

KENANGA GLOBAL ISLAMIC FUND

ANNUAL REPORT

For the Financial Year Ended 31 January 2025

kenanga

Kenanga Investors Berhad
Company No. 199501024358 (353563-P)

KENANGA GLOBAL ISLAMIC FUND

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CORPORATE DIRECTORY

Manager: Kenanga Investors Berhad Company No. 199501024358 (353563-P)

Registered Office

Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 2888
Fax: 03-2172 2999

Business Office

Level 14, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 3000
Fax: 03-2172 3080
E-mail: investorservices@kenanga.com.my
Website: www.kenangainvestors.com.my

Board of Directors

Choy Khai Choon, Steven (**Chairman, Non-Independent Non-Executive Director**)
Norazian Ahmad Tajuddin (**Independent Non-Executive Director**)
Luk Wai Hong, William (**Non-Independent Non-Executive Director**)
Norazilla Binti Md Tahir (**Independent Non-Executive Director**)
Datuk Wira Ismitz Matthew De Alwis (**Chief Executive Officer, Executive Director**)

Investment Committee

Norazian Ahmad Tajuddin (**Independent Member**)
Norazilla Binti Md Tahir (**Independent Member**)
Luk Wai Hong, William (**Non-Independent Member**)
Datuk Wira Ismitz Matthew De Alwis (**Non-Independent Member**)

Company Secretary: Norliza Abd Samad (MAICSA 7011089)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

External Fund Manager: Kenanga Islamic Investors Berhad

Company No. 199701036457 (451957-D)

Registered Office

Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 2888
Fax: 03-2172 2999

Business Office

Level 14, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 3000
Fax: 03-2172 3080

Trustee: Universal Trustee (Malaysia) Berhad Company No. 197401000629 (17540-D)

No. 1 Jalan Ampang, 3rd Floor, 50450 Kuala Lumpur, Malaysia.
Tel: 03-2070 8050 Fax: 03-2031 8715, 2032 3194, 2070 1296

Shariah Adviser: Kenanga Investment Bank Berhad Company No. 197301002193 (15678-H)

Registered Office

Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 2888
Fax: 03-2172 2999

Business Office

Level 16, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 2727
Fax: 03-2172 2897

Auditor: Ernst & Young PLT Company No. 202006000003 (LLP0022760-LCA) & AF 0039

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.

Tel: 03-7495 8000 Fax: 03-2095 5332

Tax Adviser: Ernst & Young Tax Consultants Sdn Bhd Company No. 198901002487 (179793-K)

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.

Tel: 03-7495 8000 Fax: 03-2095 5332

Membership: Federation of Investment Managers Malaysia (FIMM)

19-06-1, 6th Floor, Wisma Capital A, 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.

Tel: 03-7890 4242 Website: www.fimm.com.my

DIRECTORY OF MANAGER'S OFFICES

Regional Branch Offices:

Kuala Lumpur

Ground Floor, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-2172 3123
Fax: 03-2172 3133

Melaka

No. 43, Jalan KSB 11
Taman Kota Syahbandar
75200 Melaka
Tel: 06-240 2310
Fax: 06-240 2287

Klang

No. 12, Jalan Batai Laut 3
Taman Intan
41300 Klang, Selangor
Tel: 03-3341 8818 / 03-3348 7889
Fax: 03-3341 8816

Penang

5.04, 5th Floor
Menara Boustead Penang
No. 39, Jalan Sultan Ahmad Shah
10050 Penang
Tel: 04-210 6628
Fax: 04-210 6644

Miri

Lot 507 & Lot 508, Ground Floor
Jalan Permaisuri
98000 Miri, Sarawak
Tel: 085-416 866
Fax: 085-322 340

Seremban

2nd Floor, No. 1D-2
Jalan Tuanku Munawir
70000 Seremban
Negeri Sembilan
Tel: 06-761 5678
Fax: 06-761 2242

Johor Bahru

No. 63
Jalan Molek 3/1, Taman Molek
81100 Johor Bahru, Johor
Tel: 07-288 1683
Fax: 07-288 1693

Kuching

Suite 9 & 10, 3rd Floor, Yung Kong Abell
Lot 365 Abell Road
93100 Kuching, Sarawak
Tel: 082-572 228
Fax: 082-572 229

Kuantan

Ground Floor Shop
No. B8, Jalan Tun Ismail 1
25000 Kuantan, Pahang
Tel: 09-514 3688
Fax: 09-514 3838

Ipoh

No. 1, Jalan Leong Sin Nam
30300 Ipoh, Perak
Tel: 05-254 7573 / 05-254 7570
Fax: 05-254 7606

Kota Kinabalu

Level 8, Wisma Great Eastern
No. 68, Jalan Gaya
88000 Kota Kinabalu, Sabah
Tel: 088-203 063
Fax: 088-203 062

Damansara Uptown

44B, Jalan SS21/35
Damansara Utama
47400 Petaling Jaya, Selangor
Tel: 03-7710 8828
Fax: 03-7710 8830

Kota Damansara

C26-1, Dataran Sunway
Jalan PJU 5/17
Kota Damansara
47810 Petaling Jaya, Selangor
Tel: 03-6150 3612
Fax: 03-6150 3906

Kluang

No. 1, Aras 1, Jalan Haji Manan
Pusat Perniagaan Komersial Haji Manan
86000 Kluang, Johor
Tel: 07-710 2700
Fax: 07-710 2150

1. FUND INFORMATION

1.1 Fund Name

Kenanga Global Islamic Fund (**KGIF or the Fund**)

1.2 Fund Category / Type

Equity (Islamic) / Growth

1.3 Investment Objective

The Fund aims to achieve steady capital growth and income distribution (incidental) over the medium to long-term period by investing in a diversified portfolio of authorised investments in accordance with accepted Shariah principles.

1.4 Investment Strategy

The Fund seeks to maximise total returns by providing investors with a combination of capital appreciation and income distribution, if any, while reducing risk through diversified investments in Shariah-compliant equities.

1.5 Duration

The Fund was launched on 15 August 2002 and it shall exist 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.

1.6 Performance Benchmark

Dow Jones Islamic Market World Index*

**Note. The performance benchmark has changed from FTSE-Bursa Malaysia Shariah Index to Dow Jones Islamic Market World Index with effect from 28 June 2021*

1.7 Distribution Policy

The Fund intends to pay income by way of distributions or by the creation of additional units after the end of each Accrual Period (i.e. 12-month period ending on the last day of January of each year) or any specified period, where possible.

1.8 External Fund Manager

Kenanga Islamic Investors Berhad

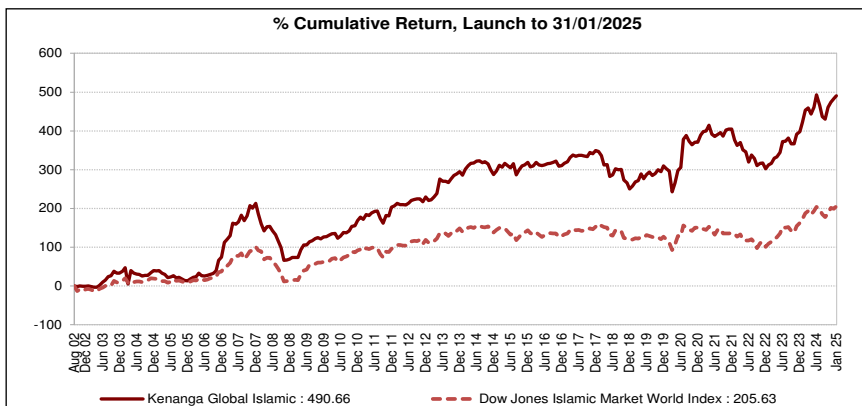
2. MANAGER'S REPORT

2.1 Explanation on whether the Fund has achieved its investment objective

The Fund returned 490.66% since inception, thus meeting its objective of achieving steady growth and providing investors with moderate risk appetite with reasonable returns over the medium and long term.

2.2 Comparison between the Fund's performance and performance of the benchmark

**Performance Chart Since Launch (15/08/2002 - 31/01/2025)
Kenanga Global Islamic Fund vs DJIM***



Source: Lipper

*Note. The performance benchmark has changed from FTSE-Bursa Malaysia Shariah Index to Dow Jones Islamic Market World Index with effect from 28 June 2021

2.3 Investment strategies and policies employed during the financial year under review

The Fund is a Shariah-compliant equity growth fund that is actively managed to enhance capital appreciation. The Fund focuses on sectors with strong earnings growth such as technology, electric vehicles and green energy to garner consistent returns and dividends. Given ample market liquidity, the Fund selectively increased holdings in quality small capitalization stocks and took profit opportunistically. The strategy employed is in line with that disclosed in the master prospectus.

2.4 The Fund's asset allocation as at 31 January 2025 and comparison with the previous financial year

Asset	31 Jan 2025	31 Jan 2024
Listed Shariah-compliant equity securities	82.0%	75.2%
Listed Shariah-compliant collective investment scheme	10.6%	13.0%
Listed Shariah-compliant warrants	-	-
Unlisted Islamic fixed income securities	1.2%	-
Short term Islamic deposits and cash equivalents	6.2%	11.8%

Note. The above mentioned percentages are based on total net asset value (NAV)

2.4 The Fund's asset allocation as at 31 January 2025 and comparison with the previous financial year (contd.)

Reason for the differences in asset allocation

During the financial year under review, the Fund's allocation in Shariah compliant investments increased by 5.6% to capture market returns and rebalanced the portfolio in growth and value stocks.

2.5 Fund performance analysis based on NAV per unit (adjusted for income distribution; if any) since last review year

	Year under review
KGIF	13.20%
Dow Jones Islamic Market World Index*	12.37%

Source: Lipper

*Note. The performance benchmark has changed from FTSE-Bursa Malaysia Shariah Index to Dow Jones Islamic Market World Index with effect from 28 June 2021

The Fund's equity investment outperformed its benchmark index by 83 basis points (bps) due to stock selection on improved market conditions.

2.6 Review of the market

Market review

In US, the Nasdaq, S&P 500 and Dow Jones were up 6.1%, 5.2% and 2.2% month-on-month (MoM) in February 2024 respectively. The US market is fueled by stronger growth and falling tail risks, with 2024 Gross Domestic Product (GDP) now expected to grow 2.1%. US services labor market remains strong with wage growth above trend, leading to consumer spending delivering a positive surprise. Further, January US Producer Price Index (PPI) rose 0.3% MoM—considerably higher than the increase of 0.1% MoM forecasted, led by strength in the services Purchasing Managers' Index (PMI). Subsequently, reported 4Q2023 earnings per share (EPS) grew 10% year-on-year (YoY) with earnings more than 7% above expectations, led mainly by the technology sector. Locally, the FBM100, FBM Syariah and FBM Small Cap registered MoM gains of 2.5%, 2.3% and 0.4% respectively. The positive performance was attributed to strong foreign buying interests and improving domestic fundamentals. Foreign investors continued to be the largest net buyers for the fourth consecutive month with net buy flow increasing 95.0% MoM to RM1.3 billion. In February, Malaysia witnessed the installation of the 17th King on 31 January 2024. There were revisions to Malaysia's GDP growth for 4Q2023 from 3.4% to 3.0% and from 3.8% to 3.7% for the full year 2023.

