Date: 13 November 2025

INVESTMENT FUNDS BERHAD 199501004999 (334195-K)

KAF SUKUK 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, 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 Sukuk Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the KAF Sukuk Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the KAF Sukuk 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 Sukuk 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 Sukuk Fund. Investors are advised to request, read and understand the Master Prospectus before deciding to invest.

PRODUCT HIGHLIGHTS SHEET
KAF SUKUK FUND

Name of Fund	KAF Sukuk Fund.
Fund category	Sukuk.
Fund type	Growth.
Commencement date	1 November 2013.
Capital protected / guaranteed	No.

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

This Fund is suitable for investors with a low to medium risk profile seeking capital growth over the medium to long term.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

The Fund seeks to achieve capital growth in the medium to long term by investing primarily in sukuk.

Investment Strategy

The Fund seeks to achieve its objective by investing in a diversified portfolio of RM denominated sukuk issued in Malaysia. For the avoidance of doubt, the sukuk portfolio of the Fund may contain sukuk issued by issuers domiciled in Malaysia or out of Malaysia.

The Fund will only invest in:

(1) sukuk with a minimum short term credit rating of P2 (by RAM) or MARC2 (by MARC) or a long-term credit rating of A3 (by RAM) or A- (by MARC) or an equivalent rating by any other recognized foreign credit rating agencies; and/or

(2) sukuk issued or guaranteed by issuers or guarantors with a minimum short term credit rating of P2 (by RAM) or MARC2 (by MARC) or a long-term credit rating of A3 (by RAM) or A- (by MARC) or an equivalent rating by any other recognized foreign credit rating agencies.

Should the credit rating of the sukuk, the issuer or the guarantor fall below the minimum credit rating, the Manager may dispose of those investments in the best interest of Unit Holders. The proceeds from the disposal of those investments will be invested in permitted investments in line with the investment objective of the Fund. The tenure of the sukuk held by the Fund will vary depending on the Manager's view of the future yield curve and will be adjusted accordingly.

The Fund's sukuk investments will be placed in RM denominated sukuk issued in Malaysia that includes but are not limited to:

(i) government sukuk;

(ii) corporate sukuk; and

(iii) Islamic commercial papers.

Any balance of the NAV not invested in sukuk will be invested in Islamic deposits, Islamic money market instruments or Islamic collective investment schemes. The Manager will only invest in Islamic collective investment schemes which invest in RM denominated sukuk issued in Malaysia. Any Shariah-compliant investments of the Fund other than sukuk and Islamic collective investment schemes are purely for liquidity purposes while awaiting favourable sukuk investments.

It is the intention of the Manager to retain and reinvest the profits earned from the Fund's permitted investments in accordance with the Fund's investment policy and strategy to achieve the objective.

Asset allocation

The Fund will invest a minimum of 70% of NAV in sukuk and a maximum of 30% of NAV in either Islamic collective investment schemes, Islamic deposits or Islamic money market instruments.

Benchmark

RAM-Quant MGS Index (All Durations).

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

Distribution Policy

As the Fund's objective is to provide capital growth, the Manager does not intend to distribute income.

Parties Involved

WHO ARE YOU INVESTING WITH?

Manager	KAF Investment Funds Berhad.
Shariah adviser	BIMB Securities Sdn Bhd.
Trustee	CIMB Islamic Trustee Berhad.
Tax adviser	KPMG Tax Services Sdn Bhd.
Auditors	PricewaterhouseCoopers.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

Specific risks of the Fund

- ***Credit/default risk***

  Investments in sukuk are subject to the risk of non-payment and/or untimely payment of the principal amount and/or the profits when they fall due. Credit/default risk is assessed based on the issuer's overall ability to meet its obligations when they fall due. For example, an issuer suffering an adverse change in its financial condition could result in the credit rating of the sukuk lowered, leading to greater price volatility of the sukuk. A downgrade of the credit rating of a sukuk may have an effect on the sukuk's liquidity, making it more difficult to sell and greater volatility on the Fund's valuation.

  However, such risk can be mitigated by taking appropriate actions after vigorous credit analysis and having regular updates on the business profile and the financial position of the sukuk issuer.

