KAF TACTICAL FUND

ANNUAL REPORT

31 AUGUST 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 31 August 2026 ("the period").

1. Launch Date

KAF Tactical Fund ("KTF/the Fund") commenced operations on 2 September 2004 and will continue its operations until terminated according to the Master Deed dated 29 July 2004, Supplemental Master Deed dated 9 January 2014, Second Supplemental Master Deed dated 12 March 2015 and Third Supplemental Master Deed dated 20 March 2023.

2. Type of Fund

Growth Fund.

3. Category of Fund

Equity Fund.

4. Fund's Objective, Benchmark and Distribution Policy

KTF's investment objective is to provide unit holders with enhanced capital growth through a focused investment approach in certain preferred industry sectors at any given time.

The Fund's strategic asset allocation is limited to a maximum 95% of its net asset value ("NAV") in equities and a minimum 5% of NAV in liquid assets, either in cash or fixed-income securities.

The benchmark used for the Fund is FTSE Bursa Malaysia EMAS Index (FBM EMAS).

Income distribution (if any) is incidental.

5. Review of Fund Operations and Performance

For the financial year ended 31 August 2026, KTF registered a return of 19.66% compared to its benchmark FBM Emas Index, which recorded a return of 9.07%. The outperformance is largely due to the stronger performance from the Industrial and Technology sectors.

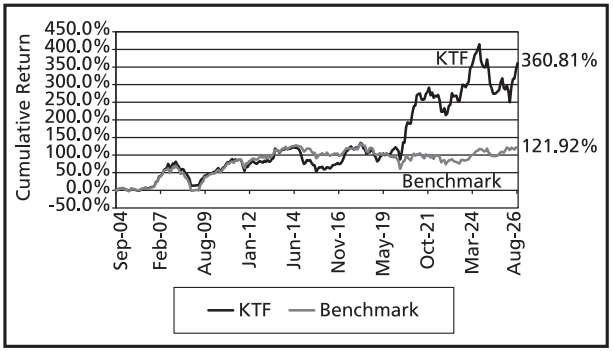
Since inception, based on its Net Asset Value ("NAV") the Fund recorded a return of 360.81% compared to its benchmark FBM Emas Index, which grew 121.92%.

During the financial year under review, the Fund realised a net gain amounting to RM11.51 million, arising from the disposal of equities, dividend received and interest earned. As at the end of the financial year, total unrealised gain stood at RM22.08 million.

KTF's fund size decreased to RM186.76 million on 31 August 2026 from RM188.09 million on 31 August 2025. The NAV per unit of the Fund increased to RM1.0829 as at 31 August 2026 from RM0.9050 as at 31 August 2025 due to the better performance of the portfolio holdings, particularly from the Industrial and Technology sectors.

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

Performance Chart
(Since end of initial offer period
22 September 2004 to 31 August 2026)



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

Fund Performance against the Benchmark and Indices of the Bursa Malaysia

Fund/Index	31/08/2025	31/08/2026	Change (%)
KTF (RM)	0.9050	1.0829	19.66
FBM Emas Index (benchmark)	11,702.89	12,764.63	9.07
FBM-KLCI	1,575.12	1,725.88	9.57
FBM Shariah Index	11,649.08	12,552.09	7.75

Fund Performance as ranked by Lipper Asia Limited

Period	KTF		Mean of Industry's Equity Malaysia Non-Islamic Fund Category
	% Change	Rank	% Change
3 month 28/05/2026 – 28/08/2026	13.25	3/69	3.85
6 months 27/02/2026 – 28/08/2026	21.31	3/69	8.95
1 year 28/08/2025 – 28/08/2026	20.01	12/68	14.68
3 years 28/08/2023 – 28/08/2026	18.37	63/67	38.03
5 years 27/08/2021 – 28/08/2026	25.46	34/63	29.31

Source: The Edge, 7 September 2026 issue, The Edge-Lipper Fund Performance Table, an independent source.

Past performance is not necessarily indicative of future performance.

6. Asset Allocation and Investment Strategies Employed

During the financial year under review, KTF equity exposure increased from 89.99% to 95.46%, mainly due to increased investments in companies that are looking increasingly attractive, as prices declined despite their fundamentals remain largely intact.

Other than the investment strategy stated in the Replacement Master Prospectus dated 30 September 2023, the designated Fund Manager has not employed any other investment strategy.

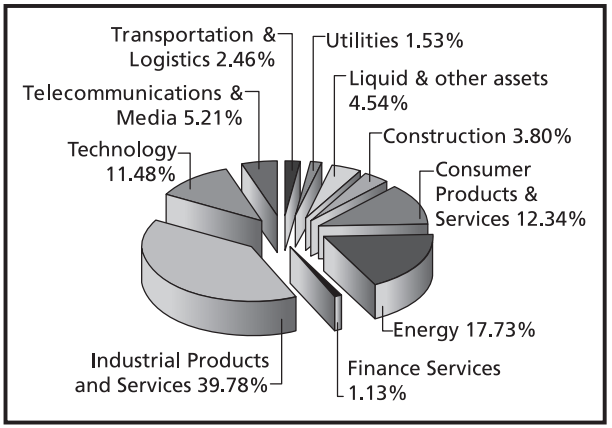
There were no significant changes in the Fund's state of affairs during the year.

