

# KENANGA KLCI DAILY 2X LEVERAGED ETF

## ANNUAL REPORT

For the Financial Year Ended 31 December 2025

# kenanga

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



# KENANGA KLCI DAILY 2X LEVERAGED ETF

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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  
Email: oneetf@kenanga.com.my  
Website: www.oneetf.com.my

### Board of Directors

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

### Investment Committee

Luk Wai Hong, William (**Chairman**)  
Norazian Binti Ahmad Tajuddin  
(**Independent Member**)  
Norazilla Binti Md Tahir (**Independent Member**)  
Irene Cheng May May (**Independent Member**)  
Datuk Wira Ismitz Matthew De Alwis  
(**Chief Executive Officer, Executive Director**)

**Company Secretary:** Norliza Abd Samad (MAICSA 7011089)

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

**Trustee:** RHB Trustees Berhad Company No. 200201005356 (573019-U)

### Registered Office

Level 10, Tower 1  
RHB Centre  
Jalan Tun Razak  
50400 Kuala Lumpur, Malaysia.  
Tel: 03-2302 8252  
Fax: 03-2302 8298

### Business Office

Level 11, Tower 3  
RHB Centre  
Jalan Tun Razak  
50400 Kuala Lumpur, Malaysia.  
Tel: 03-2302 8264  
Fax: 03-2302 8298  
Email: rhb.ut@rhbgroup.com  
Website: www.rhbgroup.com

**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

**Participating Dealer and Market Maker: Kenanga Investment Bank Berhad**

Company No. 197301002193 (15678-H)

Level 12, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

Tel: 03-2172 2888 Fax: 03-2172 2999 Website: [www.kenanga.com.my](http://www.kenanga.com.my)

**Technical Advisor: Yuanta Securities Investment Trust Co., Ltd.**

11F, No. 225, Sec. 3, Nanjing E.Rd., Taipei City 104 Taiwan.

**Index Licensor: FTSE International Limited**

10 Paternoster Square, London, EC4M 7LS, United Kingdom.

## 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, 5<sup>th</sup> Floor  
Menara Boustead Penang  
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**

2<sup>nd</sup> 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, 3<sup>rd</sup> 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 KLCI Daily 2x Leveraged ETF (**KKL2X** or the **Fund**)

## 1.2 Fund Category / Type

Exchange-traded fund / Leveraged exchange-traded fund

## 1.3 Investment Objective

The Fund aims to provide daily performance, before fees and expenses, which closely corresponds to the daily performance of the Benchmark.

*Note: The Fund does not seek to achieve its stated investment objective over a period of time greater than one (1) day.*

## 1.4 Investment Strategy

The Manager intends to adopt a futures-based replication investment strategy to achieve the investment objective of the Fund. The Manager will invest directly in the Index Futures, subject to the rolling strategy discussed in the Fund's Master Prospectus and its supplement prospectus (if any), to obtain the required exposure to the Benchmark.

## 1.5 Benchmark

FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index

The Benchmark is designed to provide a 2x leveraged exposure to the daily performance of the Underlying Index. The daily leveraged price return is calculated by multiplying the 2x leveraged factor to the daily price return of the Underlying Index, with finance cost<sup>(1)</sup>.

As the Benchmark of the Fund derives its return from the Underlying Index, its performance is dependent on the performance of the constituents of the Underlying Index.

The Underlying Index consists of the largest 30 companies ranked by full market capitalisation, i.e., before the application of any investability weightings, in the FTSE Bursa Malaysia EMAS Index ("FBMEMAS"). The number of constituents in the Underlying Index is fixed.

The Benchmark and the Underlying Index are all constructed, compiled, calculated, maintained, reviewed and published by the Index Licensor<sup>(2)</sup>.

The Benchmark and the Underlying Index are denominated in MYR.

*Notes:*

<sup>(1)</sup> *Finance cost refers to the financing cost of leverage and is the Kuala Lumpur Interbank Offered Rate ("KLIBOR") rate. The Benchmark includes finance cost as the Benchmark is required to leverage its exposure to 200% of the Underlying Index by holding futures contracts to represent 200% of the Underlying Index and there is costs to be incurred for holding such futures contracts.*

<sup>(2)</sup> *The Index Licensor is not a related corporation of the Manager.*

## 1.6 Distribution Policy

Distribution of income, if any, will be on incidental basis.

## 1.7 Breakdown of unit holdings of the Fund as at 31 December 2025

Size of holdings	No. of unit holders	No. of units held	%
Less than 100	-	-	-
100 - 1,000	3	1,500	0.15
1,001 - 10,000	2	7,900	0.79
10,001 - 100,000	1	35,000	3.50
100,001 - < 5%*	-	-	-
> = 5%*	1	955,600	95.56
<b>Total</b>	<b>7</b>	<b>1,000,000</b>	<b>100.00</b>

5%\* - 5% of the units in circulation

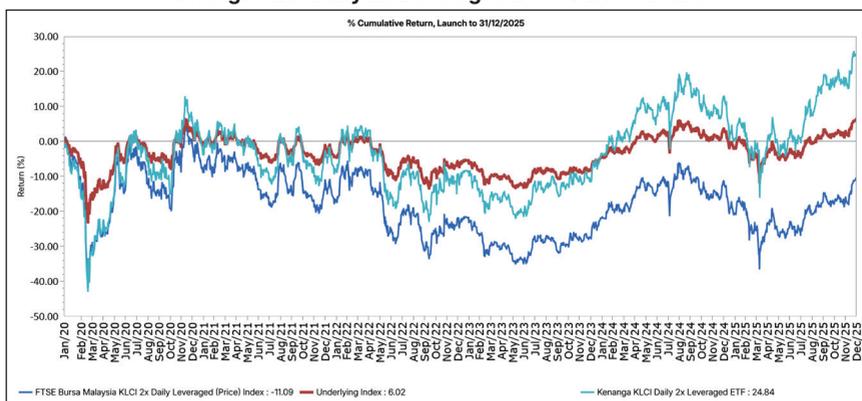
## 2. MANAGER'S REPORT

### 2.1 Explanation on whether the Fund has achieved its investment objective

The Fund achieved its stated investment objective by aiming to provide investment results that closely correspond to the daily performance of the Benchmark. However, for a period longer than one (1) Business Day, the pursuit of a daily investment objective resulted in daily compounding of the Fund. As such, the Fund's performance did not track the cumulative Benchmark return for the financial year under review that was greater than one (1) Business Day. Nevertheless, the Fund will continue to be managed in a manner to fulfil its stated investment objective.

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

**Performance Chart Since Launch (20/09/2019 – 31/12/2025)**  
**Kenanga KLCI Daily 2x Leveraged ETF vs Benchmark\***



Source: Lipper

\*Benchmark: FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index

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

The Fund adopted a futures-based replication investment strategy to achieve the investment objective of the Fund. The Fund invested directly in the Index Futures, subject to the rebalancing and rolling strategy below, to obtain the required exposure to the Benchmark.

To ensure the Fund's daily exposure to the Benchmark is consistent with the Fund's investment objective, the Fund rebalanced its portfolio on a daily basis, decreasing exposure in response to the Benchmark's daily gains or increasing exposure in response to the Benchmark's daily losses.

The Fund adopted rolling strategy by closing out existing futures position in the spot month and entering into the forward month before the last trading day of the spot month to ensure the Fund continues to replicate the required exposure to the Benchmark.

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

Asset	31 Dec 2025	31 Dec 2024
Listed derivatives	-0.9%	0.5%
Cash in margin account	66.4%	61.4%
Short term deposits and cash equivalents	34.5%	38.1%

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

### Reason for the differences in asset allocation

As the market moved higher during the financial year under review, the increase in the value of the Fund's derivatives positions resulted in a higher cash balance in the margin account, which rose to 66.4% from 61.4%. Meanwhile, short term deposits and cash declined as a proportion of total fund assets, reflecting a shift in asset composition during the financial year.

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

	Year under review
KKL2X	10.55%
FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index	0.31%

Source: Lipper

For the financial year under review, the Fund outperformed its benchmark by 10.24%. This outperformance was driven by the daily compounding effect inherent in the futures-based replication strategy. The strategy involved frequent rebalancing and rolling of underlying futures contracts to maintain the required exposure to the Benchmark, contributing to the Fund's relative performance.

## 2.6 Review of the market

### Market review

Global equity markets started 2025 on a positive note, continuing the momentum from the previous year. In the US, the Dow Jones, S&P 500 and Nasdaq gained 4.7%, 2.7% and 1.6% month-on-month (MoM) in January, respectively. However, technology-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 equities received a boost after President Trump's inauguration on 20 January 2025, with investors responded positively to his hints at a potentially softer stance on tariffs against China. Meanwhile, on the domestic front, the FBM Small Cap, FBM KLCI, FBM 100, and FBM Shariah indices declined by 5.1%, 5.2%, 5.6%, and 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. Among commodities, Brent crude prices rose 2.8% MoM to USD 76.80 per barrel, driven by heightened expectations of supply disruptions following new US sanctions on Russian energy trade. In contrast, crude palm oil (CPO) prices fell 3.6% MoM, weighed down by sluggish demand from top buyer India and the premium pricing of palm oil over soy oil, which led many buyers to switch to the latter.

## 2.6 Review of the market (contd.)

### Market review (contd.)

February saw a shift in global equity markets, with mixed performances across regions. The Dow Jones, S&P 500, and Nasdaq declined by 1.6%, 1.4%, and 4.0% MoM respectively, as investor sentiment turned cautious amid a lacklustre earnings season and stretched valuations in mega-cap technology stocks. Market sentiment was further dampened by the implementation of new US tariffs, with a 10% levy on Chinese imports taking effect on 4 February 2025. This development triggered a selloff in export-oriented and technology-linked stocks globally. In Malaysia, the FBM 100, FBM Shariah, and FBM Small Cap indices fell by 0.7%, 2.8%, and 6.6% MoM, respectively. However, the FBM KLCI bucked the trend, rising by 1.1% MoM. Despite the modest rebound in the benchmark index, Malaysia recorded a net foreign outflow of RM2.2 billion in February, slightly lower than the RM3.1 billion outflow in January 2025.

