



KAF JADE FUND

SEMI-ANNUAL REPORT

28 FEBRUARY 2026

MANAGER'S REPORT

We are pleased to present the Manager's semi-annual report for the financial period ended 28 February 2026 ("the period").

1. Launch Date

The KAF Jade Fund ("KJF/the Fund") was established on 26 July 2006 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unit holders for it to continue. In some circumstances, the unit holders can resolve at a meeting, to terminate the Fund according to the Master Deed dated 26 July 2006, First Supplemental Master Deed dated 13 September 2007, Second Supplemental Master Deed dated 4 November 2008, Third Supplemental Master Deed dated 27 October 2009, Fourth Supplemental Master Deed dated 20 March 2013, Fifth Supplemental Master Deed dated 9 January 2014, Sixth Supplemental Master Deed dated 12 March 2015, Seventh Supplemental Master Deed dated 20 August 2018 and Eighth 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

KJF aims to provide investors with capital appreciation by accessing the long-term growth potential of stock markets in Asia Pacific Region.

The Fund will invest a minimum of 70% and up to maximum of 100% of its investments in Asia Pacific region related investments to benefit from the strong growth of economies in Asia Pacific. The Fund will be invested in a portfolio of Asia Pacific region related investments consisting of equities and collective investment schemes which invest in equities. Generally, companies and collective investment schemes with growth prospects over the medium to long-term are sought.

The benchmark of the Fund is the MSCI AC Asia Pacific.

Distribution of income, if any, will be incidental.

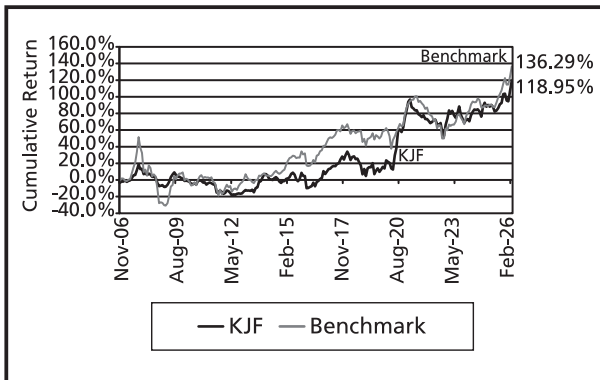
MANAGER'S REPORT

5. Review of Fund Operations and Performance

For the financial period ended 28 February 2026, the Fund based on its Net Asset Value ("NAV") per unit, registered a return of 13.73% and underperformed its benchmark, which recorded a return of 13.80%. The primary factor contributing to the underperformance was largely due to the Fund's overweight positions in Philippines and Hong Kong, as well as underweight positions in South Korea, Japan and Taiwan.

No cross-trade transaction carried out during the reported period ended 28 February 2026. The Fund has not undertaken any securities lending or repurchase transaction for the reported period.

**Performance Chart since Inception
(21 November 2006 to 28 February 2026)**



*Prior to 1 May 2013, Hang Seng Index.

**With effect from 1 May 2013, MSCI AC Asia Pacific.

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

Since its inception, KJF registered a return of 118.95% and underperformed its benchmark, which recorded a return of 136.29%.

MANAGER'S REPORT

Fund Performance as ranked by Lipper Asia Limited

Period	KJF		Mean of the Industry's Equity Asia Pacific Non-Islamic Funds
	% Return	Rank	% Return
3 months 27/11/2025 - 27/02/2026	13.05	8/16	13.02
6 months 27/08/2025 - 27/02/2026	13.21	13/16	18.72
1 year 27/02/2025 - 27/02/2026	13.35	14/16	24.21
3 years 27/02/2023 - 27/02/2026	22.40	12/15	43.42
5 years 26/02/2021 - 27/02/2026	11.86	5/11	8.09

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

For the six months period, the Fund ranked at No.13 out of 16 funds in the Equity Asia Pacific Non-Islamic Funds category by Lipper Asia Limited.

During the financial period under review, KJF's realised a net gain of RM8.48 million from dividend income, interest earned, gain on disposal of equities and after accounting for loss on foreign exchange transactions. Its unrealised gain arising from investments stood at RM7.41 million.

The Fund's NAV decreased to RM46.04 million on 28 February 2026 from RM94.18 million on 31 August 2025 as a result of outflows. The NAV per unit of the Fund increased to RM218.9493 as at 28 February 2026 from RM192.5204 as at 31 August 2025 as a result of the positive performance recorded during the period. The NAV per unit of the Fund on inception date was RM100.

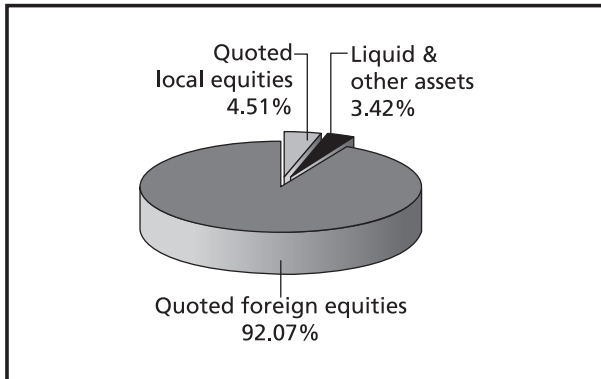
Past performance is not necessarily indicative of future performance.

MANAGER'S REPORT

6. Asset Allocation

Asset Class	Percentage of NAV as at		Change in Exposure over Period (%)
	31/08/2025 (%)	28/02/2026 (%)	
Quoted foreign equities	77.77	92.07	14.30
Collective investment schemes-foreign	8.55	-	(8.55)
Quoted local equities	7.81	4.51	(3.30)
Collective investment schemes-local	0.66	-	(0.66)
Liquid and other assets	5.21	3.42	(1.79)

Portfolio of Investment and Other Assets as at 28 February 2026



MANAGER'S REPORT

7. Market Review

During the review period, the MSCI Asia Pacific and MSCI ASEAN indices had appreciated by 23.58% and 9.79%, respectively, compared with MSCI World's 11.05% gain. MSCI World Small Cap, MSCI Asia Pacific Small Cap and MSCI ASEAN Small Cap had gained 14.55%, 16.14% and 13.79% during the period review. S&P 500, Dow Jones Industrial Index and NASDAQ indices increased by 6.48%, 7.54% and 6.60% during the review period. The FBM-KLCI, FBM Emas and FBM Small Cap registered gains of 8.98%, 7.76% and 0.15% in the same period.

