Date: 16 October 2026

INVESTMENT FUNDS BERHAD 199501004999 (334195-K)

KAF MILLENNIUM FUND

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of KAF Investment Funds Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of KAF Millennium Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the KAF Millennium Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the KAF Millennium Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of KAF Investment Funds Berhad responsible for the KAF Millennium Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

This Product Highlights Sheet only highlights the key features and risks of KAF Millennium Fund. Investors are advised to request, read and understand the Prospectus before deciding to invest.

PRODUCT HIGHLIGHTS SHEET

KAF Millennium Fund

Name of Fund	KAF Millennium Fund.
Fund Category	Equity.
Fund Type	Growth and income.
Commencement Date	15 April 1999.
Capital Protected / Guaranteed	No.

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

This Fund is suitable for investors who are seeking capital growth and income of large companies whose current prices may fail to reflect their long-term values over the medium to long term.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

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

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

Investment Strategy

Investment policy and strategy

To attain the Fund's objective, the Manager will construct a diversified investment portfolio that consists of fundamentally sound companies whose current prices may fail to reflect their long-term values. The Fund will target companies exhibiting fundamental strength with market capitalisation, at the time of investment, of at least RM1.5 billion each.

The Manager aims to identify companies with a market capitalisation of RM1.5 billion and above and whose current prices may fail to reflect their longer-term value. Diversification into different industries will be implemented.

The investment strategy is based on a disciplined "top-down" approach to asset allocation and sector allocation, using macroeconomic analysis, market analysis and industry analysis. Stock selection techniques are based on a "bottom-up" approach using business analysis and security valuation analysis. There is significant overlap between the various disciplines governing these processes, with strong interaction between the determination of asset allocation and stock selection.

The Fund's portfolio will also include fixed income securities, money market instruments and/or deposits/cash. The investment strategy on the fixed income securities is hinged on the need for a well-diversified portfolio and focuses on the credit qualities of fixed income securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of specific debt securities.

The use of money market instruments by the Fund is for liquidity purposes and for capital preservation* when the temporary defensive strategy is activated.

Its portfolio will be structured as follows:

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

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

Although the minimum limit for equity investments is 70% of the NAV, the actual asset allocation varies according to the Manager's investment outlook and investment strategies after taking into consideration the prevailing market conditions as part of the Fund's temporary defensive strategy. The Fund may engage in trading activities when opportunities arise. Opportunities would include but are not limited to arbitrage situations, discrepancies in valuation, expected liquidity surges and thematic plays.

The asset allocation of the Fund may be reduced to below the minimum levels or increased above the maximum levels indicated at the Manager's discretion depending on the market, economic, political or other conditions. Such conditions or exceptional circumstances will include but are not limited to the following situations:

- where there is an expected sharp downturn in the equity market;
- when there is a high risk of capital loss on fixed income instruments due to interest rate fluctuations;
- when there is insufficient liquidity in either equity or fixed income instruments for the Fund to transact efficiently;
- when there are insufficient fund assets to form an efficient portfolio; or
- when there is redemption affecting the liquidity position of the Fund.

Investments used for temporary defensive positions will include deposits/cash/liquid assets and money market instruments. When the Fund is taking a temporary defensive position, the Manager may adopt an investment strategy for capital preservation*.

*Note: The Fund is not a capital protected fund.

Benchmark

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

Note: The risk profile of the Fund is different from the risk profile of the benchmark

Distribution Policy

Income distribution (if any) is incidental.

Parties Involved

WHO ARE YOU INVESTING WITH?

Manager	KAF Investment Funds Berhad.
Trustee	CIMB Commerce Trustee Berhad.
Tax adviser	Ernst & Young Tax Consultants Sdn Bhd.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

Specific risks of the Fund

- *Company specific risk*

  This risk refers to the individual risk of the respective companies issuing securities. This risk could be a result of changes to the business performance of the company, consumer tastes and demand, lawsuits, competitive operating environment and management practices. Developments in a particular company which the Fund has invested in would result in fluctuations in the share price of that company and thus the value of the Fund's investments. This risk is mitigated by diversification in a portfolio comprised of stocks of many companies.

  In addition, this risk may occur when an investee company's business or fundamentals deteriorate or if there is a change in management policy resulting in a downward revision or even removal of the company's dividend policy. Such events may result in an overall decrease in dividend income received by the Fund and possible capital loss due to a drop in the share price of a company that cuts or omits its dividend payments. This risk may be mitigated by investing mainly in companies with a consistent historical record of paying dividends, strong cash flow, or operating in fairly stable industries.

- *Warrants investment risk*

  The value of warrants will depend on the pricing of the underlying security whereby the growth and performance prospect of the underlying security would consequentially affect the value of the warrants. In addition, the value of the warrants may decrease exponentially as the warrants approach their maturity date and potential gains from a favourable price movement of the underlying may be offset by aggressive time decay. The Manager may consider unwinding these warrants if there are material adverse changes to their value to mitigate the risk.