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

Asset Allocation

Asset Class	Percentage of NAV as at		Change in exposure over period (%)
	31/08/2025 (%)	31/08/2026 (%)	
Equity and derivative securities	89.99	95.46	5.47
Collective investment schemes	1.35	-	(1.35)
Liquid & other assets	8.66	4.54	(4.12)

Portfolio of Investment and Other Assets as at 31 August 2026



7. Equity Market Review

During the period of review, FBM-KLCI, FBM EMAS and FBM EMAS Shariah increased by 9.57%, 9.07% and 7.75% respectively. The Dow Jones Industrial Average, S&P 500 and NASDAQ meanwhile increased by 16.78%, 18.98% and 22.91% respectively during this period. The MSCI World Index delivered positive returns of 18.91% while the MSCI Emerging Market Index surged by 36.62% during the period of review.

As the Middle East conflict continues to drag on, global inflation has trended higher and global central banks are responding by tightening monetary policies. With higher interest rates, this could have a knock-on impact on multiple sectors of the economy. However, the bright spot for the global economy remains in the continuous developments and investments into Artificial Intelligence ("AI"). This has spurred major investments into semiconductors and related infrastructure.

Locally, Malaysia's economy continued to surpass expectations by growing 5.4% and 6.0% in first and second quarter of 2026 respectively. Strong global demand for electrical and electronics products, resilient domestic consumption and continuous investments continue to drive the economic growth. While external challenges remain, Bank Negara Malaysia ("BNM") is projecting 2026 Gross Domestic Product ("GDP") growth rate to be between the range of 4.0% to 5.0%.

During the period of review, BNM has maintained the Overnight Policy Rate ("OPR") at 2.75%. However, there is a subtle change in the signalling of future interest rate path as the robust domestic economy and the higher interest rate globally are putting some pressure on BNM to increase the OPR.

Malaysian equities have rebounded during the period, though the gains across sectors or segments remain highly uneven. Technology sector has emerged as the outperformer due to the global AI trend while some supporting sectors also enjoyed healthy gains. Companies with larger market capitalization have done well previously but have since lost the momentum as their earnings struggled to keep up with the valuations.

8. Market Outlook & Strategy

The conflict in the Middle East is now the biggest uncertainty to the global economy and the financial markets. While remarkable resilience has been shown thus far, such scenario should not be taken for granted. Barring any major flare-up in military activities, we believe that the worst is behind us but a resolution would restore stability and assurance to the global economy.

The Chinese economy remains locked in a slow recovery mode, hampered by tepid domestic consumption and overcapacity in many industries. However, the strong AI demand globally is driving its exports and could provide a spark for the country to revive certain sectors before spilling over to the broader economy. While China is a major net importer of oil and gas, it has proven to be resilient with its large strategic inventory providing a buffer against any disruption of supply. A resilient Chinese economy continues to be crucial to the global economic, particularly ASEAN countries such as Malaysia.

During the period under review, US equities continued to perform strongly, underpinned by the sustained outperformance of the technology and semiconductor companies. However, the beneficiaries have clearly shifted from those that require heavy investments into AI models or infrastructure to their suppliers who enjoy strong free cash flow. It is a sign of a broadening of the market gains and despite the relatively elevated valuation levels, some rationality remains in the investment and stock selection.

In the local equity market, the short-term investment approach adopted by institutional investors continues to result in heightened market volatility. Technology and industrial sectors have caught on to the global AI trade. However, some share prices have also surged to levels which are increasingly challenging to justify. Despite the slight recovery, the gain in local equity market remains highly concentrated and the broader market remains littered with opportunities that have yet to gain attention. Looking at past market cycles, we believe that such disconnect between share prices and the underlying fundamentals of companies will eventually normalise, leading to a healthier equity market and opportunities for substantial returns.

Regardless of the current conditions, we have always stress that opportunities will exist in different economic environments and market conditions. We remain committed and focused on quality stock-picking to outperform the benchmark and deliver positive returns to the unit holders.

9. Changes made to the Fund's prospectus

There were no changes made to the Fund's prospectus during the reported 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 KTF from one broker/dealer by virtue of transactions conducted for KTF. 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 KTF 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

From 1 October 2025, the trustee fee applicable to KTF is 0.03% per annum of the NAV. Previously, the trustee fee was 0.07% per annum on the NAV.

The designated fund manager is Loh Jia Ying. His profile is available on the website, www.kaf.com.my.

