KAF INVESTMENT FUNDS BERHAD

3-year Fund Volatility 0.16 Very Low Lipper Analytics 10 November 2026

KAF DANA AL-IDDHIKHAR (KDAI)

NOVEMBER 2026

The fund aims to seek to provide a regular stream of income by investing primarily in Islamic money market instruments and other fixed income securities, which comply with Shariah requirements.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Conservative in nature in terms of Shariah-compliant investment;
- Prefer a consistent, reasonable and stable level of return on Shariah-compliant investment;
- Prefer a lower level of investment risk; and
- Have a short-term investment horizon.

MANAGER'S COMMENTS

Malaysia's exports rose by 54.5% while imports also increased by 52.7% Year-on-Year (YoY) in September 2026 (September). The trade surplus grew to Malaysian Ringgit (MYR) 33.7 billion (bn) in September; up from MYR8.1bn in the previous month. Malaysia's Consumer Price Index (CPI) was lower at 1.8% YoY in September compared to 1.90% in August 2026 (August). Malaysian foreign reserves climbed in October 2026 (October) to United States Dollar (USD) 132.1bn from USD131.7bn in September. Meanwhile, Malaysia's Purchasing Managers' Index (PMI) was higher at 51.0 in October compared to 49.9 in the previous month. US Treasury yields were lower in October with the Treasury 2-year, 5-year and 10-year benchmark yield closing the month at 4.59%, 4.72% and 4.93% respectively compared to 4.88%, 5.09% and 5.28% in September. Malaysian Government Securities (MGS) 3-year, 5-year yield and 10-year yield were higher, ending at 3.40%, 3.66% and 3.91% in October compared to 3.47%, 3.74% and 4.00% in the previous month.

The terror in global fixed income markets continued in early October with relentless selling pushing bond markets to the highest yields in 20 years. Panic and doom filled the market as the 10-year US Treasury note spiked up to 5.30% and wild projections of the benchmark US rate hitting 6.00% spread through the financial newswire. 2026 was looking like a year that Fixed Income investors would prefer to forget when the bond market unexpectedly found support from private investors, investment funds and deposit taking institutions that were attracted by the historically high yields. The recovery rally continued to accelerate for the rest of October after the US Federal Reserve (the Fed) kept rates unchanged and there was a slight dovish tone in the Fed statement. Despite high crude oil prices and no conclusion to the conflict in the Middle East, the market narrative of runaway inflation also appears to have moderated going into the US Midterms early next month and market participants have tapered their rate hike expectations to expect the Fed to only hike rates to 4.50% down from the previous 5.00% target. Back in Malaysia, bond investors were less conservative compared to their foreign peers and extended the September rally until the middle of October. 10-year MGS yields were traded all the way down to 3.80% before drifting back up to settle around the 3.90% level. Corporate bonds on the other hand did not fare as well as corporate yield spreads widened due to soft investor demand and a surge of new debt issuances. Nonetheless, local inflation remained subdued at least on the surface after local CPI printed a lower 1.80% year-on-year (YoY) but Producer Price Index (PPI) surged further to 12.0% YoY suggesting that businesses have been unable to pass on the higher costs to consumers. The 4 government auctions for the month were well bid namely the 3-year Government Investment Issue (GII) 10/2029, 15-year MGS 01/2041, 20-year GII 05/2045 and 10-year MGS 10/2036 minting strong Bid-to-Cover (BTC) ratios of 3.016x, 2.282x, 2.286x and 2.583x respectively. Bond yields remain at relatively high levels and we have been selectively acquiring quality assets at attractive prices. Hence, we continue to look for opportunities while keeping an eye on potential inflationary risks. For now, we maintain our conservative stance of medium portfolio duration and an emphasis on high credit quality.

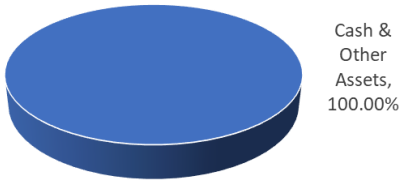
INVESTMENT STRATEGY

The fund seeks to achieve its objective by investing primarily in Islamic money market instruments and other Sukuk. The Manager will decide which instrument or security to buy based primarily on their yield, relative to their credit quality and the period to maturity. The fund will at all times place/invest its cash in Islamic money market deposits/instruments and Sukuk (listed or unlisted), which are rated by RAM, MARC or other approved rating agencies.

FUND DETAILS AS AT 31 OCTOBER 2026

Manager	KAF Investment Funds Bhd.
Trustee	CIMB Islamic Trustee Bhd.
Fund Category	Islamic Money Market Fund.
Fund Type	Income Fund.
Launch Date	6 October 2005
Unit net asset value (NAV)	RM0.5365
Fund size	RM2.620mil
Units in Circulation	4.885mil
Financial Year End	30 September.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	Malayan Banking Berhad ("Maybank") one (1) month General Investment Account ("GIA") rate.
Sales Charge	None.
Repurchase Charge	None.
Annual management fee	0.375% per annum of NAV.
Annual trustee fee	0.025% of NAV per annum subject to a minimum trustee fee of RM 12,000.
Redemption payment period	Within 7 days after receipt of the request to repurchase.
Distribution policy	Income, if any, will be distributed on a monthly basis. All such distribution will be reinvested into the fund.

SECTOR ALLOCATION* AS AT 31 OCTOBER 2026



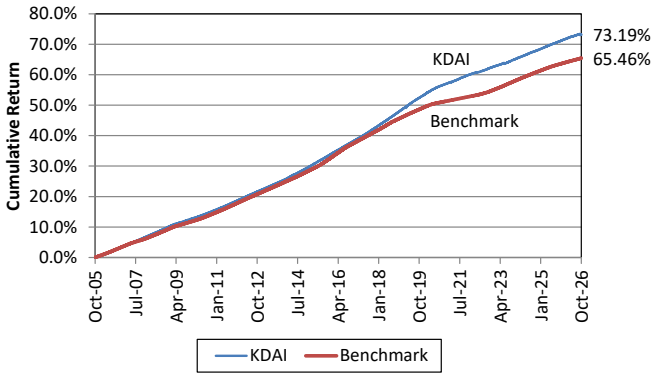
*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.
Source: KAF Investment Funds Berhad.

Distribution History

Month (2026)	Distribution (sen)
January	0.01
February	0.01
March	0.01
April	0.01
May	0.01
June	0.01
July	0.01
August	0.01
September	0.01
October	0.01

FUND PERFORMANCE ANALYSIS AS AT 31 OCTOBER 2026

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



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
KDAI	-0.07	0.19	0.52	1.40	5.16	8.51
Benchmark	0.11	0.31	0.63	1.27	5.00	8.42

Source: Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 OCTOBER 2026

Cash & other assets	100.00%

*as percentage of Net Asset Value.

Disclaimer:
Based on the Malaysian Fund Volatility Report issued by Refinitiv Lipper dated 10 November 2026, the Volatility Factor (VF) for this fund is 0.16 and is classified as "Very Low". "Very Low" includes funds with VF that are between 0 to 4.475. 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 and credit/default risk. These risks and other general risks are elaborated in the Master Prospectus.

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