



INVESTMENT FUNDS BERHAD (334195-K)



KAF ISLAMIC DIVIDEND INCOME FUND (KIDIF)

JUNE 2025

The fund aims to provide income by investing primarily in dividend yielding Shariah-compliant equities.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Seek income;
- Are willing to accept medium degree of risk associated in investing in Shariah-compliant equities; and
- Wish for investments that comply with Shariah requirements.

MANAGER'S COMMENTS

In May 2025 (May), the United States (US) equity market demonstrated strong performance, with major indices such as the Dow Jones, Standard & Poor (S&P) 500, and NASDAQ rising by 3.94%, 6.15%, and 9.56%, respectively. European markets mirrored the upward movement seen in the US, with the STOXX Europe 600 increasing by 4.02% in May. Meanwhile, Japan's Nikkei 225 rose by 5.33%, primarily attributable to optimism surrounding US-China trade negotiations and a broadly weaker yen. Chinese equity markets edged higher in May, with the Hang Seng Index, Shanghai Composite, and Shenzhen Composite surging 5.29%, 2.09%, and 2.94%, respectively. This rally was driven by the 90-day de-escalation in US-China trade tensions, which temporarily reduced heightened trade uncertainty and brightened China's economic outlook. Conversely, Malaysia's equity indices edged down in May, with the Financial Times Stock Exchange Bursa Malaysia Kuala Lumpur Composite Index (FBMCLCI), FBM EMAS Index, and FBM Emas Shariah Index declining by 2.07%, 0.95%, and 0.06%, respectively. The market initially adopted a risk-on sentiment following the announcement of a 90-day de-escalation in US-China trade tensions. However, this momentum dissipated in the latter half of the month due to subdued corporate earnings and renewed concerns over US trade policy toward Malaysia. This shift in sentiment was fuelled by the impending end of the 90-day pause for country-specific rate negotiations in early July 2025 (July). Overall trading volume increased by 11.85% compared to the previous month. Crude oil prices increased by 1.24% to US Dollar (USD) 63.90 per barrel as sentiment surrounding the US-China trade dispute improved. Gold prices declined by 0.91% in May, as optimism surrounding the de-escalation of trade uncertainty softened demand for safe-haven assets. Crude palm oil prices decreased by 0.84%, primarily attributed to a global recovery in edible oil supplies, weaker global demand, and a decrease in consumption growth amidst ongoing macroeconomic uncertainty. The Malaysia Ringgit appreciated against the US dollar by 1.37%, closing at RM4.2332 at the end of May.

Investor optimism was renewed this month by an apparent thaw in trade tensions between the US, China, and the European Union (EU). This sentiment drove a strong performance in risk assets, with many regional indices recovering to pre-correction levels as the market priced in a favourable outcome to ongoing negotiations. We think that the market is underestimating the complexity of these negotiations and the low probability of a comprehensive agreement before the current tariff truce expires. This creates a disconnect between current market pricing and the tangible risk of a negative market reaction should negotiations stall. We continue to reiterate our conviction in Malaysian electronics manufacturing services (EMS) players to capitalize on the enduring trend of supply chain relocation. This position is underpinned by our analysis that Malaysia will maintain a favourable tariff structure relative to China.

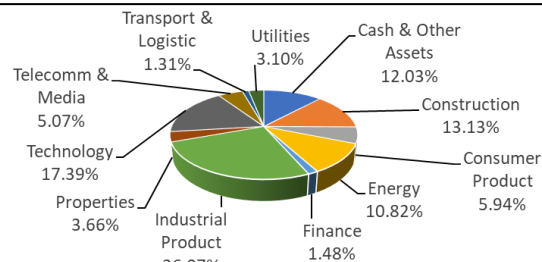
INVESTMENT STRATEGY

The fund seeks to achieve its investment objective by investing primarily, i.e., at least 70% of its NAV in Shariah-compliant equities listed on Bursa Malaysia. The fund will focus its investments in Shariah-compliant equities with dividend yield that are able to generate income for the fund. The fund's portfolio may also include sukuk, Islamic money market instruments, Shariah-compliant collective investment scheme and Islamic deposit.

