

KOTAK FUNDS

Société d'Investissement à Capital Variable (SICAV)

R.C.S. Luxembourg B 131.576

**SEMI-ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2025**

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KOTAK FUNDS

TABLE OF CONTENTS

	Page
Management and Administration	2
Investment Objectives	4
Directors' Report	8
Statement of Net Assets	10
Statement of Operations	11
Statement of Changes in Net Assets	12
Statistical Information	13
Schedule of Investments	
Kotak Funds – India Growth Fund	15
Kotak Funds – India Midcap Fund	17
Notes to the Financial Statements	21
Additional Disclosures	31

KOTAK FUNDS

MANAGEMENT AND ADMINISTRATION

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Registered Office

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Investment Manager

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Depositary Bank

Brown Brothers Harriman (Luxembourg) S.C.A.
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L-1470 Luxembourg
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Management Company

FundRock Management Company S.A.
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55 Baker Street
London, W1U 7EU
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Independent Auditor

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Administrator, Depositary, Registrar, Transfer Agent and Domiciliary Agent

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For the Mauritius Subsidiaries

IQEQ (Mauritius)
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KOTAK FUNDS

MANAGEMENT AND ADMINISTRATION (CONTINUED)

Legal Advisers in Luxembourg

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KOTAK FUNDS

INVESTMENT OBJECTIVES

Kotak Funds - India Growth Fund

The objective of the Sub-Fund is to achieve long term capital appreciation by primarily investing at least two thirds of its total assets in equity and equity linked securities of companies registered in India or deriving a significant portion of their business from India. The Sub-Fund will invest at least 50% of its total assets in equity securities.

The Sub-Fund will invest directly and/or indirectly in equity and equity-linked securities of companies that in the opinion of the Investment Manager have one or more of the following characteristics:

- a) Companies which are expected to sustain high growth due to their ability to create new markets, develop nascent business segments, operate successfully in niche segments with scale-up potential.
- b) Companies expected to create and deliver long term value due to innovation and intellectual property rights development.
- c) Companies with the potential for value unlocking in the medium to long term due to strategic sale, change in management, deregulation, economic legislation and reform.
- d) Companies which are sectoral leaders and enjoy leadership in their respective segments.
- e) Companies which are strong asset plays.
- f) Companies which are expected to witness operational and financial improvement due to positive swing in their business cycles.

The Sub-Fund will seek to deliver returns in a socially responsive manner by combining a value and growth oriented investment philosophy with an Environmental Social and Governance (“ESG”) principle overlay. The Investment Manager integrates ESG factors in its investment management process and evaluates companies on the basis of these factors before an investment decision is made, thereby promoting, among other characteristics, environmental and social characteristics within the meaning of Article 8 of SFDR. While identifying investee companies, the Investment Manager will seek to incorporate ESG considerations within the fundamental analysis and seek to gain an understanding of the relevant ESG issues applicable to such companies.

The Investment Manager will seek to limit and/or exclude direct investment (as applicable) in corporate issuers which, in its opinion have exposure to, or ties with, certain sectors including but not limited to:

- a) the production of certain types of controversial weapons such as cluster munitions;
- b) the distribution or production of firearms or small arms ammunition intended for retail civilians;
- c) the extraction of certain types of fossil fuel;
- d) the production of tobacco products;
- e) the ownership or operation of gambling-related activities or facilities; and
- f) production of adult entertainment materials.

The assessment of the level of involvement in each activity may be based on percentage of revenue or any other parameter connected to a restricted activity.

In line with its ESG methodology, the Sub-Fund promotes, inter alia, the aforementioned environmental criteria but does not commit to invest in taxonomy-aligned environmentally sustainable activities which contribute to the environmental objectives set out under Article 9 of Regulation (EU) 2020/852.

KOTAK FUNDS

INVESTMENT OBJECTIVES (CONTINUED)

Kotak Funds - India Growth Fund (continued)

The Sub-Fund can invest up to one third of its total assets temporarily in liquid assets, including money- market instruments having a residual maturity not exceeding twelve months and demand or time deposits.

The Sub-Fund may also invest, for the exclusive purposes of hedging and efficient portfolio management, in financial derivative instruments such as futures, equity swaps, options and forward currency contracts and in other currency and equity derivatives including index based derivative instruments.

Kotak Funds - India Midcap Fund

The objective of the Sub-Fund is to achieve long term capital appreciation by investing at least two thirds of its total assets (excluding cash) in equity and equity linked securities of mid-capitalisation companies (as defined by the Investment Manager from time to time) registered in India or deriving a significant portion of their business from India.

The Sub-Fund will have the flexibility to invest up to a third of its assets in equity and equity-linked instruments of large-capitalisation companies. Large-capitalisation companies are those that have a market capitalisation greater than or equal to that of the company which has the 50th largest market capitalisation amongst the companies listed in India at the time of making an investment in that company. The Sub-Fund will invest at least 50% of its total assets in equity securities.

The Investment Manager integrates Environmental Social and Governance (“ESG”) factors in its investment management process and evaluates companies on the basis of these factors before an investment decision is made, thereby promoting, among other characteristics, environmental and social characteristics within the meaning of Article 8 of SFDR. In addition, the Investment Manager is systematically engaging with companies in which the Sub-Fund invests to promote ESG awareness. However, given the lack of long term disclosures levels and lower level of coverage by external agencies on mid and small cap stocks, the ESG analysis may be limited to some extent/ or may not be available for the entire portfolio. Therefore, ESG factors are not binding upon the Investment Manager in the allocation of the Sub-Fund’s portfolio.

The Investment Manager will seek to limit and/or exclude direct investment (as applicable) in corporate issuers which, in its opinion have exposure to, or ties with, certain sectors including but not limited to:

- a) the production of certain types of controversial weapons such as cluster munitions;
- b) the distribution or production of firearms or small arms ammunition intended for retail civilians;
- c) the extraction of certain types of fossil fuel;
- d) the production of tobacco products;
- e) the ownership or operation of gambling-related activities or facilities; and
- f) production of adult entertainment materials.

The assessment of the level of involvement in each activity may be based on percentage of revenue or any other parameter connected to a restricted activity.

In line with its ESG methodology, the Sub-Fund promotes environmental characteristics but does not commit to invest in taxonomy-aligned environmentally sustainable activities which contribute to the environmental objectives set out under Article 9 of Regulation (EU) 2020/852.

KOTAK FUNDS

INVESTMENT OBJECTIVES (CONTINUED)

Kotak Funds - India Midcap Fund (continued)

The Sub-Fund can invest up to one third of its total assets temporarily in liquid assets, including money-market instruments having a residual maturity not exceeding twelve months and demand or time deposits.

The Sub-Fund may also invest, for the exclusive purposes of hedging and efficient portfolio management, in financial derivative instruments such as futures, equity swaps, options and forward currency contracts and in other currency and equity derivatives including index based derivative instruments.

Kotak Funds - India Fixed Income Fund*

The objective of the Sub-Fund is to generate total returns by primarily investing in debt securities issued by the central or state governments of India or issued by companies of Indian origin or deriving a significant portion of their business in India.

The Sub-Fund will principally gain exposure to the following instruments:

- a) Debt securities issued by the Central and State Governments in India (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- b) Debt securities issued by Indian governmental agencies and statutory bodies, which may or may not carry a Central/ State Government guarantee in India.
- c) Corporate debt securities denominated in INR and issued by companies of Indian origin or deriving a significant portion of their business from India (including but not limited to Commercial Paper, Non-Convertible Debentures and bonds including zero coupon bonds).
- d) Corporate debt securities denominated in currencies other than INR and issued by companies of Indian origin or deriving a significant portion of their business from India.
- e) Mutual funds domiciled in India and regulated by Securities and Exchange Board of India.

The Sub-Fund will principally invest, directly or indirectly, in debt securities issued by the Central Government of India, State Governments of India, Indian governmental agencies, or by companies of Indian origin or deriving a significant portion of their business in India. The Sub-Fund will gain exposure to INR denominated debt securities and/or denominated in currencies other than in INR.