February was a strong month for global fixed-income as market participants anticipated the United States ("U.S.") Federal Reserve ("the Fed") rate cuts throughout the year. Consensus among investors expected 2 rate cuts of 25 basis points ("bps") each in 2026, bringing the Fed Funds rate down to 3.25% from 3.75% currently. Similar to the U.S. Treasury yields movements, Malaysian Government Securities ("MGS") yields had trended downwards for the month. Despite that, with low local inflation and the economy in overall decent health, market participants are not expecting any change to the Overnight Policy Rate ("OPR") for now.

The MGS benchmark 3-year, 5-year and 10-year yields closed at 3.03%, 3.31% and 3.48% from 3.00%, 3.08% and 3.39%, respectively, in the previous period. U.S. Treasury benchmark 2-year, 5-year and 10-year yields decreased to 3.38%, 3.51% and 3.95% from 3.62%, 3.70% and 4.23% during the review period. The Malaysian Ringgit rallied strongly against the U.S. Dollar during this period, closing at RM3.89 from RM4.22 previously.

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

8. Market Outlook and Strategy

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

The U.S. Supreme Court ruled that President Trump's tariffs were illegal, ironically further introducing uncertainty into the future landscape of global trade. Although the ruling was very much welcomed by markets, its impact on the economy for now is quite limited, as the President immediately imposed a global tariff rate of 15%. Other than that, the administration officials had already planned alternative legal pathways to impose tariffs, in one form or another.

Against this backdrop, our investment strategy remains focused on identifying high-quality companies trading at attractive valuations. Periods of heightened volatility often lead to sentiment-driven market dislocations, creating opportunities to buy fundamentally strong businesses trading below their intrinsic value. Companies benefiting from trade diversion arising from U.S.–China tensions are likely to remain well-positioned in the current environment. Some parts of the Artificial Intelligence ("AI") supply chain remain in a chronic supply crunch, especially in high-performance computing ("HPC") components such as High Bandwidth Memory ("HBM") and optical components. Looking ahead to 2026, global market momentum remains constructive, supported by expectations of a gradually easing interest rate environment. Continued efforts to strengthen supply chain resilience and economic self-sufficiency are also expected to drive further investment from both governments and the private sector.

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 period. Also there were no circumstances which could materially affect any interest of 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 period under review, which intended to bring direct benefit or advantage to the management of KJF from one broker/dealer by virtue of transactions conducted for KJF. 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 KJF and other funds or investments managed by the Manager.

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

KEY PERFORMANCE DATA

Portfolio Composition	As at		
	28/02/2026	28/02/2025	29/02/2024
	(Percentage of NAV)		
	%	%	%
Quoted foreign equities			
Communication Services	0.98	3.14	6.28
Consumer Discretionary	7.88	34.82	41.25
Consumer Staples	7.28	7.86	7.30
Energy	-	1.45	-
Financials	9.17	13.35	0.98
Health Care	3.12	-	-
Industrials	11.05	5.38	2.92
Information Technology	41.57	10.70	12.68
Materials	8.00	-	-
Real Estate	1.99	-	-
Utilities	1.03	-	-
Total quoted foreign equities	92.07	76.70	71.41
Quoted local equities			
Consumer Products & Services	-	0.93	3.94
Energy	0.78	1.70	1.15
Financial Services	1.86	-	-
Industrial Products & Services	1.87	4.44	3.16
Telecommunications & Media	-	0.93	-
Transportation & Logistics	-	0.32	-
Total quoted local equities	4.51	8.32	8.25
Collective investment schemes-foreign	-	3.98	3.89
Liquid and other assets	3.42	11.00	16.45
Total	100.00	100.00	100.00
Total return for the year	RM'000	RM'000	RM'000
Capital growth	633	4,486	691
Income distribution	7,187	2,989	(19)

KEY PERFORMANCE DATA

Performance	Income Return	Capital Return	Annual Total Return	
	%	%	KJF %	Benchmark %
Financial year ended				
31/08/2025	-	9.34	9.34	10.91
31/08/2024	-	(1.21)	(1.21)	7.13
31/08/2023	-	5.80	5.80	5.96
31/08/2022	-	(5.16)	(5.16)	(15.41)
31/08/2021	-	10.55	10.55	16.59
			Average Total Return	
			KJF %	Benchmark %
One (1) year			15.11	24.25
Three (3) years			7.29	14.47
Five (5) years			2.26	4.28

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

Basis of calculation and assumption made in calculating the returns:

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

An illustration of the above would be as follow:

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

KEY PERFORMANCE DATA

NAV and Units in Circulation	As at		
	28/02/2026	28/02/2025	29/02/2024
Total NAV (RM'000)	46,040	98,529	78,388
Units in circulation (in '000)	210	518	441
NAV per unit (RM)	218.9493	190.2130	177.7146
Unit Prices for the year (RM per unit)			
NAV (year high)	220.0925	201.8569	182.4717
NAV (year low)	191.5713	173.1323	167.5968
NAV (year high, ex-distribution)	Nil	Nil	Nil
NAV (year low, ex-distribution)	Nil	Nil	Nil
NAV	218.9493	190.2130	177.7146
Unit Split	Nil	Nil	Nil
Distribution	Nil	Nil	Nil
Total Expense Ratio ("TER")	2.28%	2.11%	2.12%
Portfolio Turnover Ratio ("PTR")	1.07 times	0.23 times	0.22 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 periods due to an overall decrease in the average NAV during the period under review (refer to Note 13).

PTR was higher than the previous periods due to an increase in the 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 JADE FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 28 February 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 period 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.

