KAF MILLENNIUM FUND

ANNUAL REPORT

30 JUNE 2026

KAF INVESTMENT FUNDS BERHAD Reg. No: 199501004999

MANAGER'S REPORT

We are pleased to present the Manager's Report for the financial year ended 30 June 2026 ("the period").

1. Launch Date

KAF Millennium Fund ("KMF/the Fund") was launched on 15 April 1999. The Fund commenced operations on 6 May 1999 and will continue its operations until terminated according to the Master Deed dated 14 April 1999, First Supplemental Deed dated 13 June 2000, Second Supplemental Deed dated 7 August 2000, Third Supplemental Deed dated 18 December 2000, Fourth Supplemental Deed dated 30 August 2007, Supplemental Master Deed dated 27 April 2011, Second Supplemental Master Deed dated 2 June 2011, Third Supplemental Master Deed dated 4 March 2013, Fourth Supplemental Master Deed dated 5 October 2020, Fifth Supplemental Master Deed dated 6 November 2020, Sixth Supplemental Master Deed dated 25 November 2020 and Seventh Supplemental Master Deed dated 8 August 2022.

2. Type of Fund

Growth and Income Fund.

3. Category of Fund

Equity Fund.

4. Fund's Objective, Benchmark and Distribution Policy

The Fund aims to achieve long-term capital growth, with income^ as its secondary objective, by investing mainly in fundamentally sound large market capitalisation companies and also any other investments as may be permitted by the Securities Commission from time to time.

^Note: Please refer to the Fund's distribution policy.

The Fund may invest up to 100% (minimum equity allocation is 70%) of its Net Asset Value ("NAV") in equities and equity-related securities*. An internal allocation for cash and other liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.

* Equity-related securities include warrants and preference shares.

The balance of the NAV that is not invested in equities and equity-related securities, will be invested in fixed-income securities and money market instruments.

The benchmark is FTSE Bursa Malaysia Top 100 Index ("FBM 100").

Distribution of income, if any, will be made once a year.

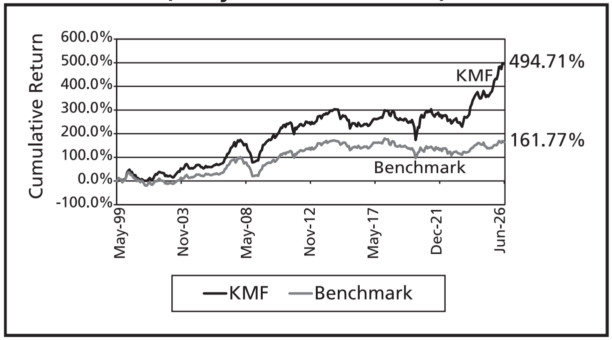
5. Review of Fund Operations and Performance

For the financial year under review, the Fund registered a return of 25.72%, outperforming its benchmark, which recorded a return of 8.77%. The outperformance was attributable to the Fund's timely sector rotations and bottom-up stock picking. Overweight positions in technology and construction stocks – accumulated during the market bottom in April – provided a good start for the Fund in the third quarter of calendar year 2025. The Fund's performance in September and October 2025 was driven by a strategic focus on **Ranhill Utilities Berhad** and **Malayan Cement Berhad**; by identifying mispriced operating leverage that broader market models had overlooked, we were able to build significant positions ahead of their value realisation. Subsequently, the Fund's entry into **Malayan Banking Berhad**, following the bank's better-than-expected net interest margin reported in late November, helped seal the Fund's outperformance into the first quarter of calendar year 2026. Underweight positions in banking stocks after the outbreak of the US-Israel-Iran War also protected the Fund's returns for the remaining period of the financial year under review.

No cross-trade transaction carried out during the reported period ended 30 June 2026. The Fund has not undertaken any securities lending or repurchase transaction for the reported period.

MANAGER'S REPORT

Performance Chart since Commencement (6 May 1999 to 30 June 2026)



*Prior to 6 July 2009, Kuala Lumpur Composite Index ("KLCI").
**With effect from 6 July 2009, FTSE Bursa Malaysia Top 100 Index ("FBM 100").
Source: Novagni Analytics & Advisory Sdn Bhd, an independent source.

Since its inception, KMF registered a return of 494.71% and outperformed its benchmark, which recorded a return of 161.77%.

Fund Performance as ranked by Lipper Asia Limited

	KMF		Mean of the Industry's Equity Malaysia Non-Islamic Funds
Period	**% Return**	**Rank**	**% Return**
3 months 26/03/2026 - 26/06/2026	3.23	48/69	7.81
6 months 26/12/2025 - 26/06/2026	8.05	18/68	5.72
1 year 26/06/2025 - 26/06/2026	25.93	6/68	15.67
3 years 26/06/2023 - 26/06/2026	80.86	1/67	39.39
5 years 25/06/2021 - 26/06/2026	54.56	3/63	27.73

Source: The Edge, 6 July 2026 issue, The Edge-Lipper Fund Performance Table, an independent source.

Past performance is not necessarily indicative of future performance.

MANAGER'S REPORT

For the year under review, the Fund ranked at No. 6 out of 68 funds in the Equity Malaysia Non-Islamic Funds category by Lipper Asia Limited.

The Fund realised a net gain of RM7.02 million from gain on disposal of equities and after accounting for dividend income, interest earned and loss on foreign exchange transactions. The unrealised gain arising from investments stood at RM1.31 million.

KMF's NAV increased to RM33.98 million on 30 June 2026 from RM28.81 million on 30 June 2025 as a result of appreciation in the value of investments. The NAV per unit of the Fund increased to RM0.5580 as at 30 June 2026 from RM0.4661 as at 30 June 2025 as a result of positive performance recorded during the year.

We are pleased to declared a final gross/net distribution of 2.80 sen per unit on 15 June 2026, representing a yield of 4.78% based on the Fund's closing NAV per unit of RM0.5863 on 15 June 2026. The impact on NAV per unit arising from the distribution is as follows:

	RM/Unit as at 15 June 2026
NAV before distribution Less: Distribution of 2.80 sen net	0.5863 (0.0280)
NAV after distribution	0.5583

6. Asset Allocation and Investment Strategies Employed

The allocation of quoted equity securities in KMF increased to 85.02% as at 30 June 2026, up from 82.56% as at 30 June 2025, as the Fund moved investments from quoted real estate investment trusts (classified as collective investment schemes) to quoted local equities for alpha generation. The Fund's cash and other liquid assets position increased to 14.98% of NAV, from 11.80% one year ago, as the Fund adopts a more cautious stance amid the global uncertainties stemming from the US-Israel-Iran War.