Portfolio Composition	As at 31 August		
	2026	2025	2024
	(Percentage of NAV)		
	%	%	%
Quoted Equities			
Construction	3.80	12.07	2.99
Consumer Products & Services	12.34	9.44	9.05
Energy	17.73	17.40	21.33
Financial Services	1.13	2.35	6.79
Health Care	-	-	2.11
Industrial Products & Services	39.78	20.67	21.55
Property	-	1.23	1.02
Technology	11.48	12.42	11.60
Telecommunications & Media	5.21	4.55	6.07
Transportation & Logistics	2.46	6.54	2.81
Utilities	1.53	3.32	5.67
Total Quoted Equities	95.46	89.99	90.99
Collective Investment Schemes	-	1.35	-
Liquid and Other Assets	4.54	8.66	9.01
Total	100.00	100.00	100.00
Total return for the year	**RM'000**	**RM'000**	**RM'000**
Capital growth	23,739	(38,985)	8,064
Income distribution	8,149	613	19,969

Performance	Income Return	Capital Return	Annual Total Return KTF	Benchmark
	%	%	%	%
Financial year ended				
31/08/2026	0.00	19.66	19.66	9.07
31/08/2025	0.00	(17.80)	(17.80)	(6.26)
31/08/2024	0.00	17.20	17.20	16.23
31/08/2023	0.00	19.96	19.96	0.40
31/08/2022	0.00	(10.82)	(10.82)	(8.00)

	Average Total Return	
	KTF	Benchmark
	%	%
One (1) year	19.66	9.07
Three (3) years	5.09	6.28
Five (5) years	4.66	1.96

Source: Novagni Analytics & 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 31 August 2026	2025	2024
Total NAV (RM'000)	186,765	188,094	218,801
Units in circulation (in'000)	172,465	207,845	198,725
NAV per unit (RM)	1.0829	0.9050	1.1010
Unit Prices for the year (RM per unit)			
NAV (year high)	1.0926	1.1194	1.2454
NAV (year low)	0.8219	0.7857	0.9018
NAV (year high, ex-distribution)	Nil	Nil	Nil
NAV (year low, ex-distribution)	Nil	Nil	Nil
NAV	1.0829	0.9050	1.1010
Distributions	Nil	Nil	Nil
Unit split	Nil	Nil	Nil
Total Expense Ratio ("TER")	1.66%	1.61%	1.69%
Portfolio Turnover Ratio ("PTR")	0.33 times	0.67 times	0.48 times

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

The TER was higher than the previous year due to the decrease in average NAV during the financial year under review (refer to Note 13).

The PTR was lower than the previous year due to overall decrease in portfolio rebalancing activities undertaken by the Fund (refer to Note 14).

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 TACTICAL FUND

We, **Universal Trustee (Malaysia) Berhad** ("the Trustee") being the Trustee of **KAF Tactical Fund** ("the Fund") are of the opinion that **KAF Investment Funds Berhad** ("the Manager"), acting in the capacity of Manager of the Fund, has fulfilled their duties in the following manner for the financial year ended 31 August 2026.

(a) The Fund is being managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, Supplemental Deed, other provisions of the Deed, the SC's Guidelines on the Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;

(b) Valuation/pricing is carried out in accordance with the Deed and any regulatory requirements; and

(c) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements.

For and on behalf of the Trustee,
Universal Trustee (Malaysia) Berhad

AHMAD MAHADI
Manager

Kuala Lumpur, Malaysia
28 October 2026

STATEMENT BY THE MANAGER

TO THE UNIT HOLDERS OF
KAF TACTICAL 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 17 to 67 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 August 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
28 October 2026

INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF
KAF TACTICAL FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

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

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 August 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 17 to 67.

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.

TO THE UNIT HOLDERS OF
KAF TACTICAL FUND

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 TACTICAL FUND

Auditors' responsibilities for the audit of the financial statements

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

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

(a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF
KAF TACTICAL FUND

Auditors' responsibilities for the audit of the financial statements

(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
28 October 2026

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

	Note	2026 RM	2025 RM
INCOME			
Dividend income		4,771,921	4,672,309
Interest income from financial assets at amortised cost		322,376	679,658
Net gain/(loss) on financial assets at fair value through profit or loss	6	30,152,908	(39,729,677)
		35,247,205	(34,377,710)
EXPENSES			
Manager's fee	3	(2,885,297)	(3,005,249)
Trustee's fee	4	(63,927)	(140,245)
Transaction costs		(383,075)	(775,779)
Audit fee		(9,000)	(8,000)
Tax agent's fee		(6,000)	(6,000)
Other expenses		(11,593)	(59,060)
		(3,358,892)	(3,994,333)
NET PROFIT/(LOSS) BEFORE TAXATION		31,888,313	(38,372,043)
TAXATION	5	-	-
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		31,888,313	(38,372,043)
Net profit /(loss) after taxation is made up of the following:			
Realised amount		8,149,589	612,657
Unrealised amount		23,738,724	(38,984,700)
		31,888,313	(38,372,043)

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2026

	Note	2026 RM	2025 RM
ASSETS			
Cash and cash equivalents	7	9,000,010	17,291,961
Financial assets at fair value through profit or loss	6	178,294,607	171,762,859
Amount due from brokers	8	-	568,286
Amount due from Manager			
- creation of units		151,620	72,562
Dividend receivables		-	288,262
TOTAL ASSETS		187,446,237	189,983,930
LIABILITIES			
Amount due to brokers	8	-	1,148,630
Amount due to Manager			
- Cancellation of units		403,014	472,232
- Manager's fee		254,754	238,559
Amount due to Trustee		5,095	11,133
Other payables and accruals	9	18,582	19,298
TOTAL LIABILITIES		681,445	1,889,852
NET ASSET VALUE ("NAV") OF THE FUND		186,764,792	188,094,078
EQUITY			
Unit holders' capital		107,504,609	140,722,208
Retained earnings		79,260,183	47,371,870
TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		186,764,792	188,094,078
NUMBER OF UNITS IN CIRCULATION	10	172,465,100	207,845,100
NAV PER UNIT		1.0829	0.9050

