

BIMB SHARIAH INCOMEPLUS FUND

QUARTERLY REPORT FOR THE FINANCIAL
PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024



MANAGER:

BIMB INVESTMENT MANAGEMENT BERHAD 199301021508 (276246-X)

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1.0 FUND KEY INFORMATION

Fund Name	BIMB Shariah IncomePlus Fund (BSIF)
Fund Type	Income
Fund Category	Wholesale Islamic Fixed Income Fund
Fund Investment Objective	<p>The Fund seeks to provide regular income* whilst maintaining capital stability**.</p> <p><i>Note:</i> <i>*Income will be in the form of cash or additional Units.</i> <i>**The Fund is not a capital guaranteed fund or a capital protected fund.</i></p> <p><i>Any material changes to the investment objective would require Unit Holders' approval.</i></p>
Fund Performance Benchmark	<p>Bank Islam's 1-month Term-Deposit <i>i</i> (Tawarruq).</p> <p>Please note that the risk profile of the Fund may be higher than the risk profile of the benchmark.</p>
Fund Distribution Policy	Subject to availability of income, the Fund will distribute income on a monthly basis.

2.0 MANAGER'S REPORT

<p>Performance Review</p>	<p>For the financial period under review, BIMB Shariah IncomePlus Fund (“the Fund”) registered a return of 0.89% as compared to its benchmark’s return of 0.48%. The selected performance benchmark for the Fund is Bank Islam’s 1-month Term-Deposit <i>i</i> (Tawarruq).</p> <p>The Fund’s strategy has consistently been to invest in a diversified portfolio of approved Islamic money market instruments, Islamic deposits, investment accounts and sukuk that will provide a steady stream of income.</p> <p>During the financial period under review, the Fund has managed to maintain capital stability for its investors as per its investment objective. The Fund has distributed income totaling 0.75 sen per unit to its unit holders during the financial period under review.</p> <p>For the financial period under review, the Fund has not undertaken any securities lending or repurchase transactions nor cross trade transactions. There was no significant change to the state of affairs of the Fund and no circumstance that materially affect the interest of unit holders have taken place up to the date of this Manager’s Report.</p>
<p>Economy and Market Review</p>	<p>Economy</p> <p>a) Global</p> <ul style="list-style-type: none"> • The United States (US) economy grew by 1.6% annualised pace in the first quarter of 2024, slower than the 3.4% growth recorded in the fourth quarter of 2023 as consumer spending slowed to 2.5% from 3.3%. On inflation front, the Personal Consumption Expenditure (PCE) Index rose at a 3.4% annualised pace in the quarter, up from 1.8% in the fourth quarter of 2023. Excluding food and energy, the core PCE rose at a 3.7% rate, above the Federal Reserve’s 2.0% target. • In the Euro Area, the economy expanded faster than expected by 0.3% quarter-on-quarter in the first quarter of 2024. This followed a 0.1% contraction in the fourth quarter of 2023. The growth was contributed by broad-based expansions in the Eurozone’s largest economies. Germany and French’s economy both grew 0.2% while in Italy and Spain, the economy expanded by 0.3% and 0.7%, respectively. Meanwhile, headline inflation averages 2.6% in the first quarter of 2024 as compared to 2.7% in the fourth quarter of 2023. • The Chinese economy expanded by 5.3% year-on-year in the first quarter of 2024, faster than expected and higher than 5.2% rate reported in the fourth quarter of 2023 driven by improvement in external demand. Quarter-on-quarter, the economy grew 1.6%, faster than 1.2% in the final quarter of 2023. <p><i>(Source: Bloomberg, Bureau of Economic Analysis, CNBC, Trading Economics)</i></p>