In US, the S&P 500, Dow Jones, and Nasdaq were up 3.1%, 2.1% and 1.8% MoM in March respectively, fueled by the continued optimism over the economy, potential rate cuts, and business opportunities in the artificial intelligence (AI) space. The street now expects GDP to grow at 2.2% in 2024. The US Federal Reserve (Fed) maintained rates at 5.25% to 5.5%, keeping rates steady for the fifth consecutive meeting. Fed Chair Jerome Powell emphasized the Fed remains "fully committed" to bring inflation down to its 2.0% target. However, the inflation rate which rose to 3.2% YoY in February 2024 suggests that the path to the Fed's target could be longer and bumpier than expected as the labour market and economic growth remain strong, elevating prices.

2.6 Review of the market (contd.)

Market review (contd.)

Over in Asia, China (SHSZ300), Hong Kong (Hang Seng) and Taiwan (TWSE) market grew 0.6%, 0.2% and 7.0% MoM respectively on the back of solid earnings and economic data. However, the US-China conflict has dampened risk appetite and investors are waiting for clear signals of demand recovery, structural policy supports and the Fed's pivot. Meanwhile in Taiwan, its Central Bank surprised the market by lifting key policy rates – the discount rate – by 12.5 basis points (bps) to 2.0%, the highest since late 2008. Korea (KOSPI) grew 3.9% MoM, renewing its two-year high on strong AI-driven rally and dovish Fed.

In April, US equities fell sharply, with the Dow Jones (5.0%), S&P 500 (4.2%) and Nasdaq (4.4%) respectively due to a higher than expected inflation print which sparked fears of delays for interest rate cuts. US Consumer Price Index (CPI) rose 0.4% MoM coming in higher than consensus' expectation of 0.3%. On a YoY basis, both headline and core CPI rose to 3.5% and 3.8% respectively, above economists' forecasts. In addition, March saw an additional 303,000 jobs added, way ahead of the 200,000 jobs anticipated. However, China/Hong Kong (Hang Seng) equities rallied 7.4% post conclusion of the Politburo's quarterly meeting, which gave special attention on solving the property sector issues. Main highlight was the explicit mention for local governments, property developers and financial institutions to ensure delivery of pre-sold homes. Locally, the FBMKLCI rallied by 2.6%, reaching a two-year high of 1,576bps despite the Middle East geopolitical concerns and persistent selling by foreign investors. The broader market rallied as well with FBM100, FBM Shariah and FBM Small Cap rising 2.5%, 3.8% and 3.4% respectively. While foreign selling continued for the second consecutive month at RM1.37 billion, net selling momentum fell by 52.0% MoM. In commodities, Brent crude oil prices grew 0.4% to USD 87.86/bbl amidst the Middle East geopolitical conflict. Meanwhile, Crude palm oil (CPO) declined 71% to RM3,818/ton as palm oil imports from India declined while soybean against CPO premiums narrowed as soybean acreage increased with more soybean supply coming in the next harvesting cycle.

US equities rose in the month of May driven by better-than-expected corporate earnings, investors' optimism on the economic outlook and expectation of interest rate cut later this year. US CPI rose 0.3% in April after advancing 0.4% in March and February. On an annual basis, both headline and core CPI rose to 3.4% and 3.6% respectively. US Dow Jones, S&P 500 and Nasdaq rose 2.3%, 4.8% and 6.9% MoM respectively. US announced new tariffs on USD 18 billion of goods from China, including quadruple tariffs on Chinese electric vehicles (to 100% from the current 25%) to protect US manufacturers. Tariffs were also increased on medical supplies and solar supplies, as the Biden administration extended the Section 301 Tariffs on Imports from China, which started in 2018 and covers USD 300 billion of Chinese products. Locally, the FBMKLCI was up 1.3% in May driven by the return of foreign investors and strong 1Q earnings results. The broader market rallied, with FBM100, FBM Shariah and FBM Small Cap rising 2.3%, 2.5% and 4.1% respectively. Foreign investors turned net buyers of RM1.5 billion of equities in May, after being a net-sellers in the previous two months. This brings down year-to-date (YTD) foreign net sell to RM0.7 billion. Sector wise, Technology was the best performer in May, followed by Construction and Property. The Malaysian economy grew at a higher rate of 4.2% in the 1Q2024 (4Q2023: 2.9%), driven by stronger private expenditure and positive turnaround in exports. Prime Minister Dato' Seri Anwar Ibrahim announced the largest-ever increase in civil servants' remuneration, exceeding 13%, to take effect from 1 December 2024.

2.6 Review of the market (contd.)

Market review (contd.)

Meanwhile, Malaysia's Employees Provident Fund (EPF) approved more than RM5.5 billion in new Account 3 withdrawals, which could support consumer spending. In commodities, Brent crude oil prices fell 7.1% MoM to USD 81.6/bbl amidst supply concern and hopes for easing tensions in the Middle East after few occurrences of clashes between Iran and Israel. Meanwhile, CPO rose 6.8% to RM4,076/ton on the back of stronger soybean prices and expectation of stronger demand.

Global equity markets continued to perform well in June 2024, with the US S&P 500, Nasdaq, and Dow Jones increasing by 3.5%, 6.0%, and 1.1% MoM respectively. The rally in the US market was mainly driven by better-than-expected corporate earnings. Wall Street is forecasting steady earnings growth through 2025. Even after excluding mega cap technology stocks, the earnings outlook remains decent. US inflation cooled slightly to 3.3% in May, compared to the economists' expectation of 3.4%. The Fed has decided to hold interest rates steady after its meeting on the 11-12 June. The Fed now expects only one cut in 2024 amid sticky inflation, with economists anticipating the first cut in September 2024. Locally, the FBMKLCI was down slightly by 0.4% MoM in June, but the FBM100, FBM Shariah, and FBM Small Cap were up by 0.24%, 1.29%, and 3.64% MoM respectively. The Malaysian market finished the first half of 2024 strongly, with the FBMKLCI, FBM100, FBM Shariah, and FBM Small Cap up by 9.3%, 12.5%, 14.2%, and 18.0% respectively. Foreign investors turned net sellers of RM61.2 million worth of equities in June, after being net buyers in May 2024. This brings the YTD foreign net sales to RM0.8 billion. Sector-wise, construction was the best performer in June, increasing by 8.4% MoM due to the rollout of infrastructure projects in Malaysia. Technology was the second-best performing sector for June, increasing by 5.1% MoM due to better earnings prospects moving into the second half of 2024. In commodities, Brent crude oil prices increased by 5.9% MoM to USD 86.4/bbl amidst supply concerns and rising tensions in the Middle East. Meanwhile, CPO declined by 3.9% to RM3,916/ton due to substitution effect and expectation in rise of soybean supply.

Global equity markets remained highly volatile during July amid rapidly changing macroeconomic and geopolitical environment. A weaker than expected US CPI reading early in the month, combined with weaker US labour market data, reassured bond investors that the Fed will soon begin cutting interest rates. Investors now expect the first federal rate cut in September and are currently pricing almost three US rate cuts this year, with around 150bps worth of cuts by June 2025. The Dow Jones Industrial Average rose 4.4% higher in July, the S&P 500 advanced 1.1%, and the NASDAQ slipped 0.7% as investors rotated out of mega-caps tech names. Locally, the FBMKLCI, FBM100, FBM Shariah and FBM Small Cap were up by 2.23%, 2.64%, 1.67% and 0.63% MoM in July, respectively. The FBMKLCI remained the top performer in the region and Malaysia was the only country to see net foreign inflows in July, albeit marginal. In Malaysia, the overnight policy rate which remained stable at 3% as expected. This was followed by the 2Q2024 advanced estimates for GDP growth came in at 5.8% which was above market expectations with the support of both domestic and export-driven factors. This was also in line with the industrial production index. Higher tourism arrivals, better crude palm oil production and the progress in the development of mega projects further supported the GDP growth. The ringgit also showed some signs of recovery in the month-end after efforts put in by the central bank to persuade government linked companies and other corporates to repatriate and convert foreign earnings. Expectations of the Fed rate cut could further fuel the strength of the ringgit. In commodities, Brent crude oil prices declined by 6.6% MoM to USD80.7/bbl as the market weighed the impact of weaker demand from China against supply issues arising from tensions in the Middle East. Meanwhile, CPO declined by 0.2% to RM3,908/ton despite strong July export as a stronger ringgit weighed down the price.

2.6 Review of the market (contd.)

Market review (contd.)

In August 2024, volatility was the key theme. US equity markets sold off sharply in the beginning of the month on the back of labour market weakness (July unemployment rate spiked to 4.3% and jobs addition came significantly below expectations) and unwinding of the Japanese Yen carry trade. However, the index whipsawed higher by the end of the month as the Fed indicated the possibility of an interest rate cut soon and stronger-than-expected July retail sales relieved investors of recession fears. The Dow Jones Industrial Average closed the month 1.8% higher, while the S&P 500 rose 2.3%, and the Nasdaq grew 0.6%. Investors continue to expect the first Fed rate cut in September and a total of four cuts by the end of 2024. The FBMKLCI and FBM100 were up 3.27% and 0.65% MoM, respectively, while the FBM Shariah and FBM Small Cap declined 3.73% and 10.07%, respectively. Sector-wise, only the financial and plantation sectors posted gains, with the former being the best performing sector in August, up 8.5% MoM benefiting from foreign inflows, while the latter was up 1.5% MoM. The technology sector was the worst performing sector down 14.9% MoM. Unsurprisingly the financial and plantation heavy FBMKLCI performed the strongest within Malaysia. In August, Malaysia saw foreign net inflows of RM2.5 billion, the highest monthly foreign inflow in 2024, and since March 2022. Brent crude oil prices fell 2.4% MoM to USD 78.8/bbl, mainly attributable to weaker Chinese economic data raising demand concerns. Meanwhile, CPO rose 1.8% to RM3,977/ton despite stronger ringgit as Indonesia production was slower-than-expected.

Equities in September saw moderate easing from last month's volatility, ultimately moving with upwards bias in most markets. The key headline was rate cuts as the Fed delivered its first cut of the cycle of 50bps, and the European Central Bank (ECB) executed its second 25bps cut in the year. Concerns that the 'upsized' Fed move was led by weakening growth were brushed aside by two consecutive better-than-expected jobless claims reports. As such, all three major US indices pushed through positive gains of 2.0% to 3.0% for the month, with Dow Jones and S&P 500 also notching new record highs. While the Fed's 'dot-plot' indicate another 50bps reduction before end-2024 and further 100bps in 2025, markets are positioned slightly ahead with an additional 50bps reduction already priced in for that period. Locally, markets took a breather with the KLCI and FBM100 declining 1.8% and 1.4% respectively, and the FBM Small Cap easing 0.6%. By sector, energy and technology counters were the widest drag as investors factored in lower crude oil prices and stronger ringgit impact on export-oriented industries, though offset by gains in healthcare and construction sectors. Commodity prices generally eased in September on concerns of flagging global growth, though saw some pick-up near month end following news of China stimulus. Brent crude oil prices retraced 9.0% over the month as concerns over the Middle East-related production disruption dissipated. CPO prices staged a mild 0.5% recovery as its competing soybean oil prices bottomed after over 2 months of price decline.