- *Country risk*

  This risk refers to the risks of investing in foreign markets. Emerging markets may have relatively underdeveloped capital markets, less stringent regulatory and disclosure standards, concentration in only a few industries, greater adverse political, social and economic risks and general lack of liquidity of securities. The risk of expropriation, nationalisation, exchange control restrictions, confiscatory taxation and limitations on the use or removal of funds also exist in emerging markets. Emerging markets may also have less developed procedures for custody, settlement, clearing and registration of securities transactions. Developed markets while not possessing similar levels of risks as emerging markets, may experience risks such as: changes in economic fundamentals, social and political stability; monetary policy and currency fluctuations. This risk may be mitigated by conducting thorough research on the respective markets, their regulatory framework, economics, companies, politics and social conditions as well as minimising or omitting investments in markets that are economically or politically unstable or lack a regulatory financial framework and adequate investor protection legislation.

- *Currency risk*

  As the investments of the Fund may be denominated in foreign currencies, the Fund is exposed to currencies fluctuation risks. Such investments are impacted by any fluctuation in the exchange rate of the foreign currencies as to RM. If the foreign currencies in which the investments are denominated depreciate against the RM, the NAV may be adversely affected and vice versa. Investors should also note that any gains or losses arising from the fluctuation of the exchange rate may further increase or decrease the returns of their investments.

Please be advised that if a Unit Holder invests in units through an IUTA which adopts the nominee system of ownership, the Unit Holder would not be considered to be a Unit Holder under the deed and the Unit Holder may consequently not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holder's meeting and to vote thereat and the right to have the Unit Holder's particulars appearing in the register of Unit Holders of the Fund.

FEES & CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

This table describes the charges that you may **directly** incur when you buy or redeem units of the Fund:

Charges	
Sales charge by distribution channels:	
Direct investment with the Manager	Up to 5.50% of NAV per unit.
Authorised IUTAs	Up to 5.50% of NAV per unit.
Authorised tied agents	Up to 5.50% of NAV per unit.
The sales charge is negotiable. The Manager may at its discretion impose a lower sales charge based on the size of investment and/or other criteria to be determined by the Manager.	
Repurchase charge	Nil.
Switching fee	Nil.
Transfer fee	Nil.
Other charges	Charges, for instance bank charges, telegraphic charges and courier charges, shall be borne by the Unit Holder in order to execute transactions on behalf of the Unit Holder.

This table describes the fees and expenses that you may **indirectly** incur when you invest in the Fund:

Fees and expenses	
Annual management fee	1.50% per annum of NAV. *Note: The Manager reserves the right to waive or reduce the annual management fee at its discretion.*
Annual trustee fee	0.06% of NAV subject to a minimum fee of RM12,000.00 per annum (excluding foreign custodian fees and charges).

Fees and expenses (cont'd)	
Expenses directly related to the Fund	• Commissions/fees paid to brokers and/or dealers in effecting dealings in the Fund's investments; • Taxes and other duties charged on the Fund by the government and/or other authorities and tax adviser's fees; • Fees and other expenses properly incurred by the auditor and tax advisers; • Cost of distribution of annual and semi-annual reports of the Fund; • Remuneration and out of pocket expenses of the person who undertakes the oversight function; and • Any other fees, costs and expenses related to the Fund as provided in the deed of the Fund.

Note: All fees, charges and expenses disclosed above are expressed on a tax-exclusive basis. Accordingly, to the extent that services provided are subject to tax, the amount of tax payable on any related fees, charges and / or expenses will be payable by the Unit Holder and / or the Fund (as the case may be) in addition to the fees, charges and expenses as disclosed above.

YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

FUND PERFORMANCE

Average total return:

	Average total returns (%) *			
	1 year	3 years	5 years	10 years
	30/06/2025 – 30/06/2026	30/06/2023 - 30/06/2026	30/06/2021 - 30/06/2026	30/06/2016 - 30/06/2026
Fund	25.72	26.82	11.52	7.87
FBM 100	8.77	8.03	2.46	0.87

* The Fund's performances are calculated on NAV per unit to NAV per unit basis.

Annual total return:

	Annual total return* (%) Financial year ended 30 June									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Fund	25.72	0.72	42.51	(6.73)	(6.38)	15.97	(10.51)	(2.96)	3.68	8.56
FBM 100	8.77	(4.82)	19.85	(2.03)	(7.61)	4.44	(10.48)	(1.07)	(3.90)	8.87

* The Fund's performances are calculated on NAV per unit to NAV per unit basis.

Performance review:

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

Since its inception, the Fund has recorded a total return of 494.71% and outperformed the benchmark, which recorded a total return of 161.77%.