The Sub-Fund may invest more than 35% of its net asset value in debt securities issued and/or guaranteed by the Indian government in accordance with section III c) of the Investment Restrictions as laid down in Prospectus of the Fund. If such limit of 35% is exceeded, section III f) of the Investment Restrictions as laid down in Prospectus of the Fund will apply.

The Sub-Fund may on an ancillary basis, invest directly or indirectly in sovereign debt securities issued by developed world countries (including US treasury bills and bonds) denominated in any currency.

The Investment Manager may convert all or part of non INR exposure of the portfolio of the Sub-Fund to INR through the use of financial derivative instruments. The Sub-Fund may also use financial derivative instruments for the purposes of hedging risks (such as currency and/or interest rates) as well as for efficient portfolio management purposes.

*Sub-Fund liquidated on 20 March 2025.

KOTAK FUNDS

INVESTMENT OBJECTIVES (CONTINUED)

Kotak Funds - India Fixed Income Fund* (continued)

Where the Sub-Fund invests in INR denominated debt securities of issuers of Indian origin, at least 85% of such investments will, under normal circumstances, be in instruments having a domestic rating of at least AA or A1+ or equivalent by any one of the domestic rating agencies such as CRISIL / Fitch / CARE / ICRA.

On an ancillary basis, the Sub-Fund may hold cash and cash equivalents. In exceptional circumstances and on a temporary basis only, the Sub-Fund may hold up to 100% of its assets in cash or cash equivalents, money market instruments or UCIs investing in such assets if the Investment Manager believes that this is in the best interest of Shareholders.

All three Sub-Funds will not invest more than 10% of their assets in other Undertaking for Collective Investments (UCIs).

*Sub-Fund liquidated on 20 March 2025.

KOTAK FUNDS

DIRECTORS' REPORT

In the first half of CY25, global equities managed to navigate the volatility arising from heightened geopolitical risks and headwinds from U.S. tariffs with multiple countries. Similarly, Indian markets wavered during the earlier months amid heightened tensions with Pakistan, but rebounded after both nations agreed to a ceasefire. There was also ongoing uncertainty surrounding U.S. trade tariff negotiations. Towards June, the Indian market sentiment was boosted by the Reserve Bank of India's surprise 50 basis points rate cut, easing inflation, falling crude price after ceasefire between Iran and Israel.

Adding to the positive momentum, the confirmation of a trade deal framework between the U.S. and China, along with signs of an imminent trade agreement between the U.S. and India after months of uncertainty, further buoyed global risk appetite and pushed several major indices to fresh highs.

India's macro parameters remain stable. Gross Non-Performing Assets (NPAs) fell to a multi-year low of 2.3% in FY25 (fiscal year ending Mar'25), India's annual retail inflation eased to a six-year low of 2.10%, and the current account deficit for the quarter of Jan-Mar'25 (Q4FY25) came in well below expectations at just 0.6% of GDP. In general, liquidity conditions also remain supportive. High frequency indicators also suggest the momentum of India's economic activity has remained resilient in recent months with business activity indicators moving higher in Q1FY26 vs Q4FY25 as per initial estimates. Government capex was strongly up during the Apr-Jun'25 quarter. However, this was against a low base of compared to the same period last year, which was distorted by the elections of last year.

Regarding policy decision, the Reserve Bank of India delivered a couple of significant monetary surprise, cutting the repo rate by a total of 100 basis points during the first half of 2025 to reach 5.50% as of the end of June. The RBI at the same time shifted its policy stance from accommodative to neutral.

One of the continued features of Indian market resilience has been the domestic equity flows. Domestic institutional investors in June alone invested USD8.5bn, marking their highest monthly inflow since Feb'25 and extending their buying streak to 23 consecutive months. FIIs in June as well registered net inflows of USD2.4bn, their fourth consecutive month of buying and the highest monthly inflow since Oct'24.

However, despite all the positive monetary and fiscal policies and decisions, we feel there is merit in being a little cautious on the markets, especially with some uncertainties round the corner, specifically (1) ongoing geopolitical tensions, and (2) trade policy uncertainties presenting unexpected headwinds for India.

Kotak Funds - India Growth Fund

For the half year ended June 2025, Kotak Funds: India Growth Fund returned 6.16%^ (Net of fees and gross of Tax) and the MSCI India Index returned 6.00% for the same period. The fund witnessed net inflow of USD 0.162 million during the period January 2025 to June 2025 and ended with an asset under management of USD 121.94 million.

Kotak Funds - India Midcap Fund

For the half year ended June 2025, Kotak Funds: India Midcap Fund yielded a return of (0.69%)^ (Net of fees and gross of Tax) with the MSCI India Midcap Index returning 0.88% for the same period. The fund witnessed net outflow of USD 178.71 million during the period January 2025 to June 2025 and ended with an asset under management of USD 3,675.39 million.

*^ The performance mentioned for the sub-funds are for Class A USD Accumulation Shares.
All percentage (%) returns mentioned above are in USD.*

KOTAK FUNDS

DIRECTORS' REPORT (CONTINUED)

Corporate Governance Statement

The Board of Directors confirms its adoption of the principles of the ALFI (Association Luxembourgeoise des Fonds d'Investissement) Code of Conduct for Luxembourg Investment Funds and its compliance with such principles for the half year ended June 2025.

Date: 25th August 2025

KOTAK FUNDS

STATEMENT OF NET ASSETS AS AT 30 JUNE 2025

	NOTES	COMBINED USD	INDIA GROWTH FUND USD	INDIA MIDCAP FUND USD	INDIA FIXED INCOME FUND* USD
Investments					
Investments in securities at cost		2,505,988,241	89,184,958	2,416,803,283	–
Unrealised appreciation		1,382,902,296	33,422,445	1,349,479,851	–
Investments in securities at market value		3,888,890,537	122,607,403	3,766,283,134	–
Other Assets					
Cash at bank		82,532,578	5,349,910	77,152,205	30,463
Cash held with brokers and counterparties		17,521,711	–	17,521,711	–
Receivable resulting from sales of securities		254,700	–	254,700	–
Due from shareholders on subscriptions		56,329,332	353,783	55,975,549	–
Dividends receivable		1,811,086	133,941	1,677,145	–
Receivable for expense reimbursement		7,425	–	–	7,425
		158,456,832	5,837,634	152,581,310	37,888
Total Assets		4,047,347,369	128,445,037	3,918,864,444	37,888
Liabilities					
Payable resulting from purchases of securities		49,742,124	1,594,981	48,147,143	–
Due to shareholders on redemptions		2,065,695	372,246	1,693,449	–
Capital gain tax payable	6	194,306,378	4,336,478	189,969,900	–
Sundry creditors and accruals		3,911,584	206,238	3,667,458	37,888
Total Liabilities		250,025,781	6,509,943	243,477,950	37,888
Net Assets		3,797,321,588	121,935,094	3,675,386,494	–

*Sub-Fund liquidated on 20 March 2025.

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

KOTAK FUNDS

STATEMENT OF OPERATIONS FOR THE PERIOD ENDED 30 JUNE 2025

	NOTES	COMBINED USD	INDIA GROWTH FUND USD	INDIA MIDCAP FUND USD	INDIA FIXED INCOME FUND* USD
Income					
Dividend income, net of withholding taxes		7,944,955	204,273	7,740,682	–
Interest income from fixed income securities		64,643	–	–	64,643
Interest income from bank deposits		555,984	38,574	516,104	1,306
Other income		104	–	–	104
Total income		8,565,686	242,847	8,256,786	66,053
Expenses					
Investment management fees	3	15,272,604	710,250	14,553,813	8,541
Administration and depositary fees	4	729,327	57,586	664,983	6,758
Audit and professional fees		375,879	23,857	347,679	4,343
Management company fees	8	439,860	10,726	429,069	65
Subscription tax	5	728,798	18,011	710,787	–
Transaction costs		27,366	8,398	17,623	1,345
Directors' fees and expenses	7	10,695	–	10,695	–
Other expenses		76,434	16,045	53,293	7,096
Total expenses		17,660,963	844,873	16,787,942	28,148
Expense reimbursement	3	9,679	–	–	9,679
Net (Loss)/Profit from Investments		(9,085,598)	(602,026)	(8,531,156)	47,584
Net profit/(loss) realised on:					
- investments portfolio		242,357,651	3,128,249	239,202,145	27,257
- forward foreign exchange contracts		(93,858)	–	–	(93,858)
- future contracts		(176,144)	–	(176,144)	–
- foreign exchange transactions		(44,831,366)	(1,452,718)	(43,036,958)	(341,690)
- capital gain tax	6	10,076,283	(1,261,331)	11,342,802	(5,188)
Net Realised Profit/(Loss)		207,332,566	414,200	207,331,845	(413,479)
Net change in unrealised (depreciation)/appreciation on:					
- investment portfolio		(234,294,953)	6,099,177	(240,756,161)	362,031
- forward foreign exchange contracts		43,723	–	–	43,723
- future contracts		–	–	–	–
- foreign exchange transactions		416,154	15,518	396,333	4,303
Net Change in Unrealised (Depreciation)/Appreciation		(233,835,076)	6,114,695	(240,359,828)	410,057
Results from Operations		(35,588,108)	5,926,869	(41,559,139)	44,162

*Sub-Fund liquidated on 20 March 2025.