FUND DETAILS AS AT 31 MAY 2025

Manager	KAF Investment Funds Bhd.
Trustee	Maybank Trustees Berhad.
Fund Category	Equity Fund (Shariah-compliant).
Fund Type	Income Fund.
Launch Date	15 January 2016
Unit net asset value (NAV)	RM0.6141
Fund size	RM108.470mil
Units in Circulation	176.628mil
Financial Year End	31 January.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	FTSE Bursa Malaysia Emas Shariah Index.
Sales Charge	Up to 6.50% of NAV per Unit.
Repurchase Charge	None.
Annual management fee	1.50% per annum of NAV.
Annual trustee fee	0.06% of NAV, subject to a minimum fee of RM12,000
Redemption payment period	Within 7 days after receipt of the request to repurchase.
Distribution policy	The fund will distribute income on a half yearly basis, subject to the availability of income and/or realized gains.

SECTOR ALLOCATION* AS AT 31 MAY 2025



*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.

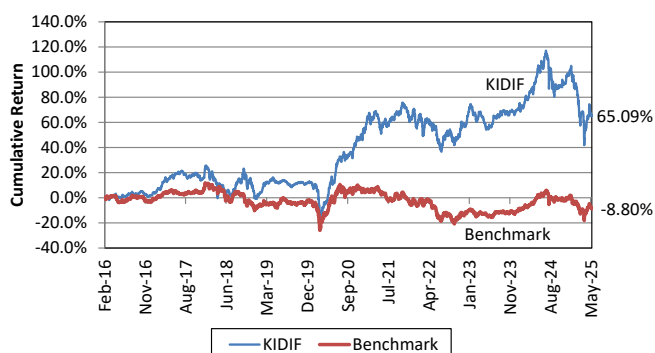
Source: KAF Investment Funds Berhad.

Distribution History

Year	Distribution (sen)
2020 (Annual)	0.50
2020 (Semi-annual)	2.00
2021 (Annual)	0.50
2021 (Semi-annual)	3.00
2022 (Annual)	0.50
2022 (Semi-annual)	3.00
2023 (Annual)	0.50
2023 (Semi-annual)	2.00
2024 (Annual)	0.50
2024 (Semi-annual)	1.00
2025 (Annual)	0.50

FUND PERFORMANCE ANALYSIS AS AT 31 MAY 2025

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



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
KIDIF	1.55	-4.75	-13.53	-17.36	5.06	48.51
Benchmark	-0.16	-1.36	-6.47	-9.17	-2.20	-6.39

Source: Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 MAY 2025

Money Market (KAF)	11.53%
EG Industries Berhad	5.26%
Southern Cable Group Berhad	5.24%
Frontken Corporation Berhad	4.29%
MN Holdings Berhad	3.80%

*as percentage of Net Asset Value.

Disclaimer:

Based on the Malaysian Fund Volatility Report issued by Refinitiv Lipper dated 10 June 2025, the Volatility Factor (VF) for this fund is 14.39 and is classified as "High". "High" includes funds with VF that are between 12.015 and 16.495. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Replacement Master Prospectus dated 30 September 2023 and its supplementary(ies) (if any) ("the Prospectus") before investing. The Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, investors should be highlighted of the fact that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. Any issue of units to which the Prospectus relates will only be made on receipt of a form of application referred to in the Prospectus. For more details, please call 03-9767 6000 for a copy of the PHS and the Prospectus or collect one from any of our authorised distributors. The Manager wishes to highlight the specific risks of the fund are specific equity risk, interest rate risk, credit/default risk, distribution risk and reclassification of Shariah status risk. These risks and other general risks are elaborated in the Prospectus.

This factsheet is prepared for information purposes only and has not been reviewed by Securities Commission Malaysia. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide for future performance. Returns may vary from year to year.

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