

BIMB DANA AL-FAKHIM

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED
31 AUGUST 2021

*LAPORAN TAHUNAN BAGI TAHUN KEWANGAN BERAKHIR
31 OGOS 2021*

BIMB  INVESTMENT
A BANK ISLAM
SUBSIDIARY

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

TABLE OF CONTENT

No.	Particulars	Page
1.0	Manager's Report	1
1.1	Fund Name / Fund Type / Fund Category / Fund Investment Objective / Fund Performance Benchmark / Fund Distribution Policy	1
1.2	Performance for the Financial Year Ended 31 August 2021	2
1.3	Economy and Market Review	3
1.4	Market Outlook and Strategy	4
1.5	Asset Allocation as at 31 August	4
1.6	Other Performance Data for the Financial Year Ended 31 August	5
1.7	Unit Holdings as at 31 August 2021	7
1.8	Policy on Rebate and Soft Commission	7
2.0	Trustee's Report	15
3.0	Shariah Adviser's Report	16
4.0	Directors' Declaration	17
5.0	Independent Auditors' Report	18
6.0	Financial Statements (Audited)	22
7.0	Corporate Directory	46

1.0 Manager's Report

Dear Unit Holders,

We are pleased to present the Manager's report of BIMB Dana Al-Fakhim for the financial year ended 31 August 2021.

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

Fund Name	BIMB Dana Al-Fakhim
Fund Type	Income
Fund Category	Money market
Fund Investment Objective	<p>The Fund seeks to provide a regular* stream of income by investing in short term Sukuk, Islamic money market instruments and placement in short-term Islamic deposits.</p> <p><i>*Note: The Fund shall distribute income (if any) on a monthly basis. The distribution of income will automatically be reinvested. Hence, Unit Holders will receive additional Units from the reinvestment of income distribution.</i></p> <p><i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Fund Performance Benchmark	<p>1-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad. Information on the selected benchmark can be obtained from Bank Islam's website.</p> <p><i>Note: Investors are advised that the actual portfolio of the Fund at any given time may consist of combination of Islamic deposits, Islamic money market instruments and Sukuk of varying tenure and credit rating. Investors are to note that the risk profile of the Fund's portfolio may be higher than the risk profile of the benchmark.</i></p>
Fund Distribution Policy	<p>The Fund shall distribute income* (if any) on a monthly basis.</p> <p><i>*Note: 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 August 2021

1.2.1 Performance review

For the financial year under review, BIMB Dana Al-Fakhim (Fund) registered a total return of 1.67%, as compared to its benchmark's return of 1.25%.

The selected performance benchmark for Fund is based on 1-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad.

Our strategy has consistently been to manage in a fairly conservative manner with the primary aim of outperforming traditional investment account returns.

During its financial year, the Fund has met its objectives of providing a regular income stream to the Unit Holders through investments primarily in Islamic money market instruments. As at 31 August 2021, the Fund has 100% exposure in Islamic money market instrument. The total Net Asset Value (NAV) was RM506.87 million as at 31 August 2021, as compared to RM418.78 million in the preceding year.

The NAV per unit of the Fund has marginally increased to RM0.5181 as at 31 August 2021 from RM0.5179 a year ago. The Fund has also declared monthly income distribution amounting to 0.84 sen per unit during the financial year.

For the financial year ended 31 August 2021, 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.

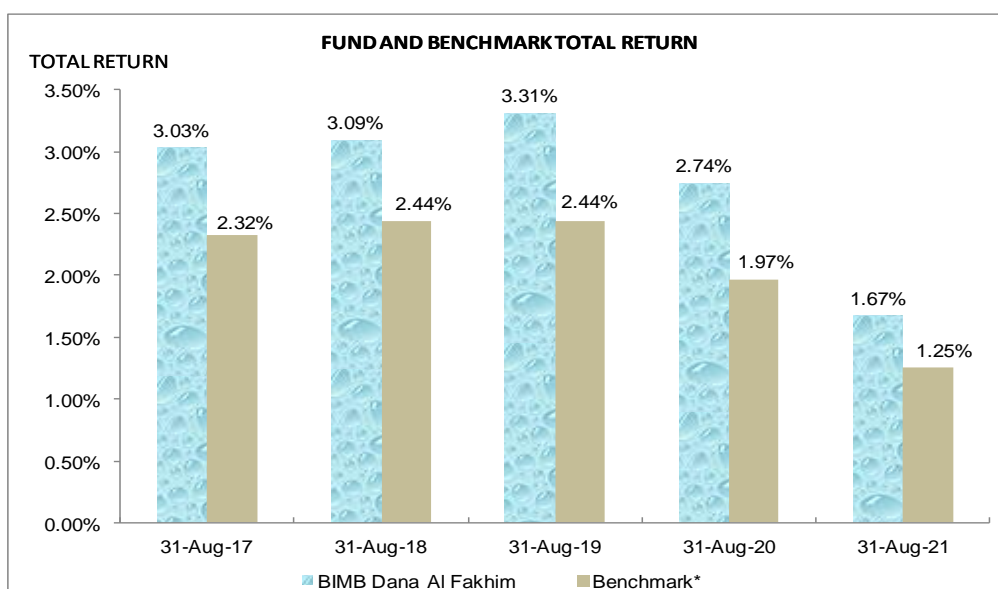
1.2.2 Total Return and Average Total Return for the Financial Year Ended 31 August 2021