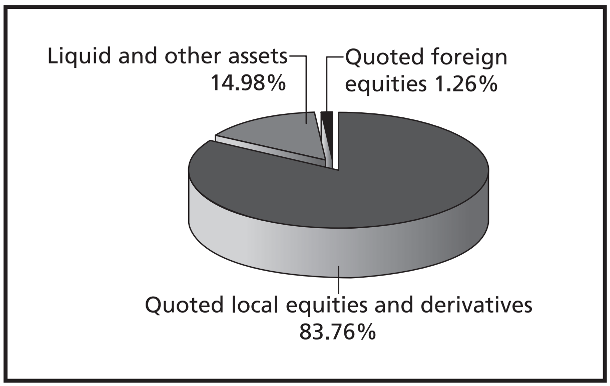
Other than the investment strategy stated in the Replacement Prospectus dated 21 December 2022, the designated Fund Manager has not employed any other investment strategy since the last reporting period.

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 Class	Percentage of NAV as at		Change in Exposure over Period (%)
	30/06/2025 (%)	30/06/2026 (%)	
Quoted foreign equities	10.45	1.26	(9.19)
Collective investment schemes	5.64	-	(5.64)
Quoted local equities and derivatives	72.11	83.76	11.65
Liquid and other assets	11.80	14.98	3.18

Portfolio of Investment and Other Assets as at 30 June 2026



MANAGER'S REPORT

7. Market Review

Driven by optimism surrounding Artificial Intelligence ("AI") demand, global equities generally performed well during the financial year under review; the MSCI World and MSCI Asia Pacific appreciated by 19.85% and 34.72%, respectively. Tech-heavy markets enjoyed a strong run, with the United States ("US") S&P 500, Japan's Nikkei 225, and South Korea's KOSPI advancing 20.86%, 73.05% and 175.95%, respectively. Conversely, markets with less exposure to the AI supply chain underperformed, as the MSCI ASEAN Index only inched up 7.41%. This performance divergence was mirrored by Malaysia's FBM-KLCI Index, which recorded an in-line return of 8.55%.

Uncertainties surrounding US trade policies and the recent US-Israel-Iran conflict have continued to cloud the global economic outlook. While AI-related investments helped accelerate US Gross Domestic Product ("GDP") growth to 2.1% in the first quarter of 2026 from 0.5% in the previous quarter, consensus forecasts expect the economy to grow by 2.1% in 2026, unchanged from the previous year. Meanwhile, China's economy has lost momentum, with second-quarter 2026 GDP growth slowing to 4.3% year-on-year from 5.0% in the preceding quarter, as weak domestic demand offset resilient exports. Although Malaysia has bucked the trend, with advance estimates indicating that GDP growth accelerated to 5.8% in the second quarter of 2026 from 5.4% in the first quarter, supported by robust investment and export activities, the external environment remains challenging. Reflecting these headwinds, the World Bank expects global GDP growth to slow to 2.5% in 2026 from 2.9% in 2025.

While the US Federal Reserve ("the Fed") delivered three 25-basis-point (bp) reductions in the federal funds rate over the last four months of 2025, the central bank has held the rate steady at 3.50% - 3.75% during the financial year under review, citing supply chain disruptions and rising energy costs stemming from the Middle East conflict. Market participants now expect the Fed to reverse its easing cycle and deliver one 25bp rate hike by the end of 2026. This shift in expectations is reflected in the Treasury market, where the benchmark US Treasury 2-year, 5-year and 10-year yields closed at 4.17%, 4.23% and 4.47%, respectively, up from 3.72%, 3.80% and 4.23% in the previous financial year. Similarly, the benchmark 3-year, 5-year and 10-year Malaysia Government Securities ("MGS") yields increased to 3.26%, 3.40% and 3.60%, respectively, from 3.15%, 3.19% and 3.47% during the financial year under review, despite the consensus expectation that Bank Negara Malaysia ("BNM") will maintain its Overnight Policy Rate ("OPR") throughout 2026. Reflecting the Fed's dovish stance earlier in the financial year, the Malaysian Ringgit strengthened against the US Dollar, closing at RM4.08 per US Dollar, compared to RM4.21 in the previous financial year.

8. Market Outlook and Strategy

Global financial markets experienced heightened volatility in 2025, driven by policy uncertainty, geopolitical tensions, and unpredictability surrounding the direction of the new US administration. With reciprocal tariffs increasingly appearing to be a structural feature of US economic policy rather than a temporary negotiating tool, global supply chains have evolved to offset their impact. Rather than contracting, trade flows are gradually being redirected toward non-tariff jurisdictions, reflecting the continued strength of global demand.

While we had anticipated heightened market volatility under Donald Trump's second presidential term, we were surprised by his willingness to initiate a war with Iran, given his track record of drawing down US troops stationed overseas during his first term. The US-Israel-Iran war introduces fresh risks and uncertainties to the global economy, as a surge in input and logistics costs may drive global inflation higher and impede consumer demand.

Given the backdrop of heightened market volatility, we will continue balancing the risk and reward of the Fund by allocating equity investments based on the principles of the Black-Litterman model. Despite the market turbulence, the Fund outperformed its benchmark in all 12 months during the financial year under review. We believe that this balanced approach, which emphasises diversification and the management of active risk, will continue to work well in a volatile market environment.

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 KMF from one broker/dealer by virtue of transactions conducted for KMF. 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 KMF 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.

11. Other Information

The designated fund manager is Mr. Neoh Jia En. His profile is available on the website, www.kaf.com.my.

