrants

OCK Group Berhad - WB	11,600	-	1,160	-
SKP Resources Berhad - WB	62,380	-	936	-
	<u>73,980</u>	<u>-</u>	<u>2,096</u>	<u>-</u>

Technology

Cloudpoint Technology Berhad	4,121,700	3,189,522	3,833,181	3.17
Frontken Corporation Berhad	1,060,500	3,567,304	3,998,085	3.31
Genetec Technology Berhad	2,220,100	3,528,542	3,307,949	2.73
Greatech Technology Berhad	1,025,400	2,391,132	2,050,800	1.70
Inari Amertron Berhad	838,100	2,591,619	2,120,393	1.75
Infomina Berhad	865,100	1,048,566	1,124,630	0.93

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Technology

ITMAX System Berhad	1,491,400	3,577,163	5,145,330	4.25
Malaysian Pacific Industries Berhad	143,000	4,142,972	3,177,460	2.63
Mi Technovation Berhad	578,600	1,120,926	1,272,920	1.05
Securemetric Berhad (Note 12(a)(i))	350,000	68,469	63,000	0.05
SFP Tech Holdings Berhad	2,005,500	1,517,711	1,353,712	1.12
TT Vision Holdings Berhad	1,560,900	1,745,068	983,367	0.81
Unisem (M) Berhad	567,000	2,069,437	1,530,900	1.27
ViTrox Corporation Berhad	97,400	393,718	377,912	0.31
	<u>16,924,700</u>	<u>30,952,149</u>	<u>30,339,639</u>	<u>25.08</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED SHARIAH-COMPLIANT EQUITIES

Telecommunications & Media

OCK Group Berhad	2,900,000	1,700,985	1,232,500	1.02
REDtone Digital Berhad	2,000,000	2,000,000	1,480,000	1.22
TIME dotCom Berhad	120,000	611,960	558,000	0.46
	<u>5,020,000</u>	<u>4,312,945</u>	<u>3,270,500</u>	<u>2.70</u>

Transportation & Logistics

AGX Group Berhad	2,089,600	1,044,133	1,086,592	0.90
Sealink International Berhad	900,000	256,410	261,000	0.22
	<u>2,989,600</u>	<u>1,300,543</u>	<u>1,347,592</u>	<u>1.12</u>

Utilities

Tenaga Nasional Berhad	190,200	2,353,556	2,586,720	2.14
------------------------	---------	-----------	-----------	------

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

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

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 31/01/2025	percentage of NAV of Fund
	Units	RM	RM	%

TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES

	<u>97,320,715</u>	<u>108,103,963</u>	<u>109,335,239</u>	<u>90.37</u>
--	-------------------	--------------------	--------------------	--------------

UNREALISED GAIN ON QUOTED SHARIAH-COMPLIANT EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>1,231,276</u>
--	------------------

FAIR VALUE OF TOTAL QUOTED SHARIAH-COMPLIANT EQUITIES

	<u>109,335,239</u>
--	--------------------

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

7. CASH AND CASH EQUIVALENTS

	2026 RM	2025 RM
Cash at bank	380,498	74,785
Islamic deposit with a licensed financial institution*	6,072,555	11,387,865
	<u>6,453,053</u>	<u>11,462,650</u>

* A total of RM6,072,555 (2025: RM11,387,865) short-term Islamic deposit is placed with KAF Investment Bank Berhad, the intermediate holding company of the Manager.

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

8. AMOUNT DUE FROM/(TO) BROKER

The amount due from/(to) broker 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

9. OTHER RECEIVABLES

	2026 RM	2025 RM
Dividend receivables	6,000	2,500
Prepayment of Shariah advisory fees	685	1,185
	<u>6,685</u>	<u>3,685</u>

10. OTHER PAYABLES AND ACCRUALS

	2026 RM	2025 RM
Audit and tax agent's fees	17,140	16,006
Sundry accruals	2,250	3,700
	<u>19,390</u>	<u>19,706</u>

11. DISTRIBUTIONS

	2026 RM	2025 RM
Gross/Net distributions for the financial year:		
Interim, Nil (2025: declared and reinvested on 15/07/2024)	-	1,394,564
Final, declared and reinvested on 15/01/2026 (2025: declared and reinvested on 15/01/2025)	834,241	915,607
	<u>834,241</u>	<u>2,310,171</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

11. DISTRIBUTIONS (CONT'D)

	2026 RM	2025 RM
Distributions to unit holders are from the following sources:		
Dividend income	1,317,150	2,056,810
Profit income from Islamic deposits with licensed financial institutions	268,114	241,372
Realised gain on sale of Shariah-compliant investments	-	1,430,180
Prior year's realised income	1,632,456	510,281
Gross realised income	3,217,720	4,238,643
Less:		
Expenses	(2,383,479)	(1,928,472)
Distributions for the financial year	834,241	2,310,171
Gross/Net distributions per unit (sen) - Interim	-	1.00
Gross/Net distributions per unit (sen) - Final	0.50	0.50
Total gross/net distributions per unit (sen)	0.50	1.50

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

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

The Fund did not incurred unrealised losses for the financial year ended 31 January 2026 (2025: RM2,166,350).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

12. 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 except for:

No.	Securities	Reclassification Effective Date	Remarks
(i)	Securemetric Berhad	29 November 2024	These securities have been partially disposed of on 6 January and 10 February 2025 and have been completely disposed of on 14 February 2025 at a loss.