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

KOTAK FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2025

	COMBINED USD	INDIA GROWTH FUND USD	INDIA MIDCAP FUND USD	INDIA FIXED INCOME FUND* USD
Net Assets at beginning of the period	4,031,789,092	115,869,728	3,910,668,094	5,251,270
(Decrease)/Increase in Net Assets as a Result of Operations	(35,588,108)	5,926,869	(41,559,139)	44,162
Capital Transactions				
Subscriptions received	309,038,192	11,345,519	297,644,339	48,334
Redemptions paid	(492,879,788)	(11,183,129)	(476,352,893)	(5,343,766)
Dividends and distributions				
Dividends paid	(15,037,800)	(23,893)	(15,013,907)	–
Net (Decrease)/Increase in Net Assets as a Result of Capital Transactions	(198,879,396)	138,497	(193,722,461)	(5,295,432)
Total (Decrease)/Increase in Net Assets in the period	(234,467,504)	6,065,366	(235,281,600)	(5,251,270)
Net Assets at end of the period	3,797,321,588	121,935,094	3,675,386,494	–

*Sub-Fund liquidated on 20 March 2025.

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

KOTAK FUNDS

STATISTICAL INFORMATION

	INDIA GROWTH FUND USD	INDIA MIDCAP FUND USD	INDIA FIXED INCOME FUND* USD
Net asset value			
30 June 2025	USD 121,935,094	USD 3,675,386,494	USD –
31 December 2024	USD 115,869,728	USD 3,910,668,094	USD 5,251,270
31 December 2023	USD 102,813,758	USD 3,866,626,186	USD 5,659,872
Number of shares			
30 June 2025			
Class A Distribution Shares GBP	23,264	26,826	–
Class A Distribution Shares USD	–	464,553	–
Class A Shares EUR**	–	28,164	–
Class A Shares GBP	52,230	165,947	–
Class A Shares USD	1,253,701	4,065,315	–
Class B Shares EUR	19,081	–	–
Class B Shares GBP	–	15,871	–
Class B Shares USD	885,251	167,114	–
Class C Distribution Shares GBP	–	245,479	–
Class C Shares GBP	136,467	638,118	–
Class C Shares USD	186,982	5,002,224	–
Class I Shares USD	411,630	1,413	–
Class J Distribution Shares USD***	–	56,740	–
Class J Shares EUR	–	611,181	–
Class J Shares USD	–	14,362,731	–
Class P Shares USD	3,623,838	–	–
Class S Shares USD****	–	27,010,730	–
Class X Distribution Shares JPY	–	4,755,397	–
31 December 2024			
Class A Distribution Shares GBP	33,271	32,292	–
Class A Distribution Shares USD	–	452,994	–
Class A Shares EUR**	–	17,315	–
Class A Shares GBP	62,691	166,105	–
Class A Shares USD	1,308,990	4,033,372	64,092
Class B Shares EUR	19,081	–	–
Class B Shares GBP	–	14,747	–
Class B Shares USD	876,560	169,340	–
Class C Distribution Shares GBP	–	86,437	9,424
Class C Shares GBP	127,602	652,744	6,551
Class C Shares USD	146,568	4,102,172	24,540
Class I Distribution Shares EUR	–	–	149,623
Class I Shares USD	479,629	788	143,511
Class J Shares EUR	–	574,199	–
Class J Shares USD	–	15,451,731	–
Class P Shares USD	3,320,388	–	–
Class S Shares USD****	–	22,877,949	–
Class X Distribution Shares JPY	–	5,276,716	–
31 December 2023			
Class A Distribution Shares GBP	14,406	33,612	–
Class A Distribution Shares USD	–	81,347	–
Class A Shares EUR**	19,932	37,036	–
Class A Shares GBP	51,509	144,803	–
Class A Shares USD	1,993,490	3,643,929	101,613
Class B Shares EUR	19,081	–	–
Class B Shares GBP	–	467	–
Class B Shares USD	283,754	101,664	–
Class C Distribution Shares GBP	–	59,174	9,976
Class C Shares GBP	79,967	504,824	4,337
Class C Shares USD	118,629	1,983,807	12,585
Class I Distribution Shares EUR	–	–	150,623
Class I Shares USD	144,829	3,433	160,718
Class J Shares EUR	–	690,781	–
Class J Shares USD	–	17,901,120	–
Class P Shares USD	3,650,446	–	–
Class S Shares USD***	–	22,576,468	–
Class X Distribution Shares JPY	–	6,602,202	–

* Sub-Fund liquidated on 20 March 2025.

** Share Class A EUR of India Growth Fund liquidated during 2024 reporting year.

*** Share Class J Distribution USD of India Midcap Fund launched during 2025 reporting period.

**** Share Class S USD of India Midcap Fund launched during 2023 reporting period.

KOTAK FUNDS

STATISTICAL INFORMATION (CONTINUED)

Net asset value per share		INDIA GROWTH FUND USD	INDIA MIDCAP FUND USD	INDIA FIXED INCOME FUND* USD
30 June 2025				
	Class A Distribution Shares GBP	GBP 24.80	GBP 34.41	–
	Class A Distribution Shares USD	–	USD 11.71	–
	Class A Shares EUR**	–	EUR 17.57	–
	Class A Shares GBP	GBP 30.56	GBP 40.24	–
	Class A Shares USD	USD 27.23	USD 40.96	–
	Class B Shares EUR	EUR 11.61	–	–
	Class B Shares GBP	–	GBP 46.90	–
	Class B Shares USD	USD 16.71	USD 46.62	–
	Class C Distribution Shares GBP	–	GBP 21.94	–
	Class C Shares GBP	GBP 26.26	GBP 29.73	–
	Class C Shares USD	USD 18.42	USD 27.04	–
	Class I Shares USD	USD 35.76	USD 38.50	–
	Class J Distribution Shares USD***	–	USD 10.92	–
	Class J Shares EUR	–	EUR 21.32	–
	Class J Shares USD	–	USD 34.80	–
	Class P Shares USD	USD 12.89	–	–
	Class S Shares USD****	–	USD 15.12	–
	Class X Distribution Shares JPY	–	JPY 72,633.39	–
31 December 2024				
	Class A Distribution Shares GBP	GBP 26.77	GBP 39.16	–
	Class A Distribution Shares USD	–	USD 12.01	–
	Class A Shares EUR**	–	EUR 19.97	–
	Class A Shares GBP	GBP 31.95	GBP 44.36	–
	Class A Shares USD	USD 26.05	USD 41.32	USD 11.96
	Class B Shares EUR	EUR 12.51	–	–
	Class B Shares GBP	–	GBP 51.70	–
	Class B Shares USD	USD 15.99	USD 47.03	–
	Class C Distribution Shares GBP	–	GBP 24.85	GBP 12.87
	Class C Shares GBP	GBP 27.32	GBP 32.61	GBP 16.38
	Class C Shares USD	USD 17.53	USD 27.14	USD 12.53
	Class I Distribution Shares EUR	–	–	EUR 11.40
	Class I Shares USD	USD 34.03	USD 38.82	USD 14.76
	Class J Shares EUR	–	EUR 24.11	–
	Class J Shares USD	–	USD 34.92	–
	Class P Shares USD	USD 12.23	–	–
	Class S Shares USD****	–	USD 15.17	–
	Class X Distribution Shares JPY	–	JPY 79,635.39	–
31 December 2023				
	Class A Distribution Shares GBP	GBP 25.40	GBP 34.49	–
	Class A Distribution Shares USD	–	USD 10.74	–
	Class A Shares EUR**	EUR 17.06	EUR 15.83	–
	Class A Shares GBP	GBP 28.54	GBP 36.85	–
	Class A Shares USD	USD 23.63	USD 34.85	USD 11.66
	Class B Shares EUR	EUR 10.68	–	–
	Class B Shares GBP	–	GBP 42.95	–
	Class B Shares USD	USD 14.51	USD 39.67	–
	Class C Distribution Shares GBP	–	GBP 21.67	GBP 12.42
	Class C Shares GBP	GBP 24.17	GBP 26.81	GBP 15.66
	Class C Shares USD	USD 15.75	USD 22.66	USD 12.16
	Class I Distribution Shares EUR	–	–	EUR 10.65
	Class I Shares USD	USD 30.56	USD 32.73	USD 14.34
	Class J Shares EUR	–	EUR 18.93	–
	Class J Shares USD	–	USD 29.15	–
	Class P Shares USD	USD 10.93	–	–
	Class S Shares USD****	–	USD 12.64	–
	Class X Distribution Shares JPY	–	JPY 60,994.58	–