March was an exceptionally turbulent month for global equity markets. The Dow Jones, S&P 500, and Nasdaq plunged by 4.2%, 5.8%, and 8.2% MoM, respectively. Investor confidence was rattled by anticipation of President Trump's aggressive tariff strategy and mixed economic signals. Consumer sentiment fell to near 2½-year lows, reflecting growing caution among market participants. The US Federal Reserve (Fed) held interest rates steady at 4.50% for the second consecutive month and released economic projections indicating slower growth and higher inflation by year-end. The US-China trade war escalated sharply after President Trump raised tariffs on all Chinese imports to 20%, citing Beijing's failure to curb fentanyl shipments to the US. In retaliation, China imposed additional tariffs of 10%–15% on selected U. imports. These developments triggered significant selloffs in export-intensive sectors toward the end of the month. Malaysia's equity market remained under pressure, with the FBM KLCI (-3.9% MoM), FBM 100 (-3.4% MoM), FBM Shariah (-2.5% MoM), and FBM Small Cap (-2.1% MoM) continuing their downtrend. Foreign investors sold Malaysian equities every trading day in March, resulting in total net outflows of RM4.6 billion—the largest since February 2020. Year-to-date (YTD) 2025 foreign net selling stood at RM2.24 billion.

Markets were highly volatile in April following President Trump's announcement of Liberation Day, which imposed a 10% baseline tariff on all imports effective 5 April and additional reciprocal tariffs of 11%–50% on 57 countries, sparking widespread uncertainty and concerns over global trade. Equity markets experienced a sharp selloff early in the month, but rebounded after the reciprocal tariffs which were initially set to take effect on 9 April were postponed for 90 days, except for China, which faced a significantly higher tariff of 145%. News and speculation surrounding the tariffs dominated headlines globally, with market reactions to rumours, commentary, and policy shifts reaching historically high levels. In the US, the S&P 500 and Dow Jones declined by 0.8% and 3.2% MoM, respectively, while the Nasdaq managed a modest gain of 0.9%. In Asia, Chinese and Hong Kong markets were hit hard, with the Hang Seng and Shenzhen indices falling by 4.3% and 3.0% MoM, respectively. Domestically, Malaysia's FBM KLCI plunged 7.5% to a low of 1,400 points on 9 April, the day the reciprocal tariffs were set to take effect. However, the index rebounded sharply after Trump announced the 90-day pause and signalled a willingness to negotiate on trade. The FBM KLCI ended the month up 1.8% at 1,540 points.

US equity markets rebounded strongly in May, recovering from April's volatility. The Nasdaq surged 9.6% MoM, while the S&P 500 and Dow Jones gained 6.2% and 3.9% MoM, respectively. The rally was driven by easing tariff concerns following a truce between the US and China, in which both nations agreed to pause reciprocal tariffs for 90 days. As part of the agreement, the US reduced its tariffs from 145% to 30%,

## 2.6 Review of the market (contd.)

### Market review (contd.)

and China lowered its rates from 125% to 10%, effective 14 May. The move aimed to de-escalate trade tensions and open the door for broader economic negotiations. Domestically, Malaysia's economy continued to moderate, expanding by 4.4% in 1Q2025 recorded its third consecutive quarter of slowing growth. In response, Bank Negara Malaysia (BNM) reduced the Statutory Reserve Requirement (SRR) ratio from 2% to 1%, the lowest level in 14 years, injecting approximately RM19 billion of liquidity into the banking system. Despite global optimism, Malaysian equities remained under pressure. The FBM KLCI fell 2.1% MoM. Foreign net outflows totalled RM1.7 billion, driven by weak 1Q earnings and poor forward visibility. Sentiment was further dampened by a reduction in Malaysia's MSCI index weight. The FBM Shariah slipped 0.2% MoM, while the FBM Small Cap managed a modest gain of 0.7%.

US equity markets extended their gains in June as recession, tariff, and geopolitical concerns eased. The Dow Jones, S&P 500, and Nasdaq rose by 4.3%, 5.0%, and 6.6% MoM, respectively. Markets shrugged off initial fears of a potential Iran-Israel war, which was swiftly de-escalated following a ceasefire announced by President Trump on 24 June. Investor optimism was further supported by expectations that US reciprocal tariffs would be reduced as the 90-day pause neared its July deadline. This anticipation supported the rally across major indices. In Asia, the MSCI Asia ex-Japan Index climbed 5.7% MoM, while the MSCI ASEAN index was flat. Domestically, Malaysian equities posted modest gains, with the FBM KLCI, FBM 100, and FBM Shariah rising between 1.5% and 1.6% MoM. However, the FBM Small Cap index declined by 0.9% MoM. Sector-wise, Utilities and Energy outperformed, while Healthcare lagged. The government announced an expansion of the Sales and Service Tax (SST), introducing a 5%–10% sales tax on selected goods and broadening the service tax to cover new sectors. In terms of fund flows, local institutional investors recorded net inflows of RM1.7 billion, while foreign investors were net sellers, with outflows amounting to RM1.3 billion.

In July 2025, global equity markets edged higher, driven by US equities posted further gains for the month, though momentum slowed. The Nasdaq and S&P 500 rose 3.7% and 2.2% MoM, respectively, while the Dow Jones edged up by 0.1% MoM. Early in the month, concerns over a looming tariff shock intensified as the 9 July deadline for the 90-day pause approached, with only a few countries finalising deals. President Trump later extended the deadline to 1 August and reached preliminary trade agreements, shifting investor focus to strong corporate earnings. Domestically, the FBM KLCI and FBM 100 fell 1.3% MoM and 0.7% MoM, whereas FBM Shariah and FBM Small Cap grew 0.2% and 2.8%, respectively. Sector-wise, Construction, REITs and Industrial Productions were the outperformers, while Healthcare, Financials, and Transportations underperformed. Key highlights in the month included the Prime Minister's tribute to all Malaysians (e.g., a RM100 cash aid, toll hike freeze, and an additional public holiday). On the economic front, GDP grew 4.5% year-on-year (YoY) in 2Q2025, exceeded expectations while BNM cut Overnight Policy Rate (OPR) to 2.75% earlier than anticipated and revised its 2025 GDP forecast down to 4.0%–4.8% (from 4.5%–5.5%). Trade policy also shifted as Malaysia introduced permit requirements for US-origin AI chips amid reports of impending US export curbs, while US announced a 25% tariff on Malaysian exports (was later revised to 19%), adding to trade uncertainty. The government also unveiled the 13<sup>th</sup> Malaysia Plan – RM611 billion master plan, focusing on semiconductors, AI, clean energy, and major infrastructure projects.

## 2.6 Review of the market (contd.)

### Market review (contd.)

Global equities generally continued to march higher in August, led by the US, as the Dow Jones, S&P 500 and Nasdaq indices rose 3.2%, 1.9% and 1.6% MoM respectively, with all three notching record high closing days during the month. A key tailwind for stocks came from the Fed's annual Jackson Hole symposium held in late August, where Fed Chair Jerome Powell's speech alluding to a "shifting balance of risks," indicated that rate cuts were indeed forthcoming from impending policy meetings. This reassurance supplemented July's inflation print earlier in the month which, at 2.7% YoY was in-line with economists' expectations, even as the market eyed inflationary risks from trade tariffs. In Malaysia, equities tracked global peers higher with bias towards larger caps, with the FBM KLCI, FBM 100, FBM Shariah and FBM Small Cap rising 4.1%, 2.9%, 1.6% and 0.1% MoM, respectively. By sectors, leaders were Construction, Technology and Financials, while notable laggards were Healthcare and REITs. Economic data provided some positivity with the final read of 2Q2025 GDP growth at 4.4% being reasonably robust, while July's export growth of 6.8% YoY beat expectations of a mild decline. While investors were chiefly preoccupied with the 2Q2025 reporting season, sentiment was uplifted by a slew of sizeable job wins (including for data centres) by large contractors like Gamuda and IJM; while laggard-chasing behaviour drove buying into sectors like banks, which still show negative cumulative year-to-August price performance.

Global equities extended their rally in September, driven by strength in US markets as the S&P 500 (+3.5% MoM) and Nasdaq (+5.6% MoM) posted their best September performance in over fifteen years, while the Dow Jones added 1.9% MoM. Sentiment was buoyed by the Fed's decision to deliver its first 25 basis points (bps) rate cut of the year, following months of dovish signalling. Confidence was further underpinned by continued momentum in corporate earnings, with large-cap technology and AI-linked names again leading gains, particularly semiconductors. Nvidia and other AI bellwethers extended their run as demand signals in data centre and cloud infrastructure remained robust. Meanwhile, concerns around a potential US government shutdown at month-end caused short-term volatility but did not derail the broader advance. In Malaysia, equities tracked global peers higher with broad-based strength across benchmarks. The FBM KLCI, FBM 100, FBM Shariah and FBM Small Cap rose 2.3%, 2.2%, 3.2% and 5.8% MoM, respectively. All sectors posted gains in September, with leaders being Utilities, Industrial and Consumer. Policy developments included the government's decision to cut RON95 fuel prices to RM1.99 per litre under subsidy rationalisation, while BNM kept the OPR at 2.75%, citing balanced risks to growth and inflation. Corporate headlines were dominated by Sunway's RM2.4 billion acquisition of MCL Land in Singapore and Gamuda's RM3.3 billion land purchase at Chencharu Close, both strengthening their international presence amid robust Singapore property market fundamental.