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 SEPTEMBER 2025	140,722,208	47,371,870	188,094,078
Movement in unit holders' capital:			
Creation of units arising from applications	34,302,643	-	34,302,643
Cancellation of units	(67,520,242)	-	(67,520,242)
	(33,217,599)	-	(33,217,599)
Total comprehensive income for the financial year	-	31,888,313	31,888,313
BALANCE AS AT 31 AUGUST 2026	107,504,609	79,260,183	186,764,792
BALANCE AS AT 1 SEPTEMBER 2024	133,057,056	85,743,913	218,800,969
Movement in unit holders' capital:			
Creation of units arising from applications	48,166,522	-	48,166,522
Cancellation of units	(40,501,370)	-	(40,501,370)
	7,665,152	-	7,665,152
Total comprehensive loss for the financial year	-	(38,372,043)	(38,372,043)
BALANCE AS AT 31 AUGUST 2025	140,722,208	47,371,870	188,094,078

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

	Note	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		75,348,180	128,692,529
Purchase of investments		(52,690,439)	(144,553,125)
Dividends received		5,060,183	4,599,402
Interest income received		322,376	679,658
Manager's fee paid		(2,869,102)	(3,053,800)
Trustee's fee paid		(69,965)	(142,510)
Payment of other fees and expenses		(27,309)	(151,616)
Net cash generated from/ (used in) operating activities		25,073,924	(13,929,462)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		34,223,585	48,248,114
Payments for cancellation of units		(67,589,460)	(40,467,209)
Net cash (used in)/ generated from financing activities		(33,365,875)	7,780,905
NET DECREASE IN CASH AND CASH EQUIVALENTS		(8,291,951)	(6,148,557)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		17,291,961	23,440,518
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	9,000,010	17,291,961
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash at bank		671,215	235,541
Deposit with a licensed financial institution		8,328,795	17,056,420
	7	9,000,010	17,291,961

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards (""MFRS"") and International Financial Reporting Standards.

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note K.

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 September 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 lows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

  - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 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)

- 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.

    (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.

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)

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

Interest income 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 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

D 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.

E 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. Consequently, all investments are measured at fair value through profit or loss.

Investments in collective investment schemes 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 brokers, amount due from Manager - creation of units and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(i) Classification (cont'd)

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

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(ii) Recognition and measurement (cont'd)

In accordance to the Deeds, 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. 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.

<u>Significant increase in credit risk</u>

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

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

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.

E 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.

F CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank 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.

G 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.

G 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 broker 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 broker, probability that the broker 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.

H 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2026

I 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.

J 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.

K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

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

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

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

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

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

KAF Tactical Fund (hereinafter referred to as "the Fund") was constituted pursuant to a Master Deed dated 29 July 2004 (hereinafter referred to as "the Deed"), between KAF Investment Funds Berhad ("the Manager") and Universal Trustee (Malaysia) Berhad ("the Trustee") as well as the subsequent issuance of the Supplemental Master Deed dated 9 January 2014, Second Supplemental Master Deed dated 12 March 2015 and Third Supplemental Master Deed dated 20 March 2023 (collectively referred to as "the Master Deed").

The principal activity of the Fund is to invest in "Permitted Investments" as defined under the Seventh Schedule of the Deed, which includes stocks and shares of companies quoted on the Bursa Malaysia and short-term investment. The Fund commenced operations on 2 September 2004 and will continue its operations until terminated according to the conditions in the Deeds.

All investment will be subject to the SC's Guidelines on Unit Trust Funds and 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 trust funds and provision of fund management.

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

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

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

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RM	RM	RM
2026			
Cash and cash equivalents	-	9,000,010	9,000,010
Financial assets at fair value through profit or loss	178,294,607	-	178,294,607
Amount due from Manager - creation of units	-	151,620	151,620
	178,294,607	9,151,630	187,446,237
2025			
Cash and cash equivalents	-	17,291,961	17,291,961
Financial assets at fair value through profit or loss	171,762,859	-	171,762,859
Amount due from brokers	-	568,286	568,286
Amount due from Manager - creation of units	-	72,562	72,562
Dividend receivables	-	288,262	288,262
	171,762,859	18,221,071	189,983,930

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

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

The Fund is exposed to a variety of risks which include market risk (including price 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 Master Prospectus and the SC's Guidelines on Unit Trust Funds.

Market risk

(a) Price risk

The Fund is exposed to price risk because of the 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 Deed.

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

	2026 RM	2025 RM
Investments		
Quoted equities at fair value through profit or loss	178,294,607	169,228,859
Collective investment schemes at fair value through profit or loss	-	2,534,000
	178,294,607	171,762,859

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

Market risk (cont'd)

(a) Price risk (cont'd)

The following table summarises the sensitivity of the Fund's investments to price risk movements as at 31 August. The analysis is based on the assumptions that the market price increased and decreased by 5% (2025: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in price	Impact on profit/(loss) before tax/NAV
	%	RM
2026		
Quoted equities at fair value through profit or loss	+/- 5	8,914,730
2025		
Quoted equities at fair value through profit or loss	+/- 5	8,461,443
Collective investment schemes at fair value through profit or loss	+/- 5	126,700

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

Market risk (cont'd)

(b) Interest rate risk

Interest rate risk is the risk that the value of the Funds 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 deposits with a licensed financial institution by way of maintaining deposits with a licensed financial institution on a short-term basis.

