

# **BIMB i FLEXI FUND**

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED  
31 MARCH 2021

*LAPORAN TAHUNAN BAGI TAHUN KEWANGAN BERAKHIR  
31 MAC 2021*

**BIMB INVESTMENT**  
A BANK ISLAM  
SUBSIDIARY

**MANAGER:**  
BIMB INVESTMENT MANAGEMENT BERHAD 199301021508 (276246-X)

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## 1.0 MANAGER'S REPORT

Dear Unit Holders,

We are pleased to present the Manager's report of BIMB i Flexi Fund for the financial year ended 31 March 2021.

### 1.1 Fund Name/ Fund Type/ Fund Category/ Fund Investment Objective/ Fund Performance Benchmark/ Fund Distribution Policy

<b>Fund Name</b>	BIMB i Flexi Fund
<b>Fund Type</b>	Growth
<b>Fund Category</b>	Mixed Asset
<b>Fund Investment Objective</b>	<p>The Fund seeks to achieve long term capital growth by investing in a diversified portfolio of Shariah-compliant securities.</p> <p><i>Note:</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
<b>Fund Performance Benchmark</b>	<p>The selected performance benchmark for the Fund is based on 50:50 ratio of the FBM Emas Shariah Index and 12-month Term Deposit-i Tawarruq (TDT-i) rate of Bank Islam Malaysia Berhad*.</p> <p><i>*The benchmark reflects the investment and asset allocation strategies of the Fund, where the Fund is allowed to invest its asset in Shariah-compliant equities as well as Sukuk and Islamic money market instruments, depending on the outlook of the market. The risk profile of the Fund is not the same as the risk profile of the performance benchmark.</i></p> <p><i>*Source: <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> and <a href="http://www.bankislam.com.my">www.bankislam.com.my</a></i></p>
<b>Fund Distribution Policy</b>	<p>Distribution of income is incidental.</p> <p><i>Note:</i> <i>The distribution of income will automatically be reinvested. Hence, Unit Holders will receive additional Units from the reinvestment of income distribution.</i></p>

## 1.2 Performance for the financial year ended 31 March 2021

### 1.2.1 Performance review

For the financial year under review, BIMB *i* Flexi Fund (“the Fund”) registered a return of 124.75% as compared to its benchmark’s return of 14.34%. The Fund had met its investment objective of providing capital appreciation to unit holders. Despite the on-going Covid-19 pandemic, the Fund’s performance had staged a vast improvement due to its focused investment style on healthcare and technology sectors which had benefited during the pandemic outbreak due to strong demands for its underlying products worldwide.

With the substantial capital appreciation achieved, the Fund was able to declare its maiden income distribution of 4.63 sen/unit representing a yield of 27.45% to its unit holders. The Fund’s strategy has remained to focus on well-established companies that have good prospects for earnings growth which could potentially benefit investors in the medium to long term either through capital appreciation or dividends on a sustainable basis.

As at 31 March 2021, the Fund has 97.78% exposure in equities and 2.22% in cash and cash equivalents. Total Net Asset Value (NAV) of the Fund stands at RM7.46 million while the NAV per unit of the Fund stands at RM0.3334.

During the financial year under review, there was no significant change to the state of affairs of the Fund and no circumstance that materially affect the interest of unit holders that have taken place up to the date of this Manager’s Report.

### 1.2.2 Total return and average total return for the financial year ended 31 March 2021

Period	BIMB <i>i</i> Flexi Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
1-Year	124.75	124.75	14.34	14.34
3-Year	71.64	23.88	3.78	1.26
5-Year	80.81	16.16	10.50	2.10

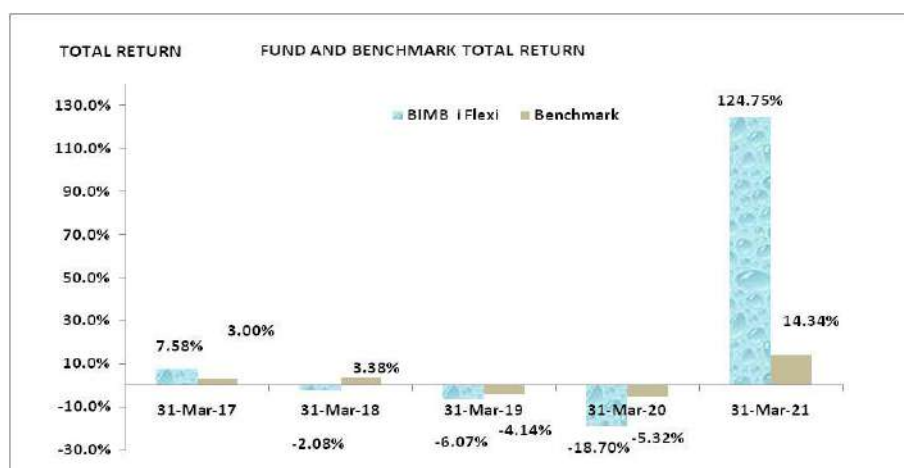
### Income distribution for the current financial year

Financial Year Ended	Distribution (sen) / unit	Distribution Yield (%)
31 March 2021	4.63	27.45%

### 1.2.3 Total return for the previous financial years

Financial Year	Total Return	
	BIMB <i>i</i> Flexi Fund (%)	Benchmark (%)
31 March 2021	124.75	14.34
31 March 2020	-18.70	-5.32
31 March 2019	-6.07	-4.14
31 March 2018	-2.08	3.38
31 March 2017	7.58	3.00

**Figure 1: Movement of the Fund versus the Benchmark**



Data Source : BIMB Investment Management Berhad.

Data verified by : Novagni Analytics & Advisory Sdn. Bhd.

Benchmark : 50: 50 FBM Emas Shariah Index & 12-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad.

Notes:

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

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

The calculation of average total returns is based on methods obtained from Lipper Asia Ltd.

*Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.*

### 1.3 Economy and Market Review

#### 1.3.1 Economy

##### a) Global

- Gross Domestic Product (GDP) of the United States (US) expanded 0.40% in the first quarter of 2021 over the same quarter of the previous year. Quarter-on-quarter basis, GDP increased at 6.4% annualised rate following a 4.3% expansion in the previous three months period.
- The Euro area economy shrank 1.8% year-on-year in the first quarter of 2021 following a 4.9% slump in the previous three-month period, as countries implemented new lockdowns and restrictions amid a third wave of Covid-19 infections.
- China's economic recovery quickened sharply in the first quarter to record growth of 18.3% from last year's first quarter deep slump caused by Covid-19 pandemic, propelled by stronger demand at home and abroad and continued government support for smaller firms.

*(Source: Bureau of Economic Analysis, CNBC, Trading Economics)*

## **b) Local**

- Malaysia's GDP shrank by 0.45% year-on-year in the first quarter of 2021. Compared to the fourth quarter of 2020, the economy registered a growth of 2.7% as all economic sectors registered improvement, particularly the manufacturing sector.
- Bank Negara Malaysia's Monetary Policy Committee (MPC) maintained the Overnight Policy Rate (OPR) unchanged at 1.75% during their meetings in March 2021 and subsequent to the review period on 6th May 2021. The central bank maintained its cautiously positive tone on global growth prospects on the back of ongoing rollout of mass vaccination programmes in Malaysia and most developed nations.

*(Source: Bloomberg, Department of Statistics Malaysia and Bank Negara Malaysia)*

### **1.3.2 Market Review**

#### **a) Equity**

- FTSE Bursa Malaysia EMAS Shariah Index ("FBM Shariah Index") commenced the period under review at 10,105.08 points and reached the lowest level of 9,923.39 points on 1 April 2020. Subsequently, it rebounded to a high of 13,646.60 points on 6 August 2020 before ending the period at 12,848.17 points. For the year under review, the FBM Shariah Index was up by 2743.09 points or 27.15%.

*(Source: Bloomberg)*

#### **b) Sukuk Market and Money Market**

##### **Global**

- The 10-year U.S. Treasury (UST), a lead indicator yield measure used in the fixed income markets, ended Q1 2021 with a rate of 1.74%, an exceptional increase from 0.91% at the end of 2020, and the highest yield since before the pandemic began. The UST yield curve has "steepened" markedly so far this year as short-term yields have fallen a bit and longer-term yields have risen significantly.

##### **Local**

- For the local bond market, local government bond/sukuk tracking UST movements with the curve bear-steepening as overall benchmark yields spiked between 25-86 bps. EPF's restrained bond market activities for 1H2021 due to the various withdrawal schemes, coupled with the higher projected total government debt-to-GDP ratio of 58.5% for end-2021 by Ministry of Finance, weighed on the curve.