  The Fund may invest in Islamic deposits with various financial institutions or in Islamic money market instruments. As such, the Fund will be exposed to the risks of change of financial conditions of various financial institutions which may affect its creditworthiness. This is the risk of the financial institution defaulting on the payment of principal and/or profit. These events can lead to loss of capital and/or delayed or reduced income for the Fund resulting in a reduction in the value of the Fund.

- ***Interest rate risk***

  This risk refers to how the change in the interest rate environment affects the performance of the sukuk portfolio of the Fund. In the event of a rising interest rate environment, the valuation for sukuk may generally decrease, and vice versa. In addition, sukuk with longer maturity and lower profit rates are more sensitive to interest rate changes. This risk may be mitigated via the management of the duration of the sukuk portfolio.

  The above interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All investments carried out for the Fund are in accordance with Shariah requirements.

- ***Liquidity risk***

  This risk refers to the possibility that the sukuk and Islamic money market instruments held by the Fund cannot be readily sold at or near its fair value due to insufficient trading volume. This in turn may adversely affect the value of the Fund. To mitigate liquidity risk, the Manager will maintain a diversified portfolio in terms of the tenure and the issuers of the sukuk or Islamic money market instruments. Furthermore, the Manager will ensure that the Fund will hold adequate level of Islamic liquid assets (Islamic deposits and/or Islamic money market instruments) to serve as buffer for meeting short term liquidity requirements.

- ***Reinvestment risk***

  As it is the Manager's intention to reinvest proceeds from the sukuk held by the Fund to achieve the objective of the Fund, there is a risk that the proceeds may be reinvested into sukuk which may provide lower profit rates than previously earned.

- ***Shariah status reclassification risk***

  This risk refers to the risk of a possibility that the currently held sukuk or Islamic money market instruments or Islamic deposits invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such fixed income securities or money market instruments or deposits.

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	Nil.
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 that you may **indirectly** incur when you invest in the Fund:

Fees	
Annual management fee	0.40% per annum of NAV. *Note: The Manager reserves the right to waive or reduce the annual management fee at its discretion.*
Annual trustee fee	Up to 0.05% per annum of NAV, subject to a minimum of RM12,000.

Note: All fees and charges 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 and/or charges will be payable by the Unit Holder and / or the Fund (as the case may be) in addition to the fees and charges 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**
	31/08/2024 - 31/08/2025	**31/08/2022 - 31/08/2025**	**31/08/2020 - 31/08/2025**	**31/08/2015 - 31/08/2025**
Fund	5.08	5.66	3.76	5.87
RAM-Quant MGS Index (All Durations).	6.59	5.99	3.40	5.91

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

Annual total return:

	Annual total return* (%) Financial year ended 31 August									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	5.08	4.94	6.08	1.51	0.03	5.96	7.80	5.06	3.65	7.41
RAM-Quant MGS Index (All Durations).	6.59	4.85	5.54	(0.39)	(0.41)	7.76	9.88	3.48	2.09	8.68

* 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 5.08% whilst the benchmark recorded a return of 6.59%. The underperformance was attributable to the Fund's defensive strategy in managing the credit rating and medium duration of the portfolio.

Since its inception, the Fund recorded a total return of 71.14% outperforming its benchmark, which recorded a total return of 68.13%.

Distribution record:

There were no distributions, bonuses or splits for the Fund for the past three financial years.

Portfolio turnover ratio (PTR)

	Financial year ended 31 August		
	2025	**2024**	**2023**
PTR	0.67 times	0.66 times	0.41 times

The PTR for the latest financial year was higher than the previous financial year due to a decrease in the average NAV.

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 restrictions on the repurchase frequency or the number of times a Unit Holder can make repurchase request.

The minimum repurchase amount is 10 units or RM1,000.00 whichever is the lower value in term of RM, or such other lower amount as the Manager may accept from time to time.

If following the repurchase request leaves a Unit Holder with less than 10 units or RM1,000.00, whichever is the lower value in term of RM, or such other lower amount 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 from the date on which the repurchase request is received by the Manager.

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 Bursa Malaysia is open for trading.
Fund	KAF Sukuk Fund.
MARC	Malaysian Rating Corporation Berhad.
Master Prospectus	Master prospectus dated 30 September 2023 and its supplementary master prospectus(es) (if any).
Net Asset Value or NAV	Means the value of all the fund's assets less the value of all the fund's liability at the valuation point.
RAM	RAM Rating Services Berhad.
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.