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 Days	2025 Days
Deposit with a licensed financial institution	3.00	3.00	1	2

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

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulties in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of unit by unit holders. Liquid assets comprise cash at bank, deposits 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.

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

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
As at 31 August 2026			
Amount due to Manager			
- Cancellation of units	403,014	-	403,014
- Manager's fee	254,754	-	254,754
Amount due to Trustee	5,095	-	5,095
Other payables and accruals	-	18,582	18,582
Contractual undiscounted cash outflows	662,863	18,582	681,445

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

Liquidity risk (cont'd)

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
As at 31 August 2025			
Amount due to brokers	1,148,630	-	1,148,630
Amount due to Manager			
- Cancellation of units	472,232	-	472,232
- Manager's fee	238,559	-	238,559
Amount due to Trustee	11,133	-	11,133
Other payables and accruals	-	19,298	19,298
Contractual undiscounted cash outflows	1,870,554	19,298	1,889,852

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 institution.

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.

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

Credit risk (cont'd)

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

	2026 RM	2025 RM
Cash and cash equivalents	9,000,010	17,291,961
Other assets*	151,620	929,110
	9,151,630	18,221,071

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

	Cash and cash equivalents RM	Other assets* RM	Total RM
As at 31 August 2026			
Financial services			
- AA3	9,000,010	-	9,000,010
Others			
- not rated	-	151,620	151,620
	9,000,010	151,620	9,151,630
As at 31 August 2025			
Financial services			
- AA3	17,291,961	-	17,291,961
Others			
- not rated	-	929,110	929,110
	17,291,961	929,110	18,221,071

* Other assets comprises of amount due from brokers, amount due from Manager - creation of units and dividend receivables.

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

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.

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

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

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).

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.

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:

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
As at 31 August 2026				
Financial assets at fair value through profit or loss				
- Quoted equities	178,294,607	-	-	178,294,607
As at 31 August 2025				
Financial assets at fair value through profit or loss				
- Quoted equities	169,228,859	-	-	169,228,859
- Collective investment schemes	2,534,000	-	-	2,534,000
	171,762,859	-	-	171,762,859

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active quoted equities and collective investment schemes.

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

3. MANAGER'S FEE

Clause 13.1.2 of the Master Deed provides that the Manager is entitled to an annual management fee at a rate not exceeding 1.50% 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.

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 13.2.2 of the Master Deed provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.07% 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.

For the financial year, the Trustee's fee is recognised at a rate of 0.03% per annum for the financial period from 1 October 2025 to 31 August 2026 and 0.07% per annum for the financial period from 1 September 2025 to 30 September 2025 (2025: 0.07% per annum).

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

5. TAXATION

	2026 RM	2025 RM
Current taxation		
- Malaysia taxation	-	-

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

	2026 RM	2025 RM
Net profit/(loss) before taxation	31,888,313	(38,372,043)
Taxation at Malaysian statutory rate of 24% (2025: 24%)	7,653,195	(9,209,290)
Tax effects of:		
(Investment income not subject to tax)/ Investment loss not deductible for tax purposes	(8,459,329)	8,250,650
Expenses not deductible for tax purposes	110,849	224,922
Restriction on tax deductible expenses for unit trust funds	695,285	733,718
Tax expense	-	-

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 RM	2025 RM
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised gain/(loss) on sale of investments	6,414,184	(744,977)
- unrealised gain/(loss) on fair value movement	23,738,724	(38,984,700)
	30,152,908	(39,729,677)
Financial assets at fair value through profit or loss:		
- Quoted equities	178,294,607	169,228,859
- Collective investment schemes	-	2,534,000
	178,294,607	171,762,859

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

Details of quoted equities as at 31 August 2026 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2026	Fair value as at 31/08/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Construction				
Eversendai Corporation Berhad	8,500,000	3,483,423	2,125,000	1.14
Kumpulan Kitacon Berhad	346,600	254,820	225,290	0.12
Lim Seong Hai Capital Berhad	2,550,000	2,321,499	4,105,500	2.19
Pesona Metro Holdings Berhad	1,350,000	533,397	648,000	0.35
	12,746,600	6,593,139	7,103,790	3.80
Consumer Products & Services				
Able Global Berhad	4,720,000	8,831,567	7,316,000	3.92
Aquawalk Group Berhad	17,300,000	5,711,510	2,768,000	1.48
Farm Price Holdings Berhad	620,000	219,530	213,900	0.11
HI Mobility Berhad	800,000	1,760,000	1,440,000	0.77
Oriental Kopi Holdings Berhad	10,400,000	8,737,531	10,920,000	5.85
RGB International Berhad	1,877,000	398,975	384,785	0.21
	35,717,000	25,659,113	23,042,685	12.34