Portfolio Composition	**As at 30 June**		
	2026	**2025**	**2024**
	(Percentage of NAV)		
	%	**%**	**%**
Quoted local equities and derivatives			
Construction	4.98	5.58	6.23
Consumer Products & Services	19.21	14.85	17.38
Energy	9.38	6.60	22.39
Financial Services	13.86	19.52	7.88
Health Care	1.73	-	5.78
Industrial Products & Services	4.71	2.96	5.06
Plantation	5.24	2.26	-
Property	0.83	6.87	-
Technology	3.01	5.09	15.96
Telecommunications & Media	2.63	2.27	2.80
Transportation & Logistics	5.50	1.12	3.15
Utilities	12.68	4.99	3.88
Warrants	-	-	0.08
Total Quoted local equities and derivatives	83.76	72.11	90.59
Collective investment schemes	-	5.64	-
Quoted foreign equities			
Consumer Discretionary	-	-	0.59
Consumer Staples	-	4.63	-
Industrials	1.26	5.82	-
Total Quoted foreign equities	1.26	10.45	0.59
Liquid and other assets	14.98	11.80	8.82
Total	100.00	100.00	100.00
Total return for the year	**RM'000**	**RM'000**	**RM'000**
Capital growth	791	(3,112)	5,438
Income distribution	6,042	3,331	4,551

Performance	Income Return %	Capital Return %	Annual Total Return KMF %	Annual Total Return Benchmark %
Financial year ended				
30/06/2026	5.02	19.72	25.72	8.77
30/06/2025	5.41	(4.45)	0.72	(4.82)
30/06/2024	4.03	36.98	42.51	19.85
30/06/2023	-	(6.73)	(6.73)	(2.03)
30/06/2022	0.26	(6.63)	(6.38)	(7.61)

	Average Total Return KMF %	Average Total Return Benchmark %
One (1) year	25.72	8.77
Three (3) years	26.82	8.03
Five (5) years	11.52	2.46

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:

Capital return = NAV per Unit end / NAV per Unit begin -1

Income return = Income distribution per Unit / NAV per Unit ex-date

Total return = (1+Capital return) x (1+Income return) - 1

KEY PERFORMANCE DATA

NAV and Units in Circulation	As at 30 June 2026	2025	2024
Total NAV (RM'000)	33,983	28,806	31,431
Units in circulation (in '000)	60,896	61,798	64,436
NAV per unit (RM)	0.5580	0.4661	0.4878
Unit Prices for the year (RM per unit)			
NAV (year high)	0.5982	0.5062	0.5194
NAV (year low)	0.4680	0.4323	0.3567
NAV (year high, ex-distribution)	0.5583	0.4621	0.4959
NAV (year low, ex-distribution)	0.5583	0.4621	0.4959
NAV	0.5580	0.4661	0.4878
Total Expense Ratio ("TER")	1.75%	1.64%	1.68%
Portfolio Turnover Ratio ("PTR")	2.06 times	2.39 times	0.53 times
Unit Split	Nil	Nil	Nil
Distribution			
Final - gross/net (sen per unit)	2.80	2.50	2.00
Payment date	15/06/2026	16/06/2025	18/06/2024

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 years due to overall increase in the Fund's expenses during the year under review (refer to Note 14).

PTR was lower than the previous year due to decrease in the portfolio rebalancing activities undertaken by the Fund during the year under review (refer to Note 15).

Past performance is not necessarily indicative of future performance. Unit prices and investment returns may go down, as well as up.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF
KAF MILLENNIUM FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 June 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 and on behalf of
CIMB Commerce Trustee Berhad

Tok Puan Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
Date: 21 August 2026

STATEMENT BY THE MANAGER

TO THE UNIT HOLDERS OF
KAF MILLENNIUM 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 74 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 30 June 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
Director

Mohammed Reza Tan Sri Abu Talib
Executive Director

Kuala Lumpur, Malaysia
21 August 2026

TO THE UNIT HOLDERS OF
KAF MILLENNIUM FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of **KAF Millennium Fund** ("the Fund") give a true and fair view of the financial position of the Fund as at 30 June 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 30 June 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 a summary of material accounting policies, as set out on pages 18 to 74.

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"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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.

TO THE UNIT HOLDERS OF
KAF MILLENNIUM 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.

TO THE UNIT HOLDERS OF
KAF MILLENNIUM 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
21 August 2026

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 RM	2025 RM
INCOME			
Dividend income		1,238,748	946,658
Interest income from financial assets at amortised cost		60,491	92,863
Net gain on financial assets at fair value through profit or loss	6	6,555,776	140,186
Net foreign currency exchange loss		(47,080)	(27,721)
		7,807,935	1,151,986
EXPENSES			
Manager's fee	3	(490,366)	(437,503)
Trustee's fee	4	(19,615)	(17,500)
Transaction costs		(436,169)	(454,677)
Audit fee		(10,000)	(10,000)
Tax agent's fee		(4,200)	(3,100)
Other expenses		(15,051)	(10,263)
		(975,401)	(933,043)
NET PROFIT BEFORE TAXATION		6,832,534	218,943
TAXATION	5	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		6,832,534	218,943
Net profit after taxation is made up of the following:			
Realised amount		6,041,867	3,330,905
Unrealised amount		790,667	(3,111,962)
		6,832,534	218,943

Total amount for distribution (net) and distribution per unit (gross and net) for the distribution, including the declaration date, 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 30 JUNE 2026

	Note	2026 RM	2025 RM
ASSETS			
Cash and cash equivalents	7	5,094,549	3,741,599
Financial assets at fair value through profit or loss	6	28,892,350	25,406,361
Amount due from broker	8	137,695	73,177
Dividend receivables		82,110	71,588
Tax recoverable		1,060	5,008
TOTAL ASSETS		34,207,764	29,297,733
LIABILITIES			
Amount due to broker	8	52,047	420,923
Amount due to Manager			
- Manager's fee		45,112	35,321
- Cancellation of units		105,773	13,842
Amount due to Trustee		3,627	1,413
Other payables and accruals	9	18,343	19,821
TOTAL LIABILITIES		224,902	491,320
NET ASSET VALUE ("NAV") OF THE FUND		33,982,862	28,806,413
EQUITY			
Unit holders' capital		24,125,573	24,152,393
Retained earnings		9,857,289	4,654,020
TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		33,982,862	28,806,413
NUMBER OF UNITS IN CIRCULATION	10	60,896,281	61,798,021
NAV PER UNIT		0.5580	0.4661