Equities slid in October as the 2024 US presidential elections approached. US equities traded higher for most of the month but fell in the final days, with the Dow Jones and S&P 500 falling ending the month down 1.3% and 1.0%, respectively. Economic activity remained robust, with 3Q GDP advancing 2.8% despite a disappointing jobs report and weaker-than-expected Institute of Supply Management (ISM) data. The US economy added just 12,000 jobs in October, partly due to disruptions from hurricanes and port strikes. Several divergence appeared among economic indicators in October: inflation fell to 2.44% but core inflation rose to 3.31%. The US ISM Manufacturing PMI dropped to 46.5, while the Services PMI rose to 54.9.

2.6 Review of the market (contd.)

Market review (contd.)

Mortgage rates spiked even as the Fed's 'dot-plot' indicate another 50bps reduction before the end of 2024, and further 100bps reductions in 2025. The MSCI Asia Ex-Japan declined by 4.5% amidst a global equity sell-off. Market sentiment was influenced by shifting poll results suggesting a potential Trump presidency, with investors likely pricing in risks such as universal tariffs and higher tariffs on China. In commodities, Brent crude rose by 1.9% and West Texas Intermediate (WTI) gained 1.6% amidst heightened tensions in the Middle East. Meanwhile, CPO jumped 17.6%, driven by supply tightness in palm oil and strong export demand from India and China.

November 2024 began with the US presidential elections, where Donald Trump won a sweeping victory over his rival, Kamala Harris. Trump's re-election as the 47th President, coupled with the widely expected 25bps cut in Fed Rate, led to optimism in US equities. US' 3 major indexes climbed higher with positive gains of 5.0% to 7.0%, with the Dow Jones and S&P 500 finishing November at record highs. October's Headline CPI grew to 2.6%, marking the first annual rise since March 2024, whereas Core CPI rose to 3.3%. Locally, FBM Shariah (-0.2% MoM) and KLCI (-0.4% MoM) underperformed FBM100 (+0.1% MoM) and FBM Small Cap (+2.0% MoM). By sector, healthcare (+5.3% MoM), plantation (+3.8% MoM), and utilities (+3.6% MoM) led the gains. Inversely, leading the losses were telco (-3.1% MoM), energy (-2.7% MoM), and industrial productions (-2.2% MoM). For the 9th consecutive meeting, Bank Negara Malaysia (BNM) kept the Overnight Policy Rate (OPR) at 3.00% amidst stable inflation and steady growth. YTD, headline and core CPI currently averaged at 1.8% YoY, lower than BNM's initial forecast of 2.0% to 3.5%. Amongst commodities, Brent crude oil eased (-0.3% MoM) as markets shifts from supply risks to concerns over health of the global economy. Prices hovered USD 72/bbl to USD 76/bbl. during the month amidst steady supply from non-Organization of the Petroleum Exporting Countries (OPEC+) producers, increased Libyan output, and weaker demand from China. Meanwhile, CPO trended upwards (+6.9% MoM) due to heavy rains in SEA which disrupted productions, strong demand from major importing countries ahead of festive seasons, biodiesel mandates, and rising prices of competing vegetable oils.

Equities posted mixed results in December to close out 2024. A Santa Claus rally didn't materialize this year, as The Dow Jones, S&P 500 fell 5.1% MoM and 2.5% MoM respectively while the Nasdaq rose 0.5% MoM. The Fed reduced interest rates by 25bps, bringing the current target range down to 4.25% to 4.50%, as the market expected. Core inflation remained between 3.31% and 3.33% across all three prints between September and November. The prospect of fewer rate cuts next year, combined with the potential for higher expected inflation, appears to be a key focus for many investors. The 2025 Personal Consumption Expenditures (PCE) forecast rose from 2.1% to 2.5%, while the core PCE inflation forecast rose from 2.2% to 2.5%. With December being a relatively quiet month for most markets, KLCI's (+3% MoM) gain made it the best performer among the ASEAN markets. The broader indices performed better with FBM 100 (+3.7% MoM), FBM Small Cap (+3.9% MoM) and FBM Shariah (+4.6% MoM). The three best-performing sectorial indices were technology (+11.1% MoM), healthcare (+10.5% MoM) and utilities (+8.6% MoM). Amongst commodities, Brent crude prices declined due to easing geopolitical tensions and rising supply. However, prices rebounded by the end of December to around USD 74.6/bbl (+2.3% MoM), influenced by expanding Chinese factory activity. Meanwhile, CPO exhibited volatility (-11.4% MoM) as Indonesia's plan to increase its biodiesel mandate from 35% to 40% (B40) looks likely to be implemented gradually.

2.6 Review of the market (contd.)

Market review (contd.)

January 2025 kicked off with cautious optimism in global equity markets, with the Dow Jones, S&P 500 and Nasdaq rising 4.7%, 2.7% and 1.6% MoM respectively. However, Technology and related stocks came under pressure due to a knee-jerk reaction following the Biden administration's release of the Interim Final Rule (IFR) on Artificial Intelligence Diffusion. Global stocks rose as investors reacted positively to US President Trump's inauguration on 20 January 2025, who hinting at a potentially softer approach toward tariffs on China. Meanwhile, locally the FBM Small Cap, KLCI, FBM 100, FBM Shariah declining 5.1%, 5.2%, 5.6%, 6.8% MoM respectively, making Malaysia one of the worst performing markets in ASEAN. Rising external risks triggered a sharp selloff in Malaysia's data centre-related stocks and AI-linked proxies. Malaysia's advance 4Q2024 GDP growth moderated to 4.8% YoY (3Q2024: 5.3% YoY), below the consensus estimate of 5.2% YoY. Among commodities, Brent crude prices rose 2.8% MoM to USD 76.8/bbl, driven by heightened expectations of oil supply disruptions following the latest US sanctions on Russian energy trade. Meanwhile, CPO declined 3.6% MoM as sluggish demand from top buyer India, along with the premium pricing of palm oil over soy oil led many buyers to opt for the latter.

Market outlook

Investors will focus on the Trump administration's stance on trade, fiscal policies, and immigration, as well as potential shifts in the regulatory framework, which will emphasize the 'America First' philosophy. This approach could come at the expense of other nations, particularly those with large trade surpluses with the US, such as China. On monetary policy, the Fed is turning hawkish and has halved the interest rate cut expectations for 2025 to 50bps, bringing the federal funds rate to 3.9%. Any further cuts would likely require real progress on inflation or signs of weakness in the labour market. In Malaysia, we continue to remain optimistic on growth going into 2025, driven by rising investment in infrastructure and property, energy transition roadmap, and strong foreign direct investment (FDI) inflows.

Strategy

We maintain a balanced strategy, focusing on both growth and defensive companies with strong fundamentals. Presently, our focus is predominantly on selective stock picking, aiming to capitalize on broadening out of returns following last year's significant rally in large cap stocks within developed markets. China we are incrementally positive as the government turns more aggressive in stimulating. Nonetheless, stronger measures are needed to sustain the market momentum. Meanwhile, Korea and Taiwan are poised to benefit from increasing semiconductor demand coming from generative AI compute and a bottoming out in the smartphone and PC cycle. ASEAN continue to remain volatile due to high rates in the USA. Nonetheless, we like Indonesia structurally continues to benefit from rising foreign direct investments and resilient consumption, and Malaysia to benefit from stimulus policies and data centre FDI.

2.7 Distributions

For the financial year under review, the Fund did not declare any income distributions.

2.8 Details of any unit split exercise

The Fund did not carry out any unit split exercise during the financial year under review.

2.9 Significant changes in the state of affair of the Fund during the financial year

There were no significant changes in the state of affairs of the Fund during the financial year under review and up until the date of the Manager's report, not otherwise disclosed in the financial statements.

2.10 Circumstances that materially affect any interests of the unit holders

During the financial year under review, there were no circumstances that materially affected any interests of the unit holders.

2.11 Rebates and soft commissions

It is the policy of the Manager to credit any rebates received into the account of the Fund. Any soft commissions received by investment manager on behalf of the Fund are in the form of research and advisory services that assist in the decision making process relating to the investment of the Fund which are of demonstrable benefit to unit holders of the Fund. Any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

During the financial year under review, the Manager received soft commissions from its stockbrokers who have also executed trades for other funds or investments managed by the Manager. The soft commissions were utilised for research and advisory services that assist in the investment decision making process. The soft commissions received were for the benefit of the Fund and there was no churning of trades.

2.12 Cross-trade

During the financial year under review, no cross-trade transactions were undertaken by the Manager for the Fund.

2.13 Securities financing transactions

Securities financing transactions are transactions consisting of securities financing or repurchase. During the financial year under review, the Fund had not undertaken any securities financing transactions.

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund for the last three financial period/years as at 31 January/31 December are as follows:

a. Distribution among industry sectors and category of Shariah-compliant investments:

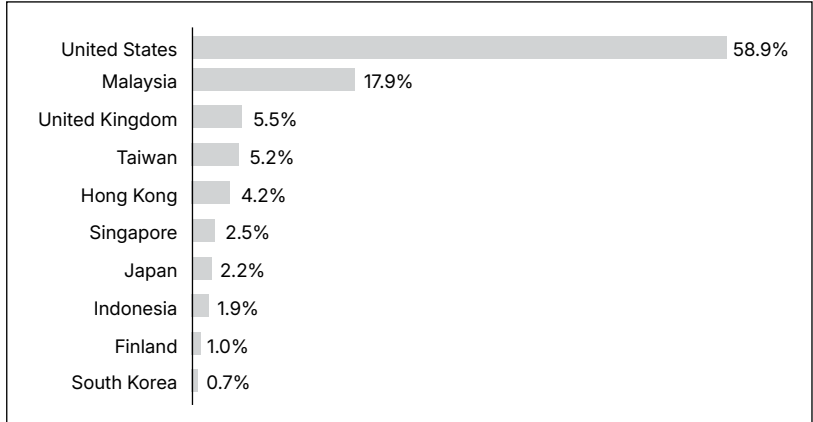
	FY 2025 %	FP 31.1.2024 %	FY 2022 %
Technology	35.6	37.7	21.7
Communications	18.3	-	-
Consumer Products and Services	6.0	12.5	8.8
Industrial Products and Services	5.1	7.0	7.2
Financial Services	4.7	4.6	4.9
Health Care	4.6	-	-
Construction	2.5	1.3	2.8
Energy	1.9	2.7	1.5
Basic Materials	1.5	-	-
Property	0.6	0.3	0.9
Telecommunications and Media	1.2	9.2	13.2
Plantation	-	-	1.1
Utilities	-	-	1.6
Transportation and Logistics	-	-	2.9
Listed Shariah-compliant warrants	-	-	-
Exchange-traded Funds	9.8	12.0	7.0
Unlisted Islamic collective investment scheme	1.2	-	-
Islamic Real Estate Investment Trusts	0.8	1.0	3.0
Short term Islamic deposits and cash equivalents	6.2	11.8	23.4
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Note: The above mentioned percentages are based on total net asset value (NAV)