### **1.4 Market Outlook and Strategy**

#### **a) Equity**

- For 2021, Malaysian equity market is expected to remain challenging as the country is still facing the third wave resurgence of Covid-19 cases with daily new cases hovering around 5,000 per day. Nevertheless, hopes of receding cases is still alive as the Malaysian government looks to inoculate 80% of the population by February 2022.
- Equity investment for the fund will be more growth-centric, focusing on sectors which will stand to benefit from the economy re-opening prospects for year 2021 and beyond.

#### **b) Sukuk Market & Money Market**

- The reaffirmation of Moody's A3 ratings on Government of Malaysia's long-term issue and FTSE Russell's decision to maintain Malaysia in the World Government Bond Index is expected to provide support for local government sukuk.

- Our Sukuk strategy is to invest in Sukuk with short duration due to uncertain interest rate outlook, with a rating of at least AA3 for better yield. Our money market strategy is to invest with aim to maximize return while providing liquidity for investors.

### 1.5 Asset Allocation as at 31 March

<b>BIMB / Flexi Fund</b>	<b>31.03.2021 (%)</b>	<b>31.03.2020 (%)</b>	<b>31.03.2019 (%)</b>
<b>Investment in Quoted Securities</b>			
Consumer products	17.88	1.65	22.06
Industrial products and services	24.39	28.51	25.31
Materials	1.33	-	-
Real Estate	2.46	-	-
Technology	51.72	14.47	36.57
Trading and services	-	-	7.13
Warrant	-	-	0.84
	<b>97.78</b>	<b>44.63</b>	<b>91.91</b>
Cash and Short Term Investments:	2.22	55.37	8.09
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

### 1.6 Other Performance Data for the Financial Year Ended 31 March

<b>BIMB / Flexi Fund</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>Unit Prices (RM)</b>			
Highest NAV per unit for the year	0.3985	0.2194	0.2528
Lowest NAV per unit for the year	0.1678	0.1550	0.1889
<b>Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Year</b>			
Total NAV (RM)	7,457,619	1,573,168	3,268,500
Units in Circulation (UIC)	22,367,982	9,327,564	15,750,493
<b>NAV per unit (RM)</b>	<b>0.3334</b>	<b>0.1687</b>	<b>0.2075</b>
<b>Return of the Fund (%)</b>			
Capital Growth (%) <sup>(b)</sup>	97.30	-18.70	-6.07
Income Return (%) <sup>(c)</sup>	27.45	-	-
<b>Return of the Fund (%)<sup>(a)</sup></b>	<b>124.75</b>	<b>-18.70</b>	<b>-6.07</b>
Gross distribution per unit (sen)	4.63	-	-
Net distribution per unit (sen)	4.63	-	-
Date of distribution	30 March 2021	-	-
<b>Management Expense Ratio (MER) (%)<sup>(d)</sup></b>	<b>1.79</b>	<b>2.83</b>	<b>2.49</b>
<b>Portfolio Turnover Ratio (PTR) (times)<sup>(e)</sup></b>	<b>4.83</b>	<b>3.69</b>	<b>2.53</b>

The price and net asset value per unit are ex-distribution.

**Note:**

- a) **Return of the Fund** =  $\frac{\text{NAV per unit (end of year)} - 1}{\text{NAV per unit (beginning of year)}}$
- b) **Capital Growth** = Total Return of the Fund – Income Return
- c) **Income Return** =  $(\text{Income Distribution per Unit} / \text{NAV per Unit on beginning of year}) \times 100$
- d) **Management 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 annual period over the average Net Asset Value of the Fund calculated on a daily basis.

**1.7 Unit Holdings as at 31 March 2021**

Size of Holdings	BIMB i Flexi Fund			
	No. of Unit Holders		No. of Units Held	
	No.	%	Units	%
5,000 and below	20	19.61	73,375.71	0.33
5,001 to 10,000	12	11.76	77,751.59	0.35
10,001 to 50,000	43	42.16	1,168,417.32	5.22
50,001 to 500,000	24	23.53	2,981,410.06	13.33
500,001 and above	3	2.94	18,067,026.93	80.77
<b>Grand Total for the Fund</b>	<b>102</b>	<b>100.00</b>	<b>22,367,981.61</b>	<b>100.00</b>

**1.8 Policy on Rebate and Soft Commission**

Any stock broking rebates received by the Manager will be directed to the account of the Fund. Any soft commissions received from the brokers who are in the form of research and advisory services that assist in the decision-making process relating to the Fund's investment may be retained by the Manager.

For the financial year under review, the Manager had received on behalf of the Fund, soft commissions from brokers in the form of research and advisory services which are of demonstrable benefit to Unit Holders of the Fund.

For and on behalf of

The Manager

**BIMB INVESTMENT MANAGEMENT BERHAD**

Date: 31 May 2021



## 1.0 LAPORAN PENGURUS

### Para Pemegang Unit,

Kami dengan sukacitanya membentangkan laporan Pengurus Dana BIMB i Flexi bagi tahun kewangan berakhir 31 Mac 2021.

### 1.1 Nama Dana/ Jenis Dana/ Kategori Dana/ Objektif Pelaburan Dana/ Penanda Aras Dana/ Polisi Agihan Dana

<b>Nama Dana</b>	Dana BIMB i Flexi
<b>Jenis Dana</b>	Pertumbuhan
<b>Kategori Dana</b>	Aset Campuran
<b>Objektif Pelaburan Dana</b>	<p>Tujuan utama Dana ini adalah untuk mencapai pertumbuhan modal dalam jangkamasa panjang dengan melabur dalam pelbagai portfolio sekuriti patuh Shariah.</p> <p><i>Nota:</i> <i>Sebarang perubahan ketara kepada objektif pelaburan Dana memerlukan kelulusan daripada Pemegang Unit.</i></p>
<b>Penanda Aras Dana</b>	<p>Penanda aras prestasi terpilih bagi Dana ini adalah berdasarkan kepada nisbah 50:50 Indeks FBM Emas Shariah dan 12 bulan Deposit Bertempoh-i Tawarruq (TDT-i) Bank Islam Malaysia Berhad*.</p> <p><i>*Penanda aras ini mencerminkan strategi pelaburan dan peruntukan aset Dana, di mana Dana dibenarkan untuk melaburkan asetnya ke dalam ekuiti patuh Shariah, Sukuk dan instrumen pasaran wang Islam, bergantung kepada prospek pasaran. Profil risiko Dana tidak sama dengan profil risiko penanda aras prestasi.</i></p> <p><i>*Sumber: <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> dan <a href="http://www.bankislam.com.my">www.bankislam.com.my</a></i></p>
<b>Polisi Agihan Dana</b>	<p>Pengagihan pendapatan adalah sampingan.</p> <p><i>Nota:</i> <i>Pengagihan pendapatan akan dilaburkan semula secara automatik. Oleh itu, Pemegang Unit akan menerima Unit tambahan dari pelaburan semula agihan pendapatan.</i></p>

## 1.2 Prestasi bagi tahun kewangan berakhir pada 31 Mac 2021

### 1.2.1 Kajian Prestasi

Bagi tahun kewangan dalam kajian, Dana BIMB *i* Flexi ("Dana") telah mencatatkan pulangan sebanyak 124.75% berbanding dengan pulangan penanda aras sebanyak 14.34%. Dana telah memenuhi objektif pelaburannya untuk memberikan pertumbuhan modal kepada pemegang unit. Walaupun terdapat pandemik Covid-19 yang sedang melanda, prestasi Dana telah bertambah baik kerana pelaburannya yang fokus pada sektor penjagaan kesihatan dan teknologi yang mendapat manfaat semasa pandemik ini melanda lantaran permintaan yang tinggi untuk produknya di seluruh dunia.

Dengan pertumbuhan modal yang dicapai, Dana ini telah mengisytiharkan agihan pendapatan pertamanya sebanyak 4.63 sen / unit bersamaan kadar hasil sebanyak 27.45% kepada pemegang unitnya. Strategi Dana kekal untuk memberi tumpuan kepada syarikat-syarikat yang kukuh yang mempunyai prospek yang baik untuk pertumbuhan pendapatan dan berpotensi menguntungkan para pelabur dalam jangka masa sederhana hingga panjang sama ada melalui peningkatan modal atau dividen secara berterusan.

Setakat 31 Mac 2021, pegangan Dana dalam pasaran ekuiti ialah sebanyak 97.78% manakala 2.22% dalam tunai dan setara tunai. Jumlah Nilai Aset Bersih (NAB) Dana adalah sebanyak RM7.46 juta manakala NAB seunit Dana adalah RM0.3334.

Bagi tahun kewangan dalam kajian, tiada sebarang perubahan yang ketara dalam hal ehwal pengurusan Dana dan tidak berlaku sebarang keadaan yang secara material memberi kesan kepada kepentingan pemegang unit sehingga tarikh Laporan Pengurus ini disediakan.