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 30 JUNE 2026

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 JULY 2025		24,152,393	4,654,020	28,806,413
Movement in unit holders' capital:				
Creation of units arising from applications		4,914,653	-	4,914,653
Creation of units arising from distribution		1,629,265	-	1,629,265
Cancellation of units		(6,570,738)	-	(6,570,738)
		(26,820)	-	(26,820)
Total comprehensive income for the financial year		-	6,832,534	6,832,534
Distribution	11	-	(1,629,265)	(1,629,265)
		-	5,203,269	5,203,269
BALANCE AS AT 30 JUNE 2026		24,125,573	9,857,289	33,982,862
BALANCE AS AT 1 JULY 2024		25,525,020	5,905,715	31,430,735
Movement in unit holders' capital:				
Creation of units arising from applications		1,123,142	-	1,123,142
Creation of units arising from distribution		1,470,638	-	1,470,638
Cancellation of units		(3,966,407)	-	(3,966,407)
		(1,372,627)	-	(1,372,627)
Total comprehensive income for the financial year		-	218,943	218,943
Distribution	11	-	(1,470,638)	(1,470,638)
		-	(1,251,695)	(1,251,695)
BALANCE AS AT 30 JUNE 2025		24,152,393	4,654,020	28,806,413

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 30 JUNE 2026

	Note	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		67,503,463	72,859,469
Purchase of investments		(65,303,239)	(69,573,157)
Dividends received		1,226,774	907,451
Interest income received		60,491	92,863
Manager's fee paid		(480,575)	(440,816)
Trustee's fee paid		(17,401)	(17,632)
Tax recovered		3,948	-
Realised foreign currency exchange loss		(77,321)	(28,304)
Payment of other fees and expenses		(29,277)	(34,065)
Net cash generated from operating activities		2,886,863	3,765,809
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		4,914,653	1,147,457
Payments for cancellation of units		(6,478,807)	(3,952,565)
Net cash used in financing activities		(1,564,154)	(2,805,108)
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,322,709	960,701
EFFECTS OF FOREIGN CURRENCY EXCHANGE		30,241	583
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		3,741,599	2,780,315
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	5,094,549	3,741,599
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash at banks		1,700,604	997,975
Deposit with a licensed financial institution		3,393,945	2,743,624
	7	5,094,549	3,741,599

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

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.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and International Financial Reporting Standards 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 judgement 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 M.

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

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

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2025 that have a material effect on the financial statements of the Fund.

(b) New standards, amendments and interpretations that have been issued that are applicable to the Fund but not yet 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").

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

(b) New standards, amendments and interpretations that have been issued that are applicable to the Fund but not yet effective: (cont'd)

- Annual Improvements to MFRS Accounting Standards for enhanced consistency (effective 1 January 2026).

- 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

(b) New standards, amendments and interpretations that have been issued that are applicable to the Fund but not yet effective: (cont'd)

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'. (cont'd)

  - The new MFRS introduces a new structure of profit or loss statement. (cont'd)

    (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.

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 is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Interest income earned from deposits with licensed financial institutions are recognised using the effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective interest 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 interest 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 investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the 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 realised reserve. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee of the Fund.

D TAXATION

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

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

E FUNCTIONAL AND PRESENTATION CURRENCY

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

F FOREIGN CURRENCY TRANSLATIONS

Foreign currency transactions in the Fund are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing as at the date of the statement of financial position. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the statement of comprehensive income.

Translation differences on non-monetary financial assets such as foreign quoted investments classified as financial assets at fair value through profit or loss are included in the statement of comprehensive income as part of net gain/(loss) on financial assets at fair value through profit or loss.

The principal closing rates used in the translation of foreign currency amounts are as follows:

	2026 RM	2025 RM
Foreign currency		
Hong Kong Dollar	0.5212	0.5368
Singapore Dollar	3.1606	3.3156

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its 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 equity securities as fair value through other comprehensive income. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Investments in collective investment scheme are debt instruments with contractual cash flows that do not represent solely payments of principal and interest, and therefore are classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from broker 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.

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(ii) Recognition and measurement

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

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

Financial assets are derecognised when the rights to receive cash flows from the 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.

Foreign exchange gains and losses on the financial instrument are recognised in statement of comprehensive income when settled or at date of the statement of financial position at which time they are included in the measurement of the financial instrument.

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(ii) Recognition and measurement (cont'd)

In accordance to the Deed, quoted 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. Quoted investments outside Malaysia are valued at the last traded market price quoted on the respective foreign stock exchanges as 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.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated using the effective interest rate method over the period from the date of placement to the date of maturity of the respective deposits.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

(iii) Impairment for assets carried at amortised cost

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

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.

Qualitative criteria:

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

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

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

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 debtor's sources of income or assets to generate sufficient future cash flows to repay 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.

H CASH AND CASH EQUIVALENTS

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

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 AMOUNT DUE FROM/(TO) BROKERS

Amounts due from/(to) brokers represent receivables for quoted securities sold and payables for quoted 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.

J AMOUNT DUE FROM/(TO) BROKERS (CONT'D)

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, interest 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.

K 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.

L 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 holder to a proportionate share of the Fund's NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units in the Fund over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if a unit holder exercises the right to put the unit back to the Fund.

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

M CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission Malaysia's ("SC") Guidelines on Unit Trust Funds.

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

KAF Millennium Fund (hereinafter referred to as "the Fund"), was constituted pursuant to the execution of a Master Deed dated 14 April 1999 as amended by the First Supplemental Deed dated 13 June 2000, Second Supplemental Deed dated 7 August 2000, Third Supplemental Deed dated 18 December 2000, Fourth Supplemental Deed dated 30 August 2007, Supplemental Master Deed dated 27 April 2011, Second Supplemental Master Deed dated 2 June 2011, Third Supplemental Master Deed dated 4 March 2013, Fourth Supplemental Master Deed dated 5 October 2020, Fifth Supplemental Master Deed dated 6 November 2020 and Sixth Supplemental Master Deed dated 25 November 2020 (collectively referred to as "the Deeds") made between the previous Manager, BOS Wealth Management Malaysia Berhad (the Manager prior to 1 December 2022) and the Trustee, CIMB Commerce Trustee Berhad for the registered unit holders of the Fund.

With issuance of the Seventh Supplemental Master Deed dated 8 August 2022 and following the retirement of the previous Manager effective from 1 December 2022, KAF Investment Funds Berhad took over the management of the Fund.