* Sub-Fund liquidated on 20 March 2025.

** Share Class A EUR of India Growth Fund liquidated during 2024 reporting year with the last net asset value per share of EUR 19.85.

*** Share Class J Distribution USD of India Midcap Fund launched during 2025 reporting period.

****Share Class S USD of India Midcap Fund launched during 2023 reporting period.

KOTAK FUNDS

SCHEDULE OF INVESTMENTS

INDIA GROWTH FUND

30 June 2025

Number of shares/ Nominal Value	Security	Market Value USD	Market Value as a percentage of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			
Equities			
India			
171,200	Apollo Pipes	856,254	0.70
449,520	Apollo Tyres	2,350,938	1.93
267,327	Axis Bank	3,735,715	3.06
521,730	Bajaj Finance	5,693,678	4.67
670,753	Bharat Electronics	3,294,576	2.70
14,948	Bharti Airtel	266,432	0.22
240,000	Bharti Airtel	5,620,309	4.61
207,561	Brigade Enterprises	2,684,292	2.20
162,814	Century Plyboards India	1,441,932	1.18
1,327,323	Eternal	4,085,701	3.35
374,087	Fortis Healthcare	3,463,425	2.84
76,729	GE Vernova T&D India	2,111,122	1.73
200,506	Godrej Consumer Products	2,753,337	2.26
37,601	HDFC Asset Management	2,274,870	1.87
399,644	HDFC Bank	9,321,122	7.65
213,794	ICICI Bank	3,601,995	2.95
211,734	ICICI Bank ADR	7,171,431	5.88
439,126	Indus Towers	2,154,834	1.77
106,305	Info Edge India	1,843,671	1.51
63,452	InterGlobe Aviation	4,419,077	3.63
125,635	Jyoti CNC Automation	1,550,408	1.27
113,989	Mahindra & Mahindra	4,228,304	3.47
136,109	Max Financial Services	2,612,439	2.14
174,781	Max Healthcare Institute	2,598,868	2.13
84,683	Mphasis	2,807,882	2.30
640,277	Piramal Pharma	1,517,454	1.25

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

KOTAK FUNDS

SCHEDULE OF INVESTMENTS (CONTINUED)

INDIA GROWTH FUND (CONTINUED)

30 June 2025

Number of shares/ Nominal Value	Security	Market Value USD	Market Value as a percentage of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			
Equities (continued)			
India (continued)			
496,435	Poonawalla Fincorp	2,696,089	2.21
492,530	Reliance Industries	8,612,653	7.06
113,993	Sobha	1,947,118	1.60
122,926	Sun Pharmaceutical Industries	2,400,376	1.97
187,571	Tech Mahindra	3,687,399	3.02
41,924	Thermax	1,670,472	1.37
28,198	Trent	2,043,024	1.68
27,550	UltraTech Cement	3,882,353	3.18
256,719	UNO Minda	3,303,577	2.71
1,728,990	Vishal Mega Mart	2,699,428	2.21
United States			
66,952	Cognizant Technology Solutions Corp.	5,204,848	4.27
Total Equities		122,607,403	100.55
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market		122,607,403	100.55
Total Investments		122,607,403	100.55
Other Net Assets and Liabilities		(672,309)	(0.55)
Net Asset Value		121,935,094	100.00

No schedule of investment changes has been included into the report. Such information is available upon request from Brown Brothers Harriman (Luxembourg) S.C.A., the Fund's Administrator.

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

KOTAK FUNDS

SCHEDULE OF INVESTMENTS (CONTINUED)

INDIA MIDCAP FUND

30 June 2025

Number of shares/ Nominal Value	Security	Market Value USD	Market Value as a percentage of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			
Equities			
India			
558,000	Alkem Laboratories	32,115,342	0.87
555,401	Angel One	18,916,687	0.52
1,465,000	Apollo Hospitals Enterprise	123,633,302	3.36
9,363,867	Apollo Tyres	48,971,951	1.33
17,767,594	Ashok Leyland	51,950,044	1.41
154,489	Atul	13,456,095	0.37
5,300,000	AU Small Finance Bank	50,489,719	1.37
419,734	Avenue Supermarts	21,385,698	0.58
2,251,000	Axis Bank	31,456,213	0.86
800,000	Balkrishna Industries	22,796,148	0.62
6,277,850	Bharat Electronics	30,835,276	0.84
2,906,058	Bharti Hexacom	66,127,047	1.80
6,175,745	Birlasoft	31,197,355	0.85
2,558,096	BrainBees Solutions	11,506,506	0.31
4,743,345	Brigade Enterprises	61,343,529	1.67
4,022,228	Carborundum Universal	45,251,793	1.23
897,590	Cello World	6,383,004	0.17
3,145,000	Cholamandalam Investment & Finance	59,664,276	1.62
12,600,000	City Union Bank	32,112,825	0.87
1,514,500	Container Corp. Of India	13,409,355	0.37
1,728,833	Coromandel International	50,470,170	1.37
11,256,229	Crompton Greaves Consumer Electricals	46,584,781	1.27
2,120,000	Cummins India	83,980,306	2.29
7,086,413	Dabur India	40,071,106	1.09
452,375	Dixon Technologies India	78,983,559	2.15
2,900,000	Emami	19,316,549	0.53

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

KOTAK FUNDS

SCHEDULE OF INVESTMENTS (CONTINUED)

INDIA MIDCAP FUND (CONTINUED)

30 June 2025

Number of shares/ Nominal Value	Security	Market Value USD	Market Value as a percentage of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			
Equities (continued)			
India (continued)			
39,327,524	Eternal	121,056,062	3.29
3,040,000	Exide Industries	13,736,140	0.37
21,200,000	Federal Bank	52,650,123	1.43
9,371,845	Fortis Healthcare	86,767,747	2.36
1,902,220	GE Vernova T&D India	52,337,678	1.43
1,039,895	Havells India	18,796,137	0.51
1,035,881	HDFC Asset Management	62,671,075	1.71
7,330,562	Hindustan Petroleum	37,419,698	1.02
52,135	Honeywell Automation India	23,909,397	0.65
3,200,164	Ipca Laboratories	51,827,930	1.41
883,000	JK Cement	63,281,264	1.72
4,417,491	JK Tyre & Industries	18,351,625	0.50
6,600,000	Jubilant Foodworks	53,975,494	1.47
1,593,500	Jubilant Pharmova	22,479,780	0.61
3,792,500	Jyoti CNC Automation	46,801,619	1.27
200,000	Kajaria Ceramics	2,519,388	0.07
6,125,000	Laurus Labs	51,736,085	1.41
4,626,685	Mahindra Lifespace Developers	19,479,474	0.53
2,084,881	Mankind Pharma	56,360,020	1.53
3,700,000	Max Financial Services	71,016,786	1.93
10,331,746	Max Healthcare Institute	153,625,645	4.18
2,007,437	Metro Brands	26,906,339	0.73
8,744,423	Minda	53,140,397	1.45
24,028,419	Motherson Sumi Wiring India	16,721,850	0.46
1,900,000	Mphasis	62,999,377	1.72
602,109	Navin Fluorine International	33,819,758	0.92