3.1 Details of portfolio composition of the Fund for the last three financial period/years as at 31 January/31 December are as follows: (contd.)

b. Distribution among markets

As at 31 January 2025, the Fund had invested in the following markets



3.2 Performance details of the Fund for the last three financial period/years ended 31 January/31 December are as follows:

	FY 2025	Period from 1.1.2023 to 31.1.2024	FY 2022
Net asset value ("NAV") (RM Million)	88.84	65.16	72.02
Units in circulation (Million)	132.29	109.85	157.54
NAV per unit (RM)	0.6715	0.5932	0.4571
Highest NAV per unit (RM)	0.7030	0.6013	0.6138
Lowest NAV per unit (RM)	0.5760	0.4480	0.4537
Total return (%)	13.20	29.77	-20.33
- Capital growth (%)	13.20	29.77	-25.04
- Income growth (%)	-	-	4.71
Gross distribution per unit (sen)	-	-	3.25
Net distribution per unit (sen)	-	-	3.25
Total expense ratio ("TER") (%) ¹	2.16	2.16	2.10
Portfolio turnover ratio ("PTR") (times) ²	0.50	0.45	0.53

Note: Total return is the actual return of the Fund for the respective financial years/ period, computed based on NAV per unit and net of all fees.

TER is computed based on the total fees and recovered expenses incurred by the Fund divided by the average fund size calculated on a daily basis. PTR is computed based on the average of the total acquisitions and total disposals of Shariah-compliant investments securities of the Fund divided by the average fund size calculated on a daily basis.

- ¹ *TER remains unchanged for the financial year under review as compared against the previous financial year.*
- ² *PTR is higher due to higher trading activities during the financial year under review.*

3.3 Average total return of the Fund

	1 Year 31 Jan 24 - 31 Jan 25	3 Years 31 Jan 22 - 31 Jan 25	5 Years 31 Jan 20 - 31 Jan 25
KGIF	13.20%	7.89%	8.86%
Dow Jones Islamic Market World Index*	12.37%	8.19%	12.16%

Source: Lipper

*Note. The performance benchmark has changed from FTSE-Bursa Malaysia Shariah Index to Dow Jones Islamic Market World Index with effect from 28 June 2021

3.4 Annual total return of the Fund

	Year under review 31 Jan 24 - 31 Jan 25	Financial Period/Years			
		31 Dec 22 - 31 Jan 24	31 Dec 21 - 31 Dec 22	31 Dec 20 - 31 Dec 21	31 Dec 19 - 31 Dec 20
KGIF	13.20%	29.77%	-20.33%	7.16%	14.92%
Dow Jones Islamic Market World Index*	12.37%	26.24%	-25.13%	18.49%	26.68%

Source: Lipper

*Note. The performance benchmark has changed from FTSE-Bursa Malaysia Shariah Index to Dow Jones Islamic Market World Index with effect from 28 June 2021

Investors are reminded that past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.

KENANGA GLOBAL ISLAMIC FUND

**Audited Financial Statements Together with
Trustee's Report, Shariah Adviser's Report, Independent
Auditors' Report and Statement by the Manager**

31 January 2025

KENANGA GLOBAL ISLAMIC FUND

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**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF KENANGA GLOBAL ISLAMIC FUND**

We have acted as Trustee of the Fund for the financial year ended 31 January 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Kenanga Investors Berhad has operated and managed the Fund during the year 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
Universal Trustee (Malaysia) Berhad

Bernice K M Lau
Acting Chief Executive Officer

Kuala Lumpur, Malaysia

26 March 2025

**SHARIAH ADVISER'S REPORT FOR ISLAMIC UNIT TRUST FUND
TO THE UNIT HOLDERS OF KENANGA GLOBAL ISLAMIC FUND (Fund),**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Kenanga Investors Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant except for Tencent Holdings Limited and Palantir Technologies Inc. securities which have been reclassified as Shariah non-compliant by the Dow Jones Islamic Market World Index. These reclassified Shariah non-compliant securities have been disposed on 17 May 2024 and 25 June 2024, respectively, in accordance with the Fund's Shariah investment guidelines as provided in the Fund's deed and disclosed in the Fund's prospectus.

For Kenanga Investment Bank Berhad Shariah Committee

DR GHAZALI BIN JAAPAR
Shariah Adviser/Designated Person Responsible for Shariah Advisory

Kuala Lumpur, Malaysia

25 March 2025

Independent auditors' report to the unit holders of Kenanga Global Islamic Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kenanga Global Islamic Fund (the "Fund"), which comprise the statement of financial position as at 31 January 2025, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 8 to 47.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 January 2025, and of its financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the unit holders of Kenanga Global Islamic Fund (contd.)

Information other than the financial statements and auditors' report thereon (contd.)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and the Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the unit holders of Kenanga Global Islamic Fund (contd.)

Auditors' responsibilities for the audit of the financial statements (contd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the unit holders of
Kenanga Global Islamic Fund (contd.)**

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ahmad Siddiq Bin Ahmad Hasbullah
No. 03675/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
26 March 2025

STATEMENT BY THE MANAGER

I, **Datuk Wira Ismitz Matthew De Alwis**, being a director of **Kenanga Investors Berhad**, do hereby state that, in the opinion of the Manager, the accompanying statement of financial position as at 31 January 2025 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year ended 31 January 2025 together with notes thereto, are drawn up in accordance with MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of **Kenanga Global Islamic Fund** as at 31 January 2025 and of its financial performance and cash flows for the financial year then ended and comply with the requirements of the Deed.

For and on behalf of the Manager
KENANGA INVESTORS BERHAD

DATUK WIRA ISMITZ MATTHEW DE ALWIS
Executive Director/Chief Executive Officer

Kuala Lumpur, Malaysia

26 March 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2025**

	Note	1.2.2024 to 31.1.2025 RM	1.1.2023 to 31.1.2024 RM
INVESTMENT INCOME			
Dividend income		738,325	937,969
Profit income		208,737	381,574
Net gain from Shariah-compliant investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	10,733,158	16,098,000
Net (loss)/gain on foreign currency exchange		<u>(512,212)</u>	<u>112,056</u>
		<u>11,168,008</u>	<u>17,529,599</u>
EXPENSES			
Manager's fee	5	1,455,585	1,252,444
Trustee's fee	6	61,288	52,735
Auditors' remuneration		14,500	14,500
Tax agent's fee		17,000	18,628
Administration expenses		105,181	78,496
Brokerage and other transaction costs		<u>216,940</u>	<u>270,189</u>
		<u>1,870,494</u>	<u>1,686,992</u>
NET INCOME BEFORE TAX		9,297,514	15,842,607
Income tax	7	<u>(9,923)</u>	<u>(117,312)</u>
NET INCOME AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD		<u>9,287,591</u>	<u>15,725,295</u>
Net gain after tax is made up as follows:			
Realised gain/(loss)		629,953	(2,038,964)
Unrealised gain	4	<u>8,657,638</u>	<u>17,764,259</u>
		<u>9,287,591</u>	<u>15,725,295</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2025**

	Note	31.1.2025 RM	31.1.2024 RM
ASSETS			
INVESTMENTS			
Financial assets at FVTPL	4	83,352,980	57,476,805
Short term Islamic deposits	8	5,119,319	6,448,875
		<u>88,472,299</u>	<u>63,925,680</u>
OTHER ASSETS			
Amount due from licensed financial institutions	9	-	213,614
Other receivables	10	10,096	5,578
Tax recoverable		328,085	120,800
Cash at banks		197,586	1,372,344
		<u>535,767</u>	<u>1,712,336</u>
TOTAL ASSETS		<u>89,008,066</u>	<u>65,638,016</u>
LIABILITIES			
Amount due to Manager		12,161	66,763
Amount due to Trustee		4,237	4,295
Amount due to licensed financial institutions	9	-	320,720
Other payables	11	153,144	84,123
TOTAL LIABILITIES		<u>169,542</u>	<u>475,901</u>
EQUITY			
Unit holders' contribution		68,095,952	53,707,134
Retained earnings		20,742,572	11,454,981
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS	12	<u>88,838,524</u>	<u>65,162,115</u>
TOTAL LIABILITIES AND EQUITY		<u>89,008,066</u>	<u>65,638,016</u>
NUMBER OF UNITS IN CIRCULATION	12(a)	<u>132,290,931</u>	<u>109,850,401</u>
NAV PER UNIT (RM)		<u>0.6715</u>	<u>0.5932</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2025**

	Note	Unit holders' contribution RM	Retained earnings RM	Total NAV RM
1.2.2024 to 31.1.2025				
At beginning of the financial year		53,707,134	11,454,981	65,162,115
Total comprehensive income		-	9,287,591	9,287,591
Creation of units	12(a)	37,806,877	-	37,806,877
Cancellation of units	12(a)	(23,418,059)	-	(23,418,059)
At end of the financial year		<u>68,095,952</u>	<u>20,742,572</u>	<u>88,838,524</u>
1.1.2023 TO 31.1.2024				
At beginning of the financial period		76,288,906	(4,270,314)	72,018,592
Total comprehensive income		-	15,725,295	15,725,295
Creation of units	12(a)	6,963,496	-	6,963,496
Cancellation of units	12(a)	(29,545,268)	-	(29,545,268)
At end of the financial period		<u>53,707,134</u>	<u>11,454,981</u>	<u>65,162,115</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2025**

	1.2.2024 to 31.1.2025 RM	1.1.2023 to 31.1.2024 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTPL	30,675,840	35,136,120
Dividends received	649,404	1,053,042
Profit from Islamic deposits received	211,399	381,424
Tax agent's fee paid	-	(12,228)
Auditors' remuneration paid	(13,500)	(12,000)
Payment to baitulmal	(29,199)	(13,315)
Payment for other fees and expenses	(54,160)	(42,601)
Trustee's fee paid	(61,346)	(53,327)
Manager's fee paid	(1,416,435)	(1,266,495)
Purchase of financial assets at FVTPL	(46,113,704)	(20,200,142)
Cash (used in)/generated from operating and investing activities	(16,151,701)	14,970,478
Income tax paid	(135,467)	(238,112)
Net cash (used in)/generated from operating and investing activities	(16,287,168)	14,732,366
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	37,608,451	7,573,331
Cash paid on units cancelled	(23,313,385)	(29,774,709)
Net cash generated from/(used in) financing activities	14,295,066	(22,201,378)
NET DECREASE IN CASH AND CASH EQUIVALENTS		
	(1,992,102)	(7,469,012)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		
	(512,212)	112,056
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD		
	7,821,219	15,178,175
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD		
	5,316,905	7,821,219
Cash and cash equivalents comprise:		
Cash at banks	197,586	1,372,344
Short term Islamic deposits	5,119,319	6,448,875
	5,316,905	7,821,219

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2025

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Kenanga Global Islamic Fund (the "Fund") was constituted pursuant to the executed Deed dated 29 July 2002 (collectively, together with deeds supplemental thereto, referred to as (the "Deed") between the Manager, Kenanga Investors Berhad and Universal Trustee (Malaysia) Berhad (the "Trustee"). Pursuant to the executed Sixth Master Supplemental Deed dated 8 April 2021, the name of the Fund was changed from Kenanga Islamic Fund to Kenanga Global Islamic Fund. The Fund commenced operations on 15 August 2002 and will continue to be in operation until terminated as provided under Part 12 of the Deed.