For and on behalf of
CIMB Commerce Trustee Berhad

Tok Puan Datin Ezreen Elizee binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
28 April 2026

STATEMENT BY THE MANAGER

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

TO THE UNIT HOLDERS OF
KAF JADE 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 unaudited financial statements set out on pages 13 to 75 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 28 February 2026 and of its financial performance, changes in equity and cash flows of the Fund for the financial period ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

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

Kuala Lumpur, Malaysia
28 April 2026

	Note	2026 RM	2025 RM
INCOME			
Dividend income		425,612	595,769
Interest income from financial assets at amortised cost		23,820	89,964
Net gain on financial assets at fair value through profit or loss	6	9,444,672	7,965,483
Net foreign currency exchange (loss)/gain		(781,628)	108,152
		<u>9,112,476</u>	<u>8,759,368</u>
EXPENSES			
Manager's fee	3	(690,750)	(990,396)
Trustee's fee	4	(17,269)	(24,760)
Transaction costs		(494,807)	(185,945)
Audit fee		(4,959)	(4,959)
Tax agent's fee		(2,232)	(2,232)
Other expenses		(82,671)	(75,731)
		<u>(1,292,688)</u>	<u>(1,284,023)</u>
NET PROFIT BEFORE TAXATION		7,819,788	7,475,345
TAXATION	5	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>7,819,788</u>	<u>7,475,345</u>
Net profit after taxation is made up of the following:			
Realised amount		7,186,406	2,989,540
Unrealised amount		633,382	4,485,805
		<u>7,819,788</u>	<u>7,475,345</u>

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

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2026

	Note	2026 RM	2025 RM
ASSETS			
Cash and cash equivalents	7	1,679,551	13,211,639
Financial assets at fair value through profit or loss	6	44,465,041	87,686,121
Amount due from brokers	8	2,794,729	-
Amount due from Manager - creation of units		127,030	162,776
Dividend receivables		55,672	103,740
TOTAL ASSETS		49,122,023	101,164,276
LIABILITIES			
Amount due to broker	8	2,837,611	-
Amount due to Manager - Cancellation of units		151,909	2,461,005
- Manager's fee		73,982	156,152
Amount due to Trustee		3,943	3,904
Other payables and accruals	9	14,582	14,632
TOTAL LIABILITIES		3,082,027	2,635,693
NET ASSET VALUE ("NAV") OF THE FUND		46,039,996	98,528,583
EQUITY			
Unit holders' capital		24,996,436	86,449,850
Retained earnings		21,043,560	12,078,733
TOTAL NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		46,039,996	98,528,583
NUMBER OF UNITS IN CIRCULATION	10	210,277	517,991
NAV PER UNIT		218.9493	190.2130

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 SEPTEMBER 2025	80,952,420	13,223,772	94,176,192
Movement in unit holders' capital:			
Creation of units arising from applications	5,205,309	-	5,205,309
Cancellation of units	(61,161,293)	-	(61,161,293)
	<u>(55,955,984)</u>	<u>-</u>	<u>(55,955,984)</u>
Total comprehensive income for the financial period	-	7,819,788	7,819,788
BALANCE AS AT 28 FEBRUARY 2026	24,996,436	21,043,560	46,039,996
BALANCE AS AT 1 SEPTEMBER 2024	84,811,708	4,603,388	89,415,096
Movement in unit holders' capital:			
Creation of units arising from applications	11,000,618	-	11,000,618
Cancellation of units	(9,362,476)	-	(9,362,476)
	<u>1,638,142</u>	<u>-</u>	<u>1,638,142</u>
Total comprehensive income for the financial period	-	7,475,345	7,475,345
BALANCE AS AT 28 FEBRUARY 2025	86,449,850	12,078,733	98,528,583

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

UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

SUMMARY OF MATERIAL ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

	Note	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		98,610,297	23,486,189
Purchase of investments		(44,815,352)	(29,690,474)
Dividends received		373,528	494,118
Interest income received		23,820	89,964
Manager's fee paid		(777,048)	(983,689)
Trustee's fee paid		(21,303)	(24,592)
Realised foreign currency exchange (loss)/gain		(828,064)	46,854
Payment of other fees and expenses		(39,185)	(32,190)
Net cash generated from/ (used in) operating activities		52,526,693	(6,613,820)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		5,264,351	10,965,244
Payments for cancellation of units		(61,160,507)	(6,940,642)
Net cash (used in)/ generated from financing activities		(55,896,156)	4,024,602
NET DECREASE IN CASH AND CASH EQUIVALENTS		(3,369,463)	(2,589,218)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		55,215	58,438
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		4,993,799	15,742,419
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	7	1,679,551	13,211,639
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash at banks		1,454,037	5,465,870
Deposit with a licensed financial institution		225,514	7,745,769
	7	1,679,551	13,211,639

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

Estimates and 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 L.

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 PERIOD ENDED 28 FEBRUARY 2026

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

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

- Amendments to MFRS9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026).
 - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition);
 - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

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

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

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

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

B INCOME RECOGNITION

Dividend income 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 weighted average cost basis.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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.

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.

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 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 and collective investment schemes 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

E FOREIGN CURRENCY TRANSLATIONS (CONT'D)

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

	2026 RM	2025 RM
Foreign currency		
Australian Dollar	2.7724	2.7714
Hong Kong Dollar	0.4978	0.5734
Indonesian Rupiah	0.0002	0.0003
Japanese Yen	0.0250	0.0296
Philippine Peso	0.0676	0.0769
Singapore Dollar	3.0798	3.3069
South Korean Won	0.0027	0.0031
Thai Baht	0.1257	0.1306
US Dollar	3.8941	4.4600

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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.

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(i) Classification (cont'd)

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.

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

(ii) Recognition and measurement

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(ii) Recognition and measurement (cont'd)

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 period 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.

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

(iii) Impairment for assets carried at amortised cost

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

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.

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.

G 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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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.

I 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.

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.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

J CREATION AND CANCELLATION OF UNITS

The Fund issues cancellable units, which are cancelled at the unit holder's option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV. The outstanding units are carried at the redemption amount that is payable as at the date of the statement of financial position if the unit holder exercises the right to put the units back to the Fund.