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

KOTAK FUNDS

SCHEDULE OF INVESTMENTS (CONTINUED)

INDIA MIDCAP FUND (CONTINUED)

30 June 2025

Number of shares/ Nominal Value	Security	Market Value USD	Market Value as a percentage of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			
Equities (continued)			
India (continued)			
1,849,000	Oberoi Realty	41,058,963	1.12
285,600	Oracle Financial Services Software	29,906,386	0.81
3,913,912	PB Fintech	83,186,223	2.26
1,236,982	Persistent Systems	87,085,828	2.37
771,000	PI Industries	36,878,659	1.00
1,759,259	PNB Housing Finance	22,743,498	0.62
6,918,720	Poonawalla Fincorp	37,574,879	1.02
9,900,000	Power Finance	49,307,052	1.34
1,154,530	Rolex Rings	21,671,360	0.59
3,232,972	Sansera Engineering	51,978,762	1.42
11,539,165	Sapphire Foods India	44,212,545	1.20
3,814,971	SBI Cards & Payment Services	42,371,031	1.15
1,494,639	Schaeffler India	70,492,195	1.92
17,319,154	Shriram Finance	142,657,057	3.88
2,172,738	SRF	82,086,755	2.23
929,039	Supreme Industries	47,541,871	1.29
4,180,000	Tech Mahindra	82,173,292	2.24
1,681,733	Thermax	67,009,068	1.82
1,583,797	Torrent Pharmaceuticals	62,901,921	1.71
2,728,636	TVS Motor	92,783,386	2.53
1,903,774	United Breweries	43,284,683	1.18
4,423,725	United Spirits	73,618,347	2.00
1,265,378	Vedant Fashions	11,962,290	0.33
6,253,338	V-Guard Industries	28,222,711	0.77
3,054,793	Voltas	46,778,848	1.27
Total Equities		3,766,283,134	102.47

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

KOTAK FUNDS

SCHEDULE OF INVESTMENTS (CONTINUED)

INDIA MIDCAP FUND (CONTINUED)

30 June 2025

	Market Value USD	Market Value as a percentage of Net Assets
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market	3,766,283,134	102.47
Total Investments	3,766,283,134	102.47
Other Net Assets and Liabilities	(90,896,640)	(2.47)
Net Asset Value	3,675,386,494	100.00

No schedule of investment changes has been included into the report. Such information is available upon request from Brown Brothers Harriman (Luxembourg) S.C.A., the Fund's Administrator.

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

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

1. General information

Kotak Funds (the “Fund”) is an investment company organised under the laws of the Grand Duchy of Luxembourg and is qualified as a Société d’Investissement à Capital Variable (“SICAV”). The Fund, incorporated on 12 September 2007, is registered under Part I of the Luxembourg Law of 17 December 2010 regarding undertakings for collective investment, as amended.

The Fund offers investors the choice between several classes of shares (each a “class”) in a number of Sub-Funds. As at 30 June 2025, the Fund was composed of the following Sub-Funds: India Growth Fund and India Midcap Fund. On 21 January 2025, in order to protect the best interest of all the shareholders, the Directors have determined to place the Sub-Fund India Fixed Income Fund into liquidation on 20 March 2025.

The following share classes were in issue as at 30 June 2025:

- (i) Class A shares which are available to all investors.
- (ii) Class I, Class J and Class S shares which are reserved to institutional investors in the meaning of article 174 of the Luxembourg Law of 17 December 2010, as amended. The Class J shares is only available in India Midcap Fund.
- (iii) Class B shares which are available to investors who at the time the relevant subscription order is received are customers of certain distributors appointed by the Global Distributor specifically for the purpose of distributing the Class B shares. The class is only available in India Growth Fund and India Midcap Fund.
- (iv) Class X shares which are only available in certain jurisdictions and shall be offered at the discretion of the Global Distributor.
- (v) Class C Shares may be offered in certain limited circumstances for distribution in certain countries and through certain distributors or sub-distributors who at the discretion of the Global Distributor, are considered wholesale investors providing services to other investors.
- (vi) Class P shares are reserved to certain institutional investors, in certain circumstance, at the recommendation of the Global Distributor.

The main objective of the Sub-Funds is to invest in sufficiently liquid transferable securities and other eligible assets in order to provide returns for investors.

The Fund has incorporated India Bluechip (Mauritius) Ltd (the “Bluechip Subsidiary”) on 14 December 2009 and India Midcap (Mauritius) Ltd (the “Midcap Subsidiary”) on 19 April 2010.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Luxembourg legal and regulatory requirements and on a going concern basis, except for India Fixed Income Fund whose financial statements have been prepared on a non-going concern basis as the Board of Directors has decided to liquidate this Sub-Fund on 20 March 2025. Consequently the financial statements of this Sub-Fund have been prepared on a non-going concern basis, with assets recorded at net realizable value and liabilities at net settlement amount. The application of the non-going concern basis of accounting has not led to material adjustments to the Sub-Fund’s published net asset value.

b) Financial statements

Financial statements for India Growth Fund and India Midcap Fund are presented on a consolidated basis. The statements of net assets, operations and changes in net assets are presented in USD for each Sub-Fund.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

2. Summary of significant accounting policies (continued)

b) Financial statements (continued)

The combined statement of net assets, the combined statement of operations and the combined statement of changes in net assets are the sum of the statements of each Sub-Fund. As wholly-owned subsidiaries of the Fund all assets and liabilities, income and expenses of the subsidiaries are consolidated in the statements of net assets and operations of the respective Sub-Funds. Investments held by the subsidiaries are disclosed in the schedule of investments of the respective Sub-Funds.

c) Foreign currency translation

Assets and liabilities in currencies other than the Sub-Funds' base currency have been translated into that currency at exchange rates ruling at the date of these financial statements. Transactions occurring during the period in currencies other than the base currency are translated at rates of exchange ruling at the transaction dates. The exchange rates applicable as at 30 June 2025 are:

USD/CHF	0.7982
USD/EUR	0.8538
USD/GBP	0.7303
USD/INR	85.8145
USD/JPY	144.4750

d) Investments

Securities listed on Regulated Markets, which are recognized, operate regularly and are open to the public, are valued at the last available price of the main market for the relevant security.

Securities listed on the Indian stock exchanges are valued at the closing price on the National Stock Exchange failing which the closing price on the Stock Exchange, Mumbai (BSE) failing which the closing price on any other exchange whereat the security is traded shall be considered.

Securities not listed on Regulated Markets, which are recognized, operate regularly and are open to the public, are valued on the basis of their last available price.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Directors may, at their discretion, prudently and in good faith follow other methods of valuation to be used if they consider such method of valuation better reflects the value and is in accordance with good accounting practice in order to achieve a fair valuation of the assets of the Fund.

Gains or losses arising on the disposal of investments are calculated by reference to the net sales proceeds and the average cost attributable to those investments.

e) Income and expenses

Dividends arising on the Fund's equity investments are credited to the statement of operations when the security is quoted ex-dividend, net of withholding taxes where applicable. Interest income is recognised as the interest accrues (taking into account the coupon rate on the asset) unless recoverability is in doubt. Interest income is accrued on a

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

2. Summary of significant accounting policies (continued)

e) Income and expenses (continued)

daily basis and may include the amortization of premiums and accretions of discounts. Bank deposits interest income is recognized on an accrual basis. Where the Fund incurs an expense which relates to any particular Sub-Fund or to any action taken in connection with a particular Sub-Fund, such liability shall be allocated to the relevant Sub-Fund. In the case where any expense of the Fund cannot be considered as being attributable to a particular Sub-Fund, such expense shall be allocated to all the Sub-Funds pro rata to their NAV's or in such other ways that the Directors deem equitable.

