KENANGA KLCI DAILY 2X LEVERAGED ETF

SEMI-ANNUAL REPORT

For the Financial Period from 1 January 2026 to 30 June 2026

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
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Business Office
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Tel: 03-2172 3000
Fax: 03-2172 3080
Email: investorservices@kenanga.com.my
Website: www.kenangainvestors.com.my

Board of Directors
Steven Choy Khai Choon **(Chairman, Non-Independent Non-Executive Director)**
Irene Cheng May May **(Independent Non-Executive Director)**
Mazidah Binti Abdul Malik **(Independent Non-Executive Director)**
Datuk Wira Ismitz Matthew De Alwis **(Chief Executive Officer, Executive Director)**

Investment Committee
Luk Wai Hong, William **(Chairman)**
Irene Cheng May May **(Independent Member)**
Mazidah Binti Abdul Malik **(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
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Business Office
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RHB Centre
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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)

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Participating Dealer and Market Maker: Kenanga Investment Bank Berhad
Company No. 197301002193 (15678-H)

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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:

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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 supplemental 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[1].

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[2].

The Benchmark and the Underlying Index are denominated in MYR.

Notes:
[1] 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.
[2] 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 30 June 2026

Size of holdings	No. of unit holders	No. of units held
Less than 100	-	-
100 - 1,000	2	1,100
1,001 - 10,000	1	2,000
10,001 - 100,000	1	35,000
100,001 - < 5%*	-	-
> = 5%*	1	961,900
Total	**5**	**1,000,000**

5%* - 5% of the units in circulation

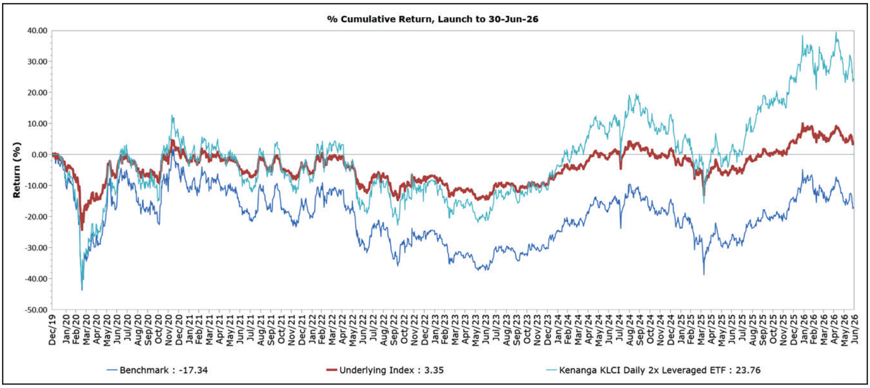
2. MANAGER'S REPORT

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 (20/12/2019 – 30/06/2026)
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 period 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 30 June 2026 and comparison with the previous financial period

Asset	30 Jun 2026	30 Jun 2025
Listed derivatives	-0.4%	0.5%
Cash in margin account	53.5%	56.7%
Short term deposits and cash equivalents	46.9%	42.8%

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

Reason for the differences in asset allocation

The lower percentage of cash in margin account during the financial period under review was a result of the increased in value from the long positions of futures contracts in the Fund. Meanwhile, short term deposits and cash increased as a proportion of total fund assets, reflecting a shift in asset composition during the financial period under review.

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

	Period under review 1 Jan 2026 – 30 Jun 2026
KKL2X	-0.87%
FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index	-3.75%

Source: Lipper

For the financial period under review, the Fund outperformed its benchmark return by 2.88%. The outperformance was a result of the daily compounding effect resulted from the futures-based replication investment strategy that involved rebalancing and rolling of underlying futures to obtain the required exposure to the Benchmark.