The principal activity of the Fund is to invest in "Permitted Investments" as defined in the Deeds, which include stocks and shares of companies quoted on Bursa Malaysia Securities Berhad, foreign securities, fixed income securities and money market instruments as approved by the SC Malaysia. The Fund commenced operations on 6 May 1999 and will continue its operations until terminated as provided in the Deeds.

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

The Manager, KAF Investment Funds Berhad, is incorporated in Malaysia. Its principal activities are the management of unit trusts funds and provision of fund management.

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES (CONT'D)

The principal place of business of the Manager is located at Level 13, Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur.

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

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

	Financial assets at fair value through profit or loss RM	Financial assets at amortised cost RM	Total RM
2026			
Cash and cash equivalents	-	5,094,549	5,094,549
Financial assets at fair value through profit or loss	28,892,350	-	28,892,350
Amount due from broker	-	137,695	137,695
Dividend receivables	-	82,110	82,110
	28,892,350	5,314,354	34,206,704
2025			
Cash and cash equivalents	-	3,741,599	3,741,599
Financial assets at fair value through profit or loss	25,406,361	-	25,406,361
Amount due from broker	-	73,177	73,177
Dividend receivables	-	71,588	71,588
	25,406,361	3,886,364	29,292,725

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, foreign currency risk and interest rate risk), liquidity risk and credit risk from its financial instruments.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Replacement 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 investments held by the Fund and classified at fair value through profit or loss. Price risk is the risk that the fair value of an 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 securities and other financial instruments within specified limits according to the Deeds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Market risk (cont'd)

(a) Price risk (cont'd)

The table below shows the financial assets of the Fund as at 30 June which are exposed to price risk:

	2026 RM	2025 RM
Investments		
Quoted foreign equities at fair value through profit or loss	426,599	3,008,621
Collective investment schemes at fair value through profit or loss	-	1,624,767
Quoted local equities at fair value through profit or loss	28,465,751	20,772,973
	28,892,350	25,406,361

The following table summarises the sensitivity of the Fund's investments to price risk movements as at 30 June. The analysis is based on the assumptions that the market price increased and decreased by 5% (2025: 5%) with all other variables held constant and that fair value of the Fund's investments moves according to the historical volatility of the index. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

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

Market risk (cont'd)

(a) Price risk (cont'd)

	Change in price	Impact on profit before tax/NAV
	%	RM
2026		
Quoted foreign equities at fair value through profit or loss	+/- 5	21,330
Quoted local equities at fair value through profit or loss	+/- 5	1,423,288
2025		
Quoted foreign equities at fair value through profit or loss	+/- 5	150,431
Collective investment schemes at fair value through profit or loss	+/- 5	81,238
Quoted local equities at fair value through profit or loss	+/- 5	1,038,649

(b) Foreign currency risk

The foreign quoted investments of the Fund are denominated in Hong Kong Dollar and Singapore Dollar. Foreign currency risk is the risk that the value of each financial instruments will fluctuate due to changes in foreign exchange rates. As such, the foreign currency risks may have a significant impact on the returns of the Fund. The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Market risk (cont'd)

(b) Foreign currency risk (cont'd)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund.

Financial assets

	Financial assets at fair value through profit or loss	Cash and cash equivalents	Total
	RM	RM	RM
2026			
Foreign currency			
Hong Kong Dollar	-	1,042	1,042
Singapore Dollar	426,599	1,672,675	2,099,274
Total	426,599	1,673,717	2,100,316
2025			
Foreign currency			
Hong Kong Dollar	-	1,074	1,074
Singapore Dollar	3,008,621	78,476	3,087,097
Total	3,008,621	79,550	3,088,171

The table below summarises the sensitivity of the Fund's profit before tax and NAV to changes in foreign exchange movements as at 30 June. The analysis is based on the assumption that the foreign exchange rate changes by 5% (2025: 5%) to Hong Kong Dollar and Singapore Dollar with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

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

Market risk (cont'd)

(b) Foreign currency risk (cont'd)

	2026 Increase/(Decrease) in profit before tax/NAV		2025 Increase/(Decrease) in profit before tax/NAV	
	+5% RM	-5% RM	+5% RM	-5% RM
Foreign currency				
Hong Kong Dollar	52	(52)	54	(54)
Singapore Dollar	104,964	(104,964)	154,355	(154,355)

(c) 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 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 deposit with a licensed financial institution by way of maintaining deposit with a licensed financial institution on a short-term basis.

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

Market risk (cont'd)

(c) Interest rate risk (cont'd)

The effective weighted average interest rates per annum and the average remaining maturities of deposit with a licensed financial institution as at the date of the statement of financial position is as follows:

	Weighted average interest rates		Average remaining maturities	
	2026 %	2025 %	2026 Day(s)	2025 Day(s)
Deposit with a licensed financial institution	2.65	3.20	1	1

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 liquid assets to meet anticipated payment and cancellations of unit by unit holders. Liquid assets comprise cash at bank, deposit with a licensed financial institution and other 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.

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

Liquidity risk (cont'd)

The amounts in the table below are the contractual undiscounted cash flows.

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
As at 30 June 2026			
Amount due to broker	52,047	-	52,047
Amount due to Manager			
- Manager's fee	45,112	-	45,112
- Cancellation of units	105,773	-	105,773
Amount due to Trustee	3,627	-	3,627
Other payables and accruals	-	18,343	18,343
Contractual undiscounted cash outflows	206,559	18,343	224,902
As at 30 June 2025			
Amount due to broker	420,923	-	420,923
Amount due to Manager			
- Manager's fee	35,321	-	35,321
- Cancellation of units	13,842	-	13,842
Amount due to Trustee	1,413	-	1,413
Other payables and accruals	-	19,821	19,821
Contractual undiscounted cash outflows	471,499	19,821	491,320

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Credit risk

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

Credit risk arising from placements in deposit with a licensed financial institution is managed by ensuring that the Fund will only place 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.