Period	BIMB Dana Al-Fakhim		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
1-Year	1.67	1.67	1.25	1.25
3-Year	7.91	2.64	5.81	1.94
5-Year	14.61	2.92	11.01	2.20

1.2.3 Annual Total Return for the Previous Financial Years

Financial Years	Total Return	
	BIMB Dana Al-Fakhim (%)	Benchmark (%)
31 August 2021	1.67	1.25
31 August 2020	2.74	1.97
31 August 2019	3.31	2.44
31 August 2018	3.09	2.44
31 August 2017	3.03	2.32

Figure 1: Fund and Benchmark Total Return for the last 5 Financial Years



Data source : BIMB Investment Management Berhad

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

Benchmarks : 1-month Term Deposit-i Tawarruq (TDT-i) of Bank Islam Malaysia Berhad

Notes:

- Total Return** of the Fund has been verified by Novagni Analytics & Advisory Sdn. Bhd. (363145-W)
- 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 by 6.7% in the second quarter of 2021 over the previous quarter. Personal consumption expenditures grew as vaccinated Americans travel and engage in activities that were restricted before.
- The Euro area economy expanded by 2.2% in the second quarter of 2021 following a 0.3% slump in the previous three-month period, as countries began their economy reopening.

- China's economy grew by seasonally adjusted 1.3% in the second quarter of 2021 compared to the previous quarter, sustaining a steady recovery with production and demand picking up.

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

b) Local

- Malaysia's Gross Domestic Product (GDP) expanded by 16.1% year-on-year (YoY) in the second quarter of 2021 (Q2 2021) versus the same quarter last year. With a more loose lockdown measure imposed in the month of May and June, the country had managed to avoid having to face a hard landing for its economy in Q2 2021.

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

1.3.2 Market Review

Bond Market and Money Market

a) Global

- For the financial year under review, the 10-year U.S. Treasury (UST) yields rose 58 basis points. During Jackson Hole Economic Symposium held in August, the Federal Reserve signals for a taper announcement this year. In Europe, European Central Bank officials hinted for potential upward revision to their macro forecast, opening the door to a reduction in the pace of asset purchases.

b) Local

- The Malaysian Government Securities (MGS) and Government Investment Issue (GII) dominated the local bond market activities with traded volume of RM1,003.1 billion for the period under review. Their performance tracked the UST market as investors flocked towards safe-haven assets.
- For the financial year under review, BNM had maintained the overnight policy rate (OPR) at 1.75%, reiterating that the rate remains appropriate and accommodative amid persistent downside risks to the growth outlook.

1.4 Market Outlook and Strategy

- Going forward, the OPR is expected to remain unchanged until the end of the year. However, BNM continues to leave the door open, citing that the future stance of monetary policy will remain data dependent given the uncertainties surrounding the pandemic.
- Our strategy is to continue to invest in money market and extend the duration to maximize return while providing liquidity and regular income for investors.

1.5 Asset Allocation as at 31 August

BIMB Dana Al-Fakhim	2021 (%)	2020 (%)	2019 (%)
CASH AND SHORT TERM INVESTMENTS:	100.00	100.00	100.00
	100.00	100.00	100.00

1.6 Other Performance Data for the Financial Year Ended 31 August

BIMB Dana Al-Fakhim	2021	2020	2019
Unit Prices (RM)			
Highest NAV per unit for the year*	0.5187	0.5196	0.5200
Lowest NAV per unit for the year*	0.5179	0.5179	0.5181
Net Asset Value (NAV) and Units in Circulation (UIC) as at the End of the Year			
Total NAV (RM)	506,871,498	418,776,858	348,614,209
Units in Circulation (UIC)	978,369,592	808,561,878	672,787,280
NAV per unit (RM)*	0.5181	0.5179	0.5182
Return of the Fund (%)			
Capital Growth (%) ^(b)	0.05	-0.01	-0.01
Income Return (%) ^(c)	1.62	2.75	3.32
Return of the Fund (%)^(a)	1.67	2.74	3.31
Total Gross Distribution per Unit (Sen) per annum	0.84	1.43	1.72
Total Net Distribution per Unit (Sen) per annum	0.84	1.43	1.72
Monthly distribution – September			
NAV per Unit before Distribution (RM)	0.5188	0.5195	0.5199
NAV per Unit after Distribution (RM)	0.5180	0.5182	0.5184
Monthly distribution – October			
NAV per Unit before Distribution (RM)	0.5188	0.5194	0.5199
NAV per Unit after Distribution (RM)	0.5180	0.5182	0.5184
Monthly distribution – November			
NAV per Unit before Distribution (RM)	0.5187	0.5194	0.5198
NAV per Unit after Distribution (RM)	0.5179	0.5182	0.5185
Monthly distribution – December			
NAV per Unit before Distribution (RM)	0.5186	0.5195	0.5200
NAV per Unit after Distribution (RM)	0.5179	0.5185	0.5184