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

Details of quoted equities as at 31 August 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2026	Fair value as at 31/08/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Energy				
Bumi Armada Berhad	22,550,000	8,157,114	7,667,000	4.11
Carimin Petroleum Berhad	4,599,600	3,744,506	1,839,840	0.98
Coastal Contracts Berhad	1,710,000	2,396,051	2,907,000	1.56
Dayang Enterprise Holdings Berhad	3,150,000	5,127,683	4,473,000	2.39
Keyfield International Berhad	4,850,000	10,504,180	6,790,000	3.64
Lianson Fleet Group Berhad	300,000	477,000	450,000	0.24
Perdana Petroleum Berhad	14,200,000	2,716,900	1,988,000	1.06
Uzma Berhad	16,815,400	7,172,642	6,473,929	3.47
Wasco Greenergy Berhad	1,400,000	1,400,000	525,000	0.28
	69,575,000	41,696,076	33,113,769	17.73
Financial Services				
Tune Protect Group Berhad	7,820,200	3,108,465	2,111,454	1.13

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

Details of quoted equities as at 31 August 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2026	Fair value as at 31/08/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Industrial Products & Services				
CBH Engineering Holding Berhad	3,000,000	1,110,300	2,700,000	1.44
Coraza Integrated Technology Berhad	2,233,500	1,131,713	2,590,860	1.39
CPE Technology Berhad	3,929,600	4,007,790	4,754,816	2.55
Critical Holdings Berhad	4,800,000	3,926,233	9,840,000	5.27
Destini Berhad	200,000	66,660	51,000	0.03
EG Industries Berhad	10,150,000	6,525,586	19,894,000	10.65
EG Industries Berhad - WD	2,749,400	-	2,735,653	1.46
EI Power Berhad	4,523,000	2,410,790	3,211,330	1.72
EPB Group Berhad	150,000	49,095	30,750	0.02
HE Group Berhad	500,000	189,890	425,000	0.23
HSS Engineers Berhad	18,904,300	9,910,739	9,830,236	5.26
iCents Group Holdings Berhad	1,050,000	394,840	724,500	0.39

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

Details of quoted equities as at 31 August 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2026	Fair value as at 31/08/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Industrial Products & Services				
ISF Group Berhad	10,000,000	4,776,950	7,350,000	3.93
Pantech Global Berhad	5,250,000	2,338,085	2,625,000	1.41
Pantech Group Holdings Berhad	9,818,661	5,824,495	6,431,223	3.44
SKP Resources Berhad	2,795,200	3,617,218	796,632	0.43
Wentel Engineering Holdings Berhad	1,000,000	224,500	305,000	0.16
	81,053,661	46,504,884	74,296,000	39.78
Technology				
Infoline Tec Group Berhad	4,288,900	3,431,120	1,243,781	0.67
Infomina Berhad	770,000	1,115,052	1,232,000	0.66
Mi Technovation Berhad	2,780,000	5,962,872	17,041,400	9.12
SFP Tech Holdings Berhad	5,834,500	2,239,885	1,925,385	1.03
	13,673,400	12,748,929	21,442,566	11.48

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

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

Details of quoted equities as at 31 August 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2026	Fair value as at 31/08/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Telecommunications & Media				
OCK Group Berhad	16,550,000	8,918,829	7,199,250	3.85
Reach Ten Holdings Berhad	750,000	390,000	285,000	0.15
REDtone Digital Berhad	6,358,200	4,245,653	2,129,997	1.14
REDtone Digital Berhad - WB	2,079,100	-	124,746	0.07
	25,737,300	13,554,482	9,738,993	5.21
Transportation & Logistics				
AGX Group Berhad	9,360,000	3,529,215	4,118,400	2.21
AGX Group Berhad - WA	1,850,000	-	101,750	0.05
TAS Offshore Berhad	830,000	404,391	365,200	0.20
	12,040,000	3,933,606	4,585,350	2.46
Utilities				
PBA Holdings Berhad	1,300,000	2,414,257	2,860,000	1.53

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

Details of quoted equities as at 31 August 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2026	Fair value as at 31/08/2026 expressed as percentage of NAV of Fund
	Units	RM	RM	%
TOTAL QUOTED EQUITIES	259,663,161	156,212,951	178,294,607	95.46
UNREALISED GAIN ON QUOTED EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		22,081,656		
FAIR VALUE OF TOTAL QUOTED EQUITIES		178,294,607		

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

Details of quoted equities as at 31 August 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Construction				
Eversendai Corporation Berhad	3,800,000	2,126,353	1,691,000	0.90
Gamuda Berhad	2,026,246	9,951,437	11,265,928	5.99
IJM Corporation Berhad	1,800,000	3,812,940	5,166,000	2.75
Kumpulan Kitacon Berhad	346,600	254,820	259,950	0.14
Lim Seong Hai Capital Berhad	2,350,000	1,938,649	2,679,000	1.42
Muhibbah Engineering (M) Berhad	2,958,900	1,818,756	1,642,189	0.87
	13,281,746	19,902,955	22,704,067	12.07

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

Details of quoted equities as at 31 August 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Consumer Products & Services				
Able Global Berhad	2,779,800	5,753,207	4,336,488	2.31
Carlsberg Brewery Malaysia Berhad	50,000	949,209	808,000	0.43
Life Water Berhad	750,000	487,500	648,750	0.34
Oriental Kopi Holdings Berhad	10,600,000	8,905,560	11,448,000	6.09
RGB International Berhad	1,877,000	398,975	516,175	0.27
	16,056,800	16,494,451	17,757,413	9.44

