

KAF CORE INCOME FUND (KCIF)

APRIL 2024

The fund aims to provide unit holders with a stable income that is potentially higher than the prevailing fixed-deposit rate by investing in high-dividend yielding portfolio of stocks and fixed-income securities.

THE FUND IS SUITABLE FOR INVESTORS WHO:

- Seek a stable income stream with potentially higher than the prevailing fixed-deposit rates;
- Prefer a medium to long-term investment horizon in order to achieve reasonable capital growth; and
- Have a medium degree of risk tolerance.

MANAGER'S COMMENTS

Major United States (US) indices, namely, Dow Jones, Standard & Poor (S&P) 500, and NASDAQ, maintained positive momentum in March 2024 (March), rising by 2.08%, 3.10%, and 1.79%, respectively, as investors digested the latest batch of economic data while looking towards the next inflation reading, also aided by optimism over artificial intelligence (AI) related stocks and expectations the U.S. Federal Reserve (The Fed) will begin to cut interest rates this year. In Europe, the STOXX Europe 600 gained 3.65%. The Japanese equity market rose again in March, with Nikkei 225 surging by 3.07%, as weaker Japanese yen favoured export businesses. On the other hand, the Chinese markets continued their positive momentum in March, with Hong Kong's Hang Seng Index, China's Shanghai Composite, and Shen Zhen Composite indices climbing by 0.18%, 0.86%, and 2.38%, respectively, thanks to better industrial activity and stronger retail spending, along with promises from the Chinese government to ease monetary measures to promote growth. Malaysia's equity indices, the Financial Times Stock Exchange Bursa Malaysia (FBM) FBEMAS Index and the FBM Emas Syariah Index, performed well in March, gaining 0.69% and 1.00%, respectively, driven by higher imports from the manufacturing segment. Meanwhile, the FBM Kuala Lumpur Composite Index (KLCI) FBMKLCI Index declined by 0.99% due to continuous foreign outflows in March, which influenced the index. The average volume traded increased by 7.53% to Ringgit Malaysia (RM) 2,892.60 billion (bn). Crude oil prices increased by 4.62% to close at US Dollar (USD) 87.48 per barrel, following reduced world oil production due to weather-related shut-ins and the extension of voluntary oil output cuts by the Organization of the Petroleum Exporting Countries (OPEC+) producer. Meanwhile, the price of crude palm oil rose to RM4,194 per ton, an increase of 5.64%, due to strong exports and concerns that potential policy changes from the world's largest producer, Indonesia, could limit supply. Weather-related concerns over the dry El Nino season also contributed to the price hike. Gold prices surged by 7.92% to USD2,217.4 per ounce. Malaysia's ringgit rebounded marginally against the USD by 0.38% to close at RM4.7250 at the end of March.

Commodities have performed strongly this year, driven largely by higher energy prices as risks to supply have mounted. Heightened tensions in the Middle East and successful Ukrainian attacks on Russian oil infrastructure have led investors to be more positive on the outlook for oil prices given the elevated risks. Furthermore, the OPEC+ decision to extend output cuts has kept supply constrained. Looking ahead, we believe the surge in demand for energy driven by the rise of AI will be a boon for the oil and gas sector. The soaring energy needs of data centres are likely to significantly outpace what renewable energy can currently accommodate. In addition to our optimism on the energy sector, we would also like to maintain our positive outlook on the semiconductor industry driven by the continued growth and development of advanced technologies.

INVESTMENT STRATEGY

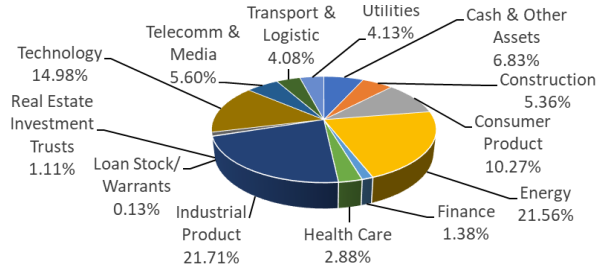
The strategic limit on asset allocation of the fund is as follows:

- Equities: Minimum 70% and maximum 98%.
- Fixed-income securities and liquid assets: Minimum 2% and maximum 30%

FUND DETAILS AS AT 31 MARCH 2024

Manager	KAF Investment Funds Bhd.
Trustee	Universal Trustee (Malaysia) Bhd.
Fund Category	Equity Fund.
Fund Type	Income Fund.
Launch Date	2 September 2004.
Unit net asset value (NAV)	RM1.0563
Fund size	RM350.425mil
Units in Circulation	331.743mil
Financial Year End	31 August.
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	FBM KLCI.
Sales Charge	Up to 6.50% of NAV per unit.
Repurchase Charge	None.
Annual management fee	1.50% per annum of NAV.
Annual trustee fee	0.07% per annum of NAV.
Redemption payment period	Within 7 days after receipt of the request to repurchase.
Distribution policy	Income distribution (if any) will be paid twice a year.

SECTOR ALLOCATION* AS AT 31 MARCH 2024



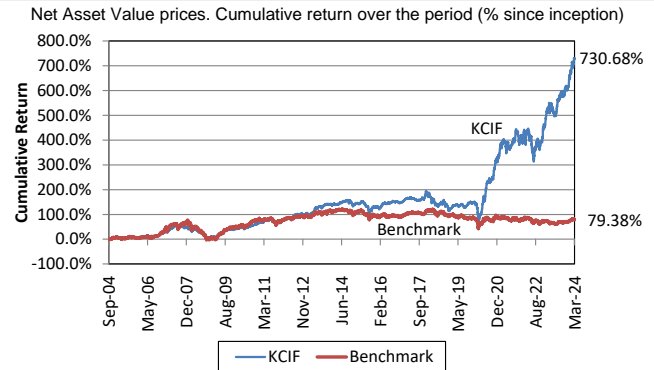
*As percentage Net Asset Value of the fund. Asset exposure is subject to change on a daily basis.

Source: KAF Investment Funds Berhad.

Distribution History

Year	Distribution (sen)
2020 (Annual)	1.00
2021 (Interim)	2.00
2021 (Annual)	3.00
2022 (Interim)	3.00
2022 (Annual)	3.00
2023 (Interim)	3.00
2023 (Annual)	3.50
2024 (Interim)	3.00

FUND PERFORMANCE ANALYSIS AS AT 31 MARCH 2024



%	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
KCIF	4.01	16.19	19.51	33.83	71.11	252.54
Benchmark	-0.99	5.60	7.86	7.98	-2.38	-6.54

Source: ExNovo Fund Analytics Portal by Novagni Analytics & Advisory Sdn Bhd

LARGEST HOLDINGS* AS AT 31 MARCH 2024

Bumi Armada Berhad	6.06%
Money Market (KAF)	5.55%
Infomina Berhad	3.80%
OCK Group Berhad	3.54%
EG Industries Berhad	3.53%

*as percentage of Net Asset Value.

Disclaimer:

Based on the Malaysian Fund Volatility Report issued by Refinitiv Lipper dated 10 April 2024, the Volatility Factor (VF) for this fund is 15.51 and is classified as "Very High". "Very High" includes funds with VF that are more than 14.4. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

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

The Manager wishes to highlight the specific risks of the fund are specific stock risk, interest rate risk, and credit/default risk. These risks and other general risks are elaborated in the Master Prospectus. This factsheet is prepared for information purposes only and has not been reviewed by Securities Commission Malaysia. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide for future performance. Returns may vary from year to year.

Head Office: Level 13, Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur

General Line: (603)-9767 6000 Fax: (603)-9767 6001 Website: www.kaf.com.my