1.6 Other Performance Data for the Financial Year Ended 31 August (continued)

BIMB Dana Al-Fakhim (continued)	2021	2020	2019
Monthly distribution – January			
NAV per Unit before Distribution (RM)	0.5186	0.5197	0.5200
NAV per Unit after Distribution (RM)	0.5179	0.5180	0.5182
Monthly distribution – February			
NAV per Unit before Distribution (RM)	0.5185	0.5191	0.5195
NAV per Unit after Distribution (RM)	0.5179	0.5179	0.5183
Monthly distribution – March			
NAV per Unit before Distribution (RM)	0.5186	0.5192	0.5197
NAV per Unit after Distribution (RM)	0.5180	0.5180	0.5182
Monthly distribution – April			
NAV per Unit before Distribution (RM)	0.5187	0.5192	0.5197
NAV per Unit after Distribution (RM)	0.5180	0.5180	0.5181
Monthly distribution – May			
NAV per Unit before Distribution (RM)	0.5187	0.5191	0.5195
NAV per Unit after Distribution (RM)	0.5180	0.5179	0.5181
Monthly distribution – June			
NAV per Unit before Distribution (RM)	0.5187	0.5191	0.5193
NAV per Unit after Distribution (RM)	0.5180	0.5179	0.5182
Monthly distribution – July			
NAV per Unit before Distribution (RM)	0.5187	0.5189	0.5196
NAV per Unit after Distribution (RM)	0.5180	0.5179	0.5181
Monthly distribution – August			
NAV per Unit before Distribution (RM)	0.5186	0.5188	0.5194
NAV per Unit after Distribution (RM)	0.5180	0.5179	0.5182
Management Expense Ratio (MER) (%)^(d)	0.55	0.52	0.54
Portfolio Turnover Ratio (PTR) (times)^(e)	4.06	5.52	6.24

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

Notes:

- a) **Total Return of the Fund** = $\frac{\text{NAV per unit (end of year)} - \text{NAV per unit (beginning of year)}}{\text{NAV per unit (beginning of year)}} - 1$
- 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 year over the average Net Asset Value of the Fund calculated on a daily basis.

1.7 Unit Holdings as at 31 August 2021

Size of Holdings	BIMB Dana Al-Fakhim			
	No. of Unit Holders		No. of Units Held	
	No.	%	Units	%
5,000 and below	6,090	98.52	1,043,297.17	0.11
5,001 to 10,000	25	0.40	180,623.03	0.02
10,001 to 50,000	25	0.40	496,472.60	0.05
50,001 to 500,000	18	0.29	3,484,472.29	0.35
500,001 and above	24	0.39	973,164,726.94	99.47
Grand Total for The Fund	6,182	100.00	978,369,592.03	100.00

1.8 Policy on Rebate and Soft Commission

The rebate and soft commission are not applicable to the Fund due to the fact that the Fund's category is a money market fund.

The Manager did not receive any rebate and soft commission from brokers during the period under review.

For and on behalf of

The Manager

BIMB INVESTMENT MANAGEMENT BERHAD

Date: 27 October 2021

1.0 Laporan Pengurus

Para Pemegang Unit,

Kami dengan sukacitanya membentangkan Laporan Pengurus BIMB Dana Al-Fakhim bagi tahun kewangan berakhir 31 Ogos 2021.

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

Nama Dana	BIMB Dana Al-Fakhim
Jenis Dana	Pendapatan
Kategori Dana	Pasaran Wang
Objektif Pelaburan Dana	<p>Dana ini menawarkan aliran pendapatan yang konsisten* dengan melabur di dalam Sukuk jangka pendek, instrumen pasaran wang Islam dan penempatan deposit Islam jangka pendek.</p> <p><i>*Nota: Dana akan mengagihkan pendapatan (jika ada) pada setiap bulan. Pengagihan pendapatan akan dilaburkan semula secara automatik. Oleh itu, Pemegang Unit akan menerima unit tambahan daripada pelaburan semula pengagihan pendapatan tersebut.</i></p> <p><i>Sebarang perubahan ketara dalam objektif pelaburan Dana memerlukan kelulusan daripada Pemegang Unit.</i></p>
Penanda Aras Dana	<p>1-bulan Deposit Bertempoh Tawarruq-i Bank Islam Malaysia Berhad. Maklumat mengenai penanda aras yang dipilih boleh diperolehi dari laman web Bank Islam.</p> <p><i>Nota: Pelabur dinasihatkan bahawa portfolio sebenar Dana pada bila-bila masa mungkin terdiri daripada gabungan deposit Islam, instrumen pasaran wang Islam dan Sukuk dengan jangka masa dan penilaian kredit yang berbeza-beza. Pelabur perlu ambil perhatian bahawa profil risiko portfolio Dana mungkin lebih tinggi daripada profil risiko penanda aras.</i></p>
Polisi Agihan Dana	<p>Dana akan mengagihkan pendapatan* (jika ada) pada setiap bulan.</p> <p><i>*Nota: Pengagihan pendapatan akan dilaburkan semula secara automatik. Oleh itu, Pemegang Unit akan menerima Unit tambahan daripada pelaburan semula pengagihan pendapatan tersebut.</i></p>

1.2 Pencapaian bagi Tahun Kewangan Berakhir pada 31 Ogos 2021

1.2.1 Semakan Pencapaian

Bagi tahun kewangan dalam kajian, BIMB Dana AI-Fakhim (Dana) mencatatkan jumlah pulangan sebanyak 1.67%, berbanding dengan pulangan penanda aras sebanyak 1.25%.

Penanda aras prestasi terpilih bagi Dana ini adalah berdasarkan 1-bulan Deposit Bertempoh Tawarruq-i Bank Islam Malaysia Berhad.

Strategi kami kekal konsisten untuk mengendalikan Dana dengan cara yang agak konservatif dengan matlamat utama mengatasi pulangan akaun pelaburan tradisional.