Distribution record:

	Financial year ended 30 June		
	2026	**2025**	**2024**
Gross distribution per unit (sen)	2.80	2.50	2.00
Net distribution per unit (sen)	2.80	2.50	2.00

Portfolio turnover ratio (PTR)

	Financial year ended 30 June		
	2026	**2025**	**2024**
PTR	2.06 times	2.39 times	0.53 times

The PTR for the latest financial year was lower than the previous financial year due to the decrease in the portfolio rebalancing activities undertaken by the Fund.

PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE

VALUATIONS AND EXITING FROM INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The Fund will be valued at least once every Business Day. The valuation of the Fund will be conducted at the close of Bursa Malaysia for that Business Day.

From time to time, Unit Holders will be able to obtain the unit price of the Fund as published in the major newspaper and at our website**, www.kaf.com.my** to monitor their investments. Unit Holders may also obtain the latest NAV per unit by contacting the Manager directly.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

Unit Holders may redeem their investments in the Fund by completing the prescribed repurchase request form and returning it to the Manager before the cut-off time of 4:00 p.m. on a Business Day. Any repurchase request received after 4:00 p.m. on a Business Day, will be considered to be received on the next Business Day.

There is no restriction on the repurchase frequency or the number of times a Unit Holder can make a repurchase request. The minimum number of units for repurchase request is 500 units or such other lower quantity as the Manager may decide from time to time. If the repurchase request leaves a Unit Holder with less than 500 units or such other lower quantity as the Manager may decide from time to time (minimum investment balance), the Manager has the option to liquidate the balance of the units held in the Unit Holder's account and forward the proceeds to the Unit Holder.

Repurchase proceeds will be paid within seven (7) Business Days after receipt by the Manager of the request to repurchase units or such other period as may be permitted by the relevant authorities from time to time.

The Manager may lower the minimum repurchase units and minimum investment balance for the repurchase of units made via digital channels, subject to the terms and conditions disclosed on the respective digital channels.

CONTACT INFORMATION

HOW CAN YOU CONTACT US?

To contact the Manager or to find out about the distribution channels of the Fund, you may call our customer service number: 03-9767 6000 at any time during our office hours: Mondays through Fridays from 9:00 a.m. – 5:30 p.m. or email your enquiries to **investmentfund@kaf.com.my** or visit our website, **www.kaf.com.my**.

HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

(a)	via phone to	:	03-9767 6000
(b)	via fax to	:	03-9767 6001
(c)	via email to	:	**investmentfund@kaf.com.my**
(d)	via letter to	:	KAF Investment Funds Berhad Level 13, Menara IQ Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the **Financial Markets Ombudsman Service (FMOS)**:

(a)	via phone to	:	03-2272 2811

(b)	via online	:	**www.fmos.org.my** ("File A Complaint")
(c)	via letter/walk in	:	Financial Markets Ombudsman Service (FMOS)
		:	Level 14, Main Block
			Menara Takaful Malaysia
			No. 4, Jalan Sultan Sulaiman
			50000 Kuala Lumpur

3. You can also direct your complaint to the Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with FMOS. To make a complaint, please contact the SC's Consumer & Investor Office:

(a)	via phone to the Aduan Hotline at	:	03-6204 8999
(b)	via fax to	:	03-6204 8991
(c)	via email to	:	**aduan@seccom.com.my**
(d)	via online complaint form available at **www.sc.com.my**		
(e)	via letter to	:	Consumer & Investor Office
			Securities Commission Malaysia
			No 3 Persiaran Bukit Kiara
			Bukit Kiara
			50490 Kuala Lumpur

4. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

(a)	via phone to	:	03-2092 3800
(b)	via fax to	:	03-2093 2700
(c)	via email to	:	**complaints@fimm.com.my**
(d)	via online complaint form available at **www.fimm.com.my**		
(e)	via letter to	:	Legal, Secretarial & Regulatory Affairs
			Federation of Investment Managers Malaysia
			19-06-1, 6th Floor Wisma Tune
			No. 19 Lorong Dungun
			Damansara Heights
			50490 Kuala Lumpur

GLOSSARY

Bursa Malaysia	The stock exchange managed and operated by Bursa Malaysia Securities Berhad.
Business Day	A day on which the Bursa Malaysia is open for trading.
Fund	KAF Millennium Fund.
IUTA	Institutional unit trust adviser registered with Federation of Investment Managers Malaysia.
Prospectus	Replacement prospectus dated 21 December 2022 and its supplementary prospectus(es) (if any).
Net Asset Value (NAV)	The net asset value of the Fund of which the value of all the Fund's assets less the value of all the Fund's liabilities at the valuation point.
RM	The lawful currency of Malaysia, Ringgit Malaysia.
Unit Holders	The person registered for the time being as a holder of units of the Fund in accordance with the provisions of the deed.