Notwithstanding the provisions of the preceding paragraph, all liabilities of the Fund, whatever Sub-Fund they are attributable to, shall, unless otherwise agreed upon with the creditors, be binding upon the Fund as a whole.

f) Forward foreign exchange contracts

The Fund may enter into forward foreign exchange contracts to hedge against exposures to foreign currency fluctuations. The carrying value of these contracts is the gain or loss that would be realised if the position were closed out on the valuation date, and is recorded as an unrealised gain or loss. Upon the closing of the contract, the gain or loss is recorded in the net realised gain or loss on forward foreign exchange contracts. There were no open contracts as at 30 June 2025.

g) Future contracts

Financial future contracts are valued at the exchange quoted settlement price. Initial margin deposits are made upon entering into the contracts and can be either in cash or securities. During the period the contracts are open, changes in the value of the contracts are recognised as unrealised gains and losses by "marking-to-market" on a daily basis to reflect the market value of the contracts at the end of each business day's trading. Variation margin payments are made or received, depending upon whether losses or gains are incurred. When a contract is closed, the Sub-Fund records a realised gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the initial cost of the contract. There were no open contracts as at 30 June 2025.

h) Option contracts

Premiums received on issued options are recorded as liabilities and premiums paid on the purchase of options are recorded as assets in the statement of net assets. Option contracts outstanding as at period end are valued at the last known price on the stock exchanges or regulated markets. Realised and change in unrealised gains and losses are recorded in the statement of operations. There were no open contracts as at 30 June 2025.

i) Swap Agreements

The Fund may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Fund's exposure to strategies, equity securities, long term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Fund. The most significant factor in the performance of swap agreements is the change in the individual equity values, the Fund's net asset value, specific interest rate, currency or other factors that determine the amounts of payments due to and from the counterparties. If a swap agreement

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

2. Summary of significant accounting policies (continued)

i) Swap Agreements (continued)

calls for payments by the Fund, the Fund must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses to the Fund. There were no open swap agreements as at 30 June 2025.

j) Dividends distribution

Within each Sub-Fund, there may be created different Classes which are entitled to regular dividend payments ("Distribution Shares") or with earnings reinvested ("Accumulation Shares"). If a dividend is declared by the Fund, it will be paid to each Shareholder concerned in the currency of the relevant Sub-Fund or Class.

During the period ended 30 June 2025, the Fund distributed the following dividends:

India Growth Fund	Ex date	Pay date	Dividend per share	Total dividend paid (USD)
Class A Distribution Shares GBP	11 February 2025	18 February 2025	GBP 0.4960	11,496
Class A Distribution Shares GBP	14 May 2025	21 May 2025	GBP 0.5329	12,397
				23,893
India Midcap Fund	Ex date	Pay date	Dividend per share	Total dividend paid (USD)
Class A Distribution Shares GBP	11 February 2025	18 February 2025	GBP 0.6820	21,682
Class C Distribution Shares GBP	11 February 2025	18 February 2025	GBP 0.4340	35,890
Class X Distribution Shares JPY	11 February 2025	18 February 2025	JPY 1.4773	7,535,204
				7,592,776
Class A Distribution Shares GBP	14 May 2025	21 May 2025	GBP 0.7328	21,829
Class A Distribution Shares USD	14 May 2025	21 May 2025	USD 0.1900	87,962
Class C Distribution Shares GBP	14 May 2025	21 May 2025	GBP 0.4663	111,103
Class X Distribution Shares JPY	14 May 2025	21 May 2025	JPY 1.5387	7,200,237
				7,421,131
				15,013,907

k) Swing Pricing

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the Shareholders' interests in a Sub-Fund. In order to prevent this effect, called "dilution", the Directors have the authority to allow for the Net Asset Value per Share to be adjusted, taking into account the bid/ask spread on securities and forex as well as transaction costs and taxes which would be payable on the effective acquisition or disposal of assets in the relevant Sub-Fund if the net capital activity exceeds, as a consequence of the sum of all subscriptions, redemptions or conversions in such a Sub-Fund, such threshold percentage (the "Threshold") as may be determined from time to time by the Directors, of the Sub-Fund's total net assets on a given Valuation Day. Such adjustment may vary from Sub-Fund to Sub-Fund and will not exceed 0.5% of the original Net Asset Value per Share.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

2. Summary of significant accounting policies (continued)

k) Swing Pricing (continued)

The adjustment is applied on the capital activity at the level of the Sub-Funds and does not address the specific circumstances of each individual investor transaction.

The Fund currently applies the adjustment to all of its Sub-Funds.

Description of the swing pricing procedure:

If the net capital activity on a given Valuation Day leads to a net inflow of assets in excess of the Threshold in the relevant Sub-Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in such a Sub-Fund is adjusted upwards by the swing factor that shall be determined from time to time by the Directors.

If the net capital activity on a given Valuation Day leads to a net outflow of assets in excess of the Threshold in the relevant Sub-Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in such a Sub-Fund is adjusted downwards by the swing factor that shall be determined from time to time by the Directors.

As at and during the period ended 30 June 2025, no Sub-Fund has applied swing price adjustments.

The following table summarises the maximum swing factor applicable by the Sub-Funds during the period ended 30 June 2025:

Sub-Fund	Maximum swing factor
India Growth Fund	0.353%
India Midcap Fund	0.353%
India Fixed Income Fund*	0.115%

3. Investment management fees

Kotak Mahindra Asset Management (Singapore) Pte. Ltd as Investment Manager is entitled to receive fees from the Fund in respect of their respective investment management services. The investment management fees are calculated based on a certain percentage per annum of the net asset values of the various Sub-Funds.

The maximum percentages of investment management fees at 30 June 2025 are as follows:

Kotak Funds - India Growth Fund

Class A: 2.00% Class I: 1.00% Class B: 2.00% Class X: 1.00% Class C: 1.00% Class S: 0.85% Class P: 1.50%**

Kotak Funds - India Midcap Fund

Class A: 2.00% Class I: 2.00% Class B: 2.00% Class X: 1.00%*** Class J: 1.00% Class C: 1.00% Class S: 0.85% Class P: 1.50%**

Kotak Funds - India Fixed Income Fund*

Class A: 1.20%**** Class I: 0.75%**** Class C: 0.75%**** Class P: 1.00%**

*Sub-Fund liquidated on 20 March 2025.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

3. Investment management fees (continued)

**The Investment Manager has agreed with the Fund to contractually waive 1.00% of the investment management fees on behalf of Class P of the India Growth Sub-Fund and India Midcap Sub-Fund and 0.50% on behalf of Class P of the India Fixed Income Sub-Fund*, since the launch of the Class.

***The Investment Manager has agreed with the Fund to contractually waive 0.25% of the investment management fees on behalf of Class X of the India Midcap Sub-Fund since the launch of the Class.

****With respect to the fund's Class A, Class C and Class I shares, to the extent the total annual fund operating expenses of the Fund attributable to a particular Class (exclusive of brokerage expenses, interest expenses, taxes and extraordinary expenses), exceed 1.60% for Class A shares and 1.20% for Class C and Class I shares, the Investment Manager has agreed to waive the management fee payable to it by the Fund to the extent that such excess exceeds the amount of the management fee attributable to the particular Class and the Investment Manager has agreed to reimburse the Fund with respect to such Class in the amount that such excess exceeds the amount of the management fee attributable to the Class. This is included in the Statement of Net Assets under receivable for expenses cap reimbursement and Statement of Operations under expense reimbursement of expense cap.

Investment management fees for the period ended 30 June 2025 amounted to USD 710,250 for the India Growth Fund, USD 14,553,813 for the India Midcap Fund and USD 8,541 for the India Fixed Income Fund*.