Bagi tahun kewangannya, Dana telah mencapai matlamatnya untuk menyediakan aliran pendapatan yang kerap kepada Pemegang Unit melalui pelaburan terutamanya dalam instrumen pasaran wang Islam. Pada 31 Ogos 2021, Dana mempunyai pendedahan 100% dalam instrumen pasaran wang Islam. Jumlah Nilai Aset Bersih (NAB) Dana adalah RM506.87 juta pada 31 Ogos 2021, berbanding dengan RM418.78 juta pada tahun sebelumnya.

NAB seunit Dana ini meningkat sedikit kepada RM0.5181 pada 31 Ogos 2021 daripada RM0.5179 setahun yang lalu. Dana juga telah mengumumkan pengagihan pendapatan berjumlah 0.84 sen seunit semasa tahun kewangannya.

Bagi tahun kewangan berakhir 31 Ogos 2021, tidak ada perubahan ketara kepada keadaan hal ehwal Dana dan tidak ada keadaan yang memberi kesan besar kepada kepentingan Pemegang Unit telah berlaku sehingga tarikh laporan Pengurus ini.

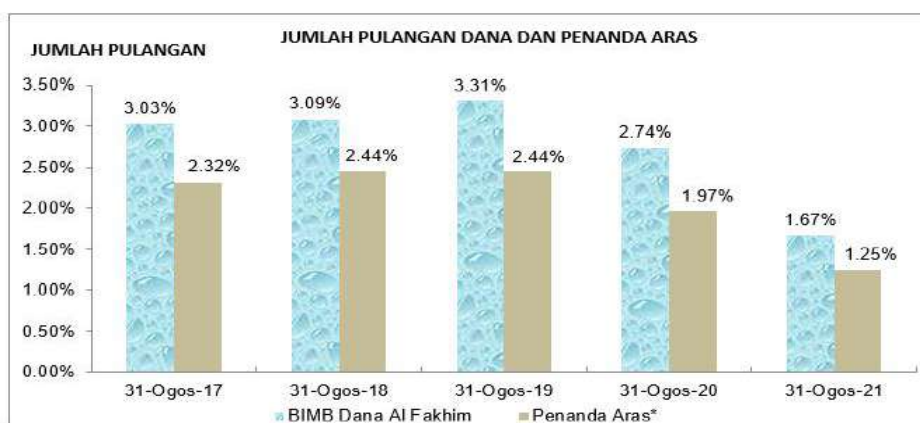
1.2.2 Jumlah pulangan dan jumlah pulangan purata bagi tahun kewangan berakhir 31 Ogos 2021

Tempoh	BIMB Dana AI-Fakhim		Penanda Aras	
	Jumlah Pulangan (%)	Jumlah Pulangan Purata (%)	Jumlah Pulangan (%)	Jumlah Pulangan Purata (%)
1-Tahun	1.67	1.67	1.25	1.25
3-Tahun	7.91	2.64	5.81	1.94
5-Tahun	14.61	2.92	11.01	2.20

1.2.3 Jumlah pulangan tahunan bagi tahun-tahun kewangan yang lalu

Tahun Kewangan	Jumlah Pulangan	
	BIMB Dana AI-Fakhim (%)	Penanda Aras (%)
31 Ogos 2021	1.67	1.25
31 Ogos 2020	2.74	1.97
31 Ogos 2019	3.31	2.44
31 Ogos 2018	3.09	2.44
31 Ogos 2017	3.03	2.32

Rajah 1: Pulangan Dana dan Pulangan Penanda Aras bagi 5 Tahun yang Lalu.



Sumber Data : BIMA Investment Management Berhad

Data disahkan oleh : Novagni Analytics & Advisory Sdn. Bhd.

Penanda Aras : Kadar 1-bulan Deposit Bertempoh-i Tawarruq Bank Islam Malaysia Berhad

Nota:

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

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

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

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

1.3 Ekonomi dan Kajian Pasaran

1.3.1 Ekonomi

a) Global

- Keluaran Dalam Negara Kasar (KDNK) Amerika mencatatkan peningkatan sebanyak 6.7% pada suku kedua 2021 melebihi suku sebelumnya. Perbelanjaan peribadi kepenggunaan meningkat ketika rakyat Amerika bergerak melancong dan terlibat dalam aktiviti yang dibatasi sebelumnya.
- Ekonomi kawasan Euro berkembang 2.2% pada suku kedua 2021 berikutan penurunan 0.3% dalam tempoh tiga bulan sebelumnya, ketika negara-negara ahli mulai membuka semula ekonomi semula.
- Ekonomi China tumbuh dengan penyesuaian bermusim 1.3% pada suku kedua 2021 berbanding suku sebelumnya, mengekalkan pemulihan yang stabil dengan pengeluaran dan permintaan meningkat.

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

b) Dalam Negara

- Keluaran Dalam Negara Kasar (KDNK) Malaysia meningkat sebanyak 16.1% tahun-ke-tahun pada suku kedua 2021 berbanding suku yang sama tahun lalu. Dengan langkah melonggarkan sekatan dan kawalan pergerakan yang dikenakan pada bulan Mei dan Jun, negara berjaya mengelak dari mengalami kemerosotan teruk sepertimana suku kedua 2020.