Global equities continued to advance in October, led by the US, as the Dow Jones, S&P 500 and Nasdaq indices rose 2.5%, 2.3%, and 4.7% MoM, respectively. Gains were driven by strong earnings from AI mega-cap companies. The Fed implemented a 25bps rate cut, lowering the Fed Funds Rate (FFR) to 3.75%–4.00%. This marked the second cut of the year, prompted by a softer inflation print and a cautious economic outlook. Additionally, the Fed announced an early end to quantitative tightening by December, citing tightening liquidity conditions. In Malaysia, the FBM KLCI, FBM 100, FBM Shariah and FBM Small Cap were at -0.2%, 0.3%, 0.7% and 0.1% MoM, respectively. Sector leaders included Technology, Consumer, Healthcare, and Plantation, while Property and Construction lagged. The tabling of Budget 2026 on 10 October, highlighted the government's ongoing fiscal reform efforts, and subsidy retargeting, aiming to achieve

## 2.6 Review of the market (contd.)

### Market review (contd.)

4.0%–4.5% GDP in 2026 and narrow the fiscal deficit. Overall, the outlook remains positive for the consumer, construction, property, utility, and renewable energy sectors. At the 47<sup>th</sup> ASEAN Summit, Timor-Leste was admitted as the 11<sup>th</sup> ASEAN member state, and ASEAN issued a joint statement with the United States to enhance economic cooperation in trade, investment, and supply chain resilience. The United States and Malaysia also signed an Agreement on Reciprocal Trade under which Malaysia will reduce tariffs on selected US goods and refrain from restricting rare-earth exports, while the US will maintain tariffs on Malaysian products at 19%, with exemptions for certain items.

In November, global equities were muted, as the Dow Jones and the S&P 500 indices rose 0.32% and 0.13% respectively, but the Nasdaq declined 1.51% in the US. The decline in the Nasdaq was driven by concerns about the sustainability of AI spending and elevated valuations. However, fundamental momentum remained strong as high hyperscale capex and Nvidia's revenue reacceleration, given strong bookings, will support earnings for AI tech hardware into 2026. Private sector US employers unexpectedly cut payrolls, with employment declining by 32,000 in November against expectations for a 40,000 increase, amid a government shutdown. This raised the probability of a third Fed rate cut for the year in December. In Malaysia, the FBM KLCI, FBM 100, FBM Shariah and FBM Small Cap were at -0.3%, -0.5%, -2.0% and -5.7% MoM, respectively. Sector laggards include Technology, Healthcare, and Telecommunication, while Financials, Property and Building materials saw selected gains. Macro fundamentals remained solid, with GDP growth surprised on the upside and inflation stayed benign. Reflected the solid macro environment alongside foreign bond inflows and Fed rate cut expectations, the Ringgit rallied to its strongest level in over a year against the USD.

US equities were mixed in December despite a rally lifting the markets into record highs in the final trading days. The Dow Jones managed a modest 0.7% MoM gain, while the Nasdaq slipped 0.5% MoM, and the S&P 500 ended the month virtually flat. Earlier weakness and profit taking throughout the month offset the year-end boost. November headline inflation and core inflation were cooler than anticipated, at 2.7% YoY and 2.6%, respectively. The Fed cut rates by 25bps to 3.50%–3.75%, marking its third consecutive reduction, as expected. The Fed also announced it will resume buying Treasury securities via the reserve management program and signalled a single 25 bps rate cut in 2026. Domestically, Malaysian equities posted broad gains in December, with the FBM KLCI rising 4.7% MoM, FBM 100 up 3.5% MoM, FBM Shariah gaining 2.1% MoM, and FBM Small Cap edging 0.4% MoM higher. This was driven by a rally in financials and the Fed's rate cut. Financial Services (+6.1% MoM), Industrial (+5.8% MoM), and Plantation (+3.1% MoM) sectors led the advance. Meanwhile, the underperformers were Construction (-4.8% MoM), Technology (-3.5%), and Utilities (-0.9% MoM). Key highlights in December included a cabinet reshuffle and the Energy Commission's decision on the outcome of Regulatory Period 3 (2026–2028), with Gas Malaysia's distribution tariff rising sharply by 19.5% compared to the previous period. Meanwhile, Gamuda ended the year on a strong note, securing two major projects in Australia that lifted its order book to a historic high. The Ringgit continued to rally to its strongest level in over a year against the greenback.

Overall, the Malaysian equity market ended 2025 mixed, underperforming global equities despite a late-year recovery. For the full year, the FBM KLCI rose modestly by 2.3%, while the broader FBM 100, FBM Shariah, and FBM Small Cap indices declined by 1.3%, 3.9%, and 12.2%, respectively. The underperformance was driven by external risks, particularly in the first half of 2025, including US-China trade tensions, aggressive

## **2.6 Review of the market (contd.)**

### **Market review (contd.)**

tariff policies, and heightened global uncertainty, which triggered foreign outflows and selloffs in technology, export-oriented, and data centre-linked stocks. The recovery in the second half of 2025 was underpinned by easing global monetary conditions following multiple Fed rate cuts, resilient domestic economic growth, improved investor sentiment from strong corporate earnings, sizeable infrastructure-related job wins, and supportive fiscal measures, alongside a firmer Ringgit and improving export performance. However, the Malaysian market did not experience a sustained recovery or significant foreign inflows, prevented it from keeping pace with global equity gains and resulted in a largely mixed performance for the year ended 2025. The cumulative foreign net outflow totalled RM22.2 billion in 2025 which is 5.3x higher than 2024 and the largest since 2020.

### **Market outlook**

Global growth is expected to moderate in 2026. Nonetheless, liquidity should remain supportive as the Fed continues its rate cutting cycle, permitted by easing inflationary pressures and labour market weakness. Meanwhile, the AI thematic continues to remain a key driver of global equities. Malaysia's growth remains resilient for 2026, with a stable macro backdrop. Several positive drivers point to improving prospects, such as an investment upcycle, benign inflation, a supportive external environment and resilient consumption.

## **2.7 Distributions**

The Fund did not declare any income distributions during the financial year under review.

## **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 affairs 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**

There were no circumstances that materially affected any interests of the unit holders during the financial year under review.

## **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 the 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. As the Fund solely invests in listed derivatives, the Manager did not receive any rebates or soft commissions from its stockbrokers during the financial year under review.

## **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 lending 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 years as at 31 December are as follows:

##### a. Distribution among industry sectors and category of investments:

	FY 2025 %	FY 2024 %	FY 2023 %
Listed derivatives	-0.9	0.5	-0.5
Cash in margin account	66.4	61.4	52.1
Short term deposits and cash equivalents	34.5	38.1	48.4
	<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)

##### b. Distribution among countries and markets

The Fund invests in Malaysia-listed derivatives, with the remainder placed in cash in margin account and in short term deposits and cash equivalents.

##### c. Weightings of the top 10 constituents of the Underlying Index as at 31 December 2025

Rank	Constituent	Index Weight (%)
1	Malayan Banking Berhad	12.95
2	Tenaga Nasional Berhad	11.41
3	Public Bank Berhad	11.13
4	CIMB Group Holdings Berhad	10.01
5	Gamuda Berhad	4.29
6	IHH Healthcare Berhad	3.72
7	Telekom Malaysia Berhad	3.49
8	Press Metal Aluminium Holdings Berhad	3.12
9	Petronas Gas Berhad	2.98
10	SD Guthrie Berhad	2.98

Source: Bloomberg

Details of the Fund's quoted investments as at 31 December 2025 are disclosed under Note 4 of the financial statements.

### 3.2 Performance details of the Fund for the last five financial years ended 31 December are as follows:

	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Total asset value (RM Million)	2.53	2.26	1.78	1.81	1.95
Net asset value ("NAV") (RM Million) <sup>1</sup>	2.50	2.26	1.77	1.81	1.95
Units in circulation (Million)	1.00	1.00	1.00	1.00	1.00
NAV per unit (RM)	2.4967	2.2585	1.7702	1.8127	1.9455
Highest NAV per unit (RM)	2.5131	2.3916	1.8339	2.0888	2.1216
Lowest NAV per unit (RM)	1.6826	1.7741	1.5615	1.5441	1.7478
Listed price (RM) <sup>1</sup>	2.3400	2.1650	1.7600	1.8350	1.8700
Highest listed price (RM)	2.3400	2.3600	1.8350	2.0700	2.0400
Lowest listed price (RM)	1.9200	1.8800	1.5600	1.6300	1.7500
Total return (%)	10.55	27.59	-2.34	-6.83	-7.56
- Capital growth (%)	10.55	27.59	-2.34	-6.83	-7.56
- Income growth (%)	-	-	-	-	-
Gross distribution per unit (sen)	-	-	-	-	-
Net distribution per unit (sen)	-	-	-	-	-
Total expense ratio ("TER") (%) <sup>2</sup>	0.98	0.77	0.83	0.89	0.83
Portfolio turnover ratio ("PTR") (times) <sup>3</sup>	24.64	24.38	24.17	23.45	24.46
Tracking error	1.89	0.96	1.40	4.29	2.20

### 3.2 Performance details of the Fund for the last five financial years ended 31 December are as follows: (contd.)

Note: Total return is the actual return of the Fund for the respective financial years, 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 investment securities of the Fund divided by the average fund size calculated on a daily basis.

Above NAV and NAV per unit are not shown as ex-distribution as there were no distributions declared by the Fund during the financial year under review.

1. As at 31 December 2025, the Fund's NAV stood at RM2.50 million, with 1 million units in circulation. The KLCI demonstrated robust performance during the financial year, propelling the Fund's NAV per unit to a peak of RM2.5131 before closing the year at RM2.4967. The Fund closed at its highest listed price of RM2.3400 during the financial year under review.
2. TER is higher against the previous financial year primarily due to higher expenses incurred during the financial year under review.
3. PTR is higher due to the increase in daily rebalancing frequency of futures contracts in the Fund during the financial year under review.