2.6 Review of the market

Market review

US equities were mixed to positive in January 2026 as markets navigated geopolitical uncertainty and a brief partial US government shutdown. The Dow Jones gained 1.7% month-on-month (MoM), while the tech-heavy Nasdaq and S&P 500 were up 0.9% MoM and 1.4% MoM respectively, with tech stocks supported by earnings that indicated robust momentum in AI demand. The Federal Reserve (FED) kept interest rates steady at 3.50–3.75% in January and signalled that it was in no rush to cut, maintaining a data-dependent stance after three consecutive reductions in late 2025. Domestically, Malaysian equities posted gains in January 2026, with the FBM KLCI rising 3.6% MoM to close at 1,740 points and touching an intraday peak of 1,771 on 27 January. The FBM Mid 70 rose 4.2% MoM, while the FBM Top 100 was up 3.8% MoM. This was driven by the strong performance of the finance sector (+9.2%) on the back of improving domestic fundamentals, foreign inflow and governance reforms. 4Q'25 advance GDP growth of 5.7% was also better than expected. Property (+9.3%), finance (+9.2%), and REIT (+5.8%) sectors led the advance, while the underperformers were healthcare (-2.5%), construction (-2.2%), and energy (-1.1%). Key highlights included foreign investors turned net buyers of RM1.05bn, while Bank Negara Malaysia (BNM) kept the Overnight Policy Rate (OPR) unchanged at 2.75%. The Ringgit hit a 7-year high, strengthening 3.33% to RM3.9237/US$1.

2.6 Review of the market (contd.)

Market review (contd.)

US equities were mixed to weaker in February 2026, with technology stocks underperforming as investors rotated away from large-cap names amid moderating growth expectations and heightened volatility. The Dow Jones rose 0.2% MoM, while the S&P 500 declined 0.9% MoM and the Nasdaq fell 3.4% MoM, reflecting profit-taking in technology and AI-related stocks following strong prior performance. Malaysian equities declined in February amid heightened global volatility and cautious risk sentiment. The FBM KLCI fell 1.4% MoM, while broader indices also weakened, with the FBM 100 down 1.0% MoM, the FBM Shariah Index declining 0.5% MoM, and the FBM Small Cap Index retreating 1.5% MoM, reflecting broad-based risk aversion across market segments. The outperformers were Transport (+2.15% MoM), Property (+2.0% MoM), and Healthcare (+0.46% MoM), while the underperformers were Telecommunications (-3.31% MoM), Industrial Products (-2.69% MoM), and Utilities (-2.41% MoM). As of February, the OPR stood at 2.75%, with monetary policy remaining accommodative amid manageable inflation and steady growth momentum. Despite the pullback, valuations remained attractive relative to regional peers, reinforcing Malaysia's appeal within ASEAN against a more volatile global backdrop.

Global equity markets retreated in March 2026 amid heightened geopolitical tensions in the Middle East, which weighed on investor sentiment and intensified concerns over a potential global economic slowdown stemming from prolonged supply disruptions. The escalation of the US-Israel and Iran conflicts led to the temporary closure of the Strait of Hormuz, a transit route for approximately 20% of global oil and gas supplies. Major indices slipped into correction territory during March, with both the Dow Jones and Nasdaq falling more than 10% from their recent peaks, while the S&P 500 was down nearly 7% year-to-March. As of late March 2026, markets staged a relief rally following indications of "productive talks" between the US and Iran, alongside a temporary halt to proposed US strikes. Nonetheless, the Nasdaq, S&P 500, and Dow Jones fell 4.8%, 5.1%, and 5.4% MoM, respectively. Domestically, Malaysian equities declined in March, with the FBM KLCI falling 1.5% MoM, the FBM 100 declining 2.1% MoM, the FBM Shariah Index dipping 0.8% MoM, and the FBM Small Cap Index falling sharply by 7.1% MoM. The outperformers were Plantation (+8.6% MoM), Industrial Products (+7.1% MoM), and Energy (+5.8% MoM), while the laggards were Construction (-11.1% MoM), Technology (-9.6% MoM), and Consumer (-8.3% MoM). Meanwhile, BNM kept the OPR unchanged at 2.75% and maintained a cautious, data-dependent stance. Key highlights included the reduction in subsidised RON95 entitlement from 300 litres to 200 litres, the listing of Sunway Healthcare, and ongoing developments surrounding the Sunway-IJM takeover proposal.