(Sumber: Bloomberg, Bank Negara Malaysia dan Jabatan Statistik Malaysia)

1.3.2 Kajian Pasaran

Pasaran Bon dan Pasaran Wang

a) Global

- Untuk tempoh yang dikaji, kadar hasil Perbendaharaan Amerika Syarikat (UST) berdurasi 10-tahun meningkat sebanyak 58 mata asas. Semasa Simposium Ekonomi Jackson Hole yang berlangsung pada bulan Ogos, Rizab Persekutuan Amerika Syarikat memberi isyarat akan mengurangkan kuantum pembelian bon tahun ini. Di Eropah, para pegawai European Central Bank menjangkakan peningkatan ke atas ramalan makro mereka, lantas membuka kemungkinan untuk pengurangan kadar pembelian aset.

b) Dalam Negara

- Sekuriti Kerajaan Malaysia (MGS) dan Terbitan Pelaburan Kerajaan (GII) mendominasi aktiviti pasaran bon tempatan dengan jumlah dagangan berjumlah RM1,003.1 bilion bagi tempoh dalam kajian. Prestasi MGS dan GII mengikuti pasaran UST di kala para pelabur menggemari aset-aset yang kurang berisiko.
- Untuk tempoh kewangan yang dikaji, BNM mengekalkan kadar dasar semalaman (OPR) pada 1.75%, dan menyatakan kadar ini kekal wajar dan akomodatif di kala risiko kemerosotan terhadap prospek pertumbuhan masih ada.

1.4 Tinjauan Pasaran dan Strategi

- Pada masa hadapan, OPR dijangka tidak berubah sehingga akhir tahun. Bagaimanapun, BNM masih berkemungkinan mengubahnya kerana dasar monetari masa depan akan kekal bergantung pada data memandangkan ketidaktentuan berkaitan pandemik.
- Strategi kami adalah untuk terus melabur dalam pasaran wang dan memanjangkan tempoh pelaburan untuk memaksimumkan pulangan sambil menyediakan kecairan untuk para pelabur.

1.5 Peruntukan Aset setakat 31 Ogos

BIMB Dana AI-Fakhim	2021 (%)	2020 (%)	2019 (%)
TUNAI DAN PELABURAN JANGKA PENDEK:	100.00	100.00	100.00
	100.00	100.00	100.00

1.6 Lain-Lain Data Prestasi bagi Tahun Kewangan Berakhir 31 Ogos

BIMB Dana Al-Fakhim	2021	2020	2019
Harga Unit (RM)			
NAB tertinggi seunit dalam setahun*	0.5187	0.5196	0.5200
NAB terendah seunit dalam setahun*	0.5179	0.5179	0.5181
Nilai Asset Bersih (NAB) dan Unit Dalam Edaran (UDE) pada Akhir Tahun			
Jumlah NAB (RM)	506,871,498	418,776,858	348,614,209
Unit Dalam Edaran (UDE)	978,369,592	808,561,878	672,787,280
NAB seunit (RM)*	0.5181	0.5179	0.5182
Jumlah Pulangan Dana (%)^(a)			
Pertumbuhan Modal (%) ^(b)	0.05	-0.01	-0.01
Pulangan Pendapatan (%) ^(c)	1.62	2.75	3.32
Jumlah Pulangan Dana (%)	1.67	2.74	3.31
Jumlah Agihan Kasar seunit (Sen) setahun	0.84	1.43	1.72
Jumlah Agihan Bersih seunit (Sen) setahun	0.84	1.43	1.72
Pengagihan bulanan – September			
NAB seunit sebelum Pengagihan (RM)	0.5188	0.5195	0.5199
NAB seunit selepas Pengagihan (RM)	0.5180	0.5182	0.5184
Pengagihan bulanan – Oktober			
NAB seunit sebelum Pengagihan (RM)	0.5188	0.5194	0.5199
NAB seunit selepas Pengagihan (RM)	0.5180	0.5182	0.5184
Pengagihan bulanan –November			
NAB seunit sebelum Pengagihan (RM)	0.5187	0.5194	0.5198
NAB seunit selepas Pengagihan (RM)	0.5179	0.5182	0.5185
Pengagihan bulanan – Disember			
NAB seunit sebelum Pengagihan (RM)	0.5186	0.5195	0.5200
NAB seunit selepas Pengagihan (RM)	0.5179	0.5185	0.5184

1.6 Lain-Lain Data Prestasi bagi Tahun Kewangan Berakhir 31 Ogos (sambungan)

BIMB Dana Al-Fakhim (sambungan)	2021	2020	2019
Pengagihan bulanan – Januari			
NAB seunit sebelum Pengagihan (RM)	0.5186	0.5197	0.5200
NAB seunit selepas Pengagihan (RM)	0.5179	0.5180	0.5182
Pengagihan bulanan – Februari			
NAB seunit sebelum Pengagihan (RM)	0.5185	0.5191	0.5195
NAB seunit selepas Pengagihan (RM)	0.5179	0.5179	0.5183
Pengagihan bulanan – Mac			
NAB seunit sebelum Pengagihan (RM)	0.5186	0.5192	0.5197
NAB seunit selepas Pengagihan (RM)	0.5180	0.5180	0.5182
Pengagihan bulanan – April			
NAB seunit sebelum Pengagihan (RM)	0.5187	0.5192	0.5197
NAB seunit selepas Pengagihan (RM)	0.5180	0.5180	0.5181
Pengagihan bulanan – Mei			
NAB seunit sebelum Pengagihan (RM)	0.5187	0.5191	0.5195
NAB seunit selepas Pengagihan (RM)	0.5180	0.5179	0.5181
Pengagihan bulanan – Jun			
NAB seunit sebelum Pengagihan (RM)	0.5187	0.5191	0.5193
NAB seunit selepas Pengagihan (RM)	0.5180	0.5179	0.5182
Pengagihan bulanan – Julai			
NAB seunit sebelum Pengagihan (RM)	0.5187	0.5189	0.5196
NAB seunit selepas Pengagihan (RM)	0.5180	0.5179	0.5181
Pengagihan bulanan – Ogos			
NAB seunit sebelum Pengagihan (RM)	0.5186	0.5188	0.5194
NAB seunit selepas Pengagihan (RM)	0.5180	0.5179	0.5182
Nisbah Perbelanjaan Pengurusan (NPP) (%) (d)	0.55	0.52	0.54
Nisbah Pusing Ganti Portfolio (Kali) (e)	4.06	5.52	6.24

*Harga NAB selepas pengagihan pendapatan.