Units are created and cancelled at the unit holder's option at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

K UNIT HOLDERS' CAPITAL

The unit holders' capital to the Fund meets the definition of puttable instruments classified as equity instruments under MFRS 132 'Financial Instruments: Presentation'. Those criteria include:

- the units entitle the unit 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 PERIOD ENDED 28 FEBRUARY 2026

L CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

KAF Jade Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Master Deed dated 26 July 2006 (hereinafter referred to as “the Deed”) between the previous manager, KAF Fund Management Sdn Bhd and the previous trustee, HSBC (Malaysia) Trustee Berhad. The Deed was modified by the Supplemental Master Deed dated 13 September 2007, the 2nd Supplemental Master Deed dated 4 November 2008, the 3rd Supplemental Master Deed dated 27 October 2009, and the 4th Supplemental Master Deed dated 20 March 2013. By the 5th Supplemental Master Deed dated 9 January 2014, the previous manager, KAF Fund Management Sdn Bhd has been changed to KAF Investment Funds Berhad (“the Manager”). The Deed was further modified by the 6th Supplemental Master Deed dated 12 March 2015 and with the issuance of the 7th Supplemental Master Deed dated 20 August 2018, the previous trustee, HSBC (Malaysia) Trustee Berhad has been changed to CIMB Commerce Trustee Berhad (“the Trustee”). The Deed was further modified by the 8th Supplemental Master Deed dated 20 March 2023. The Deed and the modifications made in the Supplemental Master Deeds issued are collectively referred to as “the Deeds”.

The principal activity of the Fund is to invest in “Permitted Investments” as set out in the Seventh Schedule of the Deed, which includes fixed-income securities traded on Eligible Market and short-term money market instruments. The Fund commenced operations on 1 November 2006 and will continue its operations until terminated by the Trustee as provided under Part 12 of the Deed.

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.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

2. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund as at financial period 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	-	1,679,551	1,679,551
Financial assets at fair value through profit or loss	44,465,041	-	44,465,041
Amount due from brokers	-	2,794,729	2,794,729
Amount due from Manager - creation of units	-	127,030	127,030
Dividend receivables	-	55,672	55,672
	<u>44,465,041</u>	<u>4,656,982</u>	<u>49,122,023</u>
2025			
Cash and cash equivalents	-	13,211,639	13,211,639
Financial assets at fair value through profit or loss	87,686,121	-	87,686,121
Amount due from Manager - creation of units	-	162,776	162,776
Dividend receivables	-	103,740	103,740
	<u>87,686,121</u>	<u>13,478,155</u>	<u>101,164,276</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

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

The Fund is exposed to a variety of risks which include market risk (including price risk, 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 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 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 28 February which are exposed to price risk:

	2026 RM	2025 RM
Investments		
Quoted foreign equities at fair value through profit or loss	42,389,512	75,567,998
Collective investment schemes-foreign at fair value through profit or loss	-	3,918,389
Quoted local equities at fair value through profit or loss	2,075,529	8,199,734
	<u>44,465,041</u>	<u>87,686,121</u>

The following table summarises the sensitivity of the Fund's investments to price risk movements as at 28 February. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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	<u>2,119,476</u>
Quoted local equities at fair value through profit or loss	+/- 5	<u>103,776</u>
2025		
Quoted foreign equities at fair value through profit or loss	+/- 5	<u>3,778,400</u>
Collective investment schemes-foreign at fair value through profit or loss	+/- 5	<u>195,919</u>
Quoted local equities at fair value through profit or loss	+/- 5	<u>409,987</u>

(b) Foreign currency risk

The foreign quoted investments of the Fund are denominated in Australian Dollar, Hong Kong Dollar, Indonesian Rupiah, Japanese Yen, Philippine Peso, Singapore Dollar, South Korean Won, Thai Baht and US 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 PERIOD ENDED 28 FEBRUARY 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 RM	Cash and cash equivalents RM	Other assets* RM	Total RM
2026				
Foreign currency				
Australian Dollar	954,893	-	-	954,893
Hong Kong Dollar	2,109,931	-	398,827	2,508,758
Indonesian Rupiah	1,941,027	-	-	1,941,027
Japanese Yen	16,038,597	-	-	16,038,597
South Korean Won	15,689,149	(1,038,997)	1,539,237	16,189,389
Thai Baht	1,441,780	-	30,151	1,471,931
US Dollar	4,214,135	2,477,934	-	6,692,069
Total	<u>42,389,512</u>	<u>1,438,937</u>	<u>1,968,215</u>	<u>45,796,664</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 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. (cont'd)

Financial assets (cont'd)

	Financial assets at fair value through profit or loss			
	RM	Cash and cash equivalents RM	Other assets* RM	Total RM
2025				
Foreign currency				
Australian Dollar	177,092	-	-	177,092
Hong Kong Dollar	28,599,529	-	-	28,599,529
Indonesian Rupiah	4,978,307	(43)	-	4,978,264
Japanese Yen	9,125,673	-	78,652	9,204,325
Philippine Peso	14,440,413	-	-	14,440,413
Singapore Dollar	3,133,287	55,694	-	3,188,981
South Korean Won	1,998,123	-	6,624	2,004,747
Thai Baht	5,166,772	-	-	5,166,772
US Dollar	11,867,191	5,189,842	18,464	17,075,497
Total	79,486,387	5,245,493	103,740	84,835,620

* Other assets consist of amount due from brokers and dividend receivables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Market risk (cont'd)

(b) Foreign currency risk (cont'd)

The table below summarises the sensitivity of the Fund's profit before tax and NAV to changes in foreign exchange movements as at 28 February. The analysis is based on the assumption that the foreign exchange rate changes by 5% (2025: 5%) to Australian Dollar, Hong Kong Dollar, Indonesian Rupiah, Japanese Yen, Philippine Peso, Singapore Dollar, South Korean Won, Thai Baht and US 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.