### 3.3 Average total return of the Fund

	1 Year 31 Dec 24 - 31 Dec 25	3 Years 31 Dec 22 - 31 Dec 25	5 Years 31 Dec 20 - 31 Dec 25
KKL2X	10.55%	11.25%	3.47%
FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index	0.31%	4.44%	-2.04%

Source: Lipper

Note: Average total returns for the Fund and the Benchmark are annualised figures computed based on the respective periods

### 3.4 Annual total return of the Fund

	Year under review 31 Dec 24 - 31 Dec 25	1 Year			
		31 Dec 23 - 31 Dec 24	31 Dec 22 - 31 Dec 23	31 Dec 21 - 31 Dec 22	31 Dec 20 - 31 Dec 21
KKL2X	10.55%	27.58%	-2.34%	-6.83%	-7.56%
FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index	0.31%	22.54%	-7.30%	-12.22%	-9.83%

Source: Lipper

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

**KENANGA KLCI DAILY 2X LEVERAGED ETF**

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

**31 December 2025**

## **KENANGA KLCI DAILY 2X LEVERAGED ETF**

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**TRUSTEE'S REPORT  
TO THE UNIT HOLDERS OF KENANGA KLCI DAILY 2X LEVERAGED ETF ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 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 Exchange-traded 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 RHB TRUSTEES BERHAD  
[Company No.: 200201005356 (573019-U)]**

MOHD SOFIAN BIN KAMARUDDIN  
VICE PRESIDENT

LIM BEE FANG  
ASSISTANT VICE PRESIDENT

Kuala Lumpur, Malaysia

25 February 2026

## **Independent auditors' report to the unit holders of Kenanga KLCI Daily 2x Leveraged ETF**

### **Report on the audit of the financial statements**

#### *Opinion*

We have audited the financial statements of Kenanga KLCI Daily 2x Leveraged ETF (the "Fund"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 8 to 34.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2025, and of its financial performance and cash flows for the 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"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Fund for the current year. These matters were addressed in the context of our audit of the financial statements of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

## **Independent auditors' report to the unit holders of Kenanga KLCI Daily 2x Leveraged ETF (contd.)**

*Key audit matters (contd.)*

### Valuation, existence and measurement of investments

#### Description

The financial liabilities at fair value through profit or loss ("FVTPL") of the Fund as at 31 December 2025 comprise of listed KLCI Index futures derivatives valued at RM23,225, representing approximately (0.9%) of the total net asset value of the Fund. The net gain on the portfolio was RM230,504 for the financial year ended 31 December 2025.

The valuation, existence and measurement of the financial liabilities at FVTPL are the key drivers of the Fund's net asset value and investment return. Incorrect pricing of financial liabilities at FVTPL or improper monitoring of the total amount of open future contract positions by the Fund could have a significant impact on its net asset value and, therefore, the return generated for unit holders.

The Fund's accounting policy on the financial liabilities at FVTPL is included in Note 3(c), and its disclosures about the investments held at the reporting date are included in Notes 4 and 18 to the financial statements.

#### Our responses

Our audit work to address valuation, existence and measurement of the financial liabilities at FVTPL includes the following:

- Understanding processes and controls put in place by the Manager of the Fund ("the Manager") to assess compliance with relevant accounting standards by performing walkthrough procedures;
- Testing the valuation and measurement of the financial liabilities at FVTPL as at and for the financial year then ended by independently agreeing the price used in the valuation and settlement of the financial liabilities at FVTPL to the quoted price and multiplier effect as published by the relevant stock exchange;
- Obtaining confirmation of the existence, valuation and ownership of the financial liabilities at FVTPL as at the reporting date directly from the Fund's broker; and
- Reviewing the adequacy of the disclosures on the financial liabilities at FVTPL in the Fund's financial statements.

## **Independent auditors' report to the unit holders of Kenanga KLCI Daily 2x Leveraged ETF (contd.)**

### *Information other than the financial statements and auditors' report thereon*

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.

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 KLCI Daily 2x Leveraged ETF (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 KLCI Daily 2x Leveraged ETF (contd.)**

**Other matters**

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Exchange-traded 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  
25 February 2026

## **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 December 2025 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year then ended 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 **KLCI Daily 2x Leveraged ETF** as at 31 December 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

25 February 2026

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

	Note	2025 RM	2024 RM
<b>INVESTMENT INCOME</b>			
Interest income		43,091	43,917
Net gain from investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	230,504	474,525
		<u>273,595</u>	<u>518,442</u>
<b>EXPENSES</b>			
Manager's fee	5	10,640	10,725
Trustee's fee	6	851	922
Index license fee	7	1,149	1,158
Administration expenses	8	8,339	3,901
Brokerage and other transaction costs		9,963	9,759
		<u>30,942</u>	<u>26,465</u>
<b>NET INCOME BEFORE TAX</b>		242,653	491,977
Income tax	9	(4,462)	(3,646)
<b>NET INCOME AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		<u>238,191</u>	<u>488,331</u>
Net income after tax is made up as follows:			
Realised gain		272,191	468,981
Unrealised (loss)/gain	4	(34,000)	19,350
		<u>238,191</u>	<u>488,331</u>

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

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

	Note	2025 RM	2024 RM
<b>ASSETS</b>			
<b>INVESTMENTS</b>			
Financial assets at FVTPL	4	-	10,775
Short term deposits	10	856,000	854,000
		<u>856,000</u>	<u>864,775</u>
<b>OTHER ASSETS</b>			
Other receivables	11	3,136	1,779
Cash in margin account	12	1,658,535	1,386,158
Cash at bank		10,870	10,682
		<u>1,672,541</u>	<u>1,398,619</u>
<b>TOTAL ASSETS</b>		<u>2,528,541</u>	<u>2,263,394</u>
<b>LIABILITIES</b>			
Financial liabilities at FVTPL	4	23,225	-
Amount due to Index Provider		3,031	1,882
Amount due to Manager		1,425	1,322
Amount due to Trustee		188	611
Other payable		1,197	282
Tax payable		2,759	772
<b>TOTAL LIABILITIES</b>		<u>31,825</u>	<u>4,869</u>
<b>EQUITY</b>			
Unit holders' contribution		2,000,000	2,000,000
Retained earnings		496,716	258,525
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS</b>	13	<u>2,496,716</u>	<u>2,258,525</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>2,528,541</u>	<u>2,263,394</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	13(a)	<u>1,000,000</u>	<u>1,000,000</u>
<b>NAV PER UNIT (RM)</b>		<u>2.4967</u>	<u>2.2585</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 DECEMBER 2025**

	<b>Unit holders' contribution RM</b>	<b>Retained earnings RM</b>	<b>Total NAV RM</b>
<b>2025</b>			
At beginning of the financial year	2,000,000	258,525	2,258,525
Total comprehensive income	-	238,191	238,191
At end of the financial year	<u>2,000,000</u>	<u>496,716</u>	<u>2,496,716</u>
<b>2024</b>			
At beginning of the financial year	2,000,000	(229,806)	1,770,194
Total comprehensive income	-	488,331	488,331
At end of the financial year	<u>2,000,000</u>	<u>258,525</u>	<u>2,258,525</u>

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

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

	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net gain from financial assets at FVTPL	264,504	455,176
Interest received	41,734	43,256
Reimbursable expenses received from Manager	5,940	34,509
Trustee's fee paid	(1,274)	(431)
Brokerage fee paid to financial institution	(9,963)	(9,759)
Manager's fee paid	(10,537)	(10,513)
Payment for other fees and expenses	(13,364)	(13,242)
Deposits to margin account	(272,377)	(464,331)
Cash generated from operating and investing activities	<u>4,663</u>	<u>34,665</u>
Income tax paid	(2,475)	(4,359)
Net cash generated from operating and investing activities	<u>2,188</u>	<u>30,306</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	2,188	30,306
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>864,682</u>	<u>834,376</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>866,870</u>	<u>864,682</u>
Cash and cash equivalents comprise:		
Cash at bank	10,870	10,682
Short term deposits	856,000	854,000
	<u>866,870</u>	<u>864,682</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

### **1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Kenanga KLCI Daily 2x Leveraged ETF (the “Fund”) was constituted pursuant to the executed Deed dated 4 September 2019 (collectively, together with deeds supplemental thereto, referred to as the “Deed”) between Kenanga Investors Berhad (the “Manager”) and RHB Trustees Berhad (the “Trustee”). On 13 July 2023, the First Supplemental Deed was entered between the Manager and the Trustee to modify the Principal Deed in order to incorporate recent changes to the relevant laws. The Fund commenced operations on 20 December 2019 and will continue to be in operation until terminated as provided under Clause 26 of the Deed.

The Fund is listed on the Main Market of Bursa Malaysia Securities Berhad from 13 January 2020 and aims to provide daily performance, before fees and expenses, which closely corresponds to the daily performance of the benchmark, the FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index, as provided by FTSE International Limited (the “Index Provider”). The Manager intends to adopt a futures-based replication investment strategy to achieve the investment objective of the Fund.

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 financial statements were authorised for issue by the Chief Executive Officer of the Manager on 25 February 2026.

### **2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk and price risk), credit risk and liquidity 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 an 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.

#### **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 and price risk.

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

### a. Market risk (contd.)

Market risk arises when the value of the 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 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 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 performance of Fund's investments. Rate offered by the financial institutions will fluctuate according to the Overnight Policy Rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investments in short term deposits.

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

#### Interest rate risk exposure

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

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective interest rate* %
<b>2025</b>				
<b>Assets</b>				
Short term deposits	856,000	-	856,000	2.7
Other financial assets	-	1,672,541	1,672,541	
	<u>856,000</u>	<u>1,672,541</u>	<u>2,528,541</u>	

\* Calculated based on assets with exposure to interest rate movement only.