### 1.2.2 Jumlah pulangan dan jumlah pulangan purata bagi tahun kewangan berakhir 31 Mac 2021

Tempoh	Dana BIMB <i>i</i> Flexi		Penanda Aras	
	Jumlah Pulangan (%)	Jumlah Pulangan Purata (%)	Jumlah Pulangan (%)	Jumlah Pulangan Purata (%)
1 Tahun	124.75	124.75	14.34	14.34
3 Tahun	71.64	23.88	3.78	1.26
5 Tahun	80.81	16.16	10.50	2.10

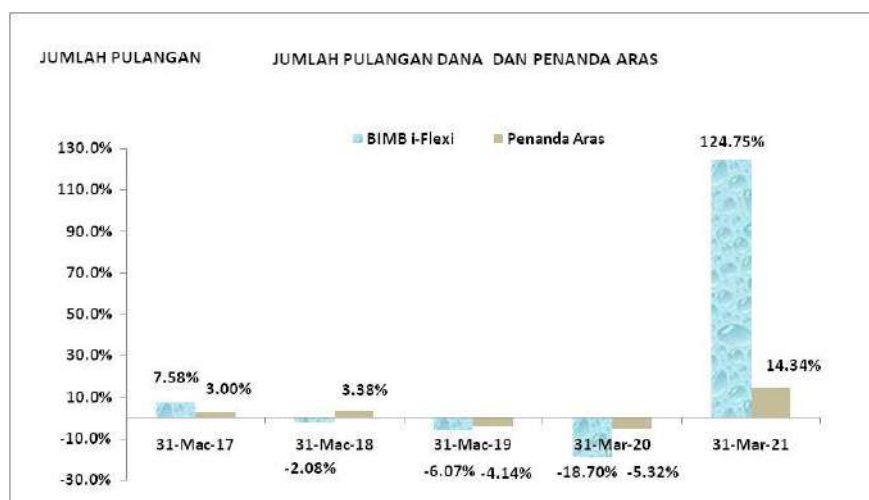
#### Pengagihan pendapatan untuk tahun kewangan semasa

Tahun Kewangan Berakhir	Pengagihan (sen) / unit	Hasil Pengagihan (%)
31 Mac 2021	4.63	27.45%

### 1.2.3 Jumlah pulangan tahunan bagi tahun-tahun kewangan yang lalu

Tahun Kewangan	Jumlah Pulangan	
	Dana BIMB i Flexi (%)	Penanda Aras (%)
31 Mac 2021	124.75	14.34
31 Mac 2020	-18.70	-5.32
31 Mac 2019	-6.07	-4.14
31 Mac 2018	-2.08	3.38
31 Mac 2017	7.58	3.00

Rajah 1: Pergerakan Dana berbanding Penanda Aras



Sumber Data : BIMB Investment Management Berhad  
 Data disahkan oleh : Novagni Analytics & Advisor Sdn. Bhd.  
 Penanda Aras : 50:50 Indeks FBM Emas Syariah dan 12 bulan Deposit Bertempoh-i Tawarruq (TDT-i) Bank Islam Malaysia Berhad

Nota:

1. **Jumlah Pulangan** Dana telah disahkan oleh Novagni Analytics & Advisor Sdn. Bhd. (363145-W)
2. **Jumlah Pulangan Purata** adalah berpandukan formula berikut:

$$\frac{\text{Jumlah Pulangan}}{\text{Bilangan Tahun Bawah Semakan}}$$

Pengiraan jumlah pulangan purata adalah berdasarkan kaedah yang diperolehi dari Lipper Asia Ltd.

*Prestasi tahunan sebelum ini tidak semestinya menjadi petunjuk prestasi masa depan dan harga unit serta pulangan pelaburan mungkin turun dan naik.*

### 1.3 Kajian Ekonomi dan Pasaran

#### 1.3.1 Ekonomi

##### a) Global

- Keluaran Dalam Negara Kasar (KDNK) Amerika mencatatkan peningkatan sebanyak 0.40% pada suku pertama 2021 berbanding suku yang sama tahun sebelumnya. Berasaskan suku-ke-suku, KDNK meningkat pada kadar tahunan sebanyak 6.4% setelah meningkat 4.3% dalam tempoh tiga bulan sebelumnya.
- Ekonomi zon Euro menguncup sebanyak 1.8% tahun-ke-tahun pada suku pertama 2021 berikutan penurunan 4.9% dalam tempoh tiga bulan sebelumnya, ketika negara-negara melaksanakan penutupan ekonomi dan sekatan-sekatan baru dalam menangani gelombang ketiga penularan Covid-19.
- Pemulihan ekonomi China bertambah pantas dalam suku pertama tahun ini untuk mencatatkan pertumbuhan sebanyak 18.3% berbanding dengan kemerosotan teruk yang dialami suku pertama tahun lalu akibat pandemik Covid-19, hasil permintaan yang lebih tinggi dari dalam dan luar negara serta sokongan pemerintah yang berterusan untuk syarikat-syarikat kecil.

*(Sumber: Bureau of Economic Analysis, CNBC, Trading Economics)*

##### b) Dalam Negara

- KDNK Malaysia merosot 0.5% tahun-ke-tahun semasa suku pertama 2021. Dibandingkan dengan suku keempat 2020, ekonomi Malaysia mencatatkan pertumbuhan sebanyak 2.7% yang mana kesemua sektor ekonomi mencatatkan peningkatan, terutamanya sektor pembuatan.
- Jawatankuasa Dasar Monetari (MPC) Bank Negara Malaysia mengekalkan Kadar Dasar Semalaman (OPR) pada kadar 1.75% semasa mesyuaratnya pada bulan Mac 2021 serta semasa mesyuaratnya selepas tempoh dalam kajian pada 6 Mei 2021. Bank Negara Malaysia mengekalkan nada positifnya berkenaan prospek pertumbuhan global bersandarkan kepada pelaksanaan program vaksinasi di Malaysia dan di kebanyakan negara-negara maju.

*(Sumber: Bloomberg, Jabatan Perangkaan Malaysia dan Bank Negara Malaysia)*

#### 1.3.2 Kajian Pasaran

##### a) Ekuiti

- Indeks FTSE Bursa Malaysia Emas Syariah ("FBM Syariah") memulakan tempoh dalam kajian pada paras 10,105.08 mata dan mencatatkan paras terendah iaitu 9,923.39 mata pada 1 April 2020. Selepas itu, ia meningkat ke paras tertinggi iaitu 13,646.60 mata pada 6 Ogos 2020 sebelum ditutup pada paras 12,848.17 mata di akhir tempoh kajian. Bagi tempoh kewangan dalam kajian, FBM Syariah telah meningkat sebanyak 2743.09 mata atau 27.15%.

*(Sumber: Bloomberg)*

## **b) Pasaran Sukuk dan Pasaran Wang**

### **Global**

- Perbendaharaan AS (UST) 10 tahun, hasil petunjuk utama yang digunakan dalam pasaran pendapatan tetap, mengakhiri suku pertama 2021 pada kadar 1.74%, iaitu kenaikan luar biasa berbanding kadar 0.91% yang dicatatkan pada akhir tahun 2020, menjadikannya kadar hasil tertinggi sejak pandemik Covid-19 bermula. Lengkung kadar hasil UST telah meningkat curam pada tahun ini yang mana kadar hasil jangka pendek menurun sedikit manakala kadar hasil jangka panjang meningkat dengan ketara.

### **Dalam Negara**

- Bon / sukuk kerajaan tempatan mengikuti pergerakan UST dengan lengkung kadar hasil meningkat curam yang mana hasil penanda aras keseluruhannya melonjak antara 25-86 mata asas. Aktiviti pasaran bon KWSP yang terhad akibat pelbagai skim pengeluaran yang dirancang, serta nisbah hutang kerajaan berbanding KDNK yang diunjurkan meningkat ke 58.5% untuk akhir tahun 2021 oleh Kementerian Kewangan, juga telah memberi kesan kepada lengkung kadar hasil.

## **1.4 Tinjauan Pasaran dan Strategi**

### **a) Ekuiti**

- Untuk tahun 2021, pasaran ekuiti Malaysia dijangka kekal mencabar kerana negara masih menghadapi gelombang ketiga penularan Covid-19 dengan kes baru harian sekitar 5,000 sehari. Walaupun demikian, harapan untuk berkurangnya kes masih ada kerana kerajaan Malaysia menyasarkan 80% penduduk mendapat vaksinasi sebelum Februari 2022.
- Pelaburan ekuiti Dana akan lebih cenderung kepada tema pertumbuhan, dengan berfokuskan sektor-sektor yang dijangka mendapat manfaat daripada prospek pembukaan semula ekonomi, untuk tahun 2021 dan seterusnya.