	<p>b) Local</p> <ul style="list-style-type: none"> The Malaysian's economy grew 4.2% in the first quarter of 2024, above economists' expectations and well above the 2.9% recorded in the fourth quarter of 2023. The strong growth was boosted by private expenditure and the positive turnaround in exports. Household spending was higher on the back of continued growth in employment and wages. Headline inflation remained benign at 1.7% during the first quarter of 2024, only slightly above 1.6% recorded in the final quarter of 2023. Core inflation moderated to 1.8% from 2.0% in the first quarter of 2024. Bank Negara Malaysia kept the Overnight Policy Rate (OPR) unchanged at 3.0% in the first half of 2024. The policymakers believe that the current OPR level will continue to stimulate growth while keeping inflation steady. <p><i>(Source: Bloomberg, Bank Negara Malaysia and Department of Statistics Malaysia)</i></p> <p>Market Review</p> <p>Bond Market and Money Market</p> <p>a) Global</p> <ul style="list-style-type: none"> On year-to-date up to June 2024, global bond yields generally rose as compared to 2023's closing levels as investors reassessed the prospect of later-than-anticipated interest rates cuts by the Federal Reserve. On the back of seemingly persistent inflationary pressure in the US, investors believe the Federal Reserve will only begin cutting interest rates towards the end of 2024. The yield on the 10-year US Treasury increased by 52 basis points (bps) to 4.40%. <p>b) Local</p> <ul style="list-style-type: none"> In tandem with the higher global yields, yield on the 10-year Malaysian Government Securities (MGS) rose 13bps in the six months ended June 2024 to close at 3.86%. <p>Market Outlook and Strategy</p> <ul style="list-style-type: none"> The Manager expects major central banks to begin cutting interest rates in 2024 amidst the expectations of a gradual decline in inflation. Domestically, BNM is likely to keep the OPR unchanged throughout the year. Given the above outlook, our strategy is to be highly invested with preference for medium-to-long-term duration positioning.
<p>Market Outlook and Strategy</p>	<p>Sukuk Market and Islamic Money Market</p> <ul style="list-style-type: none"> The Manager expects major central banks to begin cutting interest rates in 2024 amidst the expectations of a gradual decline in inflation. Domestically, BNM is likely to keep the OPR unchanged throughout the year.

Market Outlook and Strategy (continue)	<ul style="list-style-type: none"> • Our Sukuk strategy is to invest in Sukuk with short to medium term duration. • Our Islamic money market strategy is to invest with aim to maximise return while providing liquidity for investors.
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FUND PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

BIMB SHARIAH INCOMEPLUS FUND	30 JUNE 2024
Unit Prices (RM)	
Highest Net Asset Value (NAV) per unit for the period/year	1.0088
Lowest NAV per unit for the period/year	1.0053
Net Asset Value (NAV) and Units in Circulation (UIC) as at the end of the period	
Total NAV (RM)	192,664,636
Units in Circulation (UIC)	191,440,899
NAV per unit (RM)	
	1.0064
Return of Fund (%)	
Capital Growth (%) ^(b)	1.16
Income Return (%) ^(c)	0.54
Return of the Fund (%)^(a)	
	0.89
Total Gross Distribution per Unit (sen) per annum	0.54
Total Net Distribution per Unit (sen) per annum	0.54
Monthly distribution - April	
NAV per Unit before Distribution (RM)	1.0047
NAV per Unit after Distribution (RM)	1.0032
Monthly distribution - May	
NAV per Unit before Distribution (RM)	1.0061
NAV per Unit after Distribution (RM)	1.0046
Monthly distribution - June	
NAV per Unit before Distribution (RM)	1.0074
NAV per Unit after Distribution (RM)	1.0050
Total Expense Ratio (%)^(d)	
	0.06
Portfolio Turnover Ratio (times)^(e)	
	1.40

Note:

- a) **Return of the Fund** = $\frac{\text{NAV per unit (end of period)} - 1}{\text{NAV per unit (opening of period)}}$
- b) **Capital Growth** = Total Return of the Fund – Income Return
- c) **Income Return** = $(\text{Income Distribution per Unit} / \text{NAV per Unit}) \times 100$
- d) **Total Expenses Ratio** = It is the total management expenses expressed as an annual percentage of the Fund's average Net Asset Value.
- e) **Portfolio Turnover Ratio** = It represents the average of the total acquisitions and disposals of the investment in the Fund for the period over the average Net Asset Value of the Fund calculated on a daily basis

Total Return and Average Total Return for the Financial Period Ended 30 June 2024

	Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
3 months (1/4/2024 – 30/6/2024)	0.89%	3.56%	0.48%	1.92%
6 months (1/1/2024 – 30/6/2024)	1.79%	3.58%	0.97%	1.94%
9 months (1/10/2023 – 30/6/2024)	2.72%	3.62%	1.46%	1.95%
12 months (1/7/2023 – 30/6/2024)	3.62%	3.62%	1.96%	1.96%

Data source : BIMB Investment Management Berhad
Data verified by : Novagni Analytics & Advisory Sdn. Bhd.
Benchmarks : Bank Islam's 1-month Term-Deposit i (Tawarruq)

Notes:

- Total Return** of the Fund has been verified by Novagni Analytics & Advisory Sdn. Bhd. (363145-W).
- Average Total Return** derived by the formula below:

$$\frac{\text{Total Return}}{\text{Number of Years under Review}}$$

The calculation of average total return was based on method obtained from Refinitiv Lipper.

Unit prices and return on investment may fluctuate, hence, past performance shall not be an indicator of future performance.

Asset Allocation as at 30 June 2024

BIMB Shariah IncomePlus Fund	30 JUNE 2024 (%)
Investment in Unquoted Sukuk	
Sukuk	10.19
	10.19
SHARIAH-COMPLIANT CASH AND SHORT TERM INVESTMENTS:	89.81
	100.00

Unit Holdings as at 30 June 2024

Size of Holding	BIMB Shariah IncomePlus Fund			
	Number of Unit Holders		Number of Units Held	
	No.	%	Units	%
5,000 and below	-	-	-	-
5,001 to 10,000	-	-	-	-
10,001 to 50,000	4	21.05	44,489.36	0.02
50,001 to 500,000	2	10.53	698,107.36	0.36
500,001 and above	12	63.16	190,697,238.40	99.61
Units Held by Unit Holders	7	94.74	135,585,173.43	100.00
Units Held by Manager	1	5.26	1,063.61	0.00
Grand Total for the Fund	8	100.00	135,586,218.78	100.00

Policy on Rebate and Soft Commission

Any rebates received by the Manager would be directed to the account of the Fund. Any soft commissions received from the brokers who were in the form of research and advisory services that assisted in the decision-making process relating to the Fund's investment might be retained by the Manager.

For the financial period under review, the Manager did not receive on behalf of the Fund, soft commissions from brokers in the form of research and advisory services which were of demonstrable benefit to Unit Holders of the Fund and the Manager also confirmed there was no churning of trades.

Office Closure Notification

Please be informed that BIMB Investment's Johor Office located at No 33B, Jalan Indah 15/2, 2nd Floor, Taman Bukit Indah, 79100, Nusajaya, Johor and Kelantan Office located at PT 433 & 434 Tingkat 2, Jalan Padang Garong, 15000 Kota Bharu, Kelantan have ceased operations effective 31 January 2024 and 4 April 2024.

3.0 SHARIAH ADVISER'S REPORT

TO THE UNIT HOLDERS OF BIMB SHARIAH INCOMEPLUS FUND ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, BIMB Investment Management Berhad has operated and managed the Fund for the period covered by these financial statements namely, the period ended 30 June 2024, in accordance with the Shariah principles and requirements, and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant.

For and on behalf of the Shariah Adviser,
BIMB SECURITIES SDN BHD

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NURUL AQILAH SUFIYAH LOKMAN
Designated Shariah Officer