Equities globally staged a sharp rebound in April as markets interpreted cooling rhetoric surrounding the US-Iran conflict as a sign of an eventual resolution, although a conclusive treaty had yet to emerge. At month-end, the Strait of Hormuz remained largely closed despite extensions of the 7 April ceasefire arrangements. US equities swiftly reversed their year-to-April losses, with MoM gains of 15.3% for the Nasdaq, 10.4% for the S&P 500, and 7.1% for the Dow Jones, with all three indices reaching fresh record highs. Positive sentiment was further supported by strong corporate earnings. Of the 63% of S&P 500 companies that had reported by end-April, 84% delivered positive EPS surprises, compared with the five-year average of 78%. Nonetheless, inflation remained a concern as oil prices stayed close to the USD100 per barrel mark. In Malaysia, equities recorded broad gains, led by small caps snapping their losing streak, with the FBM Small Cap Index rising 6.6% MoM, followed by the FBM Shariah Index (+5.0%), the FBM 100 (+3.2%), and the FBM KLCI (+1.9%). Sectorally, the strongest rebounds were recorded in Technology (+22.9% MoM), Construction (+11.6% MoM), and Property (+10.4% MoM).

2.6 Review of the market (contd.)

Market review (contd.)

Macroeconomic data was supportive, with the advance estimate of 1Q26 GDP growth at 5.3%, exceeding the official target range of 4% to 5%, although slightly below consensus expectations of 5.5%. Also of note in April, the Securities Commission and Bursa Malaysia announced the MY Value Up Programme initiative, aimed at encouraging listed companies to adopt more proactive disclosure practices and enhance investor engagement, initially targeting 88 leading listed companies.

Global equity markets extended their gains in May, supported by improving risk sentiment following April's sharp rebound, although gains remained uneven across regions as investors continued to assess inflation trends and the policy outlook. US equities recorded MoM gains of 8.4% for the Nasdaq, 5.1% for the S&P 500, and 2.8% for the Dow Jones. Performance in the US was supported by strong investor positioning towards growth sectors, particularly semiconductors and AI-related plays, which continued to benefit from ongoing hyperscaler spending and positive earnings expectations. Malaysian equities declined in May, with the FBM KLCI falling 2.3% MoM, in contrast to stronger gains seen in global and North Asian markets. Broader indices also weakened during the month, with the FBM 100 down 1.1% MoM, the FBM Shariah Index declining 0.9% MoM, and the FBM Small Cap Index slipping 1.0% MoM, reflecting cautious investor sentiment. The market's underperformance came amid divergence in regional performance, as strong gains in North Asia, particularly South Korea and Taiwan, attracted investor flows away from ASEAN markets. Sectorally, the technology sector provided relative support to the market in May, while overall sentiment remained weighed down by global uncertainties.

Global equity markets recorded mixed performance in June as investors balanced resilient economic conditions against escalating geopolitical tensions in the Middle East and evolving expectations for Federal Reserve policy. US markets diverged during the month, with the Dow Jones Industrial Average gaining 2.5% MoM, while the S&P 500 and Nasdaq Composite declined 1.1% and 2.8% MoM, respectively, following profit-taking in large-cap technology stocks after their strong year-to-date performance. Investor sentiment remained supported by resilient corporate earnings and continued AI-related investment, although elevated valuations prompted some rotation into more defensive sectors. Malaysian equities remained subdued in June, with the FBM KLCI declining 1.1% MoM. Broader market performance was similarly weak, with the FBM 100 falling 1.6%, the FBM Shariah Index declining 2.5%, and the FBM Small Cap Index easing 0.4% MoM. Market sentiment remained cautious amid geopolitical tensions and continued global investor preference for North Asian markets benefiting from the AI thematic. Sector performance was mixed, with technology remaining relatively resilient while broader market sentiment stayed cautious.

Market outlook

The global outlook remains supported by structural growth drivers, particularly the continued expansion of the AI investment cycle, which is fuelling strong demand for semiconductors, data centres, and related infrastructure. However, ongoing geopolitical developments and trade policy uncertainties may lead to renewed market volatility. Malaysia's outlook remains relatively resilient, underpinned by healthy domestic demand, continued foreign direct investment (FDI) inflows into data centres and manufacturing, and robust electronics exports. While lower oil prices may weigh on earnings in selected energy-related sectors, they could also help ease inflationary pressures. External risks, including global growth uncertainty, trade policy developments, and currency volatility, remain key considerations.

2.7 Distributions

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

2.8 Details of any unit split exercise

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

2.9 Significant changes in the state of affairs of the Fund during the financial period

There were no significant changes in the state of affairs of the Fund during the financial period 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 period 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 period under review.