## 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 interest rate* %
<b>2025 (contd.)</b>				
<b>Liabilities</b>				
Financial liabilities at FVTPL	-	23,225	23,225	
Other financial liabilities	-	4,644	4,644	
	<u>-</u>	<u>27,869</u>	<u>27,869</u>	
<b>Total interest rate sensitivity gap</b>	<u>856,000</u>	<u>1,644,672</u>	<u>2,500,672</u>	
<b>2024</b>				
<b>Assets</b>				
Financial assets at FVTPL	-	10,775	10,775	
Short term deposits	854,000	-	854,000	3.0
Other financial assets	-	1,398,619	1,398,619	
	<u>854,000</u>	<u>1,409,394</u>	<u>2,263,394</u>	
<b>Liabilities</b>				
Other financial liabilities	-	3,815	3,815	
<b>Total interest rate sensitivity gap</b>	<u>854,000</u>	<u>1,405,579</u>	<u>2,259,579</u>	

\* Calculated based on assets with exposure to interest rate movement only.

#### ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed derivatives. The Fund invests in listed derivatives which are exposed to price fluctuations. This may then affect the NAV of the Fund.

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

### a. Market risk (contd.)

#### ii. Price risk (contd.)

##### Price risk sensitivity

The Manager's best estimate of the effect on the income for the financial year due to a reasonably possible change in investments in listed derivatives with all other variables held constant is indicated in the table below:

	<b>Changes in price Increase/(Decrease) Basis points</b>	<b>Effects on income for the financial year Gain/(Loss) RM</b>
<b>2025</b>		
Financial assets at FVTPL	5/(5)	2,482/(2,482)
<b>2024</b>		
Financial liabilities at FVTPL	5/(5)	2,258/(2,258)

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 financial instruments as at the reporting date.

	<b>Fair value</b>		<b>Percentage of NAV</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 %</b>	<b>2024 %</b>
Financial (liabilities)/assets at FVTPL	(23,225)	10,775	(0.9)	0.5

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

### 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.

#### iii. Credit quality of financial assets

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

##### Short term deposits

Rating	Percentage of total short term deposits		Percentage of NAV	
	2025	2024	2025	2024
	RM	RM	%	%
P1/MARC-1	100.0	100.0	34.2	37.8

As the Fund invests in listed derivatives, the cash in margin account represents margin deposits held in respect of the open exchange-traded futures contracts. The following table analyses of these financial assets by rating category:

##### Cash in margin account

Rating	Percentage of total cash in margin account		Percentage of NAV	
	2025	2024	2025	2024
	RM	RM	%	%
Not rated	100.0	100.0	66.4	61.4

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

### 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 liquid assets comprise cash at bank, short term deposits with licensed financial institutions and other 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
<b>2025</b>				
<b>Assets</b>				
Short term deposits		-	856,000	856,000
Other financial assets		-	3,136	3,136
Cash at bank		10,870	-	10,870
Cash in margin account		1,658,535	-	1,658,535
	i.	<u>1,669,405</u>	<u>859,136</u>	<u>2,528,541</u>
<b>Liabilities</b>				
Financial liabilities at				
FVTPL		-	23,225	23,225
Other financial liabilities		-	4,644	4,644
	ii.	<u>-</u>	<u>27,869</u>	<u>27,869</u>
Equity	iii.	<u>-</u>	<u>2,496,716</u>	<u>2,496,716</u>
Liquidity gap		<u>1,669,405</u>	<u>(1,665,449)</u>	<u>3,956</u>

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

### c. Liquidity risk (contd.)

	Note	No maturity RM	Up to 1 year RM	Total RM
<b>2024</b>				
<b>Assets</b>				
Financial assets at FVTPL		-	10,775	10,775
Short term deposits		-	854,000	854,000
Other financial assets		-	1,779	1,779
Cash at bank		10,682	-	10,682
Cash in margin account		1,386,158	-	1,386,158
	i.	<u>1,396,840</u>	<u>866,554</u>	<u>2,263,394</u>
<b>Liabilities</b>				
Other financial liabilities	ii.	-	3,815	3,815
Equity	iii.	-	2,258,525	2,258,525
Liquidity gap		<u>1,396,840</u>	<u>(1,395,786)</u>	<u>1,054</u>

#### 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. In the previous financial year, the Fund's investments in listed derivatives have been included in the "up to 1 year" category on the assumption that these are highly liquid 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 period 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

Analysis of financial liabilities at FVTPL into maturity groupings is based on the expected date on which these liabilities will be realised. The Fund's investments in listed derivatives have been included in the "up to 1 year" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unit holders' equity be required to be redeemed. For other financial liabilities, the analysis into 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”. As a result, it appears that the Fund has a liquidity gap within “up to 1 year”. However, the Fund believes that it would be able to liquidate its investments should the need arises to satisfy all the redemption requirements.

### d. Regulatory reportings

It is the Manager’s responsibility to ensure full compliance of all requirements under the Guidelines on Exchange-traded 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 quarterly 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 year except for the adoption of the amended MFRS, which became effective for the Fund on 1 January 2025.

<b>Description</b>	<b>Effective for financial periods beginning on or after</b>
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025

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

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### 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.

<b>Description</b>	<b>Effective for financial periods beginning on or after</b>
Amendments that are part of Annual Improvements—Volume 11: <i>Amendments to MFRS 1, 7, 9, 10 and 107</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Withdrawal of MFRS 101: <i>Presentation of Financial Statements</i>	1 January 2027
Amendments to MFRS 121: <i>Translation to a Hyperinflationary Presentation Currency</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, except for MFRS 18. The Fund is still assessing the impact of the adoption of the standard.

#### 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).

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### c. Financial instruments (contd.)

##### i. 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 deposits, trade receivables and other receivables.

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 interest rate ("EIR"). 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 deposits, trade receivables and other receivables at amortised cost

The Fund only measures the cash at banks, short term 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 interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### c. Financial instruments (contd.)

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

###### **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
- 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 SPPI test**

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

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **c. Financial instruments (contd.)**

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

###### **The SPPI test (contd.)**

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI 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 interest 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 lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest 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 SPPI 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.

#### **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.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### d. Derecognition of financial assets (contd.)

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 lent plus accrued interest 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 interest 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.

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.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **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.

#### **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.

Interest income is recognised using the effective interest method.

The realised gain or loss on sale of investments is measured as the difference between the net disposal proceeds and the carrying amount of the 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 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 comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year.

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

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **j. Unrealised reserves**

Unrealised reserves represent the net gain or loss arising from carrying investments at their fair values 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.

#### **l. 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.

#### **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.

##### **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 (LIABILITIES)/ASSETS AT FVTPL

The Fund invests in listed derivatives – KLCI futures contracts. Futures contracts are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash.

	2025 RM	2024 RM
Financial (liabilities)/assets held for trading, at FVTPL:		
Listed derivatives - KLCI futures contracts	<u>(23,225)</u>	<u>10,775</u>
Net gain on financial (liabilities)/assets at FVTPL comprised:		
Realised gain on disposals	264,504	455,175
Unrealised changes in fair values	<u>(34,000)</u>	<u>19,350</u>
	<u>230,504</u>	<u>474,525</u>

There were 59 futures contracts with notional principal amount of RM4,963,375 that remain outstanding as at 31 December 2025 (2024: 55 futures contracts with notional principal amount of RM4,515,000).

#### 5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate not exceeding 3.00% per annum of the NAV of the Fund as provided under Division 15.1 of the Deed.

The Manager is currently calculated at 0.50% per annum of the NAV of the Fund (2024: 0.50% 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 as provided under Division 15.2 of the Deed.

The Trustee's fee is currently calculated at 0.04% per annum of the NAV of the Fund (2024: 0.04% per annum).

#### 7. INDEX LICENSE FEE

The index license fee is calculated based on the NAV accrued daily for every quarter and is payable to the Index Provider.

The index license fee is currently calculated at 0.05% per annum of the NAV of the Fund (2024: 0.05% per annum).

## 8. AUDITORS' REMUNERATION, TAX AGENT'S FEE AND ADMINISTRATION EXPENSES

The auditors' remuneration, tax agent's fee and certain other administration expenses for the current and previous financial years were borne by the Manager.

## 9. INCOME TAX

	2025 RM	2024 RM
Malaysian income tax:		
- Current year charge	4,249	4,440
- Under/(over) provision in prior financial year	213	(794)
	<u>4,462</u>	<u>3,646</u>

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

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.

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:

	2025 RM	2024 RM
Net income before tax	<u>242,653</u>	<u>491,977</u>
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	58,237	118,074
Tax effect of:		
Income not subject to tax	(69,215)	(119,728)
Losses not deductible for tax purposes	8,160	-
Expenses not deductible for tax purposes	3,833	3,778
Restriction on tax deductible expenses for exchange-traded fund	3,234	2,316
Under/(over) provision in prior financial year	213	(794)
Income tax for the financial year	<u>4,462</u>	<u>3,646</u>

## 10. SHORT TERM DEPOSITS

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

## 11. OTHER RECEIVABLES

	2025 RM	2024 RM
Interest receivable from short term deposits	63	69
Interest receivable from margin account	3,073	1,710
	<u>3,136</u>	<u>1,779</u>

## 12. CASH IN MARGIN ACCOUNT

Cash in margin account represents margin deposits held in respect of the open exchange-traded futures contracts.

## 13. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	2025 RM	2024 RM
Unit holders' contribution	(a)	<u>2,000,000</u>	<u>2,000,000</u>
<u>Retained earnings:</u>			
Realised reserves		519,941	247,750
Unrealised (deficits)/reserves		<u>(23,225)</u>	<u>10,775</u>
		<u>496,716</u>	<u>258,525</u>
		<u>2,496,716</u>	<u>2,258,525</u>

### (a) Unit holders' contribution

	2025		2024	
	No. of units	RM	No. of units	RM
At beginning/end of the financial year	<u>1,000,000</u>	<u>2,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>

The Manager, Kenanga Investors Berhad, did not hold any units in the Fund, either legally or beneficially, as at 31 December 2025 (2024: nil). The number of units legally or beneficially held by the other parties related to the Manager were 955,600 units valued at RM2,385,847 as at 31 December 2025 (2024: 874,600 units valued at RM1,975,284).