Kenanga Investors Berhad is a wholly-owned subsidiary of Kenanga Investment Bank Berhad that is listed on the Main Market of Bursa Malaysia Securities Berhad. All of these companies are incorporated in Malaysia.

The principal place of business of the Manager is Level 14, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur.

The Fund seeks to maximise total returns by providing investors with a combination of capital appreciation and income distribution, if any, while reducing risk through diversified investments in Shariah-compliant equities.

The financial statements were authorised for issue by the Chief Executive Officer of the Manager on 26 March 2025.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk, price risk and currency risk), credit risk, liquidity risk and Shariah status reclassification risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in a Shariah-compliant investment in the Fund.

The Fund has an approved set of investment guidelines and policies as well as internal controls which sets out its overall business strategies to manage these risks to optimise returns and preserve capital for the unit holders, consistent with the long-term objectives of the Fund.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk, price risk and currency risk.

Market risk arises when the value of the Shariah-compliant investments fluctuates in response to the activities of individual companies, general market or economic conditions. It stems from the fact that there are economy-wide perils, which threaten all businesses. Hence, investors are exposed to market uncertainties. Fluctuation in the Shariah-compliant investments' prices caused by uncertainties in the economic, political and social environment will affect the NAV of the Fund.

The Manager manages the risk of unfavourable changes in prices by cautious review of the Shariah-compliant investments and continuous monitoring of their performance and risk profiles.

i. Interest rate risk

Interest rate risk refers to how the changes in the interest rate environment would affect the valuation of Shariah-compliant instruments. In the event of a rising interest rate environment, the performance of Shariah-compliant instruments may decrease, and vice versa. Interest rate, such as the Overnight Policy Rate set by Bank Negara Malaysia, will have an impact on the investment decisions of the Fund regardless of whether it is an Islamic fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments.

The Fund is not exposed to significant interest rate risk as its Islamic deposits are short term in nature and have fixed profit rates.

Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure. The Fund's financial assets and financial liabilities are disclosed at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

i. Interest rate risk (contd.)

Interest rate risk exposure (contd.)

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective rate of return* %
31.1.2025				
Assets				
Financial assets at FVTPL	-	83,352,980	83,352,980	
Short term Islamic deposits	5,119,319	-	5,119,319	3.1
Other financial assets	-	535,767	535,767	
	<u>5,119,319</u>	<u>83,888,747</u>	<u>89,008,066</u>	
Liabilities				
Other financial liabilities	-	16,398	16,398	
Total interest rate sensitivity gap	<u>5,119,319</u>	<u>83,872,349</u>	<u>88,991,668</u>	
31.1.2024				
Assets				
Financial assets at FVTPL	-	57,476,805	57,476,805	
Short term Islamic deposits	6,448,875	-	6,448,875	4.5
Other financial assets	-	1,712,336	1,712,336	
	<u>6,448,875</u>	<u>59,189,141</u>	<u>65,638,016</u>	
Liabilities				
Other financial liabilities	-	391,778	391,778	
Total interest rate sensitivity gap	<u>6,448,875</u>	<u>58,797,363</u>	<u>65,246,238</u>	

* Calculated based on Shariah-compliant assets with exposure to interest rate movement only.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed Shariah-compliant equity securities, listed Islamic collective investment schemes and unlisted Islamic collective investment scheme. The Fund invests in listed Shariah-compliant equity securities, listed Islamic collective investment scheme, and unlisted Islamic collective investment scheme which are exposed to price fluctuations. This may then affect the NAV of the Fund.

Price risk sensitivity

The Manager's best estimate of the effect on the income for the financial year/period due to a reasonably possible change in investments in listed Shariah-compliant equity securities, listed Islamic collective investment schemes and unlisted Islamic collective investment scheme with all other variables held constant is indicated in the table below:

	Changes in rate Increase/(Decrease) Basis points	Effects on income for the financial year/period Gain/(Loss) RM
31.1.2025		
Financial assets at FVTPL	5/(5)	41,676/(41,676)
31.1.2024		
Financial assets at FVTPL	5/(5)	28,738/(28,738)

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

Price risk concentration

The following table sets out the Fund's exposure and concentration to price risk based on its portfolio of Shariah-compliant financial instruments as at the reporting date.

	Fair value		Percentage of NAV	
	31.1.2025 RM	31.1.2024 RM	31.1.2025 %	31.1.2024 %
Financial assets at FVTPL	83,352,980	57,476,805	93.8	88.3

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk concentration (contd.)

The Fund's concentration of Shariah-compliant investment security price risk from the Fund's listed Shariah-compliant equity securities, listed Islamic collective investment schemes and unlisted Islamic collective investment scheme analysed by sector is as follows:

	Fair value		Percentage of NAV	
	31.1.2025 RM	31.1.2024 RM	31.1.2025 %	31.1.2024 %
Technology	31,661,978	24,563,589	35.5	37.7
Telecommunications and Media	17,332,882	6,005,052	19.6	9.2
Consumer Products and Services	5,307,709	8,125,253	6.0	12.5
Industrial Products and Services	4,549,153	4,557,609	5.1	7.0
Financial Services	4,169,512	2,973,500	4.7	4.6
Health Care	4,044,745	-	4.6	-
Construction	2,216,655	846,336	2.4	1.3
Energy	1,729,550	1,734,435	2.0	2.7
Basic Materials	1,343,375	-	1.5	-
Property	489,992	211,428	0.6	0.3
Exchange-traded Funds	8,706,017	7,804,603	9.8	12.0
Unlisted Islamic Collective Investment Scheme	1,066,412	-	1.2	-
Islamic Real Estate Investment Trusts	735,000	655,000	0.8	1.0
	<u>83,352,980</u>	<u>57,476,805</u>	<u>93.8</u>	<u>88.3</u>

iii. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investment face currency loss in addition to capital gain/(loss). This will lead to lower NAV of the Fund.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

iii. Currency risk (contd.)

The Manager may consider managing the currency risk using currency hedging. However, this would be subject to the current market outlook on the currency exposure risk as well.

Currency risk sensitivity

The following table indicates the currencies to which the Fund had significant exposure at the reporting date on its financial assets and financial liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against Ringgit Malaysia on income with all other variables held constant.

	Changes in currency rate Increase/(Decrease) Basis points	Effects on income for the financial year/period Gain/(Loss) RM
31.1.2025		
EUR/MYR	5/(5)	370/(370)
GBP/MYR	5/(5)	2,302/(2,302)
HKD/MYR	5/(5)	1,764/(1,764)
IDR/MYR	5/(5)	791/(791)
JPY/MYR	5/(5)	935/(935)
KRW/MYR	5/(5)	304/(304)
SGD/MYR	5/(5)	1,053/(1,053)
TWD/MYR	5/(5)	2,152/(2,152)
USD/MYR	5/(5)	24,655/(24,655)
31.1.2024		
HKD/MYR	5/(5)	463/(463)
IDR/MYR	5/(5)	185/(185)
JPY/MYR	5/(5)	578/(578)
KRW/MYR	5/(5)	451/(451)
GBP/MYR	5/(5)	3,022/(3,022)
SGD/MYR	5/(5)	826/(826)
THB/MYR	5/(5)	1,135/(1,135)
TWD/MYR	5/(5)	2,457/(2,457)
USD/MYR	5/(5)	15,638/(15,638)

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

iii. Currency risk (contd.)

Currency risk concentration

The following table sets out the Fund's exposure to foreign currency exchange rates on its financial assets as at reporting date.

	Fair value		Percentage of NAV	
	31.1.2025 RM	31.1.2024 RM	31.1.2025 %	31.1.2024 %
USD	49,309,597	31,275,319	55.5	48.0
GBP	4,603,779	6,044,730	5.2	9.3
TWD	4,304,862	4,914,907	4.8	7.5
HKD	3,528,281	926,846	4.0	1.4
SGD	2,105,895	1,651,993	2.4	2.5
JPY	1,870,363	1,155,697	2.1	1.8
IDR	1,581,180	370,449	1.8	0.6
EUR	739,952	-	0.8	-
KRW	608,689	902,203	0.7	1.4
THB	-	2,269,078	-	3.5
	<u>68,652,598</u>	<u>49,511,222</u>	<u>77.3</u>	<u>76.0</u>

b. Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

i. Credit risk exposure

As at the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position.

ii. Financial assets that are either past due or impaired

As at the reporting date, there are no financial assets that are either past due or impaired.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

b. Credit risk (contd.)

iii. Credit quality of financial assets

The Fund invests in Islamic deposits with financial institutions licensed under the Islamic Financial Services Act 2013. The following table analyses the licensed financial institutions by rating category:

Short term Islamic deposits

Rating	Percentage of total short term Islamic deposits		Percentage of NAV	
	31.1.2025 %	31.1.2024 %	31.1.2025 %	31.1.2024 %
P1/MARC-1	100.0	100.0	5.8	9.9

c. Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are to be settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or cancel its units earlier than expected. The Fund is exposed to cancellation of its units on a regular basis. Units sold to unit holders by the Manager are cancellable at the unit holders' option based on the Fund's NAV per unit at the time of cancellation calculated in accordance with the Deed.

The Islamic liquid assets comprise cash at bank, short term Islamic deposits with licensed financial institutions and other Shariah-compliant instruments, which are capable of being converted into cash within 7 days.

The following table analyses the maturity profile of the Fund's financial assets and other financial liabilities in order to provide a complete view of the Fund's contractual commitments and liquidity.

	Note	No maturity RM	Up to 1 year RM	Total RM
31.1.2025				
Assets				
Financial assets at FVTPL		-	83,352,980	83,352,980
Short term Islamic deposits		-	5,119,319	5,119,319
Cash at banks		197,586	-	197,586
Other financial assets		-	10,096	10,096
	i.	197,586	88,482,395	88,679,981

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

c. Liquidity risk (contd.)