4. Administration and depositary fees

Brown Brothers Harriman (Luxembourg) S.C.A., as administrator and depositary bank, is entitled to receive from the Fund fees based on the aggregate Net Asset Value of the Fund. These fees are as follows:

	Administration fee rate	Depositary fee rate	Custody fee rate (India and US Markets)
USD 0 - USD 500,000,000	0.025%	0.0045%	0.010%
USD 500,000,000 - USD 1,000,000,000	0.020%	0.0045%	0.010%
Above USD 1,000,000,000	0.015%	0.0045%	0.010%

Administration and depositary fees are subject to a minimum annual fee of USD 10,000 per Sub-Fund.

The fees for each Sub-Fund are disclosed separately in the statement of operations.

The Administrator of the subsidiaries, IQEQ (Mauritius), is entitled to the following fees per annum:

- (i) For administration, registrar and company secretary services: For the Midcap Subsidiary USD 10,000 p.a. for NAV up to USD 20 million, USD 20,000 p.a. for NAV up to USD 50 million and USD 30,000 p.a. for NAV above USD 50 million. For the Bluechip Subsidiary USD 25,000 p.a.
- (ii) For services relating to the preparation and filing of annual tax returns in Mauritius: USD 1,000.
- (iii) For services relating to the tax residency certificate: USD 500.
- (iv) For directorship: USD 2,000 per director.
- (v) For the service of the Money Laundering Reporting officer: USD 800.
- (vi) For the license fees, for the Midcap Subsidiary USD 6,960 and for the Bluechip Subsidiary USD 2,425.

*Sub-Fund liquidated on 20 March 2025.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

5. Subscription tax

Under current law and practice, the Fund is not liable to Luxembourg taxes on income or capital gains. The Fund is subject to the “taxe d’abonnement” (subscription tax) at the rate of 0.05% per annum, except for the share classes dedicated to institutional investors which benefit from a reduced tax rate of 0.01%.

6. Taxation

Tax implications for direct investments

The Fund may invest directly in India or through the Subsidiaries. In case of direct investments in India, the Fund may be subject to taxes on revenue and/or capital gains as well as potentially other taxes or levies due in accordance with applicable Indian legislation. Some or all of such amounts due may not be recoverable and/or not covered by double tax treaty between the Grand Duchy of Luxembourg and India.

Tax implications for investments through Subsidiaries

The taxation of the return on investments of the Mauritius Subsidiaries is governed by the provisions of the Income Tax Act, 1961 as amended by Finance Act, 2024 (“ITA”), read with the provisions of the India/Mauritius Tax Treaty as amended by the Protocol dated 10 May 2016 (“India/Mauritius Tax Treaty”). As per Section 90(2) of the ITA, the provisions of the ITA would apply only to the extent they are more beneficial than the provisions of the India/Mauritius Tax Treaty.

However, there can be no assurance that the India/Mauritius Tax Treaty will continue to be in full force and effect during the existence of the Mauritius Subsidiaries or that the Mauritius Subsidiaries are entitled to or will continue to enjoy the benefit of the India/Mauritius Tax Treaty.

In order to claim the beneficial provisions of the India/Mauritius Tax Treaty, the Mauritius Subsidiaries must be tax residents of Mauritius. All the Mauritius Subsidiaries currently hold a Mauritius tax residency certificate from the Mauritius tax authorities and are required to renew such tax residency certificate on annual basis.

General Anti-Avoidance Rules (“GAAR”) related provisions of the ITA came into effect on 1 April 2017. GAAR should not apply to any income accruing or arising to or deemed to accrue or arise to or received or deemed to be received by any person, from transfer of investments made before 1 April 2017. However, GAAR applies to any arrangement, irrespective of the date on which it has been entered into, in respect of tax benefits obtained from the arrangement on or after 1 April 2017. GAAR may be applied by tax authorities to a transaction in order to override the benefits available under any tax treaty including the India-Mauritius Tax Treaty. GAAR provisions should not apply to a person, being a non-resident, in relation to investment made by him by way of offshore derivative instruments or otherwise, directly or indirectly, in a Foreign Portfolio Investor (FPI). Further GAAR provisions should not apply to an FPI, where the FPI have not claimed tax treaty benefits and invest in Indian securities with prior permission of the competent authority under SEBI (FPI) regulations.

The Mauritius Subsidiaries may have income in the form of capital gains, income from dividends and income from interest. The tax consequences for the Mauritius Subsidiaries on account of the application of the India/Mauritius Tax Treaty, read with the provisions of the ITA are as follows:

- (i) For investments made up to 31 March 2017

Capital gains of the Mauritius Subsidiaries resulting from the transfer/sale of Indian securities issued by Indian companies will not be subject to tax in India.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

6. Taxation (continued)

Tax implications for investments through Subsidiaries (continued)

(ii) For investment made on or after 1 April 2017 and transferred/sold up to 31 March 2019

Capital gains of the Mauritius Subsidiaries resulting from the transfer/sale of shares of an Indian company will be subject to tax in India at the tax rate which may be limited to 50% of the domestic capital gains tax rate in India, subject to the Limitations of Benefits clause being met.

(iii) For investment made on or after 1 April 2017 and transferred/sold on or after 1 April 2019

Capital gains of the Mauritius Subsidiaries resulting from the transfer/sale of shares of an Indian company will be subject to tax in India at the applicable rate of domestic capital gains tax in India.

Capital gains of the Mauritius Subsidiaries resulting from the transfer/sale of any other Indian securities (including FCCBs or GDRs or ADRs) issued by Indian companies (except shares of Indian companies), albeit the date of investment, will not be subject to tax in India.

Exemption of long-term capital gains (“LTCG”) on transfer of listed equity shares in an Indian company or a unit of equity-oriented mutual fund or a unit of a business trust (“specified securities”) was withdrawn from financial year beginning 1 April 2018. With effect from 1 April 2018, LTCG exceeding Rs 100,000 is taxable at 10% (plus surcharge and cess) on specified securities sold before 23 July 2024 and LTCG on or after 23 July 2024 exceeding Rs 125,000 is taxable at 12.5% (plus surcharge and cess) [as amended by Finance (No. 2) Act, 2024]. The cost of acquisition of specified security which is acquired before 1 February 2018, is the higher of (1) actual cost of acquisition and (2) lower of (a) the fair market value as at 31 January 2018 and (b) full value of the consideration received on the transfer of the security.

Dividends on shares received from an Indian company on which dividend distribution tax has been paid are exempt from tax in the hands of the Shareholders. Dividend declared or distributed on or after 1 April 2021 would not be subject to DDT in the hands of the distributing Indian company and would be taxed in the hands of non-resident Shareholders at 20% plus surcharge and cess subject to benefits under the tax treaty, if any.

Interest income earned by the Luxembourg Sub-Funds and Mauritius Subsidiaries from rupee denominated bonds of an Indian company or a Government security would be taxed at the rate of 5% (plus applicable surcharge and cess) subject to conditions. The concessional rate of tax on interest payable was available until 30 June 2023.

7. Directors’ fees and expenses

In addition to Directors’ fees, Directors are entitled to be reimbursed for reasonable travelling, hotel and other incidental expenses in respect of attending meetings of the Directors or General Meetings of the Fund. Total Directors’ fees and expenses paid for the period ended 30 June 2025 amounted to EUR 9,791.

8. Management company fees

On 12 September 2007, the Management Company, FundRock Management Company S.A. was appointed in order to meet the requirements of the UCITS III (Undertakings for Collective Investment in Transferable Securities) Directive 85/611/EEC of 20 December 1985.

The Management Company is responsible on a day-to-day basis, under the supervision of the Directors of the Fund, for providing administration, marketing and investment management services in respect of all Sub-Funds of the Fund.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

8. Management company fees (continued)

The Management Company delegated its investment management duties to Kotak Mahindra Asset Management (Singapore) Pte. Ltd, the Investment Manager of the assets of the Fund.

Brown Brothers Harriman (Luxembourg) S.C.A. has been appointed to perform central administration duties for the Fund pursuant to a delegation of such duties to them by the Management Company.