### **b) Pasaran Sukuk & Pasaran Wang**

- Pengesahan penarafan A3 oleh Moody's untuk terbitan jangka panjang oleh kerajaan Malaysia dan keputusan FTSE Russell untuk mengekalkan Malaysia dalam Indeks Bon Kerajaan Dunia dijangka dapat memberi sokongan terhadap sukuk terbitan kerajaan.
- Strategi kami untuk Sukuk adalah untuk melabur dengan durasi jangka masa pendek disebabkan jangkaan kadar faedah yang tidak menentu, dengan penarafan sekurang-kurangnya AA3 untuk hasil yang lebih baik. Strategi pasaran wang kami adalah melabur dengan tujuan untuk memaksimumkan pulangan sambil menyediakan kecairan kepada para pelabur.

### 1.5 Peruntukan Aset pada 31 Mac

Dana BIMB / Flexi	31.03.2021 (%)	31.03.2020 (%)	31.03.2019 (%)
<b>Pelaburan Securiti Tersiarharga</b>			
Barangan pengguna	17.88	1.65	22.06
Barangan industri dan perkhidmatan	24.39	28.51	25.31
Material	1.33	-	-
Hartanah	2.46	-	-
Teknologi	51.72	14.47	36.57
Perdagangan dan perkhidmatan	-	-	7.13
Waran	-	-	0.84
	<b>97.78</b>	<b>44.63</b>	<b>91.91</b>
Tunai dan Pelaburan Jangka Pendek:	2.22	55.37	8.09
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

### 1.6 Lain-Lain Data Prestasi bagi Tahun Kewangan Berakhir 31 Mac

Dana BIMB / Flexi	31.03.2021	31.03.2020	31.03.2019
<b>Harga Unit (RM)</b>			
NAB tertinggi seunit bagi tahun	0.3985	0.2194	0.2528
NAB terendah seunit bagi tahun	0.1678	0.1550	0.1889
<b>Nilai Aset Bersih (NAB) dan Unit Dalam Edaran (UDE) pada Akhir Tahun</b>			
Jumlah NAB (RM)	7,457,619	1,573,168	3,268,500
Unit Dalam Edaran (UDE)	22,367,982	9,327,564	15,750,493
<b>NAB seunit (RM)</b>	<b>0.3334</b>	<b>0.1687</b>	<b>0.2075</b>
<b>Jumlah Pulangan Dana (%)</b>			
Pertumbuhan Modal (%) <sup>(b)</sup>	97.30	-18.70	-6.07
Pulangan Pendapatan (%) <sup>(c)</sup>	27.45	-	-
<b>Pulangan ke atas Dana (%)<sup>(a)</sup></b>	<b>124.75</b>	<b>-18.70</b>	<b>-6.07</b>
Agihan Kasar seunit (sen)	4.63	-	-
Agihan Bersih seunit (sen)	4.63	-	-
Tarikh pengagihan	30 Mac 2021	-	-
<b>Nisbah Perbelanjaan Pengurusan (NPP) (%)<sup>(d)</sup></b>	<b>1.79</b>	<b>2.83</b>	<b>2.49</b>
<b>Nisbah Pusing Ganti Portfolio (NPG) (Kali)<sup>(e)</sup></b>	<b>4.83</b>	<b>3.69</b>	<b>2.53</b>

Harga dan nilai asset bersih adalah selepas pengagihan pendapatan.

**Nota:**

- a) **Pulangan ke atas Dana** =  $\frac{\text{Harga seunit (pada akhir tahun)} - 1}{\text{Harga seunit (pada awal tahun)}}$
- b) **Penambahan Modal** = Pulangan Ke atas Dana – Pulangan Pendapatan
- c) **Pulangan Pendapatan** =  $(\text{Pengagihan Pendapatan Se Unit} / \text{NAB se unit pada awal tahun}) \times 100$
- d) **Nisbah Perbelanjaan Pengurusan** = Ia dikira dengan mengambil jumlah perbelanjaan pengurusan sepertimana yang dinyatakan sebagai peratusan tahunan daripada jumlah purata Nilai Aset Bersih Dana
- e) **Nisbah Pusing Ganti Portfolio** = Ia dikira dengan mengambil purata jumlah perolehan dan pelupusan pelaburan dalam Dana bagi tempoh tahunan dibahagi dengan purata Nilai Aset Bersih Dana yang dikira pada asas harian

**1.7 Pegangan Unit setakat 31 March 2021**

Saiz Dipegang	Dana BIMB / Flexi			
	Bilangan Pemegang Unit		Bilangan Pegangan Unit	
	Bilangan	%	Unit	%
Kurang daripada 5,000	20	19.61	73,375.71	0.33
5,001 hingga 10,000	12	11.76	77,751.59	0.35
10,001 hingga 50,000	43	42.16	1,168,417.32	5.22
50,001 hingga 500,000	24	23.53	2,981,410.06	13.33
500,001 dan ke atas	3	2.94	18,067,026.93	80.77
<b>Jumlah Keseluruhan Dana</b>	<b>102</b>	<b>100.00</b>	<b>22,367,981.61</b>	<b>100.00</b>

**1.8 Polisi Rebat dan Komisyen Ringan (Bukan Tunai)**

Sebarang rebat broker saham yang diterima oleh Pengurus akan dimasukkan ke dalam akaun Dana. Mana-mana komisen ringan (bukan tunai) yang diterima daripada broker dalam bentuk perkhidmatan penyelidikan dan khidmat nasihat bertujuan membantu proses membuat keputusan berkaitan dengan pelaburan Dana boleh disimpan oleh Pengurus.

Bagi tahun kewangan dalam kajian, Pengurus telah menerima komisen ringan (bukan tunai) bagi pihak Dana, daripada broker dalam bentuk perkhidmatan penyelidikan dan khidmat nasihat yang bermanfaat untuk para Pemegang Unit Dana.

Untuk dan bagi pihak

Pengurus

**BIMB INVESTMENT MANAGEMENT BERHAD**

Tarikh: 31 Mei 2021

*Nota:*

*Laporan ini telah diterjemahkan daripada laporan asal (dalam Bahasa Inggeris). Jika terdapat perbezaan, sila rujuk kepada laporan Bahasa Inggeris.*

## 2.0 TRUSTEE'S REPORT



### For the Financial Year Ended 31 March 2021

To the Unit Holders of  
**BIMB i FLEXI FUND**

We, AMANAHRAYA TRUSTEES BERHAD, have acted as Trustee of BIMB *i* Flexi Fund for the financial year ended 31 March 2021. In our opinion, BIMB INVESTMENT MANAGEMENT BERHAD, the Manager, has operated and managed BIMB *i* Flexi Fund in accordance with the limitations imposed on the investment powers of the management company under the Deed, securities laws and the applicable Guidelines on Unit Trust Funds during the financial year then ended.

We are also of the opinion that:

- a) Valuation and pricing is carried out in accordance with the Deed and any regulatory requirements;
- b) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements; and
- c) The distribution of income made by BIMB *i* Flexi Fund as declared by the Manager is appropriate and reflects the investment objective of BIMB *i* Flexi.

Yours faithfully  
**AMANAHRAYA TRUSTEES BERHAD**

**ZAINUDIN BIN SUHAIMI**  
Chief Executive Officer

Kuala Lumpur, Malaysia

Date: 20 May 2021



### **3.0 SHARIAH ADVISER'S REPORT**

#### **ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

To the Unit Holders of  
**BIMB / FLEXI 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 during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Adviser

.....  
**DR. AHMAD SHAHBARI@SOBRI SALAMON**  
(Chairman)

Date: 31 May 2021

#### 4.0 DIRECTORS' DECLARATION REPORT

##### ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

To the Unit Holders of  
**BIMB i Flexi Fund**

We, Dato' Ghazali Bin Awang and Najmuddin Bin Mohd Lutfi, being two of the directors of the Manager, BIMB Investment Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 21 to 47 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 March 2021 and of its financial performance, changes in equity and cash flows for the financial year then ended in accordance with the provisions of Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

For and on behalf on the Board of Directors,

.....  
**Dato' Ghazali Bin Awang**  
(Non-Executive Independent Director)

.....  
**Najmuddin Bin Mohd Lutfi**  
(Chief Executive Officer)

Date: 31 May 2021

## 5.0 INDEPENDENT AUDITORS' REPORT

### INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF BIMB *i* FLEXI FUND

#### REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

##### Our opinion

In our opinion, the financial statements of BIMB *i* Flexi Fund (the "Fund") give a true and fair view of the financial position of the Fund as at 31 March 2021, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

##### What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 21 to 47.

##### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF BIMB *i* FLEXI FUND (CONTINUED)

### REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

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

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia. The Manager is also responsible for such internal control as the Manager determine is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Manager is also responsible for overseeing the Fund's financial reporting process.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
BIMB *i* FLEXI FUND (CONTINUED)

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
BIMB *i* FLEXI FUND (CONTINUED)**