	Note	No maturity RM	Up to 1 year RM	Total RM
31.1.2025 (contd.)				
Liabilities				
Other financial liabilities	ii.	-	16,398	16,398
Equity	iii.	-	88,838,524	88,838,524
Liquidity gap		197,586	(372,527)	(174,941)
31.1.2024				
Assets				
Financial assets at FVTPL			57,476,805	57,476,805
Short term Islamic deposits		-	6,448,875	6,448,875
Cash at banks		1,372,344	-	1,372,344
Other financial assets		-	219,192	219,192
	i.	1,372,344	64,144,872	65,517,216
Liabilities				
Other financial liabilities	ii.	-	391,778	391,778
Equity	iii.	-	65,162,115	65,162,115
Liquidity gap		1,372,344	(1,409,021)	(36,677)

i. Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets will be realised. The Fund's investments in listed Shariah-compliant equity securities, listed Islamic collective investment schemes and unlisted Islamic collective investment scheme have been included in the "up to 1 year" category on the assumption that these are highly liquid Shariah-compliant investments which can be realised should all of the Fund's unit holders' equity be required to be redeemed. For other financial assets, the analysis into maturity groupings is based on the remaining year from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

ii. Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the date on which liabilities will be settled. When the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

c. Liquidity risk (contd.)

iii. Equity

As the unit holders can request for redemption of their units, they have been categorised as having a maturity of “up to 1 year”.

d. Shariah status reclassification risk

Shariah status reclassification risk is the risk that the currently held Shariah-compliant equity securities in the portfolio of the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia (“SACSC”) or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:

- i. to dispose of such securities if the value of the securities exceeds or is equal to the investment cost on the effective date of reclassification of the list of Shariah-compliant securities (“Reclassification”) by the SACSC or date of review (“Review”) by the Shariah Adviser. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification or Review. However, any excess dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to *baitulmal* and/or charitable bodies advised by the Shariah Adviser;
- ii. may hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment. Excess capital gain (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies advised by the Shariah Adviser; or
- iii. to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund’s value.

e. Regulatory reportings

It is the Manager’s responsibility to ensure full compliance of all requirements under the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia. Any breach of any such requirement has been reported in the mandatory reporting to the Securities Commission Malaysia on a monthly basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of accounting

The financial statements of the Fund have been prepared in accordance with MFRS Accounting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The accounting policies adopted are consistent with those of the previous financial period except for the adoption of the amended MFRS, which became effective for the Fund on 1 February 2024.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the amended MFRS did not have any material impact on the financial position or performance of the Fund.

b. Standards and amendments to standards issued but not yet effective

As at the reporting date, the following standards and amendments to standards that have been issued by MASB will be effective for the Fund in future financial periods. The Fund intends to adopt the relevant standards and amendments to standards when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments that are part of Annual Improvements—Volume 11: Amendments to MFRS 1, 7, 9, 10 and 107	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: <i>Disclosures</i>	1 January 2027

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

b. Standards and amendments to standards issued but not yet effective (contd.)

Description	Effective for financial periods beginning on or after
Withdrawal of MFRS 101: <i>Presentation of Financial Statements</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

These pronouncements are not expected to have any material impact to the financial statements of the Fund upon their initial application.

c. Financial instruments

Financial assets and liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments.

i. Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 3(c)(ii) and (iii).

ii. Measurement categories of financial assets and liabilities

The Fund classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income; and
- Fair value through profit or loss.

The Fund may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial assets are initially measured at their fair values plus, except in the case of financial assets recorded at FVTPL, transaction costs.

The Fund's other financial assets include cash at banks, short term Islamic deposits, trade receivables and other receivables.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

ii. Measurement categories of financial assets and liabilities (contd.)

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

The Fund's other financial liabilities include trade payables and other payables.

Other financial liabilities are recognised and initially measured at fair values, net of directly attributable transaction costs and subsequently measured at amortised cost using the effective profit rate ("EPR"). Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

iii. Due from banks, short term Islamic deposits, trade receivables and other receivables at amortised cost

The Fund only measures the cash at banks, short term Islamic deposits, trade receivables and other receivables at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit ("SPPP") on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How the managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

iii. Due from banks, short term Islamic deposits, trade receivables and other receivables at amortised cost (contd.)

Business model assessment (contd.)

- The expected frequency, value and timing of sales are also important aspects of the Fund's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward, unless it has been determined that there has been a change in the original business model.

The SPPP test

As a second step of its classification process, the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPP test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation/accretion of the premium/discount).

The most significant elements of profit within a financing arrangement are typically the consideration for the time value of money and credit risk. To make the SPPP assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the profit rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic financing arrangement do not give rise to contractual cash flows that are solely payments of principal and profit on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

iv. Financial investments

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition, or are mandatorily required to be measured at fair value under MFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPP criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

d. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Fund also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Fund has transferred the financial asset if, and only if, either:

- The Fund has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Fund retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Fund has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount financed plus accrued profit at market rates;
- The Fund cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Fund has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Fund is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including profit earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Fund has transferred substantially all the risks and rewards of the asset; or
- The Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Fund considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

d. Derecognition of financial assets (contd.)

When the Fund has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Fund's continuing involvement, in which case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Fund could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Fund would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

e. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis and to realise the assets and settle the liabilities simultaneously.

f. Impairment of financial assets

i. Overview of the expected credit loss ("ECL") principles

The Fund measures its receivables impairment using the forward-looking ECL approach in accordance with the requirements of MFRS 9.

ii. Write-offs

Financial assets are written off either partially or in their entirety only when the Fund has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

g. Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Profit income is recognised using effective yield method.

Dividend income is recognised on declared basis, when the right to receive the dividend is established. The income is presented gross of withholding tax which is disclosed separately.

The realised gain or loss on sale of Shariah-compliant investments is measured as the difference between the net disposal proceeds and the carrying amount of the Shariah-compliant investments.

h. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash at banks and short term Islamic deposits with licensed financial institutions with maturities of three months or less, which have an insignificant risk of changes in value.

i. Income tax

Income tax on the profit or loss for the financial year/period comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year/period.

As no temporary differences have been identified, no deferred tax has been recognised.

The Fund may also incur withholding taxes on income received on the financial instruments.

j. Unrealised reserves

Unrealised reserves represent the net gain or loss arising from carrying Shariah-compliant investments at their fair values and unrealised gain or loss from translating foreign currency monetary items at exchange rates prevailing at reporting date. This reserve is not distributable.

k. Unit holders' contribution – NAV attributable to unit holders

The unit holders' contribution to the Fund is classified as equity instruments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

I. Functional and presentation currency

i. Functional and presentation currency

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 also the Fund's functional currency.

ii. Foreign currency transactions

In preparing the financial statements of the Fund, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. All exchange gain or loss is recognised in profit or loss.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the financial year/period.

The principal exchange rate for each respective units of foreign currency ruling at reporting date is as follows:

	31.1.2025 RM	31.1.2024 RM
1 EUR	4.6247	5.1261
1 GBP	5.5307	6.0070
1 HKD	0.5717	0.6050
1000 IDR	0.2732	0.2997
100 JPY	2.8775	3.2376
1000 KRW	3.0682	3.5447
1 SGD	3.2852	3.5299

m. Distributions

Distributions are at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings.

n. Significant accounting judgements and estimates

The preparation of financial statements requires the use of certain accounting estimates and exercise of judgement. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

n. Significant accounting judgements and estimates (contd.)

i. Critical judgements made in applying accounting policies

There are no major judgements made by the Manager in applying the Fund's accounting policies.

ii. Key sources of estimation uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. FINANCIAL ASSETS AT FVTPL

	31.1.2025	31.1.2024
	RM	RM
Financial assets held for trading, at FVTPL:		
Listed equities securities in United States	49,124,125	29,594,292
Listed equities securities in Malaysia	8,991,571	6,458,215
Listed equities securities in Taiwan	4,295,495	4,914,907
Listed equities securities in Hong Kong	3,528,281	713,232
Listed equities security in Singapore	2,105,895	1,651,993
Listed equities securities in Japan	1,870,363	1,155,697
Listed equities security in Indonesia	1,581,180	370,449
Listed equities security in Finland	739,952	-
Listed equities security in South Korea	608,689	899,887
Listed equities securities in Thailand	-	2,269,078
Listed equities securities in United Kingdom	-	989,452
Listed Islamic collective investment scheme in Malaysia	4,837,238	3,404,325
Listed Islamic collective investment scheme in United Kingdom	4,603,779	5,055,278
Unlisted Islamic collective investment scheme in Malaysia	1,066,412	-
	<u>83,352,980</u>	<u>57,476,805</u>
	1.2.2024 to	1.1.2023 to
	31.1.2025	31.1.2024
	RM	RM
Net gain on financial assets at FVTPL comprised:		
Realised gain/(loss) on disposals	2,081,262	(1,662,014)
Unrealised changes in fair values	8,657,638	17,764,259
	<u>10,738,900</u>	<u>16,102,245</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 January 2025:

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in United States				
Technology				
Apple Inc	4,527	2,990,091	4,759,063	5.4
Arm Holdings PLC ADR	2,650	1,620,805	1,883,396	2.1
CrowdStrike Holdings Inc	875	913,419	1,551,553	1.7
Datadog Inc - Class A	1,270	756,512	807,341	0.9
Infosys Ltd - SP ADR	9,394	883,223	918,510	1.0
Microsoft Corporation	2,757	3,560,763	5,097,375	5.7
NVIDIA Corporation	9,700	1,482,751	5,188,063	5.8
Salesforce Inc	442	662,803	672,769	0.8
ServiceNow Inc	205	1,002,169	929,957	1.0
Synopsys Inc	483	1,252,529	1,130,583	1.3
TSMC	455	438,856	424,249	0.5
Marvell Technology Inc	930	492,302	467,543	0.5
		<u>16,056,223</u>	<u>23,830,402</u>	<u>26.7</u>
Telecommunications and Media				
Alphabet Inc	4,132	2,531,718	3,755,191	4.2
Amazon.com Inc	3,755	2,679,669	3,975,590	4.5
Meta Platforms Inc	941	1,719,952	2,888,825	3.3
		<u>6,931,339</u>	<u>10,619,606</u>	<u>12.0</u>
Consumer Products and Services				
Walmart Inc	2,617	955,039	1,144,293	1.3
Hermes International S.C.A ADR	710	688,044	888,970	1.0
Home Depot Inc	481	829,714	882,715	1.0
Tesla Inc	1,150	1,332,352	2,072,634	2.3
DexCom, Inc	825	462,990	319,097	0.4
		<u>4,268,139</u>	<u>5,307,709</u>	<u>6.0</u>
Health Care				
Eli Lilly & Co.	639	2,430,917	2,308,679	2.6
Thermo Fisher Scientific Inc	652	1,685,134	1,736,066	2.0
		<u>4,116,051</u>	<u>4,044,745</u>	<u>4.6</u>
Financial Service				
Visa Inc	1,700	1,652,381	2,588,332	2.9