#### 14. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial year is 24.64 times (2024: 24.38 times).

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

#### 15. TOTAL EXPENSE RATIO ("TER")

TER for the financial year is 0.98% per annum (2024: 0.77% 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

	<b>Transaction value RM</b>	<b>Percentage of total %</b>	<b>Brokerage, stamp duty and clearing fee RM</b>	<b>Percentage of total %</b>
Kenanga Futures Sdn Bhd*	<u>104,881,350</u>	<u>100.0</u>	<u>9,963</u>	<u>100.0</u>

\* Kenanga Futures Sdn Bhd is a related party of Kenanga Investors Berhad.

The above transaction values are in respect of listed derivatives (future contracts).

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, up to 70% of the Fund's NAV is to be committed as margin for futures contracts with the remaining balance in other liquid assets. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

	<b>Listed derivatives RM</b>	<b>Other investments RM</b>	<b>Total RM</b>
<b>2025</b>			
<b>Revenue</b>			
Segment income	249,703	23,892	
Segment expenses	(9,963)	-	
Net segment income			
representing segment results	<u>239,740</u>	<u>23,892</u>	263,632
Unallocated expenditure			<u>(20,979)</u>
Income before tax			242,653
Income tax			<u>(4,462)</u>
Net income after tax			<u>238,191</u>
<b>Assets</b>			
Short term deposits	-	856,000	
Cash in margin account	1,658,535	-	
Other segment assets	<u>3,073</u>	<u>63</u>	
Total segment assets	<u>1,661,608</u>	<u>856,063</u>	2,517,671
Unallocated assets			<u>10,870</u>
			<u>2,528,541</u>
<b>Liabilities</b>			
Financial liabilities at FVTPL	<u>23,225</u>	-	23,225
Unallocated liabilities			<u>8,600</u>
			<u>31,825</u>
<b>2024</b>			
<b>Revenue</b>			
Segment income	494,098	24,344	
Segment expenses	(9,759)	-	
Net segment income			
representing segment results	<u>484,339</u>	<u>24,344</u>	508,683
Unallocated expenditure			<u>(16,706)</u>
Income before tax			491,977
Income tax			<u>(3,646)</u>
Net income after tax			<u>488,331</u>

## 17. SEGMENTAL REPORTING (CONTD.)

### a. Business segments (contd.)

	Listed derivatives RM	Other investments RM	Total RM
<b>2024 (contd.)</b>			
<b>Assets</b>			
Financial assets at FVTPL	10,775	-	
Short term deposits	-	854,000	
Cash in margin account	1,386,158	-	
Other segment assets	1,710	69	
Total segment assets	<u>1,398,643</u>	<u>854,069</u>	2,252,712
Unallocated assets			<u>10,682</u>
			<u>2,263,394</u>
<b>Liabilities</b>			
Unallocated liabilities			<u>4,869</u>

### b. Geographical segments

As all of the Fund's investments are located in Malaysia, disclosure by geographical segments is not relevant.

## 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 significant accounting policies 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.

## 18. FINANCIAL INSTRUMENTS (CONTD.)

### a. Classification of financial instruments (contd.)

	Financial (liabilities)/ assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
<b>2025</b>				
<b>Assets</b>				
Short term deposits	-	856,000	-	856,000
Other receivables	-	3,136	-	3,136
Cash in margin account	-	1,658,535	-	1,658,535
Cash at bank	-	10,870	-	10,870
	-	2,528,541	-	2,528,541
<b>Liabilities</b>				
Listed derivatives	23,225	-	-	23,225
Amount due to Index Provider	-	-	3,031	3,031
Amount due to Manager	-	-	1,425	1,425
Amount due to Trustee	-	-	188	188
	23,225	-	4,644	27,869
<b>2024</b>				
<b>Assets</b>				
Listed derivatives	10,775	-	-	10,775
Short term deposits	-	854,000	-	854,000
Other receivables	-	1,779	-	1,779
Cash in margin account	-	1,386,158	-	1,386,158
Cash at bank	-	10,682	-	10,681
	10,775	2,252,619	-	2,263,394
<b>Liabilities</b>				
Amount due to Index Provider	-	-	1,882	1,882
Amount due to Manager	-	-	1,322	1,322
Amount due to Trustee	-	-	611	611
	-	-	3,815	3,815

## 18. FINANCIAL INSTRUMENTS (CONTD.)

### b. Financial instruments that are carried at fair value

The Fund's financial (liabilities)/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
<b>Investments:</b>				
<b>2025</b>				
Listed derivatives	(23,225)	-	-	(23,225)
<b>2024</b>				
Listed derivatives	10,775	-	-	10,775

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

The fair values of listed derivatives are determined by reference to Bursa Malaysia Securities Berhad's market closing prices 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:

- To invest in investments meeting the description, risk exposure and expected return indicated in its prospectus;
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- 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 and previous financial years.

## DIRECTORS' PROFILE

<b>Name</b>	<b>Choi Khai Choon, Steven</b>
<b>Age</b>	68
<b>Gender</b>	Male
<b>Nationality</b>	Malaysian
<b>Position</b>	Chairman / Non-Independent Non-Executive Director ("NINED")
<b>Date of Appointment</b>	1 April 2023
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	<ul style="list-style-type: none"> <li>• Kenanga Investment Bank Berhad ("KIBB")</li> <li>• Zurich Life Insurance Malaysia Berhad</li> <li>• Zurich General Insurance Malaysia Berhad</li> <li>• Hap Seng Plantation Holdings Berhad</li> </ul>
<b>Length of Tenure as Director</b> (As at 31 December 2025)	Two (2) Years and Eight (8) Months
<b>Number of Board Meetings Attended in the Financial Year</b> (1 January 2025 to 31 December 2025)	Eight (8) / Eight (8) (100%)
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Master in Business Administration, Oklahoma University, USA</li> <li>• Bachelor Degree in Commerce, University New South Wales, Australia</li> <li>• Attended the General Management Programme, INSEAD, France</li> <li>• Fellow Member, Certified Practising Accountant, Australia</li> <li>• Member, Malaysian Institute of Accountants</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• NINED of KIBB</li> <li>• Member the Group Governance, Nomination &amp; Compensation Committee, KIBB</li> <li>• Member of the Group Board Risk Committee of KIBB</li> <li>• Member of the Group Board Digital Innovation &amp; Technology Committee of KIBB</li> <li>• Chairman/ NINED of Zurich Life Insurance Malaysia Berhad ("Zurich Life Insurance"), a Member of the Audit Committee ("AC"), Board Investment Committee, Risk Management and Sustainability Committee, and Nomination and Remuneration ("NRC") Committee of Zurich Life Insurance</li> <li>• Chairman/ NINED of Zurich General Insurance Malaysia Berhad ("Zurich General Insurance"), a Member of the AC, Board Investment Committee, Risk Management and Sustainability Committee and NRC of Zurich General Insurance</li> </ul>

<b>Present Appointments (contd.)</b>	<ul style="list-style-type: none"> <li>• Independent Non-Executive Director (“INED”) of Hap Seng Plantations Holdings Berhad (“HSP”) and a member of the AC of HSP</li> <li>• NINED Chairman of Asian Banking School Sdn Bhd</li> <li>• Non-Executive Director of Bond &amp; Sukuk Information Platform Sdn Bhd</li> <li>• Authority Member and Chairman of the Audit Risk Management Committee of the Labuan Financial Services Authority (“LFSA”)</li> <li>• Chairman of the Board of LIBFC Incorporated Sdn Bhd, a marketing arm of LFSA.</li> </ul>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Senior INED, the Chairman of the Board AC and a Member of the NRC of Malaysia Marine and Heavy Engineering Holding Berhad</li> <li>• Public Interest Director, the Chairman of the NRC and the Chairman of the Private Retirement Scheme Sub-Committee of Federation of Investment Managers Malaysia</li> <li>• Deputy Chairman/INED and the Chairman of the AC and the NRC, of Deutsche Bank (Malaysia) Berhad</li> <li>• President/Chief Executive Officer (“CEO”) of Cagamas Berhad</li> <li>• Senior General Manager of RHB Banking Group</li> <li>• CEO of Morley Fund Management Ltd, Singapore</li> <li>• Regional Finance &amp; Planning Director, Asia of Aviva Insurance Asia Ltd</li> <li>• General Manager (“GM”) and Assistant GM of Commercial Union Assurance Berhad</li> <li>• Senior Manager, Strategic Planning and Manager, Commercial Division of Credit Corporation Malaysia Berhad</li> <li>• Operations Manager of Pizza Hut Division of Ben &amp; Company Ltd</li> <li>• Liaison Officer of Clark Credit Equipment Ltd, Sydney, Australia</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences</b>	Nil

<b>Name</b>	<b>Norazian Binti Ahmad Tajuddin</b>
<b>Age</b>	65
<b>Gender</b>	Female
<b>Nationality</b>	Malaysian
<b>Position</b>	Independent Non-Executive Director ("INED")
<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>• 1 November 2022 (INED)</li> <li>• 1 November 2025 (Redesignated as Chairman)</li> </ul>
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	<ul style="list-style-type: none"> <li>• Kenanga Investment Bank Berhad ("KIBB")</li> <li>• Kenanga Investors Berhad ("KIB")</li> <li>• Kenanga Islamic Investors Berhad ("KIIB")</li> </ul>
<b>Length of Tenure as Director</b> (As at 31 December 2025)	Three (3) Years and Two (2) Months
<b>Number of Board Meetings Attended in the Financial Year</b> (1 January 2025 to 31 December 2025)	Five (5) / Five (5) (100%)
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Bachelor of Science (Honours) in Mathematics from the University of Leeds, United Kingdom</li> <li>• Master of Business Administration (Finance) from the Edith Cowan University, Australia</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• INED of KIBB</li> <li>• Member of the Group Governance, Nomination &amp; Compensation Committee, KIBB</li> <li>• Chairman of the Group Board Risk Committee, KIBB</li> <li>• Member of the Audit Committee, KIBB</li> <li>• Member of the Employees' Share Scheme Committee, KIBB</li> <li>• INED of KIB</li> <li>• INED of KIIB</li> <li>• Member of the Investment Committee, KIB</li> <li>• Member of the Audit and Risk Committee, KIB</li> </ul>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Chairman of the Board of KIB</li> <li>• Chairman of the Group Governance, Nomination &amp; Compensation Committee and the Employees' Share Scheme Committee, as well as Member of the Group Board Digital Innovation &amp; Technology Committee, KIBB</li> <li>• Chairman and INED of Pacific &amp; Orient Insurance Co. Berhad ("POI"), a subsidiary of Pacific &amp; Orient Berhad</li> <li>• Member of the Nomination Committee, Remuneration Committee, Audit Committee and Risk Management Committee of POI</li> <li>• Non-Independent Non-Executive Director and Member of the Risk Management Committee and Nomination &amp; Remuneration Committee of Prudential BSN Takaful Bhd</li> <li>• Deputy Chief Executive Officer of Bank Simpanan Nasional Berhad</li> </ul>