**OTHER MATTERS**

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants**

**Kuala Lumpur  
31 May 2021**

## 6.0 FINANCIAL STATEMENTS (AUDITED)

### BIMB / FLEXI FUND

#### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
<b>INVESTMENT INCOME/(LOSS)</b>			
Dividend income		57,689	33,536
Profit income from Shariah-compliant deposit with licensed Islamic financial institutions		3,166	7,212
Hibah		244	512
Realised gain/(loss) on sale of quoted securities	7	975,625	(1,327,625)
Net unrealised gain from financial instruments at fair value through profit or loss	7	<u>1,952,504</u>	<u>989,272</u>
		<u>2,989,228</u>	<u>(297,093)</u>
<b>EXPENSES</b>			
Management fee	4	79,088	34,993
Trustee's fee	5	2,636	1,166
Audit fee		12,400	12,400
Tax agent's fee		2,368	4,000
Administrative expenses		<u>(2,207)</u>	<u>12,827</u>
		<u>94,285</u>	<u>65,386</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		2,894,943	(362,479)
Taxation	6	<u>-</u>	<u>-</u>
<b>PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>2,894,943</u>	<u>(362,479)</u>
Total comprehensive income/(loss) for the year consist of:			
Realised amount		942,439	(1,351,751)
Unrealised amount		<u>1,952,504</u>	<u>989,272</u>
		<u>2,894,943</u>	<u>(362,479)</u>

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

## BIMB / FLEXI FUND

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
<b>ASSETS</b>			
Cash and cash equivalents (Shariah-compliant)	8	157,496	910,580
Financial assets at fair value through profit or loss (Shariah-compliant)	7	7,292,340	702,145
Amount due from Manager		204,171	-
Amount due from stockbroker		480,505	-
Other receivables		11,725	749
<b>TOTAL ASSETS</b>		<u>8,146,237</u>	<u>1,613,474</u>
<b>LIABILITIES</b>			
Amount due to Manager		117,446	949
Accrued management fee		9,979	2,096
Amount due to Trustee		333	70
Amount due to stockbrokers		537,944	-
Other payables		22,916	37,191
<b>TOTAL LIABILITIES</b>		<u>688,618</u>	<u>40,306</u>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<u>7,457,619</u>	<u>1,573,168</u>
<b>EQUITY</b>			
Unit holders' capital	9	7,665,464	3,777,122
Accumulated losses		(207,845)	(2,203,954)
<b>NET ASSET ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>7,457,619</u>	<u>1,573,168</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	9	<u>22,367,982</u>	<u>9,327,564</u>
<b>NET ASSET VALUE PER UNIT (SEN) (EX-DISTRIBUTION)</b>		<u>33.34</u>	<u>16.87</u>

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



## BIMB / FLEXI FUND

### STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Unit holders' capital RM	Accumulated losses RM	Total RM
Balance as at 1 April 2020		3,777,122	(2,203,954)	1,573,168
Movement in unit holders' contributions:				
- Creation of units from applications		9,271,441	-	9,271,441
- Creation of units from distribution		898,834	-	898,834
- Cancellation of units		(6,281,933)	-	(6,281,933)
Total comprehensive income for the financial year		-	2,894,943	2,894,943
Distribution	10	-	(898,834)	(898,834)
Balance as at 31 March 2021		<u>7,665,464</u>	<u>(207,845)</u>	<u>7,457,619</u>
Balance as at 1 April 2019		5,109,975	(1,841,475)	3,268,500
Movement in unit holders' contributions:				
- Creation of units from applications		64,139	-	64,139
- Cancellation of units		(1,396,992)	-	(1,396,992)
Total comprehensive loss for the financial year		-	(362,479)	(362,479)
Balance as at 31 March 2020		<u>3,777,122</u>	<u>(2,203,954)</u>	<u>1,573,168</u>

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

BIMB / FLEXI FUND

STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceed from sale of quoted Shariah-compliant securities		23,667,090	8,857,869
Purchase of quoted Shariah-compliant securities		(27,271,717)	(6,894,392)
Dividend received		46,564	47,940
Profit income received from Shariah-compliant deposit with licensed Islamic financial institutions		3,315	7,063
Hibah earned		244	512
Management fee paid		(71,205)	(36,809)
Trustee fee paid		(2,373)	(1,227)
Audit fee paid		(12,400)	(13,000)
Tax agent fee paid		(4,000)	(4,000)
Payment for administrative expenses		(10,435)	(9,452)
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>		<u>(3,654,917)</u>	<u>1,954,504</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from creation of units		9,067,269	67,138
Payments for cancellation of units		(6,165,436)	(1,396,873)
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>		<u>2,901,833</u>	<u>(1,329,735)</u>
Net (decrease)/increase in cash and cash equivalents		(753,084)	624,769
Cash and cash equivalents at the beginning of the financial year		<u>910,580</u>	<u>285,811</u>
Cash and cash equivalents at the end of the financial year	8	<u>157,496</u>	<u>910,580</u>
<b>Cash and cash equivalents comprise of:</b>			
Commodity Murabahah		-	540,000
Cash at bank		157,496	370,580
		<u>157,496</u>	<u>910,580</u>

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

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

#### 1 INFORMATION ON THE FUND

BIMB / Flexi Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 27 March 2013, a First Supplemental Deed dated 25 March 2019, and a Second Supplemental Deed dated 9 March 2020 made between the Manager - BIMB Investment Management Berhad, the Trustee - AmanahRaya Trustees Berhad.

The principal activity of the Fund is to invest in authorised investments as defined in the Deed, which include investments in stocks and shares of companies quoted on Bursa Malaysia and short term placements.

The Manager, BIMB Investment Management Berhad, a company incorporated in Malaysia, is a subsidiary of Bank Islam Malaysia Berhad.

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

##### (a) Basis of preparation

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss (“FVTPL”).

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period.

It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(l).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (i) Standards, amendments to published standards and interpretations that are effective

The Fund has applied the following standards and amendments for the first time for the financial year beginning on 1 April 2020:

- Amendments to MFRS 101 and MFRS 108 'Definition of Material'

The amendments clarify the definition of materiality and use a consistent definition throughout MFRSs and the Conceptual Framework for Financial Reporting.

The definition of 'material' has been revised as "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments also:

- clarify that an entity assesses materiality in the context of the financial statements as a whole.
- explain the concept of obscuring information in the new definition. Information is obscured if it has the effect similar as omitting or misstating of that information. For example, material transaction is scattered throughout the financial statements, dissimilar items are inappropriately aggregated, or material information is hidden by immaterial information.
- clarify the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

The amendments shall be applied prospectively.

- The Conceptual Framework for Financial Reporting ("Framework") effective 1 January 2020

The Framework was revised with the primary purpose to assist the IASB to develop IFRS that are based on consistent concepts and enable preparers to develop consistent accounting policies where an issue is not addressed by an IFRS. The Framework is not an IFRS and does not override any IFRSs.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (a) Basis of preparation (continued)

##### (i) Standards, amendments to published standards and interpretations that are effective (continued)

The Fund has applied the following standards and amendments for the first time for the financial year beginning on 1 April 2020: (continued)

- The Conceptual Framework for Financial Reporting (“Framework”) effective 1 January 2020 (continued)

Key changes to the Framework are as follows:

- increasing the prominence of stewardship in the objective of financial reporting;
- reinstating prudence as a component of neutrality;
- defining a reporting entity, which may be a legal entity, or a portion of an entity;
- revising the definitions of an asset and a liability;
- removing the probability threshold for recognition and adding guidance on derecognition
- adding guidance on difference measurement basis; and
- stating that profit or loss is the primary performance indicator and that in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

The adoption of amendments listed above did not have any impact on the current period or any prior period and is not likely to affect future periods.

##### (ii) Standards, amendments and interpretations that have been issued but not yet effective and have not been early adopted.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2021 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

##### (b) Financial assets

##### (i) Recognition and initial measurement

A financial instrument is recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets (continued)

(i) Recognition and initial measurement (continued)

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting year following the change of the business model.

The Fund categorises financial instruments as follows:

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit method. The amortised cost is reduced by impairment losses. Profit income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Profit income is recognised by applying effective profit rate to the gross carrying amount except for credit impairment financial assets (see Note 2 (b)(iv)) where the effective profit rate is applied to the amortised cost.

(b) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For listed Shariah-compliant equities/securities, valuation shall be based on the last done market price quoted by the respective stock exchanges on the relevant date. However, if a valuation based on the market price does not represent the fair value of the Shariah-compliant securities, for example during abnormal market conditions; or no market price is available, including in the event of a suspension in the quotation of the Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, then the Shariah-compliant securities should be valued at fair value, as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets (continued)

(i) Recognition and initial measurement (continued)

(b) Fair value through profit or loss (continued)

The value of any Islamic deposits placed with licensed financial institutions shall be determined each day by reference to the principal value of such investments and the accrued income thereon for the relevant period.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any profit or dividend income, are recognised in the profit or loss.