2.12 Cross trade

During the financial period 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 period under review, the Fund had not undertaken any securities financing transactions.

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund as at 30 June 2026 against the last three financial years as at 31 December are as follows:

a. Distribution among industry sectors and category of investments:

	As at 30.6.2026 %	FY 2025 %	FY 2024 %	FY 2023 %
Listed derivatives	-0.4	-0.9	0.5	-0.5
Cash in margin account	53.5	66.4	61.4	52.1
Short term deposits and cash equivalents	46.9	34.5	38.1	48.4
	100.0	100.0	100.0	100.0

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 30 June 2026

Rank	Constituent	Index Weight (%)
1	Malayan Banking Berhad	13.19
2	Public Bank Berhad	11.36
3	Tenaga Nasional Berhad	10.82
4	CIMB Group Holdings Berhad	10.04
5	Press Metal Aluminium Holdings Berhad	4.59
6	IHH Healthcare Berhad	4.18
7	Gamuda Berhad	3.70
8	Telekom Malaysia Berhad	3.58
9	SD Guthrie Berhad	3.48
10	RHB Bank Berhad	2.99

Source: Bloomberg

Details of the Fund's quoted investments as at 30 June 2026 are disclosed under Note 4 of the financial statements.

3.2 **Performance details of the Fund for the financial period ended 30 June 2026 against the last five financial years ended 31 December are as follows:**

	Period from 1.1.2026 to 30.6.2026	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Total asset value (RM Million)	2.49	2.53	2.26	1.78	1.81	1.95
Net asset value ("NAV") (RM Million)[1]	2.48	2.50	2.26	1.77	1.81	1.95
Units in circulation (Million)	1.00	1.00	1.00	1.00	1.00	1.00
NAV per unit (RM)	2.4751	2.4967	2.2585	1.7702	1.8127	1.9455
Highest NAV per unit (RM)	2.7898	2.5131	2.3916	1.8339	2.0888	2.1216
Lowest NAV per unit (RM)	2.4155	1.6826	1.7741	1.5615	1.5441	1.7478
Listed price (RM)[1]	2.7500	2.3400	2.1650	1.7600	1.8350	1.8700
Highest listed price (RM)	2.7500	2.3400	2.3600	1.8350	2.0700	2.0400
Lowest listed price (RM)	2.3400	1.9200	1.8800	1.5600	1.6300	1.7500
Total return (%)	-0.87	10.55	27.59	-2.34	-6.83	-7.56
- Capital growth (%)	-0.87	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") (%)[2]	1.03	0.98	0.77	0.83	0.89	0.83
Portfolio turnover ratio ("PTR") (times)[3]	21.10	24.64	24.38	24.17	23.45	24.46
Tracking error	0.60	1.89	0.96	1.40	1.24	2.20

3.2 Performance details of the Fund for the financial period ended 30 June 2026 against 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 period/ 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 period under review.

[1] *As of 30 June 2026, the Fund's net asset value stood at RM2.48 million, with 1 million units in circulation.*

[2] *TER is higher against the previous financial year primarily due to lower average fund size during the financial period under review.*

[3] *PTR is lower due to lesser daily rebalancing frequency of futures contracts in the Fund during the financial period under review.*

3.3 Average total return of the Fund

	1 Year 30 Jun 25 - 30 Jun 26	3 Years 30 Jun 23 - 30 Jun 26	5 Years 30 Jun 21 - 30 Jun 26
KKL2X	22.29%	16.31%	5.77%
FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index	13.66%	9.59%	-0.14%

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

	Period under review	1 Year				
	31 Dec 25 - 30 Jun 26	31 Dec 24 - 31 Dec 25	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	-0.87%	10.55%	27.58%	-2.34%	-6.83%	-7.56%
FTSE Bursa Malaysia KLCI 2x Daily Leveraged (Price) Index	-3.75%	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

Unaudited Semi-Annual Financial Statements Together with Trustee's Report and Statement by the Manager

30 June 2026

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 period from 1 January 2026 to 30 June 2026 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 period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deeds, securities laws and the Guidelines on Exchange-traded Funds;

2. Valuation and pricing is carried out in accordance with the deeds; and

3. Any creation and cancellation of units are carried out in accordance with the deeds and any regulatory requirement.

For RHB TRUSTEES BERHAD
[Company No. : 200201005356 (573019-U)]