Nota:-

- a) **Jumlah Pulangan ke atas Dana** = $\frac{\text{Harga seunit (pada akhir tahun)} - 1}{\text{Harga seunit (pada awal tahun)}}$
- b) **Pertumbuhan Modal** = Jumlah Pulangan Dana – Pulangan Pendapatan
- c) **Pulangan Pendapatan** = $\frac{\text{Pengagihan Pendapatan seunit} / \text{NAB seunit pada awal tahun}}{100} \times 100$
- 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 Ogos 2021

Saiz Dipegang	BIMB Dana Al-Fakhim			
	Bilangan Pemegang Unit		Bilangan Pegangan Unit	
	Bilangan	%	Unit	%
Kurang daripada 5,000	6,090	98.52	1,043,297.17	0.11
5,001 hingga 10,000	25	0.40	180,623.03	0.02
10,001 hingga 50,000	25	0.40	496,472.60	0.05
50,001 hingga 500,000	18	0.29	3,484,472.29	0.35
500,001 dan ke atas	24	0.39	973,164,726.94	99.47
Jumlah Keseluruhan Dana	6,182	100.00	978,369,592.03	100.00

1.8 Polisi Rebat dan Komisyen Ringan (Bukan Tunai)

Rebat dan komisyen ringan (bukan tunai) adalah tidak terpakai terhadap Dana memandangkan kategori Dana adalah pasaran wang.

Pengurus tidak menerima sebarang rebat dan komisyen bukan tunai daripada broker bagi tempoh dalam kajian.

Untuk dan bagi pihak Pengurus

BIMB INVESTMENT MANAGEMENT BERHAD

Tarikh: 27 Oktober 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

SCBMB TRUSTEE BERHAD

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

To the Unit Holders of

BIMB Dana Al-Fakhim

We have acted as Trustee of **BIMB Dana Al-Fakhim** ("the Fund") for the financial year ended 31 August 2021. To the best of our knowledge, **BIMB Investment Management Berhad** ("the Manager" or "the Management Company") has managed the Fund in accordance with the following:

1. The limitations imposed on the investment powers of the Management Company and the Trustee under the Deeds, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
2. The valuation or pricing of the Fund is carried out in accordance with the Deeds and any regulatory requirement;
3. The creation and cancellation of units of the Fund are carried out in accordance with the Deeds and any regulatory requirement; and
4. The distribution of income by the Fund for the period is appropriate and reflects the investment objective of the Fund.

For SCBMB Trustee Berhad

.....
Prasad A/L S Vijayasundram
Chief Executive Officer

Date: 27 October 2021

3.0 Shariah Adviser's Report

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

To the Unit Holders of
BIMB Dana Al-Fakhim

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 Advisers,

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

Date: 27 October 2021

4.0 Directors' Declaration

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

To the Unit Holders of
BIMB Dana Al-Fakhim

We, being the Directors of BIMB Investment Management Berhad (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 22 to 45 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 August 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 of the Board of Directors,

.....
DATO' GHAZALI BIN AWANG
(Non Executive Independent Director)

.....
NAJMUDDIN BIN MOHD LUTFI
(Chief Executive Officer)

Date: 27 October 2021

5.0 Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF BIMB DANA AL-FAKHIM

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of BIMB Dana Al-Fakhim (the "Fund") give a true and fair view of the financial position of the Fund as at 31 August 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 August 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 8 to 31.

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' 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 DANA AL-FAKHIM (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 determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or 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 DANA AL-FAKHIM (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 DANA AL-FAKHIM (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
27 October 2021

6.0 Financial Statements (Audited)

BIMB DANA AL-FAKHIM

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

	Note	<u>2021</u> RM	<u>2020</u> RM
INVESTMENT INCOME			
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions at fair value through profit or loss		<u>10,094,666</u>	<u>13,882,649</u>
EXPENSES			
Management fee	4	2,311,052	2,135,561
Trustee's fee	5	92,442	89,215
Audit fee		9,900	12,966
Tax agent's fee		4,963	5,984
Administrative expenses		<u>101,239</u>	<u>6,772</u>
		<u>2,519,596</u>	<u>2,250,498</u>
PROFIT BEFORE TAXATION		<u>7,575,070</u>	<u>11,632,151</u>
Taxation	6	<u>-</u>	<u>-</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u><u>7,575,070</u></u>	<u><u>11,632,151</u></u>
Total comprehensive income for the year consist of:			
Realised amount		<u><u>7,575,070</u></u>	<u><u>11,632,151</u></u>