FundRock Management Company S.A. is entitled to receive a fee for the provision of the Management Company services rendered to the Fund as follows:

Fund assets up to EUR 100 million: 0.05% per annum

Fund assets over EUR 100 million up to EUR 500 million: 0.04% per annum

Fund assets over EUR 500 million: 0.03% per annum

A minimum monthly fee of EUR 5,000 (USD 5,856) will apply at Fund level if the total basis point fee for the Fund does not reach the minimum fee applicable. An additional minimum monthly fee of EUR 1,250 (USD 1,464) at Fund level will be applied for every new sub-fund, if the total basis point fee for the Fund does not reach the minimum fee applicable.

9. Forward foreign exchange contracts

As at 30 June 2025, no Sub-Fund was engaged into the forward exchange contracts.

10. Future contracts

As at 30 June 2025, no Sub-Fund was engaged into the future contracts.

11. Risk transparency disclosures

The Board of Directors has decided to implement the following methodology to calculate the global exposure for each of the below mentioned Sub-Funds.

Sub-Fund	Methodology applied for measuring the Global Exposure
India Growth Fund	Commitment approach
India Midcap Fund	Commitment approach
India Fixed Income Fund*	Commitment approach

12. Events during the period

Effective from 17 January 2025, the Sub-Fund India ESG Fund has changed its name to India Growth Fund.

On 21 January 2025, in order to protect the best interest of all the shareholders, the Directors have determined to place the Sub-Fund India Fixed Income Fund into liquidation on 20 March 2025.

There have not been any other significant events during the reporting period affecting the Fund.

*Sub-Fund liquidated on 20 March 2025.

KOTAK FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025 (CONTINUED)

13. Remuneration policy

The European Union Directive 2014/91/EU (known as the “UCITS V Directive”) came into effect on 18 March 2016. The Management Company is required to operate a remuneration policy in accordance with applicable requirements of the UCITS V Directive. Details of the management company’s remuneration and associated financial disclosures will be made within the annual report for the period to 31 December 2025.

14. Information concerning the distribution of shares in or from Switzerland

Legal Representative of the Fund in Switzerland: BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland. The Prospectus, Articles, semi-annual report and annual report of the Fund may be obtained free of charge upon request from the Legal Representative in Switzerland. A breakdown of all transactions carried out on behalf of each Sub-Fund for the period under review can be obtained, free of charge, from the Legal Representative in Switzerland.

15. Securities Financing Transactions

The Sub-Funds have not entered into securities financing transactions as defined in Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/012, namely total return swaps, repurchase and reverse repurchase agreements and securities lending transactions.

16. Sustainable Finance Disclosure Regulation ("SFDR")

As at 30 June 2025, India Fixed Income Fund* is not taking into account the EU criteria for environmentally sustainable economic activities in their investment strategy.

India Growth Fund and India Midcap Fund are now Article 8 products of Regulation (EU) 2020/852. In line with their ESG methodology, these Sub-Funds promote environmental characteristics but do not commit to invest in taxonomy-aligned environmentally sustainable activities, which contribute to the environmental objectives set out under Article 9 of Regulation (EU) 2020/852.

17. Subsequent events

The Bluechip Subsidiary and the Midcap Subsidiary were put into liquidation on 11 July 2025.

On 15 July 2025, Mr. Christopher Daniel and Mr. Ruchit Puri resigned from the Board of Directors.

There were no other significant events after financial period end.

*Sub-Fund liquidated on 20 March 2025.

KOTAK FUNDS

ADDITIONAL DISCLOSURES

Total Expense Ratio (TER)

The TER has been computed by the Administrator as required per the Asset Management Association Switzerland (AMAS) guidelines on the calculation and disclosure of the TER.

The total expense ratios for the 12 months period under review are as follows:

Kotak Funds - India Growth Fund (USD)	2025
Class A Distribution Shares GBP	2.20%
Class A Shares EUR*	2.19%
Class A Shares GBP	2.20%
Class A Shares USD	2.20%
Class B Shares EUR	2.20%
Class B Shares USD	2.20%
Class C Shares GBP	1.20%
Class C Shares USD	1.20%
Class I Shares USD	1.16%
Class P Shares USD	0.66%
Kotak Funds - India Midcap Fund (USD)	
Class A Distribution Shares GBP	2.14%
Class A Distribution Shares USD	2.16%
Class A Shares EUR	2.12%
Class A Shares GBP	2.14%
Class A Shares USD	2.14%
Class B Shares GBP	2.15%
Class B Shares USD	2.15%
Class C Distribution Shares GBP	1.16%
Class C Shares GBP	1.14%
Class C Shares USD	1.15%
Class I Shares USD	2.09%
Class J Distribution Shares USD**	1.11%
Class J Shares EUR	1.10%
Class J Shares USD	1.10%
Class S Shares USD	0.95%
Class X Distribution Shares JPY	0.89%
Kotak Funds - India Fixed Income Fund (USD)***	
Class A Shares USD	1.59%
Class C Distribution Shares GBP	1.19%
Class C Shares GBP	1.19%
Class C Shares USD	1.19%
Class I Distribution Shares EUR	1.20%
Class I Shares USD	1.20%

* Share Class A EUR of India ESG Fund liquidated during 2024 reporting year.

** Share Class J Distribution USD of India Midcap Fund launched during 2025 reporting period.

*** Sub-Fund India Fixed Income Fund liquidated during 2025 reporting period.

KOTAK FUNDS

ADDITIONAL DISCLOSURES (CONTINUED)

The returns achieved during the period and years under review

	2025	2024	2023
Kotak Funds - India Growth Fund (USD)			
Class A Distribution Shares GBP	(4.34%)	11.92%	10.52%
Class A Shares EUR*	–	–	12.63%
Class A Shares GBP	(4.34%)	11.93%	10.52%
Class A Shares USD	4.53%	10.24%	16.64%
Class B Shares EUR	(7.24%)	17.2%	12.63%
Class B Shares USD	4.53%	10.22%	16.63%
Class C Shares GBP	(3.87%)	13.05%	11.62%
Class C Shares USD	5.05%	11.33%	17.81%
Class I Shares USD	5.07%	11.38%	17.86%
Class P Shares USD	5.33%	11.94%	18.45%
Kotak Funds - India Midcap Fund (USD)			
Class A Distribution Shares GBP	(9.28%)	20.39%	19.34%
Class A Distribution Shares USD	(0.86%)	18.57%	25.95%
Class A Shares EUR	(12.03%)	26.1%	21.62%
Class A Shares GBP	(9.28%)	20.39%	19.34%
Class A Shares USD	(0.86%)	18.56%	25.95%
Class B Shares GBP	(9.28%)	20.38%	19.35%
Class B Shares USD	(0.86%)	18.56%	25.95%
Class C Distribution Shares GBP	(8.84%)	21.6%	20.54%
Class C Shares GBP	(8.83%)	21.6%	20.54%
Class C Shares USD	(0.37%)	19.75%	27.22%
Class I Shares USD	(0.84%)	18.61%	26.00%
Class J Distribution Shares USD**	9.24%	–	–
Class J Shares EUR	(11.57%)	27.39%	22.89%
Class J Shares USD	(0.35%)	19.8%	27.27%
Class S Shares USD***	(0.28%)	19.98%	26.34%
Class X Distribution Shares JPY	(8.20%)	32.92%	37.11%
Kotak Funds - India Fixed Income Fund (USD)****			
Class A Shares USD	–	2.56%	7.04%
Class C Distribution Shares GBP	–	4.56%	1.82%
Class C Shares GBP	–	4.56%	1.83%
Class C Shares USD	–	2.97%	7.46%
Class I Distribution Shares EUR	–	9.49%	3.77%
Class I Shares USD	–	2.57%	7.46%

* Share Class A EUR of India ESG Fund liquidated during 2024 reporting year.

** Share Class J Distribution USD of India Midcap Fund launched during 2025 reporting period.

*** Share Class S USD of India Midcap Fund launched during 2023 reporting year.

**** Sub-Fund India Fixed Income Fund liquidated during 2025 reporting period.

Past performance is not necessarily a guide to future performance and does not take into account fees or commissions that may occur on subscription or redemption.