

KAF ISLAMIC DIVIDEND INCOME FUND (KIDIF)

APRIL 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

United States (US) equities suffered a sell-off during the month of March 2025 (March), with Dow Jones falling by 4.20%, Standard & Poor (S&P) 500 dropping 5.75%, and NASDAQ further plummeting by 8.21%. The escalating geopolitical tensions, such as the new tariff on imports from Canada, Mexico and China, have induced a broad-based weakness in the US equity market as fears of a global trade war have heightened. Concerns regarding possible stagflation grew as widespread layoffs, rising bond yield and uncertain trade policies led to major US indices recording the steepest decline since 2022. In Europe, STOXX Europe 600 had fallen 4.18% in response to the increased concern regarding US tariff imposition on European goods. Japan's equity market followed the trend of the global equity market, declining 4.14% in March as fear of a trade war between its two major trading partners, China and the US, heightened. Conversely, China's equity market defied the trend, as the Hang Seng and Shanghai Composite increased by 0.78% and 0.45%, respectively, however the Shenzhen Composite decreased by 0.99%. Amid mounting uncertainty in global trade, Malaysia's equity market has also continued its downward trend since the beginning of 2025, with the Financial Times Stock Exchange Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI), FBM EMAS, and FBM Emas Shariah indices dropping by 3.88%, 3.31%, and 2.52%, respectively. This was worsened by the pronounced sell-off by foreign investors, which triggered substantial foreign capital outflow. Trading volume increased by 6.22% to Ringgit Malaysia (RM) 2.70 billion (bn). Commodities had seen a mixed performance in March. Despite forecasts of a crude oil surplus, crude oil prices saw a slight increase of 2.13%, reaching US dollar (USD) 74.74 per barrel. Geopolitical uncertainty also contributed to this modest rise in oil prices. Gold prices continued their significant upward trend in March, surging by 9.63% to USD 3122.8 per ounce. Conversely, crude palm oil had decline by 2.96%, driven by increased supply in Malaysia alongside slower global demand. Malaysian Ringgit strengthen by 0.63%, closing at RM 4.4342 for the month.

Global equity markets experienced a sharp selloff following the tariff announcements made by President Donald Trump during Liberation Day, which came as a surprise to investors and rattled sentiment. Subsequently, the administration introduced a 90-day pause before implementing most of the reciprocal tariffs, prompting a short-term rebound in risk assets. That said, we continue to see a wide range of potential outcomes as trade negotiations evolve across multiple fronts. Recession fears have intensified, and investor confidence in the US as a safe haven in both currency and fixed income markets appears to be eroding. In light of this, we have adopted a more cautious stance until there is greater clarity on US trade policy. Nevertheless, we view current valuations in Association of Southeast Asian Nations (ASEAN) equities, particularly in Malaysia very attractive at this juncture.

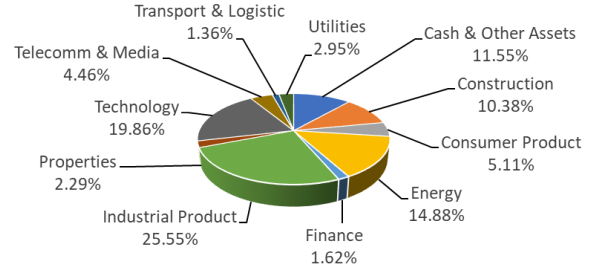
INVESTMENT STRATEGY

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 MARCH 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)	RM0.6263
Fund size	RM109.032mil
Units in Circulation	174.088mil
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 MARCH 2025



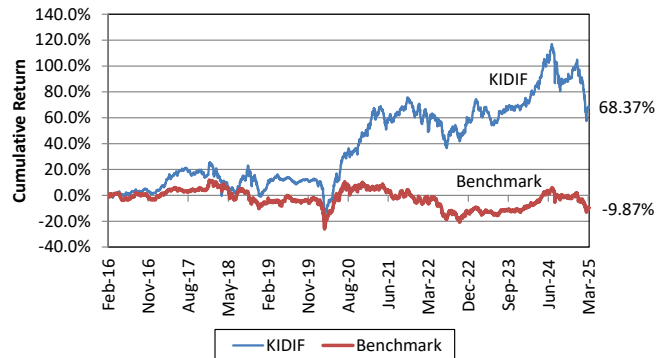
*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.
Source: KAF Investment Funds Berhad.

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 MARCH 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	-2.85	-16.47	-9.90	-8.67	5.07	88.93
Benchmark	-2.52	-11.64	-9.15	-4.46	-6.86	10.09

Source: Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 MARCH 2025

Money Market (KAF)	10.96%
EG Industries Berhad	4.82%
Frontken Corporation Berhad	3.63%
Southern Cable Group Berhad	3.58%
ITMAX System Berhad	3.28%

*as percentage of Net Asset Value.

Disclaimer:

Based on the Malaysian Fund Volatility Report issued by Refinitiv Lipper dated 10 April 2025, the Volatility Factor (VF) for this fund is 14.26 and is classified as "High". "High" includes funds with VF that are between 12.075 and 16.46. 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 six 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.