(ii) Financial instrument categories and subsequent measurement

All financial assets, except for those measured at fair value through profit or loss, are subject to impairment assessment (see Note 2(b)(iv)).

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) Impairment for assets carried at amortised cost

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward-looking information in determining any expected credit loss. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (b) Financial assets (continued)

##### (iv) Impairment for assets carried at amortised cost (continued)

###### Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 90 days past due.

###### Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

###### Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

##### (c) Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

###### Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective profit method.

##### (d) Transaction costs

Transaction costs are costs incurred to acquire or dispose of financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.



## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Amount due from/(to) stockbrokers

Amount due from/(to) stockbrokers represent receivables/(payables) for Shariah-compliant securities sold/(bought) and receivables/(payables) for that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from the stockbroker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly, since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses.

Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that a loss allowance may be required.

If credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due.

(f) Income recognition

Income from short term investments is recognised as it accrues, using the effective profit method in profit or loss.

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Realised gains and losses on sale of Shariah-compliant investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on weighted average cost basis.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and short term placements with licensed financial institutions which have insignificant risk of changes in fair value with original maturities of less than 30 days, and are used by the Fund in the management of its short term commitments.

Cash and cash equivalents are categorised and measured as amortised cost.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Income tax

Income tax expense comprises current tax. Current tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date.

(i) Distribution

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution to unit holders is recognised in the statement changes in equity upon approval by the Trustee.

(j) Unit holders' capital

The Fund issues cancellable units, which are cancelled at the unitholder's option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The outstanding units is carried at the redemption amount that is payable at the financial position date if the unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the unitholder's option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net asset attributable to unit holders with the total number of outstanding units. In accordance with the Securities Commission's Guidelines on Unit Trust Funds in Malaysia, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for creations and cancellations.

The units in the Fund are puttable instruments, classified as equity, which entitle the unit holders to a pro-rata share of the net asset of the Fund. The units are subordinated and have identical features. There is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units. The total expected cash flows from the units are based on the change in the net asset of the Fund.

(k) Functional and presentation currency

Items included in 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 the Fund's functional and presentation currency.

(l) Use of estimates and judgements

The preparation of financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (l) Use of estimates and judgements (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

#### 3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RM	RM	RM
<u>2021</u>			
Cash and cash equivalents (Shariah-compliant)	-	157,496	157,496
Quoted Shariah-compliant securities	7,292,340	-	7,292,340
Amount due from Manager	-	204,171	204,171
Amount due from stockbroker	-	480,505	480,505
Other receivables	-	11,725	11,725
	<u>7,292,340</u>	<u>853,897</u>	<u>8,146,237</u>
<u>2020</u>			
Cash and cash equivalents (Shariah-compliant)	-	910,580	910,580
Quoted Shariah-compliant securities	702,145	-	702,145
Other receivables	-	749	749
	<u>702,145</u>	<u>911,329</u>	<u>1,613,474</u>

All liabilities are financial liabilities which are carried at amortised cost.

The Fund aims to provide investors with liquidity and regular income, whilst maintaining capital stability by investing primarily in deposits that comply with Shariah principles.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk, profit rate risk), credit risk and liquidity risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and the Guidelines.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (a) Market risk

##### (i) Price risk

The Fund is exposed to price risk because of investments held by the Fund and classified as at fair value through profit or loss. Price risk is the risk that fair value of investment will fluctuate because of the changes in market prices (other than those arising from profit rate risk). Such fluctuation may cause the Fund's NAV and price of units to fall as well as rise, and income produced by the Fund may also fluctuate. The price risk is managed through diversification and selection of securities and other financial instruments within specified limits according to the Deed.

The table below shows the financial instruments of the Fund which is exposed to price risk.

	<u>2021</u> RM	<u>2020</u> RM
Quoted Shariah-compliant securities measured at fair value through profit or loss	7,292,340	702,145

The following table summarises the sensitivity of the Fund's profit or loss to movement in prices of quoted Shariah-compliant securities at the end of each reporting year. The analysis is based on the assumptions that the market price increased and decreased by 5% (2020: 5%) with all other variables held constant and that fair value of the Fund's investments move according to the historical correlation of the index. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	<u>Change in price</u> %	<u>Impact on loss before tax</u> RM
<u>2021</u>		
Quoted Shariah-compliant securities measured at fair value through profit or loss	5	364,617
<u>2020</u>		
Quoted Shariah-compliant securities measured at fair value through profit or loss	5	35,107

##### (ii) Profit rate risk

Profit rate risk rate is a general economic indicator that will have an impact on the management of the Fund.

It does not in any way suggest that this Fund will invest in conventional financial instruments. All investment carried out for the Fund including placements and deposits are in accordance with Shariah.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (a) Market risk (continued)

##### (ii) Profit rate risk (continued)

Fair value profit rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market profit rates.

The Fund's exposure to fair value profit rate risk arises from Shariah-compliant investment in money market instruments. The profit rate risk is expected to be minimal as the Fund's investments comprise mainly Shariah-compliant short term deposits with approved licensed Islamic financial institutions.

Cash flow profit rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market profit rates. The Fund is not exposed to cash flow profit rate risk as the Fund does not hold any financial instruments at variable profit rate.

##### (b) Credit risk

Credit risk is the risk of a financial loss to the Fund if counterparty to a financial instrument fails to meet its contractual obligations. The Fund's exposure to credit risk arises principally from its cash and cash equivalents, amount due from Manager, amount due from stockbroker, and other receivables.

The Manager manages the credit risk by setting counterparty limits and undertaking credit evaluation to minimise the risk. The exposure to credit risk is monitored on an ongoing basis.

The following table sets out the credit risk concentration of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Amount due from stockbroker</u> RM	<u>Other receivables</u> RM	<u>Total</u> RM
<u>2021</u>					
Finance					
- AA3	157,496	-	-	-	157,496
Others – non-rated	-	204,171	480,505	11,725	696,401
	<u>157,496</u>	<u>204,171</u>	<u>480,505</u>	<u>11,725</u>	<u>853,897</u>

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (b) Credit risk (continued)

The following table sets out the credit risk concentration of the Fund: (continued)

	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Amount due from stockbroker</u> RM	<u>Other receivables</u> RM	<u>Total</u> RM
<u>2020</u>					
Finance					
- AAA	270,000	-	-	113	270,113
- AA3	370,580	-	-	-	370,580
- A2	270,000	-	-	36	270,036
Others – non-rated	-	-	-	600	600
	<u>910,580</u>	<u>-</u>	<u>-</u>	<u>749</u>	<u>911,329</u>

All the financial assets of the Fund as at end of the financial period/year are neither past due nor impaired.

##### (c) Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's exposure to liquidity risk arises principally from its amount due to Manager, accrued management fee, amount due to Trustee, amount due to stockbrokers and other payables which are due within one year.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unit holders. Liquid assets comprise cash at bank and other instruments, which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	<u>Less than 1 month</u> RM	<u>Between 1 month to 1 year</u> RM	<u>Total</u> RM
<u>2021</u>			
Amount due to Manager	117,446	-	117,446
Accrued management fee	9,979	-	9,979
Amount due to Trustee	333	-	333
Amount due to stockbrokers	537,944	-	537,944
Other payables and accruals	-	22,916	22,916
Contractual undiscounted cash flows	<u>665,702</u>	<u>22,916</u>	<u>688,618</u>

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (c) Liquidity risk (continued)

	<u>Less than 1 month</u> RM	<u>Between 1 month to 1 year</u> RM	<u>Total</u> RM
<u>2020</u>			
Amount due to Manager	949	-	949
Accrued management fee	2,096	-	2,096
Amount due to Trustee	70	-	70
Other payables and accruals	-	37,191	37,191
Contractual undiscounted cash flows	<u>3,115</u>	<u>37,191</u>	<u>40,306</u>

##### (d) Capital risk management

The Fund's capital is represented by the unit holders' capital in the statement of financial position. The Manager of the Fund monitors the adequacy of capital on an ongoing basis. There is no external capital requirement imposed on the Fund.

##### (e) Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period/year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

##### (i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

BIMB / FLEXI FUND

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2021</u>				
Financial assets at fair value through profit or loss:				
- Quoted Shariah- compliant securities	<u>7,292,340</u>	<u>-</u>	<u>-</u>	<u>7,292,340</u>
	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2020</u>				
Financial assets at fair value through profit or loss:				
- Quoted Shariah- compliant securities	<u>702,145</u>	<u>-</u>	<u>-</u>	<u>702,145</u>

Quoted Shariah-compliant securities whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include Shariah-compliant active securities. The Fund's policies on valuation of these financial assets are stated in Note 2(b).



## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (e) Fair value estimation (continued)

- (ii) The carrying values of cash and cash equivalents, amount due from Manager, amount due from stockbroker, other receivables and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

#### 4 MANAGEMENT FEE

The manager's fee payable to the Manager of the Fund is based on 1.50% (2020: 1.50%) per annum of the net asset value of the Fund calculated on a daily basis.

There will be no further liability to the Manager in respect of management fee other than amounts recognised above.

#### 5 TRUSTEE'S FEE

The trustee's fee payable to the trustee of the Fund is based on 0.05% (2020: 0.05%) per annum of the net asset value of the Fund calculated on a daily basis.

#### 6 TAXATION

	<u>2021</u> RM	<u>2020</u> RM
Taxation		
- Current taxation	-	-

A numerical reconciliation between the profit/(loss) before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

Profit/(loss) before taxation	<u>2,894,943</u>	<u>(362,479)</u>
Taxation at Malaysian statutory rate of 24% (2020: 24%)	694,786	(86,995)
Tax effects of:		
- (Investment income not subject to tax)/ Investment loss not deductible for tax purposes	(717,415)	71,302
- Expenses not deductible for tax purposes	672	4,148
- Restrictions on the tax deductible expenses for unit trust funds	<u>21,957</u>	<u>11,545</u>
	<u>-</u>	<u>-</u>

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

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

	<u>2021</u> RM	<u>2020</u> RM
Financial assets at fair value through profit or loss		
- Quoted Shariah-compliant securities	<u>7,292,340</u>	<u>702,145</u>
Net gain/(loss) on financial assets at fair value through profit or loss		
- Realised gain/(loss) on disposal	975,625	(1,327,625)
- Unrealised gain on fair value movement	<u>1,952,504</u>	<u>989,272</u>
	<u>2,928,129</u>	<u>(338,353)</u>

Details of quoted Shariah-compliant securities as at 31 March 2021 are set out as follows:

<u>Name of counter</u>	<u>Number of shares held</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of value of funds</u> %
<u>Consumer products and services</u>				
Brahims Holding Berhad	700,000	209,954	168,000	2.25
Guan Chong Bhd.	120,000	382,319	376,800	5.05
MR D.I.Y Group (M) Berhad	160,000	368,224	659,200	8.84
OCR Group Berhad	<u>520,000</u>	<u>141,976</u>	<u>130,000</u>	<u>1.74</u>
	<u>1,500,000</u>	<u>1,102,473</u>	<u>1,334,000</u>	<u>17.88</u>
<u>Industrial products and services</u>				
AirAsia Berhad	195,000	187,802	191,100	2.56
Cypark Resources Berhad	100,000	142,193	130,000	1.74
Frontken Corporation Bhd.	115,000	507,840	584,200	7.83
Muhibbah Engineering M Bhd	350,000	352,305	364,000	4.88
Perak Transit Berhad	400,000	346,308	316,000	4.24
Solarvest Holdings Berhad	<u>153,000</u>	<u>253,415</u>	<u>234,090</u>	<u>3.14</u>
	<u>1,313,000</u>	<u>1,789,863</u>	<u>1,819,390</u>	<u>24.39</u>
<u>Materials</u>				
Press Metal Berhad	<u>10,000</u>	<u>102,833</u>	<u>99,000</u>	<u>1.33</u>
<u>Real Estate</u>				
S P Setia Berhad	<u>175,000</u>	<u>188,928</u>	<u>183,750</u>	<u>2.46</u>

BIMB / FLEXI FUND

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

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

Details of quoted Shariah-compliant securities as at 31 March 2021 are set out as follows:  
(continued)

<u>Name of counter</u>	<u>Number of shares held</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of value of funds</u> %
<u>Technology</u>				
D&O Green Technologies Berhad	177,000	184,681	727,470	9.76
Dagang Nexchange Berhad	650,000	290,053	591,500	7.93
GHL Systems Bhd	130,000	235,061	224,900	3.02
Inari Amertron Bhd	125,000	392,868	410,000	5.50
JHM Consolidation Bhd	227,000	341,013	431,300	5.78
Malaysian Pacific Industries	15,000	165,218	583,500	7.83
MMS Venstures Bhd	50,000	45,484	46,250	0.62
Revenue Group Berhad	140,000	270,102	257,600	3.45
Unisem (M) Berhad	76,000	367,703	583,680	7.83
	<u>1,590,000</u>	<u>2,292,183</u>	<u>3,856,200</u>	<u>51.72</u>
Total quoted Shariah-compliant securities as at 31 March 2021	<u>4,588,000</u>	<u>5,476,280</u>	<u>7,292,340</u>	<u>97.78</u>
Accumulated unrealised gain on financial assets at fair value through profit or loss		<u>1,816,060</u>		
Total financial assets at fair value through profit or loss		<u>7,292,340</u>		

Details of quoted Shariah-compliant securities as at 31 March 2020 are set out as follows:

<u>Name of counter</u>	<u>Number of shares held</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of value of funds</u> %
<u>Consumer products and services</u>				
Guan Chong Bhd.	<u>13,000</u>	<u>38,875</u>	<u>26,000</u>	<u>1.65</u>
<u>Industrial products and services</u>				
Frontken Corporation Bhd.	40,000	98,406	72,400	4.60
Hartalega Holdings Bhd.	15,500	92,258	106,640	6.78
Kossan Rubber Industries Bhd.	16,500	79,571	84,645	5.38
Muhibbah Engineering (M) Bhd.	45,000	78,493	33,750	2.15
Supermax Corporation Bhd.	55,000	93,168	92,950	5.91
Top Glove Corporation Bhd.	9,000	46,311	58,050	3.69
	<u>181,000</u>	<u>488,207</u>	<u>448,435</u>	<u>28.51</u>

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (SHARIAH-COMPLIANT) (CONTINUED)

Details of quoted Shariah-compliant securities as at 31 March 2020 are set out as follows:  
(continued)

<u>Name of counter</u>	<u>Number of shares held</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of value of funds %</u>
<u>Technology</u>				
GHL Systems Bhd.	35,000	56,488	59,500	3.78
LYC Healthcare Bhd.	300,000	99,556	51,000	3.24
Malaysian Pacific Industries Bhd.	2,000	24,273	18,300	1.16
Revenue Group Bhd.	76,000	102,907	77,520	4.93
ViTrox Corporation Bhd.	3,000	28,283	21,390	1.36
	<u>416,000</u>	<u>311,507</u>	<u>227,710</u>	<u>14.47</u>
Total quoted Shariah-compliant securities as at 31 March 2020	<u>610,000</u>	838,589	<u>702,145</u>	<u>44.63</u>
Accumulated unrealised loss on financial assets at fair value through profit or loss		<u>(136,444)</u>		
Total financial assets at fair value through profit or loss		<u>702,145</u>		

#### 8 CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	<u>2021 RM</u>	<u>2020 RM</u>
Short term placements with maturity less than 30 days:		
- Commodity Murabahah	-	540,000
Cash at bank*	<u>157,496</u>	<u>370,580</u>
	<u>157,496</u>	<u>910,580</u>

\* Cash at bank is placed with Bank Islam Malaysia Berhad, the holding company of the Manager.

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

	<u>2021 %</u>	<u>2020 %</u>
Commodity Murabahah	<u>-</u>	<u>2.49</u>

Deposits with licensed Islamic financial institutions of the Fund have an average maturity of nil (2020: 2 days).

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 9 UNIT HOLDERS' CAPITAL

	<u>No. of units</u>	<u>RM</u>
As at 1 April 2020	9,327,564	3,777,122
Creation of units from applications	29,285,959	9,271,441
Creation of units from distribution	2,664,002	898,834
Cancellation of units	<u>(18,909,543)</u>	<u>(6,281,933)</u>
As at 31 March 2021	<u>22,367,982</u>	<u>7,665,464</u>
As at 1 April 2019	15,750,493	5,109,975
Creation of units from applications	322,910	64,139
Cancellation of units	<u>(6,745,839)</u>	<u>(1,396,992)</u>
As at 31 March 2020	<u>9,327,564</u>	<u>3,777,122</u>

#### 10 DISTRIBUTION

	<u>2021</u> RM	<u>2020</u> RM
Distribution to unit holders is from the following sources:		
Dividend income	13,254	-
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	3,410	-
Realised gain on disposal of quoted securities	<u>975,625</u>	<u>-</u>
	992,289	-
Less:		
Expenses	<u>(93,455)</u>	<u>-</u>
Net distribution amount	<u>898,834</u>	<u>-</u>
	<u>2021</u>	<u>2020</u>
GROSS/NET DISTRIBUTION PER UNIT (SEN)		
Distribution on 30 March 2021	<u>4.63</u>	<u>-</u>

Gross distribution is derived using total income less total expenses. Net distribution above is sourced from current and prior financial years' realised gain.

Gross distribution per unit is derived from gross realised income less expenses, divided by the number of units in circulation. Net distribution per unit is derived from gross realised income less expenses and taxation, divided by the number of units in circulation.