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

BIMB DANA AL-FAKHIM

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	<u>2021</u> RM	<u>2020</u> RM
ASSETS			
Cash and cash equivalents (Shariah-compliant)	8	84,124,413	32,110,125
Financial assets at fair value through profit or loss (Shariah-compliant)	7	426,213,578	386,967,710
Amount due from Manager		<u>247,859</u>	<u>-</u>
TOTAL ASSETS		<u>510,585,850</u>	<u>419,077,835</u>
LIABILITIES			
Amount due to Manager		3,475,668	115,131
Accrued management fee		209,691	163,598
Amount due to Trustee		8,388	6,544
Other payables and accruals		<u>20,605</u>	<u>15,704</u>
TOTAL LIABILITIES		<u>3,714,352</u>	<u>300,977</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>506,871,498</u>	<u>418,776,858</u>
EQUITY			
Unit holders' capital	9	506,481,449	418,526,712
Retained profits		<u>390,049</u>	<u>250,146</u>
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u>506,871,498</u>	<u>418,776,858</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	9	<u>978,369,592</u>	<u>808,561,878</u>
NET ASSET VALUE PER UNIT (SEN) (EX-DISTRIBUTION)		<u>51.81</u>	<u>51.79</u>

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

BIMB DANA AL-FAKHIM

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

	Unit holders' capital	Retained profits	Total
	RM	RM	RM
Balance as at 1 September 2020	418,526,712	250,146	418,776,858
Movement in unit holders' contributions:			
- Creation of units from applications	269,385,769	-	269,385,769
- Creation of units from distribution	7,435,167	-	7,435,167
- Cancellation of units	(188,866,199)	-	(188,866,199)
- Distributions (Note 10)		(7,435,167)	(7,435,167)
Total comprehensive income for the financial year	-	7,575,070	7,575,070
Balance as at 31 August 2021	<u>506,481,449</u>	<u>390,049</u>	<u>506,871,498</u>
Balance as at 1 September 2019	348,366,978	247,231	348,614,209
Movement in unit holders' contributions:			
- Creation of units from applications	478,764,602	-	478,764,602
- Creation of units from distribution	11,629,236	-	11,629,236
- Cancellation of units	(420,234,104)	-	(420,234,104)
- Distributions (Note 10)	-	(11,629,236)	(11,629,236)
Total comprehensive income for the financial year	-	11,632,151	11,632,151
Balance as at 31 August 2020	<u>418,526,712</u>	<u>250,146</u>	<u>418,776,858</u>

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

BIMB DANA AL-FAKHIM

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

	Note	<u>2021</u> RM	<u>2020</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Placement of Shariah-compliant deposits with licensed Islamic financial institutions		(1,830,440,423)	(2,366,279,720)
Proceeds from maturity of Shariah-compliant deposits with licensed Islamic financial institutions		1,789,992,153	2,259,207,103
Profit income received from Shariah-compliant deposit with licensed Islamic financial institutions		11,297,068	11,686,538
Management fee paid		(2,264,959)	(2,114,576)
Trustee fee paid		(90,598)	(91,228)
Audit fee paid		(10,900)	(13,000)
Tax agent fee paid		(1,421)	(3,000)
Payment for administrative expenses		(98,880)	(19,620)
NET CASH USED IN OPERATING ACTIVITIES		<u>(31,617,960)</u>	<u>(97,627,503)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from creation of units		269,137,910	479,970,299
Payments for cancellation of units		(185,505,662)	(420,118,973)
NET CASH GENERATED FROM FINANCING ACTIVITIES		<u>83,632,248</u>	<u>59,851,326</u>
Net increase/(decrease) in cash and cash equivalents		52,014,288	(37,776,177)
Cash and cash equivalents at the beginning of the financial year		<u>32,110,125</u>	<u>69,886,302</u>
Cash and cash equivalents at the end of the financial year	8	<u>84,124,413</u>	<u>32,110,125</u>
Cash and cash equivalents comprise:			
Commodity Murabahah		71,365,304	31,616,637
Wafiyah Investment Account		9,068,267	-
Cash at bank		<u>3,690,842</u>	<u>493,488</u>
	8	<u>84,124,413</u>	<u>32,110,125</u>

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

BIMB DANA AL-FAKHIM

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

1 INFORMATION ON THE FUND

BIMB Dana Al-Fakhim (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 6 December 2001 and the various Supplemental Deeds between the Manager - BIMB Investment Management Berhad, the Trustee – SCBMB Trustee Berhad and the registered unit holders of the Fund.

The principal activity of the Fund is to invest in authorised investments as defined in the Deed, which include Islamic debt securities 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(i).

(i) 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 September 2020:

- Amendments to MFRS 101 and MFRS 108 ‘Definition of Material’
- The Conceptual Framework for Financial Reporting (“Framework”) effective 1 January 2020

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (i) Amendments to published standards and interpretations that are effective (continued)

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) Amendments that have been issued but not yet effective and have not been early adopted

- Amendments to MFRS 3 'Reference to Conceptual Framework' (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 'onerous contracts—cost of fulfilling a contract' (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.
- Amendments to MFRS 101 'Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

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.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets (continued)

(i) Recognition and initial measurement (continued)

The Fund categorises financial instruments as follows (continued):

(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.

Deposits with licensed financial institutions are stated at fair value. Due to the short term nature of the deposits, the cost plus accrued interest calculated based on the effective interest rate method over the period from the date of placement to the date of maturity of the respective deposits is the reasonable estimate of fair value.

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.

BIMB DANA AL-FAKHIM

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets (continued)

(iv) Impairment for assets carried at amortised cost

The Fund measures credit risk and expected credit loss (“ECL”) using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any ECL. 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 ECL as any such impairment would be wholly insignificant to the Fund.