	2026		2025	
	Increase/(Decrease) in profit before tax/NAV		Increase/(Decrease) in profit before tax/NAV	
	+5% RM	-5% RM	+5% RM	-5% RM
Foreign currency				
Australian Dollar	47,745	(47,745)	8,855	(8,855)
Hong Kong Dollar	125,438	(125,438)	1,429,976	(1,429,976)
Indonesian Rupiah	97,051	(97,051)	248,913	(248,913)
Japanese Yen	801,930	(801,930)	460,216	(460,216)
Philippine Peso	-	-	722,021	(722,021)
Singapore Dollar	-	-	159,449	(159,449)
South Korean Won	809,469	(809,469)	100,237	(100,237)
Thai Baht	73,597	(73,597)	258,339	(258,339)
US Dollar	334,603	(334,603)	853,775	(853,775)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Market risk (cont'd)

(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.

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	2.65	3.20	2	3

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Liquidity risk (cont'd)

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 RM	Between 1 month to 1 year RM	Total RM
As at 28 February 2026			
Amount due to broker	2,837,611	-	2,837,611
Amount due to Manager			
- Cancellation of units	151,909	-	151,909
- Manager's fee	73,982	-	73,982
Amount due to Trustee	3,943	-	3,943
Other payables and accruals	-	14,582	14,582
Contractual undiscounted cash outflows	3,067,445	14,582	3,082,027
As at 28 February 2025			
Amount due to Manager			
- Cancellation of units	2,461,005	-	2,461,005
- Manager's fee	156,152	-	156,152
Amount due to Trustee	3,904	-	3,904
Other payables and accruals	-	14,632	14,632
Contractual undiscounted cash outflows	2,621,061	14,632	2,635,693

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 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	1,679,551	13,211,639
Other assets*	2,977,431	266,516
	<u>4,656,982</u>	<u>13,478,155</u>

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

	Cash and cash equivalents RM	Other assets* RM	Total RM
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As at 28 February 2026

Financial services

- AAA 1,679,551 - 1,679,551

Others

- not rated - 2,977,431 2,977,431

	<u>1,679,551</u>	<u>2,977,431</u>	<u>4,656,982</u>
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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 RM	Other assets* RM	Total RM
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As at 28 February 2025

Financial services

- AAA 5,465,870 - 5,465,870

- AA3 7,745,769 - 7,745,769

Others

- not rated - 266,516 266,516

	<u>13,211,639</u>	<u>266,516</u>	<u>13,478,155</u>
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* Other assets consist of amount due from brokers, amount due from Manager - creation of units 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 PERIOD ENDED 28 FEBRUARY 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 trading 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.

Fair value hierarchy

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Fair value hierarchy (cont'd)

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM

As at 28 February 2026 Financial assets at fair value through profit or loss

- Quoted foreign equities	42,389,512	-	-	42,389,512
- Quoted local equities	2,075,529	-	-	2,075,529
	<u>44,465,041</u>	-	-	<u>44,465,041</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Fair value hierarchy (cont'd)

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

Level 1	Level 2	Level 3	Total
RM	RM	RM	RM

**As at 28
February 2025
Financial
assets at fair
value through
profit or loss**

- Quoted foreign equities	75,567,998	-	- 75,567,998
- Collective investment schemes			
- foreign	3,918,389	-	- 3,918,389
- Quoted local equities	8,199,734	-	- 8,199,734
	<u>87,686,121</u>	-	- <u>87,686,121</u>

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 F.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

3. MANAGER'S FEE

Clause 13.1 of the Master Deed dated 26 July 2006 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 2.00% (2025: 2.00%) 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 4.8 of the Seventh Supplemental Master Deed dated 20 August 2018 provides that the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.10% 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 RM9,000 per annum.

The Trustee's fee provided in the financial statements is computed on this basis at a rate of 0.05% (2025: 0.05%) per annum or at the minimum of RM9,000 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 PERIOD ENDED 28 FEBRUARY 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	7,819,788	7,475,345
Taxation at Malaysian statutory rate of 24% (2025: 24%)	1,876,749	1,794,083
Tax effects of:		
Investment income not subject to tax	(2,186,994)	(2,102,248)
Expenses not deductible for tax purposes	142,813	69,047
Restriction on tax deductible expenses for unit trust funds	167,432	239,118
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	8,857,725	3,540,976
- unrealised gain on fair value movement	586,947	4,424,507
	<u>9,444,672</u>	<u>7,965,483</u>
Financial assets at fair value through profit or loss:		
- Quoted foreign equities	42,389,512	75,567,998
- Collective investment schemes-foreign	-	3,918,389
- Quoted local equities	2,075,529	8,199,734
	<u>44,465,041</u>	<u>87,686,121</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows:

Name of counter	Quantity Units	Aggregate cost RM	Fair value as at 28/02/2026 expressed as percentage of NAV of Fund	
			as at 28/02/2026 RM	%

QUOTED FOREIGN EQUITIES

AUSTRALIA

Consumer Staples

Woolworths Group Limited

4,700	471,413	469,088	1.02
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Materials

BHP Group Limited

3,000	478,759	485,805	1.06
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HONG KONG

Communication Services

DBA Telecommunication (Asia) Holdings Limited*

20,000	-	-	-
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Financials

AIA Group Limited

19,800	888,666	855,513	1.86
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Materials

Zijin Mining Group Co. Limited

56,000	1,084,015	1,254,418	2.72
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED FOREIGN EQUITIES

INDONESIA

Consumer Discretionary
PT Daya Intiguna Yasa Tbk

3,000,000	1,366,200	669,828	1.45
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Industrials
PT Ecocare Indo Pasifik Tbk

38,221,400	1,668,173	1,271,199	2.76
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JAPAN

Consumer Discretionary
ASICS Corporation
Sony Financial Group

3,800	452,686	454,583	0.99
15,000	-	59,851	0.13
18,800	452,686	514,434	1.12

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED FOREIGN EQUITIES

JAPAN

Consumer Staples
Ajinomoto Co. Inc.
Marubeni Corporation
Unicharm Corporation

7,900	948,712	979,356	2.13
7,000	990,083	1,049,446	2.28
16,700	459,591	445,686	0.96
31,600	2,398,386	2,474,488	5.37

Financials

Japan Exchange Group, Inc

18,800	942,403	1,001,819	2.18
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Health Care

HOYA Corporation
Shionogi & Co. Limited

640	461,555	451,399	0.98
10,800	936,848	987,441	2.14
11,440	1,398,403	1,438,840	3.12