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

Details of quoted equities as at 31 August 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Energy				
Bumi Armada Berhad	16,000,000	5,980,014	5,840,000	3.10
Carimin Petroleum Berhad	4,999,600	4,070,144	2,824,774	1.50
Coastal Contracts Berhad	855,000	1,456,845	1,026,000	0.55
Dayang Enterprise Holdings Berhad	3,400,000	5,534,642	5,848,000	3.11
Keyfield International Berhad	4,430,000	9,876,837	6,069,100	3.23
Perdana Petroleum Berhad	11,400,000	2,287,000	1,938,000	1.03
Uzma Berhad	11,500,000	4,832,191	5,175,000	2.75
Velesto Energy Berhad	20,000,000	3,485,314	4,000,000	2.13
	72,584,600	37,522,987	32,720,874	17.40
Financial Services				
Bank Islam Malaysia Berhad	730,000	1,847,939	1,671,700	0.89
Tune Protect Group Berhad	7,820,200	3,108,465	2,737,070	1.46
	8,550,200	4,956,404	4,408,770	2.35

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

Details of quoted equities as at 31 August 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Industrial Products & Services				
CBH Engineering Holding Berhad	6,600,000	2,212,320	2,211,000	1.18
Coraza Integrated Technology Berhad	3,981,900	2,017,626	2,249,774	1.20
CPE Technology Berhad	3,929,600	4,007,790	2,672,128	1.42
Critical Holdings Berhad	3,900,000	3,176,819	3,802,500	2.02
EG Industries Berhad	9,300,000	4,519,178	11,439,000	6.08
EG Industries Berhad - WD	2,749,400	-	1,072,266	0.57
HSS Engineers Berhad	6,600,000	5,031,526	4,356,000	2.32
Malayan Cement Berhad	306,800	1,512,524	1,794,780	0.95
Northeast Group Berhad	2,300,000	1,212,560	1,518,000	0.81
Pantech Global Berhad	550,000	297,000	294,250	0.16
Pantech Group Holdings Berhad	7,000,000	3,975,725	4,935,000	2.62

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

Details of quoted equities as at 31 August 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Industrial Products & Services				
SKP Resources Berhad	2,795,200	3,617,218	2,515,680	1.34
	50,012,900	31,580,286	38,860,378	20.67
Property				
S P Setia Berhad - RCPS-i	2,339,500	2,082,155	2,304,408	1.23
Technology				
Genetec Technology Berhad	6,300,000	6,298,490	3,213,000	1.71
Inari Amertron Berhad	2,800,000	5,600,000	5,684,000	3.02
Infoline Tec Group Berhad	4,288,900	3,431,120	1,715,560	0.91
Infomina Berhad	700,000	685,440	777,000	0.41
Mi Technovation Berhad	4,000,000	8,560,139	9,360,000	4.98
SFP Tech Holdings Berhad	5,834,500	2,239,885	816,830	0.43
UWC Berhad	638,200	1,542,311	1,806,106	0.96
	24,561,600	28,357,385	23,372,496	12.42

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

Details of quoted equities as at 31 August 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
QUOTED EQUITIES				
Telecommunications & Media				
OCK Group Berhad	14,000,000	7,923,139	5,740,000	3.05
Reach Ten Holdings Berhad	750,000	390,000	352,500	0.19
REDtone Digital Berhad	5,098,100	4,355,800	2,472,578	1.31
	19,848,100	12,668,939	8,565,078	4.55
Transportation & Logistics				
AGX Group Berhad	7,400,000	2,659,477	3,774,000	2.01
TAS Offshore Berhad	250,000	139,950	133,750	0.07
Westports Holdings Berhad	1,500,000	8,203,004	8,385,000	4.46
	9,150,000	11,002,431	12,292,750	6.54
Utilities				
Mega First Corporation Berhad	1,487,500	5,029,474	5,042,625	2.68
PBA Holdings Berhad	600,000	1,229,460	1,200,000	0.64
	2,087,500	6,258,934	6,242,625	3.32

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

Details of quoted equities as at 31 August 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
TOTAL QUOTED EQUITIES	218,472,946	170,826,927	169,228,859	89.99
UNREALISED LOSS ON QUOTED EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		(1,598,068)		
FAIR VALUE OF TOTAL QUOTED EQUITIES		169,228,859		

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

Details of collective investment schemes as at 31 August 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 31/08/2025	Fair value as at 31/08/2025 expressed as percentage of NAV of Fund
	Units	RM	RM	%
REITs				
CapitaLand Malaysia Trust	1,300,000	793,000	806,000	0.43
Paradigm Real Estate Investment Trust	1,800,000	1,800,000	1,728,000	0.92
TOTAL COLLECTIVE INVESTMENT SCHEMES	3,100,000	2,593,000	2,534,000	1.35
UNREALISED LOSS ON COLLECTIVE INVESTMENT SCHEMES AT FAIR VALUE THROUGH PROFIT OR LOSS		(59,000)		
FAIR VALUE OF TOTAL COLLECTIVE INVESTMENT SCHEMES		2,534,000		

7. CASH AND CASH EQUIVALENTS

	2026 RM	2025 RM
Cash at bank	671,215	235,541
Deposit with a licensed financial institution*	8,328,795	17,056,420
	9,000,010	17,291,961

* A total of RM8,328,795 (2025: RM17,056,420) 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(b) to the financial statements.