<b>Past Relevant Experiences (contd.)</b>	<ul style="list-style-type: none"> <li>• Manager, Treasury of Daimlerchrysler (M) Sdn Bhd</li> <li>• Assistant General Manager, Treasury of KAF Discount Bhd</li> <li>• Deputy Chief Operating Officer, Group Treasury &amp; International Banking of EON Bank Berhad Group</li> <li>• Senior Dealer, Treasury of Bank Bumiputra (M) Bhd</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences</b>	Nil

<b>Name</b>	<b>Norazilla Binti Md Tahir</b>
<b>Age</b>	59
<b>Gender</b>	Female
<b>Nationality</b>	Malaysian
<b>Position</b>	Independent Non-Executive Director ("INED")
<b>Date of Appointment</b>	1 August 2024
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	<ul style="list-style-type: none"> <li>• Kenanga Investors Berhad ("KIB")</li> <li>• Citibank Bank Berhad ("Citibank")</li> <li>• Genting Malaysia Berhad ("Genting Malaysia")</li> </ul>
<b>Length of Tenure as Director (As at 31 December 2025)</b>	One (1) Year Four (4) Months
<b>Number of Board Meetings Attended in the Financial Year (1 January 2025 to 31 December 2025)</b>	Five (5) / Five (5) (100%)
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Bachelor of Arts (Honours) in Accountancy, University of Stirling, Scotland, United Kingdom</li> <li>• Fellow Chartered Accountant, Institute of Chartered Accountants in England and Wales, United Kingdom</li> <li>• Chartered Accountant, Malaysian Institute of Accountants, Malaysia</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• INED of KIB</li> <li>• Chairman of the Audit and Risk Committee of KIB</li> <li>• Member of the Investment Committee of KIB</li> <li>• INED of Citibank</li> </ul>

<b>Present Appointments (contd.)</b>	<ul style="list-style-type: none"> <li>• Chairman of the Audit Committee (“AC”) of Citibank</li> <li>• Member of the Nominations and Compensation Committee of Citibank</li> <li>• Member of the Risk Management Committee (“RMC”) of Citibank</li> <li>• INED of Genting Malaysia</li> <li>• Member of AC, RMC and Remuneration Committee of Genting Malaysia</li> </ul>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• INED of Bank Pembangunan Malaysia Berhad</li> <li>• INED of Global Maritime Ventures Berhad</li> <li>• INED of BI Credit &amp; Leasing Berhad</li> <li>• INED of Pembangunan Leasing Corporation Sdn Bhd</li> <li>• INED of PLC Credit &amp; Factoring Sdn Bhd</li> <li>• INED of Etiqa Life Insurance Berhad</li> <li>• INED of Amanah Raya Berhad</li> <li>• INED AmanahRaya Trustees Berhad</li> <li>• Chief Financial Officer (“CFO”) of Cagamas Berhad</li> <li>• Head of Finance of RHB Islamic Bank Berhad</li> <li>• CFO of Scomi Marine Berhad</li> <li>• Head of Finance of Asian Finance Bank Berhad</li> <li>• CFO of Al Rajhi Banking &amp; Investment Corporation (Malaysia)</li> <li>• Finance Director of Universal Music Sdn Bhd</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences</b>	Nil

<b>Name</b>	<b>Irene Cheng May May</b>
<b>Age</b>	44
<b>Gender</b>	Female
<b>Nationality</b>	Malaysian
<b>Position</b>	Independent Non-Executive Director (“INED”)
<b>Date of Appointment</b>	17 November 2025
<b>Membership of Board Committee(s)</b>	<ul style="list-style-type: none"> <li>• Member of the Audit and Risk Committee</li> <li>• Member of the Investment Committee</li> </ul>
<b>Directorship of Other Public Companies</b>	Nil
<b>Length of Tenure as Director (As at 31 December 2025)</b>	One (1) month

<b>Number of Board Meetings Attended in the Financial Year</b> (1 January 2025 to 31 December 2025)	One (1)/ One (1) (100%)
<b>Academic Qualifications</b>	Bachelor of Laws (LLB) from the University of Wales, Cardiff, United Kingdom
<b>Present Appointments</b>	Nil
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Chief Compliance Officer, Zurich Insurance Malaysia Berhad</li> <li>• Head of Compliance, AXA AFFIN Life Insurance</li> <li>• Head of Enterprise Risk Management (“ERM”), Etiqa Insurance Berhad.</li> <li>• Head of Risk Management, AmMetlife Berhad</li> <li>• Vice President Compliance, HSBC Amanah Takaful Berhad</li> <li>• Compliance Manager, ERM, ING Insurance Berhad</li> <li>• Compliance Officer at Allianz Life Insurance Berhad.</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences</b>	Nil

<b>Name</b>	<b>Datuk Wira Ismitz Matthew De Alwis</b>
<b>Age</b>	51
<b>Gender</b>	Male
<b>Nationality</b>	Malaysian
<b>Position</b>	Executive Director / Chief Executive Officer
<b>Date of Appointment</b>	12 August 2014
<b>Membership of Board Committee(s)</b>	Member of the Investment Committee (“IC”)
<b>Directorship of Other Public Companies</b>	<ul style="list-style-type: none"> <li>• Kenanga Islamic Investors Berhad (“KIIB”)</li> <li>• Kenanga Trustees Berhad (Formerly Known as Kenanga Fund Berhad) (“KTB”)</li> <li>• Federation of Investment Managers Malaysia (“FIMM”)</li> </ul>
<b>Length of Tenure as Director</b> (As at 31 December 2025)	Eleven (11) Years and Four (4) Months
<b>Number of Board Meetings Attended in the Financial Year</b> (1 January 2025 to December 2025)	Eight (8) / Eight (8) (100%)

<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Islamic Financial Planner, Islamic Business &amp; Finance Institute Malaysia</li> <li>• Cambridge Summer School Programme-Executive Programme, Asian Banking School, University of Cambridge</li> <li>• Advanced Business Management Program, International Institute of Management Development, Lausanne, Switzerland</li> <li>• Capital Markets Services Representative's Licence for Fund Management, Securities Commission Malaysia</li> <li>• Certified Financial Planner, U.S.</li> <li>• Person Dealing Unit Trust, Federation of Malaysian Unit Trust Manager</li> <li>• Master in Business Administration with Distinction, Southern Cross University Australia</li> <li>• Graduate Diploma in Marketing (UK), Chartered Institute of Marketing, United Kingdom</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• Non-Executive Director of Eq8 Capital Sdn Bhd</li> <li>• Non-Executive Director of KIIB</li> <li>• Non-Executive Director of KTB</li> <li>• Non-Executive Director of KUT Nominees (Asing) Sdn Bhd</li> <li>• Non-Executive Director of KUT Nominees (Tempatan) Sdn Bhd</li> <li>• Non-Executive Director of Kenanga Digital Sdn Bhd</li> <li>• Non-Executive Director of Helicap Pte Ltd</li> <li>• Board Member of FIMM</li> <li>• Chairperson of the Malaysia Association of Asset Managers (MAAM)</li> <li>• Vice Chairman of the Institutional Investors Council Malaysia (IIC)</li> <li>• Member of Securities Market Consultative Panel, Bursa Malaysia Berhad</li> <li>• Member of the Joint Committee (Bank Negara Malaysia and Securities Commission Malaysia) on Climate Change (JC3)</li> <li>• Member of the Sustainable Investment Platform Steering Committee – Malaysia Sustainable Investment Initiative</li> <li>• Member of the Industry Competency Framework Advisory Panel for the Malaysian Capital Market, Security Industry Development Corporation</li> <li>• Member of the Licensing Examinations Review Committee for the Securities Commission Malaysia's Licensing Examination Module 10: Asset &amp; Funds Management</li> <li>• Investment Adviser for the Olympic Council of Malaysia's Trust Management Committee</li> <li>• Chairman of the Investment Advisory Committee for Ericsenz Capital Pte Ltd (Singapore) on Ericsenz-K2 Global Unicorn Fund II</li> <li>• Chairman of the Investment Advisory Committee for Ericsenz Capital Pte Ltd (Singapore) on Ericsenz Frontier Fund</li> <li>• Member of the Capital Market Graduate Programme Steering Committee</li> </ul>