MOHD SOFIAN BIN KAMARUDDIN
VICE PRESIDENT

WONG CHOOI YIN
ASSISTANT VICE PRESIDENT

Kuala Lumpur, Malaysia

14 August 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 30 June 2026 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial period from 1 January 2026 to 30 June 2026 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 30 June 2026 and of its financial performance and cash flows for the financial period from 1 January 2026 to 30 June 2026 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

14 August 2026

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2026 TO 30 JUNE 2026 *(unaudited)*

	Note	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
INVESTMENT INCOME			
Interest income		25,856	20,883
Net loss from investments:			
- Financial (liabilities)/assets at fair value through profit or loss ("FVTPL")	4	(27,460)	(242,625)
		(1,604)	(221,742)
EXPENSES			
Manager's fee	5	6,443	4,966
Trustee's fee	6	516	397
Index license fee	7	696	537
Administration expenses	8	5,699	229
Brokerage and other transaction costs		5,617	4,825
		18,971	10,954
NET LOSS BEFORE TAX		(20,575)	(232,696)
Income tax	9	(1,024)	(1,928)
NET LOSS AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD		(21,599)	(234,624)
Net loss after tax is made up as follows:			
Realised loss		(35,499)	(234,249)
Unrealised gain/(loss)	4	13,900	(375)
		(21,599)	(234,624)

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 *(unaudited)*

	Note	30.6.2026 RM	30.6.2025 RM
ASSETS			
INVESTMENTS			
Financial assets at FVTPL	4	-	10,400
Short term deposits	10	1,154,000	848,000
		1,154,000	858,400
OTHER ASSETS			
Amount due from Manager		-	9,358
Other receivables	12	4,497	1,117
Cash in margin account	13	1,323,707	1,148,272
Cash at bank		10,228	9,765
		1,338,432	1,168,512
TOTAL ASSETS		2,492,432	2,026,912
LIABILITIES			
Financial liabilities at FVTPL	4	9,325	-
Amount due to Index Provider		1,912	2,419
Amount due to licensed financial institution	11	1,175	-
Amount due to Manager		1,444	-
Amount due to Trustee		212	82
Other payables		1,165	312
Tax payable		2,082	198
TOTAL LIABILITIES		17,315	3,011
EQUITY			
Unit holders' contribution		2,000,000	2,000,000
Retained earnings		475,117	23,901
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS	14	2,475,117	2,023,901
TOTAL LIABILITIES AND EQUITY		2,492,432	2,026,912
NUMBER OF UNITS IN CIRCULATION	14(a)	1,000,000	1,000,000
NAV PER UNIT (RM)		2.4751	2.0239

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

STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2026 TO 30 JUNE 2026 *(unaudited)*

	Unit holders' contribution RM	Retained earnings RM	Total NAV RM
1.1.2026 to 30.6.2026			
At beginning of the financial period	2,000,000	496,716	2,496,716
Total comprehensive loss	-	(21,599)	(21,599)
At end of the financial period	2,000,000	475,117	2,475,117
1.1.2025 to 30.6.2025			
At beginning of the financial period	2,000,000	258,525	2,258,525
Total comprehensive loss	-	(234,624)	(234,624)
At end of the financial period	2,000,000	23,901	2,023,901

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2026 TO 30 JUNE 2026 *(unaudited)*

	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Withdrawal from margin account	334,828	237,886
Interest received	24,495	21,545
Trustee's fee paid	(492)	(926)
Index license fee paid	(1,815)	-
Brokerage fee paid to licensed financial institution	(5,617)	(4,825)
Payment for other fees and expenses	(5,730)	(10,764)
Manager's fee paid	(6,424)	(5,081)
Net loss from financial (liabilities)/assets at FVTPL	(40,186)	(242,250)
Cash generated from/(used in) operating and investing activities	299,059	(4,415)
Income tax paid	(1,701)	(2,502)
Net cash generated from/(used in) operating and investing activities	297,358	(6,917)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	297,358	(6,917)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	866,870	864,682
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	1,164,228	857,765
Cash and cash equivalents comprise:		
Cash at bank	10,228	9,765
Short term deposits	1,154,000	848,000
	1,164,228	857,765

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2026 TO 30 JUNE 2026 *(unaudited)*

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.