8. AMOUNT DUE FROM/(TO) BROKERS

The amount due from/(to) brokers 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.

9. OTHER PAYABLES AND ACCRUALS

	2026 RM	2025 RM
Audit and tax agent's fees	17,032	15,898
Sundry accruals	1,550	3,400
	18,582	19,298

10. NUMBER OF UNITS IN CIRCULATION

	2026 Number of units	2025 Number of units
At the beginning of the financial year	207,845,100	198,725,100
Creation of units arising from applications	36,470,000	50,035,000
Cancellation of units	(71,850,000)	(40,915,000)
At the end of the financial year	172,465,100	207,845,100

11. TRANSACTIONS WITH BROKERS

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

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	RM	%	RM	%
2026				
UBS Securities Malaysia Sdn Bhd	20,652,578	16.99	41,183	16.53
CGS International Securities Malaysia Sdn Bhd	14,219,072	11.70	40,367	16.20
Hong Leong Investment Bank Berhad	12,853,953	10.58	23,790	9.55
MBSB Investment Bank Berhad	12,821,767	10.55	25,644	10.29
UOB Kay Hian (M) Sdn Bhd	11,667,079	9.60	23,334	9.36
Public Investment Bank Berhad	9,542,931	7.85	19,616	7.87
Affin Hwang Investment Bank Berhad	7,632,632	6.28	9,038	3.63
Phillip Capital Sdn Bhd	7,170,557	5.90	14,341	5.75
CLSA Securities Malaysia Sdn Bhd	6,573,180	5.41	13,146	5.28
CIMB Securities Sdn Bhd	5,271,725	4.34	9,860	3.96
Others	13,127,882	10.80	28,851	11.58
	121,533,356	100.00	249,170	100.00

11. TRANSACTIONS WITH BROKERS (CONT'D)

Details of transactions with brokers for the financial year ended 31 August 2025 are as follows: (cont'd)

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	RM	%	RM	%
2025				
Affin Hwang Investment Bank Berhad	37,517,763	14.23	54,426	10.24
RHB Investment Bank Berhad	33,294,751	12.63	74,776	14.07
Public Investment Bank Berhad	32,336,155	12.27	72,756	13.69
UBS Securities Malaysia Sdn Bhd	32,086,607	12.17	57,756	10.87
Maybank Investment Bank Berhad	24,667,365	9.36	48,871	9.20
Phillip Capital Sdn Bhd	19,654,435	7.46	39,381	7.41
CGS International Securities Malaysia Sdn Bhd	s19,518,756	7.41	39,038	7.34
MIDF Amanah Investment Bank Berhad	15,186,666	5.76	29,467	5.54
CIMB Securities Sdn Bhd	14,338,285	5.44	32,288	6.07
Hong Leong Investment Bank Berhad	13,169,596	5.00	23,041	4.34
Others	21,808,542	8.27	59,700	11.23
	263,578,921	100.00	531,500	100.00

12. UNITS HELD BY MANAGER AND RELATED PARTIES

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

Related parties	Relationships
KAF Investment Funds Berhad	The Manager
KAF-Seagroatt & Campbell Berhad	Immediate holding company of the Manager
AKKA Sdn Bhd	Ultimate holding company of the Manager
Datuk Khatijah Ahmad	Director of the Manager
Mohammed Reza Tan Sri Abu Talib	Executive Director of the Manager
Subsidiaries and associates of the ultimate holding company of the Manager as disclosed in its financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager

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

	2026		2025	
	No. of units	RM	No. of units	RM
KAF Investment Funds Berhad	60,231	65,224	7,147	6,468
AKKA Sdn Bhd	8,344,958	9,036,755	8,344,958	7,552,187
KAF-Seagroatt & Campbell Berhad	9,768,212	10,577,997	9,768,212	8,840,232
Datuk Khatijah Ahmad	8,664,914	9,383,235	8,664,914	7,841,747
Mohammed Reza Tan Sri Abu Talib	58,217	63,043	58,217	52,686
Subsidiaries and associates of the ultimate holding company of the Manager	22,412,784	24,270,804	22,412,784	20,283,570

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

13. TOTAL EXPENSE RATIO ("TER")

	2026	2025
TER	1.66%	1.61%

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
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 RM179,248,588 (2025: RM200,341,296).

14. PORTFOLIO TURNOVER RATIO ("PTR")

	2026	2025
PTR	0.33 times	0.67 times

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM51,374,407 (2025: RM139,542,168)
total disposal for the financial year = RM68,581,383 (2025: RM127,907,994)

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
Universal Trustee (Malaysia) Berhad

Auditor & Reporting Accountant
PricewaterhouseCoopers PLT

Tax Adviser
PricewaterhouseCoopers Taxation Services Sdn Bhd

Banker
Alliance Bank Malaysia Berhad

KAF Investment Funds Berhad Reg. No: 199501004999
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55188 Kuala Lumpur
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For more information,
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