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
JAPAN				
Industrials				
Komatsu Limited	5,200	959,946	977,470	2.12
Kubota Corporation	5,800	458,022	459,664	1.00
Mitsubishi Electric Corporation	3,100	455,216	463,439	1.01
Mitsui O.S.K. Lines, Limited	3,400	480,632	491,914	1.07
	<u>17,500</u>	<u>2,353,816</u>	<u>2,392,487</u>	<u>5.20</u>
Information Technology				
Advantest Corporation	2,000	1,099,360	1,340,004	2.91
DISCO Corporation	500	807,236	941,996	2.05
KIOXIA Holdings Corporation	3,600	1,080,624	1,905,351	4.14
Murata Manufacturing Co. Limited	9,400	959,280	963,585	2.09
Tokyo Electron Limited	1,100	1,056,221	1,208,025	2.62
	<u>16,600</u>	<u>5,002,721</u>	<u>6,358,961</u>	<u>13.81</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
JAPAN				
Materials				
Toray Industries, Inc.	28,200	934,566	942,944	2.05
Real Estate				
Mitsui Fudosan Co. Limited	17,400	895,597	914,624	1.99
SOUTH KOREA				
Consumer Discretionary				
Hyundai Motor Company	800	922,279	1,458,897	3.17
LG Electronics Inc.	2,500	948,309	985,540	2.14
	<u>3,300</u>	<u>1,870,588</u>	<u>2,444,437</u>	<u>5.31</u>
Consumer Staples				
Amorepacific Corporation	1,000	446,201	409,638	0.89
Financials				
Hana Financial Group Inc.	3,400	948,040	1,120,472	2.43
Samsung Life Insurance Co. Limited	2,000	1,004,260	1,244,608	2.70
	<u>5,400</u>	<u>1,952,300</u>	<u>2,365,080</u>	<u>5.13</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2026		percentage of NAV of Fund
			as at 28/02/2026	expressed as	
	Units	RM	RM		%

QUOTED FOREIGN EQUITIES

SOUTH KOREA

Industrials

Hanwha Aerospace Co. Limited	150	522,279	484,991	1.05
HD Hyundai Electric Co. Limited	330	884,650	937,514	2.04
	480	1,406,929	1,422,505	3.09

Information Technology

Samsung Electronics Company Limited	6,200	1,188,594	3,631,820	7.89
Samsung SDI Co. Limited	900	996,013	1,134,758	2.46
SK Hynix Inc.	500	1,050,144	1,435,358	3.12
SK Inc.	1,700	948,213	1,844,455	4.01
	9,300	4,182,964	8,046,391	17.48

Materials

Ecopro Co. Limited	2,000	910,015	1,001,098	2.17
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2026		percentage of NAV of Fund
			as at 28/02/2026	expressed as	
	Units	RM	RM		%

QUOTED FOREIGN EQUITIES

THAILAND

Communication Services

Advanced Info Service Public Company Limited	9,400	462,578	448,969	0.98
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Information Technology

Delta Electronics (Thailand) Public Co. Limited	14,800	458,734	519,005	1.13
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Utilities

Gulf Development Public Company Limited	60,800	466,557	473,806	1.03
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UNITED STATES

Information Technology

ASE Technology Holding Co. Limited	6,000	475,930	567,523	1.23
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2026 expressed as percentage of NAV of Fund	
			as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
UNITED STATES				
Information Technology				
Taiwan Semiconductor Manufacturing Company Limited	2,500	890,271	3,646,612	7.92
	8,500	1,366,201	4,214,135	9.15
TOTAL QUOTED FOREIGN EQUITIES	41,600,220	33,858,871	42,389,512	92.07
UNREALISED GAIN ON QUOTED FOREIGN EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS				
		8,530,641		
FAIR VALUE OF TOTAL QUOTED FOREIGN EQUITIES				
		<u>42,389,512</u>		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted local equities as at 28 February 2026 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2026 expressed as percentage of NAV of Fund	
			as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED LOCAL EQUITIES				
Energy				
Carimin Petroleum Berhad	700,000	553,859	357,000	0.78
Financial Services				
CIMB Group Holdings Berhad	50,000	436,340	402,000	0.87
Public Bank Berhad	92,000	454,922	453,560	0.99
	142,000	891,262	855,560	1.86
Industrial Products & Services				
EG Industries Berhad	209,500	83,690	236,735	0.51
HSS Engineers Berhad	1,527,400	1,668,657	626,234	1.36
	1,736,900	1,752,347	862,969	1.87

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted local equities as at 28 February 2026 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2026 expressed as	
			Fair value as at 28/02/2026	percentage of NAV of Fund
	Units	RM	RM	%
TOTAL QUOTED LOCAL EQUITIES	<u>2,578,900</u>	3,197,468	<u>2,075,529</u>	4.51
UNREALISED LOSS ON QUOTED LOCAL EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(1,121,939)</u>		
FAIR VALUE OF TOTAL QUOTED LOCAL EQUITIES		<u>2,075,529</u>		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025 expressed as	
			Fair value as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
AUSTRALIA				
Consumer Discretionary				
KMD Brands Limited	<u>180,000</u>	660,157	<u>177,092</u>	0.18
HONG KONG				
Communication Services				
Baidu Inc - Class A DBA Telecommunication (Asia) Holdings Limited*	15,000	1,121,241	718,183	0.73
Tencent Holdings Limited	20,000	-	-	-
	<u>4,000</u>	1,026,205	<u>1,097,717</u>	1.11
	<u>39,000</u>	2,147,446	<u>1,815,900</u>	1.84

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025 expressed as percentage of NAV of Fund	
			as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
HONG KONG				
Consumer Discretionary				
Alibaba Group Holding Limited	50,000	2,431,781	3,655,425	3.71
BYD Company Limited	8,000	841,120	1,704,604	1.73
JD.com Inc	60,000	4,469,775	5,525,282	5.61
Meituan - Class B	20,000	1,593,730	1,857,816	1.88
Super Hi International Holding Limited	170,000	1,343,653	1,838,435	1.87
Trip.com Group Limited	7,000	686,325	1,752,425	1.78
	315,000	11,366,384	16,333,987	16.58
Financials				
AlA Group Limited	130,000	4,411,863	4,427,795	4.49
Ping An Insurance (Group) Co. of China Limited	200,000	5,405,907	5,269,546	5.35
	330,000	9,817,770	9,697,341	9.84