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 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* %
30.6.2026				
Assets				
Short term deposits	1,154,000	-	1,154,000	2.7
Other financial assets	-	1,338,432	1,338,432	
	1,154,000	1,338,432	2,492,432	
Liabilities				
Financial liabilities at FVTPL	-	9,325	9,325	
Other financial liabilities	-	4,743	4,743	
	-	14,068	14,068	

* 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* %
30.6.2026 (contd.)				
Total interest rate sensitivity gap	1,154,000	1,324,364	2,478,364	
30.6.2025				
Assets				
Financial assets at FVTPL	-	10,400	10,400	
Short term deposits	848,000	-	848,000	2.9
Other financial assets	-	1,168,512	1,168,512	
	848,000	1,178,912	2,026,912	
Liabilities				
Other financial liabilities	-	2,699	2,699	
Total interest rate sensitivity gap	848,000	1,176,213	2,024,213	

* 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 per unit 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 loss for the financial period due to a reasonably possible change in investments in listed derivatives with all other variables held constant is indicated in the table below:

	Changes in price Increase/(Decrease) %	Effects on loss for the financial period Gain/(Loss) RM
30.6.2026		
Financial liabilities at FVTPL	5/(5)	250,575/(250,575)
30.6.2025		
Financial assets at FVTPL	5/(5)	199,290/(199,290)

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.

	Fair value		Percentage of NAV	
	30.6.2026 RM	30.6.2025 RM	30.6.2026 %	30.6.2025 %
Financial (liabilities)/ assets at FVTPL	(9,325)	10,400	(0.4)	0.5

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.

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

b. Credit risk (contd.)

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

	Percentage of total short term deposits		Percentage of NAV	
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
	%	%	%	%
Rating				
P1/MARC-1	100.0	100.0	46.6	41.9

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 these financial assets by rating category:

Cash in margin account

	Percentage of total cash in margin account		Percentage of NAV	
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
	%	%	%	%
Rating				
Not rated	100.0	100.0	53.5	56.7

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 redeemable at discretion of unit holders based on the Fund's NAV per unit at the time of cancellation calculated in accordance with the Deed.

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

c. Liquidity risk (contd.)

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 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
30.6.2026				
Assets				
Short term deposits		-	1,154,000	1,154,000
Other financial assets		-	4,497	4,497
Cash at bank		10,228	-	10,228
Cash in margin account		1,323,707	-	1,323,707
	i.	1,333,935	1,158,497	2,492,432
Liabilities				
Financial liabilities at FVTPL		-	9,325	9,325
Other financial liabilities		-	4,743	4,743
	ii.	-	14,068	14,068
Equity	iii.	-	2,475,117	2,475,117
Liquidity gap		1,333,935	(1,330,688)	3,247
30.6.2025				
Assets				
Financial assets at FVTPL		-	10,400	10,400
Short term deposits		-	848,000	848,000
Other financial assets		-	10,475	10,475
Cash at bank		9,765	-	9,765
Cash in margin account		1,148,272	-	1,148,272
	i.	1,158,037	868,875	2,026,912
Liabilities				
Other financial liabilities	ii.	-	2,501	2,501
Equity	iii.	-	2,023,901	2,023,901
Liquidity gap		1,158,037	(1,157,527)	510

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

c. Liquidity risk (contd.)

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 period, 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.

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 2026.

Description	**Effective for financial periods beginning on or after**
Amendments that are part of Annual Improvements—Volume 11: *Amendments to MFRS 1, 7, 9, 10 and 107*	1 January 2026
Amendments to MFRS 9 and MFRS 7: *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7: *Contracts Referencing Nature-dependent Electricity*	1 January 2026

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

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

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

Description	**Effective for financial periods beginning on or after**
MFRS 18: *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 and amendments to MFRS 19: *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Withdrawal of MFRS 101: *Presentation of Financial Statements*	1 January 2027
Amendments to MFRS 121: *Translation to a Hyperinflationary Presentation Currency*	1 January 2027

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

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

Description	Effective for financial periods beginning on or after
Amendments to MFRS 10 and MFRS 128: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	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.