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	5,094,549	3,741,599
Other assets*	219,805	144,765
	5,314,354	3,886,364

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

	Cash and cash equivalents RM	Other assets* RM	Total RM
As at 30 June 2026			
Financial services			
- AAA	5,094,549	-	5,094,549
Others			
- not rated	-	219,805	219,805
	5,094,549	219,805	5,314,354

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

Credit risk (cont'd)

The following table sets out the credit risk concentration of the Fund: (cont'd)

	Cash and cash equivalents	Other assets*	Total
	RM	RM	RM
As at 30 June 2025			
Financial services			
- AAA	997,975	-	997,975
- AA3	2,743,624	-	2,743,624
Others			
- not rated	-	144,765	144,765
	3,741,599	144,765	3,886,364

* Other assets comprises amount due from broker and dividend receivables.

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 investment activities of the Fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 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 securities) are based on quoted market prices at the close of trading on the financial year end date.

An active market is a market in which transactions for the assets and liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

The carrying values of cash and cash equivalents, amount due from broker, dividend receivables and all current liabilities are reasonable approximations 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).

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 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 RM	Level 2 RM	Level 3 RM	Total RM
As at 30 June 2026				
Financial assets at fair value through profit or loss				
- Quoted foreign equities	426,599	-	-	426,599
- Quoted local equities	28,465,751	-	-	28,465,751
	28,892,350	-	-	28,892,350

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 RM	Level 2 RM	Level 3 RM	Total RM
As at 30 June 2025				
Financial assets at fair value through profit or loss				
- Quoted foreign equities	3,008,621	-	-	3,008,621
- Collective investment schemes	1,624,767	-	-	1,624,767
- Quoted local equities	20,772,973	-	-	20,772,973
	25,406,361	-	-	25,406,361

Investments whose values are based on quoted market prices in active markets, are therefore classified within Level 1, which include active listed equities and collective investment schemes. The Fund does not adjust the quoted prices for these instruments.

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

3. MANAGER'S FEE

Clause 12.1.2 of the Seventh Supplemental Master Deed dated 8 August 2022 provides that the Manager is entitled to an annual management fee at a rate not exceeding 2.00% 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 the amounts recognised in the financial statements.

4. TRUSTEE'S FEE

Clause 12.2.2 of the Seventh Supplemental Master Deed dated 8 August 2022 provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.08% 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	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

5. TAXATION (CONT'D)

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

	2026 RM	2025 RM
Net profit before taxation	6,832,534	218,943
Taxation at Malaysian statutory rate of 24% (2025: 24%)	1,639,808	52,546
Tax effects of:		
Investment income not subject to tax	(1,873,904)	(276,477)
Expenses not deductible for tax purposes	113,104	115,662
Restriction on tax deductible expenses for unit trust funds	120,992	108,269
Tax expense	-	-

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 gain on sale of investments	5,795,350	3,252,731
- unrealised gain/(loss) on fair value movement	760,426	(3,112,545)
	6,555,776	140,186
Financial assets at fair value through profit or loss:		
- Quoted foreign equities	426,599	3,008,621
- Collective investment schemes	-	1,624,767
- Quoted local equities	28,465,751	20,772,973
	28,892,350	25,406,361

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

Details of quoted foreign equities as at 30 June 2026 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
SINGAPORE				
Industrials				
Sri Trang Agro-Industry Public Company Limited	210,900	402,475	426,599	1.26
TOTAL QUOTED FOREIGN EQUITIES	210,900	402,475	426,599	1.26
UNREALISED GAIN ON QUOTED FOREIGN EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		24,124		
FAIR VALUE OF TOTAL QUOTED FOREIGN EQUITIES		426,599		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Details of quoted local equities as at 30 June 2026 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Construction				
Gamuda Berhad	76,000	379,259	332,120	0.98
IJM Corporation Berhad	435,000	1,009,164	983,100	2.89
Kerjaya Prospek Group Berhad	155,000	342,832	376,650	1.11
	666,000	1,731,255	1,691,870	4.98
Consumer Products & Services				
DRB-Hicom Berhad	1,050,000	1,215,648	1,092,000	3.21
Dutch Lady Milk Industries Berhad	50,000	1,383,542	1,650,000	4.85
Eco-Shop Marketing Berhad	559,600	726,559	738,672	2.17
Heineken Malaysia Berhad	33,000	729,232	640,860	1.89
Hong Leong Industries Berhad	40,000	534,106	751,200	2.21

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

Details of quoted local equities as at 30 June 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Consumer Products & Services				
Mr D.I.Y. Group (M) Berhad	420,000	715,096	688,800	2.03
Sime Darby Berhad	165,000	354,024	353,100	1.04
Spritzer Berhad	211,000	530,778	614,010	1.81
	2,528,600	6,188,985	6,528,642	19.21
Energy				
Bumi Armada Berhad	3,930,000	1,408,480	1,355,850	3.99
Dayang Enterprise Holdings Berhad	555,000	1,006,096	904,650	2.66
Hibiscus Petroleum Berhad	320,000	708,834	585,600	1.72
Solarvest Holdings Berhad	115,000	234,636	343,850	1.01
	4,920,000	3,358,046	3,189,950	9.38

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Details of quoted local equities as at 30 June 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Financial Services				
Allianz Malaysia Berhad - ICPS	38,000	675,764	828,400	2.44
AMMB Holdings Berhad	55,000	356,466	350,350	1.03
Bank Islam Malaysia Berhad	305,000	713,048	643,550	1.89
Hong Leong Financial Group Berhad	18,000	335,864	331,200	0.97
MNRB Holdings Berhad	270,000	644,083	739,800	2.18
Public Bank Berhad	250,000	1,198,308	1,200,000	3.53
RCE Capital Berhad	280,000	325,845	294,000	0.87
Syarikat Takaful Malaysia Keluarga Berhad	100,000	338,099	324,000	0.95
	1,316,000	4,587,477	4,711,300	13.86

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

Details of quoted local equities as at 30 June 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Health Care				
IHH Healthcare Berhad	70,000	637,612	588,000	1.73
Industrial Products & Services				
Hap Seng Consolidated Berhad	110,000	309,765	294,800	0.87
Malayan Cement Berhad	89,100	588,178	568,458	1.67
Southern Cable Group Berhad	311,300	689,133	737,781	2.17
	510,400	1,587,076	1,601,039	4.71
Plantation				
Batu Kawan Berhad	16,000	316,227	337,600	0.99
Johor Plantations Group Berhad	205,000	338,250	364,900	1.08
Sarawak Oil Palms Berhad	80,000	336,874	369,600	1.09