<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• President of the Board of Governors for the Financial Planning Association of Malaysia</li> <li>• Member of the FTSE Bursa Malaysia Index Advisory Committee</li> <li>• Investment Adviser to Kebawah Duli Yang Teramat Mulia Tengku Mahkota Pahang Children Trust</li> <li>• Non-Executive Director of Libra Invest Berhad (“LIB”)</li> <li>• Member of the IC of LIB</li> <li>• Deputy Chief Executive Officer of KIB</li> <li>• Executive Director/Country Head of ING Investment Management Malaysia/ ING Funds Berhad</li> <li>• Senior Vice President, Head, Business Development of ING Funds Berhad</li> <li>• Vice President-Head, Retail Distribution of ING Funds Berhad</li> <li>• Assistant Vice President – Head, Agency Channel of ING Funds Berhad</li> <li>• Senior Manager – Marketing and Business Development of ING Insurance Berhad/ING Funds Berhad</li> <li>• Head Sales &amp; Marketing of MBF Unit Trust Management Berhad</li> <li>• Senior Manager, Investment Services of MBF Cap/MBF Asset Management</li> <li>• Asia Pacific Relationship Manager/ Account Director of ARA (Asia Research &amp; Consultancy) Consultancy Ltd</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences</b>	Nil

## DIRECTORS' TRAINING

Director	Program Title and Organiser	Date
<b>Choy Khai Choon, Steven</b>	Special Lecture: How Global Events Will Effect the Outlook for the Financial Industry in 2025 - FIDE FORUM	19 February 2025
	Directors' In-House Training: E-Invoice Awareness Briefing by PWC	14 March 2025
	Asean Investment Conference 2025 by Securites Commission Malaysia	8 - 9 April 2025
	E-Invoice - Service Tax Impact on Independent Directors - FIDE FORUM	15 April 2025
	Webinar on Tariffs, Contracts & Risks by Malaysian Institute of Corporate Governance ("MICG")	18 April 2025
	Sasana Symposium 2025 'Structural Reforms: Building a Resilient Malaysia - Bank Negara Malaysia	17 - 18 June 2025
	Directors' In-House Training: Boardroom Accountability in AML/ CFT/ CPF: Navigating Malaysia's Evolving Regulatory Landscape and Risk Environment by Mr. Aazad Ananthan Abdullah of Symphony Digest	4 July 2025
	MyFintech Week 2025 Ideate, Innovate, Co-Create: Shapping the Future of Finance (Main Event) - Collaboration between Securities Commission Malaysia, Asian Institute of Chartered Bankers ("AICB") Fintech Association of Malaysia and Malaysia Digital Economy Corporation.	4 - 7 August 2025
	Directors' In-House Training: ESG - Just Transition for Board Leadership by Margie Ong, Thoughts In Gear; and Lim Wei Ren, Eastsprings Investments	8 August 2025
	Directors' In-House Training: Ensign Cyber Threat Landscape Report 2025 by Ensign Malaysia Sdn Bhd	3 October 2025
Singapore Fintech Festival 2025 ("SFF 2025")	12 - 14 November 2025	
<b>Norazian Binti Ahmad Tajuddin</b>	Board Leadership Workshop: Board's role in Digital Transformation: Putting Words into Action by FIDE FORUM	18 February 2025
	Special Lecture: How Global Events Will Effect the Outlook for the Financial Industry in 2025 - FIDE FORUM	19 February 2025

Director	Program Title and Organiser	Date
<b>Norazian Binti Ahmad Tajuddin (contd.)</b>	Directors' In-House Training: E-Invoice Awareness Briefing by PWC	14 March 2025
	National Climate Governance Summit 2025 by Climate Governance Malaysia	7 - 8 April 2025
	Tokenising Financial Assets: What Financial Leaders Needs to Know Today by FIDE FORUM	29 April 2025
	Compliance with Listing Requirements - Reporting of Financial Statements by CKM Advisory organised by Kenanga Group Training department	28 May 2025
	Sasana Symposium 2025 'Structural Reforms: Building a Resilient Malaysia - Bank Negara Malaysia ("BNM")	17 - 18 June 2025
	BNM Sasana Symposium - Walkthrough on Climate Risk, Stress Testing & Scenario Analysis - Risk Management of KIBB	17 June 2025
	AI's Next Wave: Chips, Code and Localisation by FIDE FORUM	20 June 2025
	ICDM Advocacy : E-invoicing for Directors - MyInvois & MyTax Portal Walkthrough with EY	26 June 2025
	Directors' In-House Training: Boardroom Accountability in AML/ CFT/ CPF: Navigating Malaysia's Evolving Regulatory Landscape and Risk Environment by Mr. Aazad Ananthan Abdullah of Symphony Digest	4 July 2025
	MyFintech Week 2025 Ideate, Innovate, Co-Create: Shapping the Future of Finance (Main Event) - Collaboration between Securities Commission Malaysia, Asian Institute of Chartered Bankers ("AICB") Fintech Association of Malaysia and Malaysia Digital Economy Corporation.	4 - 7 August 2025
	Directors' In-House Training: ESG - Just Transition for Board Leadership by Margie Ong, Thoughts In Gear; and Lim Wei Ren, Eastsprings Investments	8 August 2025
	Carbon Markets and Transition Credits by Climate Governance Malaysia Roundtable Series 2025	2 October 2025
Directors' In-House Training: Ensign Cyber Threat Landscape Report 2025 by Ensign Malaysia Sdn Bhd	3 October 2025	

Director	Program Title and Organiser	Date
<b>Norazian Binti Ahmad Tajuddin (contd.)</b>	Blended Finance Access by Climate Governance Malaysia Roundtable Series 2025	13 October 2025
	Principle to Action: Shaping Malaysia's just transition by Climat Governance Malaysia Roundtable Series 2025	14 October 2025
	Navigating Shareholder Expectations: Remuneration Sentiment Insights In Malaysian Financial Institutions co-hosted by FIDE FORUM and Deloitte	24 October 2025
	Audit Oversight Board's Conversation with Audit Committees by Securities Commission Malaysia ("SC")	25 November 2025
<b>Norazilla Binti Md Tahir</b>	Board Leadership Workshop: Board's role in Digital Transformation: Putting Words into Action by FIDE FORUM	18 February 2025
	Special Lecture: How Global Events Will Effect the Outlook for the Financial Industry in 2025 - FIDE FORUM	19 February 2025
	E-Invoice - Service Tax Impact on Independent Directors - FIDE FORUM	15 April 2025
	Tokenising Financial Assets: What Financial Leaders Needs to Know Today by FIDE FORUM	29 April 2025
	Masterclass - Navigating High-Tech Financial Crime: Key Risks and Board Responsibilities by FIDE FORUM	6 May 2025
	Compliance with Listing Requirements - Reporting of Financial Statements by CKM Advisory organised by Kenanga Group Training department	28 May 2025
	The Influence of Board Culture on Corporate Performance by FIDE FORUM	5 June 2025
	Sasana Symposium 2025 'Structural Reforms Building a Resilient Malaysia - Bank Negara Malaysia ("BNM")	17 - 18 June 2025
	Facing the Future: Elevating Board Leadership in a time of Transformation by FIDE FORUM	25 June 2025
	Directors' In-House Training: Boardroom Accountability in AML/ CFT/ CPF: Navigating Malaysia's Evolving Regulatory Landscape and Risk Environment by Mr. Aazad Ananthan Abdullah of Symphony Digest	4 July 2025

<b>Director</b>	<b>Program Title and Organiser</b>	<b>Date</b>
<b>Norazilla Binti Md Tahir (contd.)</b>	MyFintech Week 2025 Ideate, Innovate, Co-Create: Shapping the Future of Finance (Main Event) - Collaboration between Securities Commission Malaysia, Asian Institute of Chartered Bankers ("AICB") Fintech Association of Malaysia and Malaysia Digital Economy Corporation.	4 - 7 August 2025
	Directors' In-House Training: ESG - Just Transition for Board Leadership by Margie Ong, Thoughts In Gear; and Lim Wei Ren, Eastsprings Investments	8 August 2025
	Cloud for Directors of Regulated Financial Institutions by FIDE FORUM	22 September 2025
	Directors' In-House Training: Ensign Cyber Threat Landscape Report 2025 by Ensign Malaysia Sdn Bhd	3 October 2025
<b>Datuk Wira Ismitz Matthew De Alwis</b>	Data Retention, Archiving & Destruction Policy	2 January 2025
	Cybersecurity Awareness Training Part 1 - 2025 (Working from Home)	13 January 2025
	Cybersecurity Awareness Training Part 2 - 2025 (Wrong Number Texts)	10 February 2025
	2025 Senior Management Offsite @ Guangzhou, China	9 April 2025
	Cybersecurity Awareness Training Part 4 - 2025 (Dangerous Communiqué – Macro-based attacks)	14 April 2025
	Cybersecurity Awareness Training Part 5 - 2025 (Business Email Compromise)	13 May 2025
	Operational Risk Management E-learning Module 4	20 May 2025
	FPAM Annual Signature Financial Planning Symposium 2025	22 May 2025
	Compliance with Listing Requirements - Reporting of Financial Statements	28 May 2025
	Group Equity Business (GEB) Management and Head of Branches Team Building in 2025 @ Shanghai, China	6 June 2025
	On-going Due Diligence (ODD)	18 June 2025
Cybersecurity Awareness Training Part 7 - 2025 (Generative AI)	14 July 2025	

<b>Director</b>	<b>Program Title and Organiser</b>	<b>Date</b>
<b>Datuk Wira Ismitz Matthew De Alwis (contd.)</b>	Cybersecurity Awareness Training Part 8 - 2025 (Mobile Devices)	11 August 2025
	Cybersecurity Awareness Training Part 10 - 2025 (Phone Phishing)	6 October 2025
	SC's Climate Adaptation & Resilience Conference 2025	14 October 2025
	ASEAN Capital Markets Forum (ACMF) International Conference (FOC)	6 November 2025
	Operational Risk Management E-learning Module 5	10 November 2025
	Cybersecurity Awareness Training Part 11 - 2025 (Security Updates)	10 November 2025
	International Institutional Investor Series: Navigating the Next Cycle	13 November 2025
	10th Annual Regulatory Seminar (ARS)	19 November 2025
Business Continuity Management (BCM) and Technology Risk Awareness 2025	2 December 2025	

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**Investor Services Center**

Toll Free Line: 1 800 88 3737

Fax: +603 2172 3133

Email: [investorservices@kenanga.com.my](mailto: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