MFRS 18 *Presentation and Disclosure in Financial Statements* – The new standard introduces new requirements on presentation within the statement of profit or loss. It also requires disclosure of management-defined performance measures and includes enhanced principles on aggregation and disaggregation of financial information which apply to the primary financial statements and notes. The adoption of MFRS 18 is not expected to have any financial impact on the Fund as it only affects the presentation and disclosure in financial statements.

c. Financial instruments

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

i. Initial recognition

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

ii. Measurement categories of financial assets and liabilities

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

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

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

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

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.

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:

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 (contd.)

- 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).

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 judgment 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.

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

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

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.

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.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

d. Derecognition of financial assets (contd.)

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.

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.

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

f. Impairment of financial assets (contd.)

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 original 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 period comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial period.

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

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.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

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 judgments. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

i. Critical judgments made in applying accounting policies

There are no major judgments 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 period.

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 collaterised by cash.

	30.6.2026 **RM**	**30.6.2025** **RM**
Financial (liabilities)/assets held for trading, at FVTPL:		
Listed derivatives – KLCI futures contracts	(9,325)	10,400

4. FINANCIAL (LIABILITIES)/ASSETS AT FVTPL (CONTD.)

	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Net loss on financial (liabilities)/assets at FVTPL comprised:		
Realised loss on disposals	(41,360)	(242,250)
Unrealised changes in fair values	13,900	(375)
	(27,460)	(242,625)

There were 60 futures contracts with notional principal amount of RM5,011,500 that remain outstanding as at 30 June 2026 (30 June 2025: 52 futures contract with notional principal amount of RM3,985,800).

5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate not exceeding 3.0% 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 (financial period from 1 January 2025 to 30 June 2025: 0.50% per annum).

6. TRUSTEE'S FEE

The Trustee's fee is calculated on a daily basis at a rate not exceeding 0.1% 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 (financial period from 1 January 2025 to 30 June 2025: 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 (financial period from 1 January 2025 to 30 June 2025: 0.05% per annum).

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

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

9. INCOME TAX

	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Current income tax expense:		
Malaysian tax	2,738	1,928
Over provision in prior financial period	(1,714)	-
	1,024	1,928

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

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 loss before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Net loss before tax	(20,575)	(232,696)
Tax at Malaysian statutory tax rate of 24% (financial period from 1 January 2025 to 30 June 2025: 24%)	(4,938)	(55,847)
Tax effect of:		
Income not subject to tax	(6,586)	(2,965)
Losses not deductible for tax purposes	9,927	58,230
Expenses not deductible for tax purposes	2,723	1,437
Restriction on tax deductible expenses for exchange-traded fund	1,612	1,073
Over provision in prior financial period	(1,714)	-
Income tax for the financial period	1,024	1,928

10. SHORT TERM DEPOSITS

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

11. AMOUNT DUE TO LICENSED FINANCIAL INSTITUTION

Amount due to licensed financial institution relates to the amount to be paid to a licensed financial institution arising from the purchase of investment.

12. OTHER RECEIVABLES

	30.6.2026 RM	30.6.2025 RM
Interest receivable from short term deposits	85	68
Interest receivable from margin account	4,412	1,049
	4,497	1,117

13. CASH IN MARGIN ACCOUNT

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

14. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	30.6.2026 RM	30.6.2025 RM
Unit holders' contribution	(a)	2,000,000	2,000,000
Retained earnings:			
Realised reserves		484,442	13,501
Unrealised (deficits)/reserves		(9,325)	10,400
		475,117	23,901
		2,475,117	2,023,901

(a) Unit holders' contribution

	1.1.2026 to 30.6.2026		1.1.2025 to 30.6.2025	
	No. of units	RM	No. of units	RM
At beginning/end of the financial period	1,000,000	2,000,000	1,000,000	2,000,000

The Manager, Kenanga Investors Berhad, did not hold any units in the Fund, either legally or beneficially, as at 30 June 2026 (30 June 2025: nil). The number of units legally or beneficially held by the other parties related to the Manager were 961,900 units valued at RM2,380,799 as at 30 June 2026 (30 June 2025: 817,800 units valued at RM1,655,145).

15. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial period from 1 January 2026 to 30 June 2026 is 21.10 times (financial period from 1 January 2025 to 30 June 2025: 12.40 times).