Kuala Lumpur
26 Aug 2024

4.0 FINANCIAL STATEMENT (UNAUDITED)

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

	<u>1.4.2024 to</u> <u>30.6.2024</u> RM
INVESTMENT INCOME	
Profit income from Islamic deposits with licensed Islamic financial institutions	2,809,100
Profit income from unquoted Sukuk	540,600
Net unrealised loss from financial instruments at fair value through profit or loss	<u>(17,570)</u>
	<u>3,332,130</u>
EXPENSES	
Management fee	133,888
Trustee's fee	26,778
Administrative expenses	<u>8,270</u>
	<u>168,936</u>
INCOME BEFORE TAXATION	3,163,194
Taxation	<u>-</u>
INCOME AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>3,163,194</u>
Total comprehensive income for the period consists of:	
Realised amount	3,163,925
Unrealised amount	<u>(731)</u>
	<u>3,163,194</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	<u>As at</u> <u>30.6.2024</u> RM
ASSETS		
Cash and cash equivalents (Shariah-compliant)	2	112,953
Financial assets at fair value through profit or loss (Shariah-compliant)	1	<u>192,615,619</u>
TOTAL ASSETS		<u>192,728,572</u>
LIABILITIES		
Amount due to Manager		-
Accrued management fee		22,009
Amount due to Trustee		4,402
Audit fee payable		4,876
Tax agent's fee payable		1,599
Administrative expenses		<u>31,050</u>
TOTAL LIABILITIES		<u>63,936</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>192,664,636</u>
EQUITY		
Unit holders' capital		190,297,416
Retained profits		<u>2,367,220</u>
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u>192,664,636</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		191,440,899
NET ASSET VALUE PER UNIT (SEN) (EX-DISTRIBUTION)		<u>98.84</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

	Unit holders' capital RM	Retained profits RM	Total RM
Balance as at 1 April 2024	121,417,741	411,469	121,829,210
Movement in unit holders' contributions:			
- Creation of units	13,323,000		13,323,000
- Reinvestment of distributions	912,897		912,897
- Cancellation of units	(2,356,696)		(2,356,696)
- Distributions (Note 3)		(2,335,320)	(2,335,320)
Total comprehensive income for the financial period	-	3,163,194	3,163,194
Balance as at 30 June 2024	<u>133,296,942</u>	<u>1,239,343</u>	<u>134,536,285</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

	Note	<u>1.4.2024 to</u> <u>30.6.2024</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Placement of Islamic deposits		
with licensed Islamic financial institutions		(179,722,502)
Proceed from maturity Islamic deposits		
with licensed Islamic financial institutions		178,362,771
Purchase of unquoted Sukuk		(13,883,832)
Profit income received from Islamic deposits		
with licensed Islamic financial institution		2,809,100
Profit income received from Sukuk		540,600
Management fee paid		(127,020)
Trustee fee paid		(25,404)
Audit fee paid		(16,431)
Payment for administrative expenses		9,286
		<hr/>
NET CASH USED IN OPERATING ACTIVITIES		(12,053,433)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from creation of units		14,323,000
Payments for cancellation of units		(2,356,695)
		<hr/>
NET CASH USED IN FINANCING ACTIVITIES		11,966,305
Net cash and cash equivalents		(87,128)
Cash and cash equivalents at the beginning of the financial period		200,081
		<hr/>
Cash and cash equivalents at the end of the financial period	2	112,953
		<hr/>
Cash and cash equivalents comprise:		
Cash at bank		112,953
	2	112,953
		<hr/>

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

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (SHARIAH-COMPLIANT)

Details of quoted and unquoted Sukuk as at 30 June 2024 are set out as follows:

<u>Name of issuer</u>	<u>Nominal value</u> Units	<u>Average cost</u> RM	<u>Market value</u> RM	<u>Percentage of NAV</u> %
Unquoted Sukuk:				
<u>Financials</u>				
CAGAMAS IMTN 3.650% 03.03.2025	4,500,000	4,557,375	4,502,925	0.66
<u>Infrastructures & utilities</u>				
PLNG2 IMTN 2.370% 21.10.2024 - Tranche No 4	5,000,000	5,003,877	4,981,800	1.08
GLT12 IMTN 3.550% 12.08.2025	5,000,000	5,054,773	4,988,150	0.31
PTP IMTN 3.150% 28.08.2025	5,000,000	5,016,144	4,963,500	1.12
Total quoted and unquoted Sukuk as at 30 June 2024	<u>19,500,000</u>	19,632,169	<u>19,436,375</u>	3.17
Accumulated unrealised gain on financial assets at fair value through profit or loss		<u>(195,794)</u>		
Total Sukuk at fair value through profit or loss		<u>19,436,375</u>		

	As at <u>30.6.2024</u> RM
Islamic deposits with licensed Islamic financial institutions:	
Commodity Murabahah	131,277,091
Wafiyah Investment Account	<u>53,149,840</u>
	<u>184,426,931</u>

The weighted average effective profit rate per annum is as follows:

	As at <u>30.6.2024</u> %
Islamic deposits with licensed Islamic financial institutions	<u>2.61</u>