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 January 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in United States (contd.)				
Basic Materials				
Linde Plc	676	1,039,694	1,343,375	1.5
Energy				
First Solar Inc	1,015	870,569	757,411	0.9
Industrial Products & Services				
Eaton Corporation PLC	435	646,862	632,545	0.7
Total listed Shariah-compliant equity securities in United States				
		35,581,258	49,124,125	55.3
Listed Shariah-compliant equity securities in Malaysia				
Industrial Products & Services				
Feytech Holdings Berhad	289,300	326,521	196,724	0.2
Sunway Berhad	507,100	882,867	2,205,885	2.5
		1,209,388	2,402,609	2.7
Construction				
Binastra Corp Berhad	466,100	490,926	824,997	0.9
Gamuda Berhad	139,200	556,237	562,368	0.6
UUE Holdings Berhad	1,077,000	802,887	829,290	0.9
		1,850,050	2,216,655	2.4
Technology				
Frontken Corporation Berhad	266,800	218,745	1,005,836	1.1
ITMAX System Berhad	239,200	814,331	825,240	0.9
		1,033,076	1,831,076	2.0

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 January 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in Malaysia (contd.)				
Telecommunications and Media				
Telekom Malaysia Berhad	163,500	997,649	1,079,100	1.2
Energy				
Pekati Group Berhad	860,300	639,403	972,139	1.1
Property				
LBS Bina Group Berhad – preference shares	234,920	258,412	223,174	0.3
Mah Sing Group Berhad	187,900	247,559	266,818	0.3
		505,971	489,992	0.6
Total listed Shariah-compliant equity securities in Malaysia		6,235,537	8,991,571	10.0
Listed Shariah-compliant equity security in Taiwan				
Technology				
Alchip Technologies Ltd	2,500	650,346	1,066,547	1.2
MediaTek Inc	3,000	537,003	599,039	0.7
TSMC	17,000	1,587,024	2,629,909	3.0
		2,774,373	4,295,495	4.9
Total listed Shariah-compliant equity securities in Taiwan		2,774,373	4,295,495	4.9
Listed Shariah-compliant equity securities in Hong Kong				
Telecommunications and Media				
Meituan	15,800	1,230,321	1,338,670	1.5
Xiaomi Corporation	100,000	1,210,505	2,189,611	2.5
		2,440,826	3,528,281	4.0

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 January 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Total listed Shariah-compliant equity securities in Hong Kong		2,440,826	3,528,281	4.0
Listed Shariah-compliant equity security in Singapore				
Telecommunications and Media				
Singtel	192,500	1,716,966	2,105,895	2.4
Total listed Shariah-compliant equity security in Singapore		1,716,966	2,105,895	2.4
Listed Shariah-compliant equity securities in Japan				
Industrial Products and Services				
Keyence Corporation	400	894,307	774,047	0.9
Technology				
Advantest Corporation	4,400	796,679	1,096,316	1.2
Total listed Shariah-compliant equity securities in Japan		1,690,986	1,870,363	2.1
Listed Shariah-compliant equity security in Indonesia				
Financial Services				
Bank Syariah Indonesia Tbk P	1,975,300	1,369,007	1,581,180	1.8
Total listed Shariah-compliant equity security in Indonesia		1,369,007	1,581,180	1.8
Listed Shariah-compliant equity security in Finland				
Industrial Products and Services				
Kone Oyj - Class B	3,200	783,251	739,952	0.8
Total listed Shariah-compliant equity security in Finland		783,251	739,952	0.8

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 January 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity security in South Korea				
Technology				
Samsung Electronics Co Ltd	3,786	1,034,903	608,689	0.7
Total listed Shariah-compliant equity security in South Korea		<u>1,034,903</u>	<u>608,689</u>	<u>0.7</u>
Total listed Shariah-compliant equity securities		<u>53,627,107</u>	<u>72,845,551</u>	<u>82.0</u>
Listed Islamic collective investment schemes in Malaysia				
Exchange-traded Funds				
Eq8 Dow Jones US Titans 50 ETF	308,000	2,797,883	4,102,238	4.6
Islamic Real Estate Investment Trusts				
AME Real Estate Investment Trust	500,000	575,758	735,000	0.8
Total listed Islamic collective investment schemes in Malaysia		<u>3,373,641</u>	<u>4,837,238</u>	<u>5.4</u>
Listed Islamic collective investment schemes in United Kingdom				
Exchange-traded Fund				
iShares MSCI EM Islamic	22,578	1,839,696	1,828,933	2.1
iShares MSCI USA Islamic UCITS	8,298	2,164,688	2,774,846	3.1
		<u>4,004,384</u>	<u>4,603,779</u>	<u>5.2</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 January 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Total listed Islamic collective investment schemes in United Kingdom		<u>4,004,384</u>	<u>4,603,779</u>	<u>5.2</u>
Listed Islamic collective investment schemes		<u>7,378,025</u>	<u>9,441,017</u>	<u>10.6</u>
Unlisted Islamic collective investment schemes in Malaysia				
Halogen Shariah Bitcoin Fund	299,302	<u>1,000,000</u>	<u>1,066,412</u>	<u>1.2</u>
Total unlisted Islamic collective investment schemes in Malaysia		<u>1,000,000</u>	<u>1,066,412</u>	<u>1.2</u>
Total financial assets at FVTPL		<u>62,005,132</u>	<u>83,352,980</u>	<u>93.8</u>
Unrealised gain on financial assets at FVTPL			<u>21,347,848</u>	

5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate not exceeding 2.50% per annum of the NAV of the Fund as provided under Division 13.1 of the Deed.

The Manager is currently charging Manager's fee of 1.90% per annum of the NAV of the Fund (financial period from 1 January 2023 to 31 January 2024: 1.90% per annum).

6. TRUSTEE'S FEE

The Trustee's fee is calculated on a daily basis at a rate not exceeding 0.10% per annum of the NAV of the Fund and subject to a minimum fee of RM18,000 per annum as provided under Division 13.2 of the Deed.

The Trustee's fee is currently calculated at 0.08% per annum of the NAV of the Fund (financial period from 1 January 2023 to 31 January 2024: 0.08% per annum).

7. INCOME TAX

	31.01.2025	31.01.2024
Current income tax expense		
Malaysia tax	-	50,465
Over provision in prior financial period	(71,817)	-
Local withholding tax	3,295	-
Foreign withholding tax	78,445	66,847
	<u>9,923</u>	<u>117,312</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the current financial year and previous financial period.

Income tax is calculated on investment income less partial deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

Pursuant to the Finance Act 2021, foreign-sourced income derived by a resident person from sources outside Malaysia and received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

A reconciliation of income tax expense applicable to net income before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	1.2.2024 to 31.1.2025 RM	1.1.2023 to 31.1.2024 RM
Net income before tax	<u>9,297,514</u>	<u>15,842,607</u>
Tax at Malaysian statutory tax rate of 24% (financial period from 1 January 2023 to 31 January 2024: 24%)	2,231,403	3,802,226
Tax effect of:		
Income not subject to tax	(2,803,253)	(4,474,687)
Losses not deductible for tax purposes	122,931	398,883
Expenses not deductible for tax purposes	77,143	82,073
Restriction on tax deductible expenses for unit trust fund	371,776	288,115
Tax credit allowed under S.132 or S133 of ITA	-	(46,145)
Over provision in prior financial period	(71,817)	-
Local withholding tax	3,295	-
Foreign withholding tax	78,445	66,847
Income tax for the financial year/period	<u>9,923</u>	<u>117,312</u>

8. SHORT TERM ISLAMIC DEPOSITS

Short term Islamic deposits are held with licensed financial institutions in Malaysia at the prevailing profit rates.

9. AMOUNT DUE FROM/TO LICENSED FINANCIAL INSTITUTIONS

Amount due from/to licensed financial institutions relates to the amount to be received from or paid to licensed financial institutions arising from the sales or purchases of Shariah-compliant investments.

10. OTHER RECEIVABLES

	31.1.2025 RM	31.1.2024 RM
Dividend receivables	9,496	2,316
Profit receivable from short term Islamic deposits	600	3,262
	<u>10,096</u>	<u>5,578</u>

11. OTHER PAYABLES

	31.1.2025 RM	31.1.2024 RM
Accrual for auditors' remuneration	14,500	13,500
Accrual for tax agent's fees	33,500	16,500
Provision for printing and other expenses	105,144	54,123
	<u>153,144</u>	<u>84,123</u>

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	31.1.2025 RM	31.1.2024 RM
Unit holders' contribution	(a)	<u>68,095,952</u>	<u>53,707,134</u>
<u>Retained earnings:</u>			
Realised deficits		(611,509)	(1,241,462)
Unrealised reserves		<u>21,354,081</u>	<u>12,696,443</u>
		<u>20,742,572</u>	<u>11,454,981</u>
		<u>88,838,524</u>	<u>65,162,115</u>

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS (CONTD.)

(a) Unit holders' contribution

	1.2.2024 to 31.1.2025		1.1.2023 to 31.1.2024	
	No. of units	RM	No. of units	RM
At beginning of the financial year/period	109,850,401	53,707,134	157,541,038	76,288,906
Add: Creation of units	58,583,550	37,806,877	12,775,673	6,963,496
Less: Cancellation of units	<u>(36,143,020)</u>	<u>(23,418,059)</u>	<u>(60,466,310)</u>	<u>(29,545,268)</u>
At end of the financial year/period	<u>132,290,931</u>	<u>68,095,952</u>	<u>109,850,401</u>	<u>53,707,134</u>

The Manager, Kenanga Investors Berhad, and other parties related to the Manager did not hold any units in the Fund, either legally or beneficially, as at 31 January 2025 (31 January 2024: nil).

13. SHARIAH INFORMATION OF THE FUND

- a) The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises the following:
- Investment in equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the SACSC for the financial year under review;
 - The investment in equity securities listed on Dow Jones Islamic Market World Index have been classified as Shariah-compliant except for Tencent Holdings Ltd and Palantir Technologies Inc. The securities have been reclassified as Shariah non-compliant by Dow Jones Islamic Market World Index on 19 March 2024 and 24 June 2024, respectively. Subsequently, the securities have been disposed on 17 May 2024 and 25 June 2024, respectively.
 - Investment in collective investment schemes were verified as Shariah-compliant by the Shariah Adviser; and
 - Liquid assets in the local market, which have been placed in Shariah-compliant investments and/or instruments.

14. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial year is 0.50 times (financial period from 1 January 2023 to 31 January 2024: 0.45 times).

PTR is the ratio of average sum of acquisitions and disposals of Shariah-compliant investments of the Fund for the financial year/period to the average NAV of the Fund, calculated on a daily basis.

15. TOTAL EXPENSE RATIO ("TER")

TER for the financial year is 2.16% per annum (financial period from 1 January 2023 to 31 January 2024: 2.16% per annum).