Distributions are automatically reinvested into the Fund (by issuing additional units) based on the NAV per unit on the distribution date, unless the unit holders specifically request for cash distribution.

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

11	MANAGEMENT EXPENSE RATIO (“MER”)		
		<u>2021</u>	<u>2020</u>
		%	%
	MER	<u>1.79</u>	<u>2.83</u>

MER is derived from the following calculation:

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

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 a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM5,280,378 (2020: RM2,313,034).

12	PORTFOLIO TURNOVER RATIO (“PTR”)		
		<u>2021</u>	<u>2020</u>
	PTR (Times)	<u>4.83</u>	<u>3.69</u>

PTR is derived from the following calculation:

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

where:

total acquisition for the financial year = RM27,809,661 (31.03.2020: RM6,873,763)  
total disposal for the financial year = RM23,171,970 (31.03.2020: RM10,185,493)

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
BIMB Investment Management Berhad	The Manager
Bank Islam Malaysia Berhad	Immediate holding company of the Manager
BIMB Holdings Berhad	Ultimate holding company of the Manager
AmanahRaya Trustees Berhad	Trustee of the Fund

The Manager and related party of the Manager did not hold any unit in the Fund as at 31 March 2021 and 31 March 2020.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions. The Manager is of the opinion that all transactions with the related companies have been entered into the normal course of business at agreed terms between the related parties.

	Transactions during the financial year		Balance as at	
	<u>2021</u> RM	<u>2020</u> RM	<u>31.03.2021</u> RM	<u>31.03.2020</u> RM
<u>The Manager</u>				
BIMB Investment Management Berhad				
- Amount due from Manager	-	-	204,171	-
- Amount due to Manager	-	-	(117,446)	(949)
- Management fee	79,088	34,993	(9,979)	(2,096)
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Holding company of the Manager</u>				
Bank Islam Malaysia Berhad				
- Income from short term Placements	(1,005)	(1,382)	-	-
- Bank balance	-	-	157,496	370,580
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Related company of the Manager</u>				
BIMB Securities Sdn. Bhd.				
- Sales	(8,429,293)	(3,032,672)		-
- Purchases	10,213,310	1,964,493		-
- Brokerage fee	48,794	14,327		-
	<hr/>	<hr/>	<hr/>	<hr/>
<u>The Trustee</u>				
AmanahRaya Trustees Berhad				
- Trustee fee	2,636	1,166	(333)	(70)
	<hr/>	<hr/>	<hr/>	<hr/>

## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 14 TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers are as follows:

	Value of trade RM	Percentage of total trade %	Brokerage fee RM	Percentage of total brokerage fee %
<u>2021</u>				
BIMB Securities Sdn. Bhd.*	18,642,603	35.89	48,794	35.99
Hong Leong Investment Bank Bhd.	5,237,441	10.08	13,810	10.19
RHB Investment Bank Bhd.	4,807,841	9.26	12,345	9.11
MIDF Amanah Investment Bank Bhd.	3,469,655	6.68	8,564	6.32
TA Securities Holdings Bhd.	3,330,127	6.41	8,173	6.03
Maybank Investment Bank Bhd.	3,233,026	6.22	8,914	6.57
Kenanga Investment Bank Bhd.	3,003,830	5.78	8,144	6.01
Alliance Investment Bank Bhd.	2,872,366	5.53	7,749	5.72
CIMB Investment Bank Bhd.	2,170,574	4.18	5,838	4.31
KAF Seagroatt & Campbell Securities Sdn. Bhd.	1,820,062	3.50	4,750	3.50
Other brokers	3,360,087	6.47	8,496	6.25
	<u>51,947,612</u>	<u>100.00</u>	<u>135,577</u>	<u>100.00</u>
<u>2020</u>				
BIMB Securities Sdn. Bhd.*	4,997,165	31.71	14,327	30.91
MIDF Amanah Investment Bank Bhd.	2,341,817	14.86	6,821	14.72
RHB Investment Bank Bhd.	1,696,708	10.77	5,471	11.81
TA Securities Holdings Bhd.	1,423,103	9.03	4,465	9.63
Hong Leong Investment Bank Bhd.	1,338,735	8.50	3,605	7.78
Alliance Investment Bank Bhd.	1,273,916	8.09	3,482	7.51
Public Investment Bank Bhd.	917,743	5.82	2,687	5.80
Maybank Investment Bank Bhd.	723,602	4.59	2,271	4.90
AmInvestment Bank Bhd.	321,366	2.04	885	1.91
KAF Seagroatt & Campbell Securities Sdn. Bhd.	273,017	1.73	764	1.65
Other brokers	450,174	2.86	1,565	3.38
	<u>15,757,346</u>	<u>100.00</u>	<u>46,343</u>	<u>100.00</u>

\* Transactions with the related party have been entered into in the normal course of business at agreed terms between the related parties.



## BIMB / FLEXI FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONTINUED)

#### 15 SIGNIFICANT EVENT DURING THE YEAR

The macro-economic conditions as a result of Covid-19, both domestically and globally, had minimal impact on the Fund's financial performance during the financial year end.

The recent reinstatement of movement control order (MCO 3.0) in Malaysia may have an adverse impact on the local economic conditions. The Manager is monitoring the situation closely and will be actively managing the portfolio to achieve the Fund's objective and to minimise any potential negative impact.

#### 16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Manager on 31 May 2021.

## 7.0 CORPORATE DIRECTORY

<b>Manager</b>	<p>BIMB Investment Management Berhad  <i>Reg. No.: 199301021508 (276246-X)</i></p> <p><b>Registered Office</b>  Level 32, Menara Bank Islam, No. 22, Jalan Perak  50450, Kuala Lumpur</p> <p><b>Business Office</b>  Level 19, Menara Bank Islam, No. 22, Jalan Perak  50450, Kuala Lumpur</p>
<b>Board of Directors</b>	<p>Mohamed Ridza Mohamed Abdulla (Chairman Non-Executive Independent Director)  Dato' Ghazali Awang (Non-Executive Independent Director)  Dr. Mohd Hatta Dagap (Non-Executive Independent Director)  Datin Maznah Mahbob (Non-Executive Independent Director)  Azizan Abd Aziz (Non-Executive Non Independent Director)  Najmuddin Mohd Lutfi (Chief Executive Officer)</p>
<b>Shariah Adviser</b>	<p>Dr. Ahmad Shahbari @ Sobri Salamon  Assoc. Prof. Dr. Asmak Ab. Rahman  Dr. Shamsiah Mohamad</p>
<b>Investment Committee</b>	<p>Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member)  Mohd Radzuan Ahmad Tajuddin (Independent Member)  Datin Maznah Mahbob (Independent Director)</p>
<b>Audit Committee</b>	<p>Dato' Ghazali Awang (Chairman - Independent Director)  Dr. Mohd Hatta Dagap (Independent Director)  Azizan Abd Aziz (Non Independent Director)</p>
<b>Company Secretaries</b>	<p>Norhidayati Mohamat Salim (MIA 27364)  Level 32, Menara Bank Islam, No. 22, Jalan Perak,  50450 Kuala Lumpur.</p> <p>Aidil Haznul Zulkifli (MACS 01638)  Level 32, Menara Bank Islam, No. 22 Jalan Perak,  50450 Kuala Lumpur.</p>
<b>Key Management</b>	<p>Najmuddin Mohd Lutfi (Chief Executive Officer)  Mohd Amir Shah Basir (Chief Operating Officer)  Abd Razak Salimin (Head of Investment)  Angelena Joseph (Senior Manager, Compliance)</p>
<b>Principal Banker</b>	<p>Bank Islam Malaysia Berhad  Ground Floor, Menara Bank Islam  No. 22, Jalan Perak  50450 Kuala Lumpur</p>
<b>Trustee</b>	<p>AmanahRaya Trustees Berhad  <i>Reg. No.: 200701008892 (766894-T)</i>  11<sup>th</sup> Floor, Wisma AmanahRaya  No. 2, Jalan Ampang  50508 Kuala Lumpur</p>
<b>Auditors</b>	<p>PricewaterhouseCoopers PLT (LLP0014401-LCA &amp; AF 1146)  Level 10, 1 Sentral  Jalan Rakyat, Kuala Lumpur Sentral  50706 Kuala Lumpur</p>

<b>Federation of Investment Managers Malaysia (FIMM)</b>	19-06-1, 6th Floor, Wisma Tune No.19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur
<b>Distributors</b>	Bank Islam Malaysia Berhad Phillip Mutual Berhad Johor Bahru Agency Office Kota Bharu Agency Office Registered Unit Trust Consultant with the Manager BEST Application by the Manager
<b>Toll Free Number: 1-800-88-1196</b>	

# BIMB INVESTMENT

A BANK ISLAM  
SUBSIDIARY