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

Details of quoted local equities as at 30 June 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Plantation				
Ta Ann Holdings Berhad	65,000	344,383	343,850	1.01
United Plantations Berhad	11,000	332,026	363,880	1.07
	377,000	1,667,760	1,779,830	5.24
Property				
S P Setia Berhad	290,000	223,996	281,300	0.83
Technology				
Malaysian Pacific Industries Berhad	7,000	167,905	347,620	1.02
Mi Technovation Berhad	140,000	273,243	674,800	1.99
	147,000	441,148	1,022,420	3.01
Telecommunications & Media				
Telekom Malaysia Berhad	120,000	867,959	892,800	2.63

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

Details of quoted local equities as at 30 June 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Transportation & Logistics				
MISC Berhad	80,000	636,662	624,000	1.84
MTT Shipping and Logistics Berhad	220,000	207,732	215,600	0.63
Westports Holdings Berhad	170,000	1,017,174	1,030,200	3.03
	470,000	1,861,568	1,869,800	5.50
Utilities				
Mega First Corporation Berhad	105,000	327,680	302,400	0.89
Petronas Gas Berhad	20,000	346,266	349,600	1.03
Ranhill Utilities Berhad	700,000	1,096,015	1,372,000	4.04
Tenaga Nasional Berhad	160,000	2,254,392	2,284,800	6.72
	985,000	4,024,353	4,308,800	12.68

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

Details of quoted local equities as at 30 June 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2026	Fair value as at 30/06/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
TOTAL QUOTED LOCAL EQUITIES	12,400,000	27,177,235	28,465,751	83.76
UNREALISED GAIN ON QUOTED LOCAL EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		1,288,516		
FAIR VALUE OF TOTAL QUOTED LOCAL EQUITIES		28,465,751		

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

Details of quoted foreign equities as at 30 June 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
SINGAPORE				
Consumer Staples				
Bukit Sembawang Estates Limited	100,000	1,187,063	1,332,891	4.63
Industrials				
UMS Integration Limited	380,000	1,351,220	1,675,730	5.82
TOTAL QUOTED FOREIGN EQUITIES	480,000	2,538,283	3,008,621	10.45
UNREALISED GAIN ON QUOTED FOREIGN EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		470,338		
FAIR VALUE OF TOTAL QUOTED FOREIGN EQUITIES		3,008,621		

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

Details of collective investment schemes as at 30 June 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
COLLECTIVE INVESTMENT SCHEMES				
Real Estate Investment Trusts (REITs)				
CapitaLand Malaysia Trust	1,000,000	629,736	645,000	2.24
Paradigm Real Estate Investment Trust	570,000	572,886	564,300	1.96
Pavilion Real Estate Investment Trust	261,300	384,387	415,467	1.44
TOTAL COLLECTIVE INVESTMENT SCHEMES	1,831,300	1,587,009	1,624,767	5.64
UNREALISED GAIN ON COLLECTIVE INVESTMENT SCHEMES AT FAIR VALUE THROUGH PROFIT OR LOSS		37,758		
FAIR VALUE OF TOTAL COLLECTIVE INVESTMENT SCHEMES		1,624,767		

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

Details of quoted local equities as at 30 June 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Construction				
IJM Corporation Berhad	400,000	815,917	1,048,000	3.64
Kerjaya Prospek Group Berhad	270,000	570,739	558,900	1.94
	670,000	1,386,656	1,606,900	5.58
Consumer Products & Services				
Capital A Berhad	350,000	293,685	297,500	1.03
Dutch Lady Milk Industries Berhad	30,000	840,396	893,400	3.10
Eco-Shop Marketing Berhad	230,000	285,039	285,200	0.99
Heineken Malaysia Berhad	22,000	555,960	554,400	1.93
Hong Leong Industries Berhad	101,600	1,356,630	1,349,248	4.68

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

Details of quoted local equities as at 30 June 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Consumer Products & Services				
Mr D.I.Y. Group (M) Berhad	330,000	575,476	541,200	1.88
Oriental Kopi Holdings Berhad	225,600	184,902	192,888	0.67
Petronas Dagangan Berhad	7,600	144,857	163,552	0.57
	1,296,800	4,236,945	4,277,388	14.85
Energy				
Bumi Armada Berhad	650,000	337,552	292,500	1.02
Dayang Enterprise Holdings Berhad	710,000	1,395,965	1,306,400	4.54
Dialog Group Berhad	190,000	245,000	300,200	1.04
	1,550,000	1,978,517	1,899,100	6.60

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

Details of quoted local equities as at 30 June 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Financial Services				
AEON Credit Service (M) Berhad	140,000	860,815	833,000	2.89
Bank Islam Malaysia Berhad	177,000	466,065	403,560	1.40
CIMB Group Holdings Berhad	130,000	905,648	882,700	3.06
Malayan Banking Berhad	90,000	892,051	873,000	3.03
Public Bank Berhad	140,000	630,245	603,400	2.10
RHB Bank Berhad	230,000	1,442,110	1,449,000	5.03
Syarikat Takaful Malaysia Keluarga Berhad	170,000	583,448	579,700	2.01
	1,077,000	5,780,382	5,624,360	19.52

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Details of quoted local equities as at 30 June 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Industrial Products & Services				
Malayan Cement Berhad	170,000	857,137	853,400	2.96
Plantation				
SD Guthrie Berhad	140,000	658,141	649,600	2.26
Property				
Allianz Malaysia Berhad - ICPS	30,000	543,130	576,000	2.00
Eastern & Oriental Berhad	1,575,000	1,416,023	1,283,625	4.45
Matrix Concepts Holdings Berhad	90,000	120,735	120,600	0.42
	1,695,000	2,079,888	1,980,225	6.87

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

Details of quoted local equities as at 30 June 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Technology				
Inari Amertron Berhad	150,000	284,625	303,000	1.05
Mi Technovation Berhad	450,000	845,659	855,000	2.97
Pentamaster Corporation Berhad	100,000	286,340	307,000	1.07
	700,000	1,416,624	1,465,000	5.09
Telecommunications & Media				
Telekom Malaysia Berhad	100,000	680,492	655,000	2.27
Transportation & Logistics				
Westports Holdings Berhad	60,000	265,288	324,000	1.12
Utilities				
Tenaga Nasional Berhad	100,000	1,388,785	1,438,000	4.99

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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

Details of quoted local equities as at 30 June 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 30/06/2025	Fair value as at 30/06/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
TOTAL QUOTED LOCAL EQUITIES	7,558,800	20,728,855	20,772,973	72.11
UNREALISED GAIN ON QUOTED LOCAL EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		44,118		
FAIR VALUE OF TOTAL QUOTED LOCAL EQUITIES		20,772,973		

7. CASH AND CASH EQUIVALENTS

	2026 RM	2025 RM
Cash at banks	1,700,604	997,975
Deposit with a licensed financial institution*	3,393,945	2,743,624
	5,094,549	3,741,599

* A total of Nil (2025: RM2,743,624) of the short-term deposit is placed with KAF Investment Bank Berhad, the intermediate holding company of the Manager.