TER is the ratio of total fees and recovered expenses of the Fund expressed as a percentage of the Fund's average NAV, calculated on a daily basis.

16. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

	Transaction value RM	Percentage of total %	Brokerage, stamp duty and clearing fee RM	Percentage of total %
Macquarie Bank Limited	28,309,923	37.1	40,668	28.9
Sanford C. Bernstein & Co., LLC	18,031,164	23.7	8,206	5.8
CLSA Limited	11,747,962	15.4	34,094	24.3
Maybank Investment Bank Berhad	3,341,694	4.4	11,336	8.1
UBS Securities Malaysia Sdn Bhd	2,785,762	3.6	9,217	6.6
Hong Leong Investment Bank Berhad	1,952,129	2.6	6,364	4.5
TA Securities Holdings Berhad	1,435,188	1.9	4,614	3.3
CLSA Securities Malaysia Sdn Bhd	1,302,657	1.7	4,300	3.1
Kenanga Investment Bank Berhad*	1,163,782	1.5	1,350	1.0
Halogen Capital Sdn Bhd	1,000,000	1.3	-	-
Others	5,152,408	6.8	20,330	14.4
	<u>76,222,669</u>	<u>100.0</u>	<u>140,479</u>	<u>100.0</u>

* Kenanga Investment Bank Berhad is a related party of Kenanga Investors Berhad.

16. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS (CONTD.)

The above transactions values are in respect of listed Shariah-compliant equity securities, listed Islamic collective investment schemes and unlisted Islamic collective investment scheme.

The directors of the Manager are of the opinion that the transactions with the related party have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The Manager is of the opinion that the above dealings have been transacted on an arm's length basis.

17. SEGMENTAL REPORTING

a. Business segments

In accordance with the objective of the Fund, the Fund can invest between 70% to 98% of its NAV in listed Shariah-compliant investment securities. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

	Listed Shariah- compliant investment securities RM	Unlisted Shariah- compliant investment securities RM	Other Shariah- compliant investments RM	Total RM
31.1.2025				
Revenue				
Segment income	11,405,071	66,412	208,737	
Segment expenses	<u>(216,940)</u>	<u>-</u>	<u>-</u>	
Net segment income representing segment results	<u>11,188,131</u>	<u>66,412</u>	<u>208,737</u>	11,463,280
Unallocated loss on foreign currency exposure				<u>(512,212)</u>
				10,951,068
Unallocated expenditure				<u>(1,653,554)</u>
Income before tax				9,297,514
Income tax				<u>(9,923)</u>
Net income after tax				<u>9,287,591</u>

17. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed Shariah- compliant investment securities RM	Unlisted Shariah- compliant investment securities RM	Other Shariah- compliant investments RM	Total RM
31.1.2025 (contd.)				
Assets				
Financial assets at				
FVTPL	82,286,568	1,066,412	-	
Short term Islamic deposits	-	-	5,119,319	
Other segment assets	9,496	-	600	
Total segment assets	<u>82,296,064</u>	<u>1,066,412</u>	<u>5,119,919</u>	88,482,395
Unallocated assets				525,671
				<u>89,008,066</u>
Liabilities				
Unallocated liabilities				<u>169,542</u>
31.1.2024				
Revenue				
Segment income	17,035,969	-	381,574	
Segment expenses	<u>(270,189)</u>	<u>-</u>	<u>-</u>	
Net segment income representing segment results	<u>16,765,780</u>	<u>-</u>	<u>381,574</u>	17,147,354
Unallocated gain on foreign currency exposure				112,056
				<u>17,259,410</u>
Unallocated expenditure				<u>(1,416,803)</u>
Income before tax				15,842,607
Income tax				<u>(117,312)</u>
Net income after tax				<u>15,725,295</u>

17. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed Shariah- compliant investment securities RM	Unlisted Shariah- compliant investment securities RM	Other Shariah- compliant investments RM	Total RM
31.1.2024 (contd.)				
Assets				
Financial assets at				
FVTPL	57,476,805	-	-	
Short term Islamic deposits	-	-	6,448,875	
Other segment assets	215,390	-	3,262	
Total segment assets	<u>57,692,735</u>	<u>-</u>	<u>6,452,137</u>	64,144,872
Unallocated assets				<u>1,493,144</u>
				<u>65,638,016</u>
Liabilities				
Segment liabilities	<u>320,720</u>	<u>-</u>	<u>-</u>	320,720
Unallocated liabilities				<u>155,181</u>
				<u>475,901</u>

b. Geographical segments

The Fund seeks to achieve its investment objective by investing in a diversified portfolio of equities and equity related securities of companies in the United States and Asia Pacific region. The following table provide an analysis of the Fund's revenue, results, assets and liabilities by geographical segments:

	Local investments RM	Foreign investments RM	Total RM
31.1.2025			
Revenue			
Segment income	3,585,371	7,668,329	
Segment expenses	<u>(165,977)</u>	<u>(50,962)</u>	
Net segment income representing segment results	<u>3,419,395</u>	<u>7,617,366</u>	11,036,761
Unallocated gain on foreign currency exchange			<u>(85,693)</u>
			<u>10,951,068</u>
			<u>(1,653,554)</u>
Income before tax			9,297,514
Income tax			<u>(9,923)</u>
Net income after tax			<u>9,287,591</u>

17. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments (contd.)

	Local investments RM	Foreign investments RM	Total RM
31.1.2025 (contd.)			
Assets			
Financial assets at FVTPL	14,895,221	68,457,759	
Short term Islamic deposits	745,000	4,374,319	
Other segment assets	60	10,036	
Total segment assets	<u>15,640,281</u>	<u>72,842,114</u>	88,482,395
Unallocated assets			525,671
			<u>89,008,066</u>
Liabilities			
Unallocated liabilities			<u>169,542</u>
31.1.2024			
Revenue			
Segment income	2,365,562	15,051,980	
Segment expenses	<u>(134,436)</u>	<u>(135,752)</u>	
Net segment income representing segment results	<u>2,231,126</u>	<u>14,916,228</u>	17,147,354
Unallocated gain on foreign currency exchange			112,056
			17,259,410
Unallocated expenditure			<u>(1,416,803)</u>
Income before tax			15,842,607
Income tax			<u>(117,312)</u>
Net income after tax			<u>15,725,295</u>
Assets			
Financial assets at FVTPL	9,862,540	47,614,265	
Short term Islamic deposits	6,448,875	-	
Other segment assets	3,262	215,930	
Total segment assets	<u>16,314,677</u>	<u>47,830,195</u>	64,144,872
Unallocated assets			1,158,730
			<u>65,303,602</u>
Liabilities			
Segment liabilities	<u>-</u>	<u>320,720</u>	320,720
Unallocated liabilities			155,181
			<u>475,901</u>

18. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The material accounting policy information in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
31.1.2025				
Assets				
Listed Shariah-compliant equity securities	72,845,551	-	-	72,845,551
Listed Islamic collective investment schemes	9,441,017	-	-	9,441,017
Unlisted Islamic collective investment scheme	1,066,412	-	-	1,066,412
Short term Islamic deposits	-	5,119,319	-	5,119,319
Other receivables	-	10,096	-	10,096
Cash at banks	-	197,586	-	197,586
	<u>83,352,980</u>	<u>5,327,001</u>	<u>-</u>	<u>88,679,981</u>
Liabilities				
Amount due to licensed financial institutions	-	-	-	-
Amount due to Manager	-	-	12,161	12,161
Amount due to Trustee	-	-	4,237	4,237
	<u>-</u>	<u>-</u>	<u>16,398</u>	<u>16,398</u>
31.1.2024				
Assets				
Listed Shariah-compliant equity securities	49,017,202	-	-	49,017,202
Listed Islamic collective investment schemes	8,459,603	-	-	8,459,603
Short term Islamic deposits	-	6,448,875	-	6,448,875
Amount due from licensed financial institutions	-	213,614	-	213,614
Other receivables	-	5,578	-	5,578
Cash at banks	-	1,372,344	-	1,372,344
	<u>57,476,805</u>	<u>8,040,411</u>	<u>-</u>	<u>65,517,216</u>

18. FINANCIAL INSTRUMENTS (CONTD.)

a. Classification of financial instruments (contd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
31.1.2024 (contd.)				
Liabilities				
Amount due to licensed financial institutions	-	-	320,720	320,720
Amount due to Manager	-	-	66,763	66,763
Amount due to trustee	-	-	4,295	4,295
	<u>-</u>	<u>-</u>	<u>391,778</u>	<u>391,778</u>

b. Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

The following table shows the fair value measurements by level of the fair value measurement hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Investments:				
31.1.2025				
Listed Shariah-compliant equity securities	72,845,551	-	-	72,845,551
Listed Islamic collective investment schemes	9,441,017	-	-	9,441,017
Unlisted Islamic collective investment scheme	-	1,066,412	-	1,066,412
	<u>82,286,568</u>	<u>1,066,412</u>	<u>-</u>	<u>83,352,980</u>
31.1.2024				
Listed Shariah-compliant equity securities	44,874,075	-	-	44,874,075
Listed Islamic collective investment schemes	12,602,730	-	-	12,602,730
	<u>57,476,805</u>	<u>-</u>	<u>-</u>	<u>57,476,805</u>

Level 1: Listed prices in active market

Level 2: Model with all significant inputs which are observable market data

Level 3: Model with inputs not based on observable market data

18. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value (contd.)

The fair values of listed Shariah-compliant equity securities and listed Islamic collective investment schemes are determined by reference to Bursa Malaysia Securities Berhad's and respective foreign stock exchanges of the respective countries' last traded prices at reporting date. The fair values of the unlisted Islamic collective investment scheme is stated based on the NAV per unit at reporting date.

c. Financial instruments not carried at fair value and for which their carrying amounts are reasonable approximations of fair value

The carrying amounts of the Fund's other financial assets and financial liabilities are not carried at fair value but approximate fair values due to the relatively short term maturity of these financial instruments.

19. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- a. To invest in Shariah-compliant investments meeting the description, risk exposure and expected return indicated in its prospectus;
- b. To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- c. To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current financial year and previous financial period from 1 January 2023 to 31 January 2024.

20. COMPARATIVES

Pursuant to the executed Fifth Supplemental Master Prospectus dated 2 October 2023, the Manager had changed the Fund's financial year end from 31 December to 31 January.

The comparative for the statement of comprehensive income, statement of changes in net asset value and statement of cash flows as well as the comparatives in notes to the financial statements are presented for the financial year ended 31 January 2025 and hence, are not comparative to that of the previous financial period from 1 January 2023 to 31 January 2024.

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Investor Services Center

Toll Free Line: 1 800 88 3737

Fax: +603 2172 3133

Email: investorservices@kenanga.com.my

Head Office, Kuala Lumpur

Level 14, Kenanga Tower, 237 Jalan Tun Razak,
50400 Kuala Lumpur, Malaysia.

Tel: 03-2172 3000 Fax: 03-2172 3080