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

16. TOTAL EXPENSE RATIO ("TER")

TER for the financial period from 1 January 2026 to 30 June 2026 is 1.03% per annum (financial period from 1 January 2025 to 30 June 2025: 0.61% 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.

17. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTION

	Transaction value RM	Percentage of total %	Brokerage, stamp duty and clearing fee RM	Percentage of total %
Kenanga Futures Sdn Bhd*	109,675,825	100.0	5,617	100.0

* 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 parties 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.

18. 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:

	Listed derivatives RM	Other investments RM	Total RM
1.1.2026 to 30.6.2026			
Revenue			
Segment (loss)/income	(15,147)	13,543	
Segment expenses	(5,617)	-	
Net segment (loss)/income representing segment results	(20,764)	13,543	(7,221)
Unallocated expenditure			(13,354)
Loss before tax			(20,575)
Income tax			(1,024)
Net loss after tax			(21,599)
30.6.2026			
Assets			
Short term deposits	-	1,154,000	
Cash in margin account	1,323,707	-	
Other segment assets	4,412	85	
Total segment assets	1,328,119	1,154,085	2,482,204
Unallocated assets			10,228
			2,492,432
Liabilities			
Financial liabilities at FVTPL	9,325	-	
Segment liabilities	1,175	-	
	10,500	-	10,500
Unallocated liabilities			6,815
			17,315
1.1.2025 to 30.6.2025			
Revenue			
Segment (loss)/income	(234,098)	12,356	
Segment expenses	(4,825)	-	
Net segment (loss)/income representing segment results	(238,923)	12,356	(226,567)
Unallocated expenditure			(6,129)
Loss before tax			(232,696)
Income tax			(1,928)
Net loss after tax			(234,624)

18. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed derivatives RM	Other investments RM	Total RM
30.6.2025			
Assets			
Financial assets at FVTPL	10,400	-	
Short term deposits	-	848,000	
Cash in margin account	1,148,272	-	
Other segment assets	1,049	68	
Total segment assets	1,159,721	848,068	2,007,789
Unallocated assets			19,123
			2,026,912
Liabilities			
Unallocated liabilities			3,011

b. Geographical segments

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

19. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

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

19. FINANCIAL INSTRUMENTS (CONTD.)

a. Classification of financial instruments (contd.)

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

	Financial (liabilities)/ assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
30.6.2026				
Assets				
Short term deposits	-	1,154,000	-	1,154,000
Other receivables	-	4,497	-	4,497
Cash in margin account	-	1,323,707	-	1,323,707
Cash at bank	-	10,228	-	10,228
	-	2,492,432	-	2,492,432
Liabilities				
Listed derivatives	9,325	-	-	9,325
Amount due to Index Provider	-	-	1,912	1,912
Amount due to licensed financial institution	-	-	1,175	1,175
Amount due to Manager	-	-	1,444	1,444
Amount due to Trustee	-	-	212	212
	9,325	-	4,743	14,068
30.6.2025				
Assets				
Listed derivatives	10,400	-	-	10,400
Short term deposits	-	848,000	-	848,000
Amount due from Manager	-	9,358	-	9,358
Other receivables	-	1,117	-	1,117
Cash in margin account	-	1,148,272	-	1,148,272
Cash at bank	-	9,765	-	9,765
	10,400	2,016,512	-	2,026,912
Liabilities				
Amount due to Trustee	-	-	82	82
Amount due to Index Provider	-	-	2,419	2,419
	-	-	2,501	2,501

19. 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
Investments:				
30.6.2026				
Listed derivatives	(9,325)	-	-	(9,325)
30.6.2025				
Listed derivatives	10,400	-	-	10,400

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.

20. CAPITAL MANAGEMENT

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

The Fund's objectives for managing capital are:

a. To invest in investments meeting the description, risk exposure and expected return indicated in its prospectus;

b. To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and

c. To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial periods.

21. SUBSEQUENT EVENT

On 1 July 2026, the Second Supplemental Deed relating to the proposed transition of the Fund's management from Kenanga Investors Berhad to Eq8 Capital Sdn Bhd was registered by the Securities Commission Malaysia. The change of manager will take effect upon the issuance of the Supplemental Master Prospectus of the Fund or such other date as may be agreed between the relevant parties.

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