The Islamic deposits have an average maturity of 155 days.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

2 CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	<u>As at</u> <u>30.6.2024</u> RM
Islamic deposits with licensed Islamic financial institutions:	
Cash at bank	<u>112,953</u>

3 DISTRIBUTION

	<u>1.4.2024 to</u> <u>30.6.2024</u> RM
Distribution to unit holders is from the following sources:	
Profit income from Islamic deposits with licensed Islamic financial institutions	<u>1,200,690</u>
	1,200,690
Less:	
Expenses	<u>(85,971)</u>
Net distribution amount	<u>1,114,718</u>

GROSS/NET DISTRIBUTION PER UNIT (SEN)

Distribution on 31 May 2024	<u>0.25</u>
Distribution on 28 June 2024	<u>0.25</u>
Distribution on 31 July 2024	<u>0.15</u>

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

4	TOTAL EXPENSE RATIO (“TER”)	As at <u>30.6.2024</u> %
	TER	<u>0.09</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E) \times 100}{F}$$

A	=	Management fee
B	=	Trustee's and custodian fees
C	=	Audit fee
D	=	Tax agent's fee
E	=	Other expenses including Sales and Services Tax (“SST”) on transaction costs
F	=	Average NAV of the Fund calculated on daily basis

The average NAV of the Fund for the financial period calculated on daily basis is RM29,005,363

5	PORTFOLIO TURNOVER RATIO (“PTR”)	As at <u>30.6.2024</u>
	PTR (Times)	<u>0.99</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where:

total acquisition for the financial period = RM193,606,334

total disposal for the financial period = RM178,362,771

6 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- a) Sukuk as per the list of Sukuk available at Bond Info Hub, Fully Automated System for Issuing/Tendering of Bank Negara Malaysia and The Bond and Sukuk Information Exchange; and
- b) Cash placements and liquid assets in local market, which are placed in Shariah-compliant investment and/or instruments.

7 QUARTERLY REPORT

The quarterly report for the financial period from 1 April 2024 to 30 June 2024 is unaudited.

5.0 CORPORATE DIRECTORY

Manager	BIMB Investment Management Berhad [199301021508 (276246-X)] Registered Office Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur Business Office Level 19, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur
Board of Directors	Datin Maznah Mahbob (Chairman and Non-Executive Independent Director) Dato' Seri Dr. Mohamad Zabidi Ahmad (Non-Executive Independent Director) Sharifah Sarah Syed Mohamed Tahir (Non-Executive Non-Independent Director) Mashitah Haji Osman (Non-Executive Independent Director) Azdini Nor Azman (Chief Executive Officer & Non-Independent Executive Director)
Shariah Adviser	BIMB SECURITIES SDN BHD [Registration No. 199401004484 (290163-X)] Registered Office Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur Business Office Level 34, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur
Investment Committee	Khairul Muzamel Perera Abdullah (Chairman – Independent Member) Mohd Radzuan Ahmad Tajuddin (Independent Member) Dato' Seri Dr. Mohamad Zabidi Ahmad (Independent Member)
Board Audit and Risk Committee	Dato' Seri Dr. Mohamad Zabidi Ahmad (Chairman Non-Executive Independent Director) Sharifah Sarah Syed Mohamed Tahir (Non-Executive Non-Independent Director) Mashitah Haji Osman (Non-Executive Independent Director)
Company Secretaries	Maria binti Mat Said (LS 009400) Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur
Key Management	Azdini Nor Azman (Chief Executive Officer) Bakri Jamaluddin (Chief Operating Officer) Nazifah Mohd Arshad (Head of Equity) Mohd Shahir Seberi (Head of Fixed Income) Ahmad Razli Sabri (Head of Fund Operations & Administration) Noorsazreen Nordin (Head of Compliance)

Principal Banker	Bank Islam Malaysia Berhad Ground Floor, Menara Bank Islam No. 22, Jalan Perak 50450 Kuala Lumpur
Trustee	CIMB Islamic Trustee Berhad 198801000556 (167913-M) Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Federation of Investment Managers Malaysia (FIMM)	19-06-1, 6th Floor, Wisma Tune No.19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur
Distributor	Bank Islam Malaysia Berhad

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