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025 expressed as percentage of NAV of Fund	
			as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%
QUOTED FOREIGN EQUITIES				
INDONESIA				
Communication Services				
PT Surya Citra Media Tbk	5,600,000	461,598	286,216	0.29
Consumer Discretionary				
PT Daya Intiguna Yasa Tbk	7,381,600	3,361,581	2,998,332	3.04
Consumer Staples				
PT Multi Bintang Indonesia Tbk	140,000	365,649	225,018	0.23
Industrials				
PT Ecocare Indo Pasifik Tbk	42,000,000	1,833,090	1,468,740	1.49

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED FOREIGN EQUITIES

JAPAN

Communication Services

Nintendo Company Limited	3,000	667,419	990,908	1.01
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Consumer Discretionary

Sony Group Corporation	15,000	958,325	1,659,948	1.68
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Consumer Staples

Yamazaki Baking Co. Limited	31,000	2,672,878	2,482,774	2.52
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Industrials

Central Japan Railway Company	10,000	1,068,378	876,811	0.89
Komatsu Limited	4,000	407,306	528,721	0.54
	14,000	1,475,684	1,405,532	1.43

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED FOREIGN EQUITIES

PHILIPPINES

Consumer Discretionary

Bloomberry Resorts Corporation	1,830,000	1,152,007	448,919	0.46
Jollibee Foods Corporation	150,000	2,684,764	2,966,802	3.01
SM Prime Holdings, Inc.	3,000,000	6,963,415	5,144,610	5.22
	4,980,000	10,800,186	8,560,331	8.69

Financials

BDO Unibank, Inc.	300,000	3,244,082	3,460,500	3.51
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Industrials

Ayala Corporation	57,000	2,737,522	2,419,582	2.46
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value		percentage of NAV of Fund
			as at 28/02/2025	as at 28/02/2025 expressed as	
	Units	RM	RM		%

QUOTED FOREIGN EQUITIES

SINGAPORE

Consumer Staples

Thai Beverage Public Company Limited	1,000,000	2,009,822	1,703,053	1.73
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Energy

China Aviation Oil (Singapore) Corporation Limited	500,000	1,456,168	1,430,234	1.45
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SOUTH KOREA

Consumer Staples

Amorepacific Corporation	2,000	885,789	716,092	0.73
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value		percentage of NAV of Fund
			as at 28/02/2025	as at 28/02/2025 expressed as	
	Units	RM	RM		%

QUOTED FOREIGN EQUITIES

SOUTH KOREA

Information Technology

Samsung Electronics Company Limited	7,700	1,476,157	1,282,031	1.30
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THAILAND

Consumer Discretionary

Minor International Public Company Limited	500,000	1,936,153	1,894,266	1.92
S Hotels & Resorts Public Company Limited	2,600,000	1,264,912	662,340	0.67
	3,100,000	3,201,065	2,556,606	2.59

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%

QUOTED FOREIGN EQUITIES

THAILAND

Consumer Staples

CP ALL Public Company Limited	370,000	2,796,655	2,610,167	2.65
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UNITED STATES

Consumer Discretionary

PDD Holdings Inc.	4,000	1,278,374	2,028,230	2.06
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Information Technology

Taiwan Semiconductor Manufacturing Company Limited	11,500	4,095,247	9,259,384	9.40
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted foreign equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value	
			as at 28/02/2025	percentage of NAV of Fund
	Units	RM	RM	%

TOTAL

QUOTED FOREIGN EQUITIES	66,380,800	69,769,048	75,567,998	76.70
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UNREALISED GAIN ON QUOTED FOREIGN EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

5,798,950

FAIR VALUE OF TOTAL QUOTED FOREIGN EQUITIES

75,567,998

* DBA Telecommunication (Asia) Holdings Limited has been suspended since 2013 with the suspension of fraudulent operations and the directors are still facing charges from the regulatory bodies in Hong Kong. As a result, the Fund has deemed to fair value this counter at nil as at the financial year end date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of collective investment schemes-foreign as at 28 February 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025		percentage of NAV of Fund
			as at 28/02/2025	expressed as	
	Units	RM	RM		%
EXCHANGE-TRADED FUND					
HONG KONG					
SPDR Gold Shares	640	431,451	752,301		0.77
JAPAN					
Japan Physical Gold ETF	1,800	423,443	692,303		0.70
	<u>2,440</u>	<u>854,894</u>	<u>1,444,604</u>		<u>1.47</u>
REITs					
JAPAN					
Invincible Investment Corporation	1,000	1,306,706	1,894,208		1.92
UNITED STATES					
Digital Core REIT Management Pte Ltd	230,000	587,587	579,577		0.59
	<u>231,000</u>	<u>1,894,293</u>	<u>2,473,785</u>		<u>2.51</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of collective investment schemes-foreign as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025		percentage of NAV of Fund
			as at 28/02/2025	expressed as	
	Units	RM	RM		%
TOTAL COLLECTIVE INVESTMENT SCHEMES-FOREIGN					
	<u>233,440</u>	<u>2,749,187</u>	<u>3,918,389</u>		<u>3.98</u>
UNREALISED GAIN ON COLLECTIVE INVESTMENT SCHEMES-FOREIGN AT FAIR VALUE THROUGH PROFIT OR LOSS					
			<u>1,169,202</u>		
FAIR VALUE OF TOTAL COLLECTIVE INVESTMENT SCHEMES-FOREIGN					
			<u>3,918,389</u>		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted local equities as at 28 February 2025 are set out as follows:

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025 expressed as percentage of NAV of Fund	
			Units	RM
QUOTED LOCAL EQUITIES				
Consumer Products & Services				
Oriental Kopi Holdings Berhad	1,200,000	938,000	912,000	0.93
Energy				
Carimin Petroleum Berhad	1,100,000	870,349	836,000	0.85
Keyfield International Berhad	400,000	917,360	836,000	0.85
	<u>1,500,000</u>	<u>1,787,709</u>	<u>1,672,000</u>	<u>1.70</u>
Industrial Products & Services				
Crest Group Berhad	700,000	245,000	140,000	0.14
EG Industries Berhad	800,000	639,160	1,736,000	1.76
HSS Engineers Berhad	1,527,400	1,668,657	1,527,400	1.55
Wentel Engineering Holdings Berhad	3,500,000	910,000	980,000	0.99
	<u>6,527,400</u>	<u>3,462,817</u>	<u>4,383,400</u>	<u>4.44</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

Details of quoted local equities as at 28 February 2025 are set out as follows: (cont'd)

Name of counter	Quantity	Aggregate cost	Fair value as at 28/02/2025 expressed as percentage of NAV of Fund	
			Units	RM
QUOTED LOCAL EQUITIES				
Telecommunications & Media				
REDtone Digital Berhad	1,610,000	1,610,000	917,700	0.93
Transportation & Logistics				
Sealink International Berhad	1,534,800	532,729	314,634	0.32
TOTAL QUOTED LOCAL EQUITIES	<u>12,372,200</u>	<u>8,331,255</u>	<u>8,199,734</u>	<u>8.32</u>
UNREALISED LOSS ON QUOTED LOCAL EQUITIES AT FAIR VALUE THROUGH PROFIT OR LOSS				
			(131,521)	
FAIR VALUE OF TOTAL QUOTED LOCAL EQUITIES				
			<u>8,199,734</u>	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

7. CASH AND CASH EQUIVALENTS

	2026 RM	2025 RM
Cash at banks	1,454,037	5,465,870
Deposit with a licensed financial institution*	225,514	7,745,769
	<u>1,679,551</u>	<u>13,211,639</u>

* A short-term deposit of Nil (2025: RM7,745,769) 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(S)

The amount due from/(to) broker(s) 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	13,282	13,282
Sundry accruals	1,300	1,350
	<u>14,582</u>	<u>14,632</u>

10. NUMBER OF UNITS IN CIRCULATION

	2026 Number of units	2025 Number of units
At the beginning of the financial period	489,175	507,810
Creation of units arising from applications	25,594	59,209
Cancellation of units	(304,492)	(49,028)
At the end of the financial period	<u>210,277</u>	<u>517,991</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

11. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial period ended 28 February 2026 are as follows:

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	RM	%	RM	%
2026				
CGS				
International Securities Malaysia Sdn Bhd	60,175,202	41.38	129,085	37.07
Maybank Investment Bank Berhad	43,796,151	30.12	106,136	30.48
CIMB Securities Sdn Bhd	28,240,785	19.42	87,091	25.01
MBSB Investment Bank Berhad	5,046,553	3.47	10,093	2.90
CGS				
International Securities Hong Kong Limited, Korea Branch	3,342,663	2.30	6,685	1.92
Affin Hwang Investment Bank Berhad	2,045,597	1.41	3,846	1.10
Hong Leong Investment Bank Berhad	1,411,599	0.97	2,612	0.75
UOB Kay Hian (M) Sdn Bhd	1,115,197	0.76	2,230	0.64
UBS Securities Malaysia Sdn Bhd	243,562	0.17	438	0.13
	<u>145,417,309</u>	<u>100.00</u>	<u>348,216</u>	<u>100.00</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

11. TRANSACTIONS WITH BROKERS (CONT'D)

Details of transactions with brokers for the financial period ended 28 February 2025 are as follows:

Name of brokers	Percentage		Percentage	
	Value of trades RM	of total trades %	Brokerage fees RM	of total brokerage %
2025				
CGS				
International Securities Malaysia Sdn Bhd	40,843,278	85.24	114,561	89.12
Affin Hwang Investment Bank Berhad	2,367,300	4.94	5,439	4.23
MIDF Amanah Investment Bank Berhad	1,536,616	3.21	2,583	2.01
RHB Investment Bank Berhad	917,360	1.92	2,064	1.61
UOB Kay Hian Securities (M) Sdn Bhd	795,018	1.66	1,590	1.24
Phillip Capital Sdn Bhd	532,729	1.11	1,065	0.83
Hong Leong Investment Bank Berhad	504,000	1.05	403	0.31
Maybank Investment Bank Berhad	419,006	0.87	838	0.65
	47,915,307	100.00	128,543	100.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

12. 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
Dato' Ahmad Kadis	Spouse of Director of the Manager
Thariq Usman Ahmad	Deputy Chief Executive Officer of KAF Investment Bank Berhad
Mohammed Reza Tan Sri Abu Talib	Executive Director of the Manager
Subsidiaries and associates of the ultimate holding company of the Manager as disclosed in its financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

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

	2026		2025	
	No. of units	RM	No. of units	RM
KAF Investment Funds Berhad	23	5,036	105	19,972
AKKA Sdn Bhd	57,959	12,690,082	57,959	11,024,555
KAF-Seagroatt & Campbell Berhad	-	-	56,917	10,826,353
Dato' Ahmad Kadis	7,290	1,596,140	7,307	1,389,886
Thariq Usman Ahmad	492	107,723	492	93,585
Mohammed Reza Tan Sri Abu Talib	6	1,314	6	1,141

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2026

13. TOTAL EXPENSE RATIO ("TER")

	2026	2025
TER ("annualised")	2.28%	2.11%

TER is derived from the following calculation:

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

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 period calculated on a daily basis was RM65,689,363 (2025: RM99,801,550).

14. PORTFOLIO TURNOVER RATIO ("PTR")

	2026	2025
PTR	1.07 times	0.23 times

PTR is derived from the following calculation:

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

Where: Total acquisition for the financial period = RM47,506,207 (2025: RM24,942,531)
Total disposal for the financial period = RM92,895,351 (2025: RM20,019,379)

15. SEMI-ANNUAL ACCOUNTS

The semi-annual accounts for the financial period ended 28 February 2026 is unaudited.

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

KPMG Tax Services Sdn Bhd

Banker

CIMB Bank Berhad

KAF Investment Funds Berhad Reg. No: 199501004999
Level 13, Menara IQ,
Lingkar 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**