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

13. NUMBER OF UNITS IN CIRCULATION

	2026 Number of units	2025 Number of units
At the beginning of the financial year	173,268,145	95,026,417
Creation of units arising from applications	43,070,000	97,460,000
Creation of units arising from distributions	1,165,466	2,991,728
Cancellation of units	(49,300,000)	(22,210,000)
At the end of the financial year	168,203,611	173,268,145

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

14. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial year ended 31 January 2026 are as follows:

Name of brokers	Percentage		Percentage	
	Value of trades	of total trades	Brokerage fees	of total brokerage
	RM	%	RM	%
2026				
UBS Securities Malaysia Sdn Bhd	24,054,017	12.34	43,301	10.61
Affin Hwang Investment Bank Berhad	21,125,996	10.84	41,481	10.17
Public Investment Bank Berhad	21,110,794	10.83	47,499	11.64
UOB Kay Hian (M) Sdn Bhd	20,888,442	10.72	41,820	10.25
RHB Investment Bank Berhad	18,595,621	9.54	43,293	10.61
MBSB Investment Bank Berhad	16,618,222	8.53	33,260	8.15
Hong Leong Investment Bank Berhad	14,625,912	7.50	27,058	6.63
Maybank Investment Bank Berhad	12,770,385	6.55	27,571	6.76
CGS International Securities Malaysia Sdn Bhd	12,311,790	6.32	31,473	7.71
CIMB Securities Sdn Bhd	12,006,375	6.16	27,014	6.62
Others	20,809,579	10.67	44,252	10.85
	194,917,133	100.00	408,022	100.00

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

14. TRANSACTIONS WITH BROKERS (CONT'D)

Details of transactions with brokers for the financial year ended 31 January 2025 are as follows:

Name of brokers	Percentage		Percentage	
	Value of trades	of total trades	Brokerage fees	of total brokerage
	RM	%	RM	%
2025				
Affin Hwang Investment Bank Berhad	35,776,841	28.13	63,750	24.52
Maybank Investment Bank Berhad	25,682,379	20.19	54,604	21.01
RHB Investment Bank Berhad	23,152,450	18.20	51,361	19.76
CGS International Securities Malaysia Sdn Bhd	20,196,079	15.88	40,393	15.54
Phillip Capital Sdn Bhd	7,965,251	6.26	15,931	6.13
CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd)	5,021,492	3.95	11,298	4.35
Public Investment Bank Berhad	3,508,277	2.76	7,894	3.04
KAF Investment Bank Berhad#	1,392,000	1.09	-	-
MIDF Amanah Investment Bank Berhad	1,267,463	1.00	1,625	0.62
Hong Leong Investment Bank Berhad	1,168,996	0.92	1,330	0.51
Others	2,065,435	1.62	11,744	4.52
	127,196,663	100.00	259,930	100.00

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

14. TRANSACTIONS WITH BROKERS (CONT'D)

#The intermediate holding company of the Manager.

The Manager is of the opinion that all the transactions with the intermediate holding 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.

15. 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
Mohammed Reza Tan Sri Abu Talib	Executive 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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

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

	2026		2025	
	No. of units	RM	No. of units	RM
KAF Investment Funds Berhad	494,373	344,034	313,048	218,601
KAF-Seagroatt & Campbell Berhad	32,556,197	22,655,857	32,330,363	22,576,292
AKKA Sdn Bhd	54,047,616	37,611,736	53,672,702	37,479,648
Datuk Khatijah Ahmad	23,242,231	16,174,269	23,081,006	16,117,466
Mohammed Reza Tan Sri Abu Talib	101,344	70,525	100,641	70,278

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

16. TOTAL EXPENSE RATIO (“TER”)

	2026	2025
TER	1.63%	1.59%

TER is derived from the following calculation:

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

- 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 year calculated on a daily basis was RM115,959,472 (2025: RM102,012,480).

17. PORTFOLIO TURNOVER RATIO (“PTR”)

	2026	2025
PTR	0.84 times	0.63 times

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund}}$$

for the financial year calculated on a daily basis

- where: total acquisition for the financial year = RM97,500,013 (2025: RM94,295,155)
- total disposal for the financial year = RM97,951,793 (2025: RM35,026,293)

CORPORATE INFORMATION

Manager

KAF Investment Funds Berhad
Reg. No: 199501004999

Registered Office

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

Business Office

Level 13, Menara IQ
Lingkar TRX
Tun Razak Exchange
55188 Kuala Lumpur
Tel: 03-9767 6000 Fax: 03-9767 6001
Website: www.kaf.com.my

Board of Directors

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

Secretary

Siti Nurmazita binti Mustapha (LS 0009160)

Trustee

Maybank Trustees Berhad

Auditor & Reporting Accountant

PricewaterhouseCoopers PLT

Tax Adviser

PricewaterhouseCoopers Taxation Services Sdn Bhd

Shariah Adviser

BIMB Securities Sdn Bhd
Reg. No: 199401004484

Banker

Maybank Islamic 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