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

8. AMOUNT DUE FROM/(TO) BROKER

The amount due from/(to) broker which relates to sale/(purchase) of 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 30 JUNE 2026

9. OTHER PAYABLES AND ACCRUALS

	2026 RM	2025 RM
Audit and tax agent's fees	16,343	16,321
Sundry accruals	2,000	3,500
	18,343	19,821

10. NUMBER OF UNITS IN CIRCULATION

	2026 Number of units	2025 Number of units
At the beginning of the financial year	61,798,021	64,435,511
Creation of units arising from applications	8,640,000	2,360,000
Creation of units arising from distribution	2,918,260	3,182,510
Cancellation of units	(12,460,000)	(8,180,000)
At the end of the financial year	60,896,281	61,798,021

11. DISTRIBUTION

	2026 RM	2025 RM
Gross/Net distribution for the financial year:		
Final, declared and reinvested on 15/06/2026 (2025: 16/06/2025)	1,629,265	1,470,638
Distribution to unit holders are from the following sources:		
Prior year's realised income	2,559,909	2,369,677
Gross realised income	2,559,909	2,369,677
Less:		
Expenses	(930,644)	(899,039)
Distribution for the financial year	1,629,265	1,470,638
Gross/Net distribution per unit (sen) - Final	2.80	2.50

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

The distribution are made from prior year's net realised income.

The Fund did not incurred unrealised losses for the financial year ended 30 June 2026 (2025: RM3,111,962).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

12. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial year ended 30 June 2026 are as follows:

Name of brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage %
2026				
RHB Investment Bank Berhad	18,099,528	14.27	40,724	15.89
Hong Leong Investment Bank Berhad	13,040,700	10.28	24,142	9.42
Public Investment Bank Berhad	12,948,796	10.21	27,605	10.77
CGS International Securities Malaysia Sdn Bhd	12,067,693	9.51	24,135	9.42
Phillip Capital Sdn Bhd	11,332,077	8.93	22,696	8.85
Affin Hwang Investment Bank Berhad	11,177,255	8.81	19,621	7.65
UBS Securities Malaysia Sdn Bhd	10,645,954	8.39	20,611	8.04
UOB Kay Hian (M) Sdn Bhd	9,916,416	7.82	19,842	7.74
MBSB Investment Bank Berhad	8,068,971	6.36	16,138	6.30
Maybank Investment Bank Berhad	6,905,485	5.44	15,206	5.93
Others	12,659,134	9.98	25,616	9.99
	126,862,009	100.00	256,336	100.00

12. TRANSACTIONS WITH BROKERS (CONT'D)

Details of transactions with brokers for the financial year ended 30 June 2025 are as follows:

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	RM	%	RM	%
2025				
Maybank Investment Bank Berhad	22,154,589	15.93	39,800	14.85
RHB Investment Bank Berhad	18,480,816	13.29	35,856	13.38
Affin Hwang Investment Bank Berhad	16,076,281	11.56	27,736	10.35
CGS International Securities Malaysia Sdn Bhd	15,847,540	11.40	31,695	11.82
UBS Securities Malaysia Sdn Bhd	12,908,222	9.28	23,298	8.69
Public Investment Bank Berhad	11,352,617	8.16	25,543	9.53
Phillip Capital Sdn Bhd	10,973,662	7.89	21,947	8.19
MBSB Investment Bank Berhad (formerly known as MIDF Amanah Investment Bank Berhad)	9,976,148	7.17	19,975	7.45
UOB Kay Hian Securities (M) Sdn Bhd	7,880,918	5.67	15,798	5.89
Hong Leong Investment Bank Berhad	7,785,216	5.60	14,410	5.38
Others	5,633,860	4.05	11,978	4.47
	139,069,869	100.00	268,036	100.00

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

13. UNITS HELD BY THE MANAGER AND RELATED PARTIES

The related parties and their relationships with the Fund are as follows:

Related parties	**Relationships**
KAF Investment Funds Berhad	The Manager
KAF-Seagroatt & Campbell Berhad	Immediate holding company of the Manager
AKKA Sdn Bhd	Ultimate holding company of the Manager
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

	2026 No. of units	2026 RM	2025 No. of units	2025 RM
KAF Investment Funds Berhad	1,619	903	3,527	1,644

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

14. TOTAL EXPENSE RATIO ("TER")

	2026	2025
TER	1.75%	1.64%

TER is derived from the following calculation:

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

A = Manager's fee
B = Trustee's fee
C = Audit fee
D = Tax agent's fee
E = Other expenses, excluding withholding taxes
F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis was RM30,803,083 (2025: RM29,165,625).

15. PORTFOLIO TURNOVER RATIO ("PTR")

	2026	2025
PTR	2.06 times	2.39 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 = RM64,721,308 (2025: RM69,769,770)
Total disposal for the financial year = RM61,995,744 (2025: RM69,910,283)

CORPORATE INFORMATION

Manager
KAF Investment Funds Berhad
Reg. No: 199501004999

Registered Office
Level 13A, Menara IQ
Lingkaran TRX
Tun Razak Exchange
55188 Kuala Lumpur

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

Board of Directors
Datuk Khatijah binti Ahmad
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
CIMB Commerce Trustee Berhad

Auditor & Reporting Accountant
PricewaterhouseCoopers PLT

Tax Adviser
Ernst & Young Tax Consultants Sdn Bhd

Banker
CIMB Bank 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**