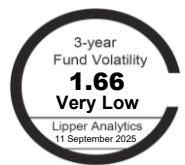




INVESTMENT FUNDS BERHAD (334195-K)



KAF BOND FUND (KBF)

The fund aims to provide a regular income stream by investing in medium to long-term local fixed income instruments.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Have a low to medium risk profile; and
- Seek a steady income stream over the medium to long term.

MANAGER'S COMMENTS

Malaysia's exports climbed by 6.8% while imports also rose by 0.6% Year-on-Year (YoY) in July 2025 (July). The trade surplus increased to Malaysian Ringgit (MYR) 15.0 billion (bn) in July; up from MYR8.6bn in the previous month (June). Malaysia's Consumer Price Index (CPI) was higher at 1.20% YoY in July compared to 1.10% in June 2025 (June). Malaysian foreign reserves increased in August 2025 (August) to United States Dollar (USD) 122.0bn from USD120.9bn in July. Meanwhile, Malaysia's Purchasing Managers' Index (PMI) was higher at 49.9 in August compared to 49.7 in the previous month. US Treasury yields were lower in August with the Treasury 2-year, 5-year and 10-year benchmark yield closing the month at 3.62%, 3.70%, and 4.23% respectively compared to 3.95%, 3.97%, and 4.37%. Malaysian Government Securities (MGS) 3-year, 5-year yield were lower while the 10-year yield was higher, ending at 3.00%, 3.08% and 3.39% in August compared to 3.06%, 3.15% and 3.37% in the previous month.

August was a quiet but tense month for global bond markets. US Federal Reserve (the Fed) chairman Jerome Powell sealed a likely rate cut in September 2025 (September) during his speech at the Jackson Hole meeting pointing toward signs of a weakening US labour market but also included a caveat regarding the still high US inflation. Nonetheless, most market participants expect the 25 basis point (bp) cut as a done deal with at least one more cut in October 2025 (October) or December 2025 (December). In anticipation of the continuation of the US rate cut cycle and in the backdrop of the ongoing US trade tariff negotiations, investors remained cautious for most of the month and bond yields traded in a narrow downward range. In Malaysia, the local bond market also remained supported throughout August after investors breathed a sigh of relief when the export tariff to the US was finalized at 19% instead of the previous 25%. While 2nd Quarter Year-on-Year (YoY) Gross Domestic Product (GDP) came in softer at 4.4% and there a slight uptick in local Consumer Price Index (CPI) inflation, the Malaysian economy overall remains on solid footing. Looking forward, the upcoming challenges to the country's economy are the potential impact of the US tariffs and the rationalisation of the RON 95 petrol. There were 4 government auctions in August totaling RM13.5bn which saw moderate demand with the 20-year MGS 05/2044, 15-year Government Investment Issue (GII) 07/2040, 5-year MGS 05/2030 and 20-year GII 05/2045 minting Bid-to-Cover (BTC) ratios of 2.725x, 2.848x, 1.867x and 1.841x respectively. While the volatility in the fixed income market has subsided, we continue to monitor the horizon for potential risks and also looking for opportunities to buy quality assets at attractive prices. For now, we maintain our conservative stance of low to medium portfolio duration and an emphasis on high credit quality.

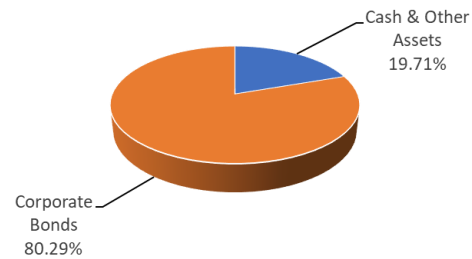
INVESTMENT STRATEGY

The fund seeks to meet its objective of producing a steady and recurring annual income stream by investing in a portfolio of fixed income securities such as sovereign bonds and corporate debt with the balance invested in money market instruments.

FUND DETAILS AS AT 31 AUGUST 2025

| | |
|----------------------------|---|
| Manager | KAF Investment Funds Bhd. |
| Trustee | CIMB Commerce Trustee Bhd. |
| Fund Category | Bond/Fixed Income Fund. |
| Fund Type | Income Fund. |
| Launch Date | 1 November 2006 |
| Unit net asset value (NAV) | RM263.0470 |
| Fund size | RM457.461mil |
| Units in Circulation | 1.739mil |
| Financial Year End | 31 August. |
| Min. Initial Investment | RM1,000.00 |
| Min. Additional Investment | RM1,000.00 |
| Benchmark | RAM-Quant MGS Index (All Durations). |
| Sales Charge | None. |
| Repurchase Charge | None. |
| Annual management fee | 0.40% per annum of NAV. |
| Annual trustee fee | Up to 0.05% per annum of NAV, subject to a minimum of RM12,000 per annum (excluding foreign custodian fee and charges). |
| Redemption payment period | Within 7 days after receipt of the request to repurchase. |
| Distribution policy | It is intended that the fund will distribute income at least once a year. |

SECTOR ALLOCATION* AS AT 31 AUGUST 2025

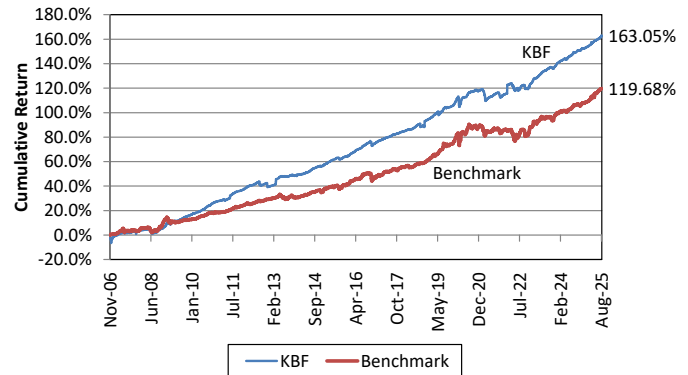


*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.

Source: KAF Investment Funds Berhad.

FUND PERFORMANCE ANALYSIS AS AT 31 AUGUST 2025

Net Asset Value prices. Cumulative return over the period (% since inception)



| % | 1 Month | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years |
|------------------|---------|----------|----------|--------|---------|---------|
| KBF | 0.77 | 1.62 | 3.42 | 5.56 | 18.22 | 21.34 |
| Benchmark | 0.51 | 1.80 | 4.84 | 6.59 | 17.96 | 17.01 |

Source: Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 AUGUST 2025

| | |
|------------------------|-------|
| Malayan Banking Berhad | 5.49% |
| Tenaga Nasional Berhad | 4.92% |
| YTL Corporation Berhad | 4.66% |
| AmBank (M) Berhad | 4.55% |
| Public Bank Berhad | 4.45% |

*as percentage of Net Asset Value.

Disclaimer:

Based on the Malaysian Fund Volatility Report issued by Refinitiv Lipper dated 11 September 2025, the Volatility Factor (VF) for this fund is 1.66 and is classified as "Very Low". "Very Low" includes funds with VF that are between 0 and 4.53. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Replacement Master Prospectus dated 30 September 2023 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, investors should be highlighted of the fact that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 03-9767 6000 for a copy of the PHS and the Master Prospectus or collect one from any of our authorised distributors.

The Manager wishes to highlight the specific risks of the fund are interest rate risk, credit risk and liquidity risk. These risks and other general risks are elaborated in the Master Prospectus. This factsheet is prepared for information purposes only and has not been reviewed by Securities Commission Malaysia. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide for future performance. Returns may vary from year to year.

Head Office: Level 13, Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur

General Line: (603)-9767 6000 Fax: (603)-9767 6001 Website: www.kaf.com.my