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) Income recognition

Profit income from Shariah-compliant deposits with licensed Islamic financial institutions is recognised on an accrual basis using the effective profit method.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

BIMB DANA AL-FAKHIM

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) 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 3 months or less, 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.

(f) 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.

(g) 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 unitholders' 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.

(h) 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.

BIMB DANA AL-FAKHIM

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) 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.

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)	-	84,124,413	84,124,413
Shariah-compliant deposits with licensed Islamic financial institutions	426,213,578	-	426,213,578
Amount due from Manager	-	247,859	247,859
	<u>426,213,578</u>	<u>84,372,272</u>	<u>510,585,850</u>
<u>2020</u>			
Cash and cash equivalents (Shariah-compliant)	-	32,110,125	32,110,125
Shariah-compliant deposits with licensed Islamic financial institutions	386,967,710	-	386,967,710
	<u>386,967,710</u>	<u>32,110,125</u>	<u>419,077,835</u>

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

BIMB DANA AL-FAKHIM

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

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

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

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

(a) Market risk

(i) Profit rate risk

Profit rate risk 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.

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 the fair value profit rate risk arises from Shariah-compliant deposits with licensed Islamic financial institutions. The Manager overcomes the exposure by placing deposits with licensed financial institutions with fixed rates of profit and maturity.

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.

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

	<u>2021</u>	<u>2020</u>
	%	%
All Shariah-compliant deposits with licensed Islamic financial institutions	<u>2.05</u>	<u>2.58</u>

BIMB DANA AL-FAKHIM

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

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

Credit risk refers to the possibility that the issuer of an instrument will not be able to make timely payments of profit or principal repayment on the maturity date. This may lead to a default in the payment of principal and profit and ultimately a reduction in the value of the Fund.

In the case of the Fund, the Manager will endeavour to minimise this risk by selecting only licensed Islamic financial institutions having a minimum credit rating of P1 as rated by RAM or MARC-1 as rated by MARC or its equivalent rating by any other local/international recognised credit rating agencies and securities guaranteed by the Malaysian government, Bank Negara Malaysia or other government-related agencies.

For amount due from Manager, the settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds in Malaysia.

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

	<u>Cash and cash equivalents</u> RM	<u>Financial assets at fair value through profit or loss</u> RM	<u>Amount due from Manager</u> RM	<u>Total</u> RM
<u>2021</u>				
Finance				
- AAA	3,690,842	126,881,947	-	130,572,789
- AA+	-	65,693,603	-	65,693,603
- AA2	-	79,453,560	-	79,453,560
- AA3	9,068,267	10,124,521	-	19,192,788
- A1	42,789,640	-	-	42,789,640
- A2	8,012,888	84,022,010	-	92,034,898
- A-	12,051,423	57,027,581	-	69,079,004
Others (non-rated)	8,511,353	3,010,356	247,859	11,769,568
	<u>84,124,413</u>	<u>426,213,578</u>	<u>247,859</u>	<u>510,585,850</u>
<u>2020</u>				
Finance				
- AAA	493,488	74,858,781	-	75,352,269
- AA+	-	76,782,903	-	76,782,903
- AA2	-	10,362,145	-	10,362,145
- AA3	-	76,017,149	-	76,017,149
- A1	-	42,993,174	-	42,993,174
- A2	31,616,637	33,675,811	-	65,292,448
- A-	-	72,277,747	-	72,277,747
	<u>32,110,125</u>	<u>386,967,710</u>	<u>-</u>	<u>419,077,835</u>

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

BIMB DANA AL-FAKHIM

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

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(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 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.

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
<u>2021</u>			
Accrued management fee	209,691	-	209,691
Amount due to Manager	3,475,668	-	3,475,668
Amount due to Trustee	8,388	-	8,388
Other payables and accruals	-	20,605	20,605
Contractual undiscounted cash flows	<u>3,693,747</u>	<u>20,605</u>	<u>3,714,352</u>
<u>2020</u>			
Amount due to Manager	115,131	-	115,131
Accrued management fee	163,598	-	163,598
Amount due to Trustee	6,544	-	6,544
Other payables and accruals	-	15,704	15,704
Contractual undiscounted cash flows	<u>285,273</u>	<u>15,704</u>	<u>300,977</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.

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

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(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)

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.

BIMB DANA AL-FAKHIM

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

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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:				
- Shariah-compliant deposits with licensed Islamic financial institutions	-	426,213,578	-	426,213,578
	<u>-</u>	<u>426,213,578</u>	<u>-</u>	<u>426,213,578</u>
<u>2020</u>				
Financial assets at fair value through profit or loss:				
- Shariah-compliant deposits with licensed Islamic financial institutions	-	386,967,710	-	386,967,710
	<u>-</u>	<u>386,967,710</u>	<u>-</u>	<u>386,967,710</u>

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

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

BIMB DANA AL-FAKHIM

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

4 MANAGEMENT FEE

The manager's fee payable to the Manager of the Fund is based on 0.50% (2020: 0.50%) 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 0.02% (2020: 0.02%) per annum subject to a minimum of RM18,000 (2020: RM18,000) 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 before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	<u>2021</u> RM	<u>2020</u> RM
Income before taxation	<u>7,575,070</u>	<u>11,632,151</u>
Taxation at Malaysian statutory rate of 24% (2020: 24%)	1,818,017	2,791,716
Tax effects of:		
- Investment income not subject to tax	(2,422,720)	(3,331,836)
- Expenses not deductible for tax purposes	24,286	23,600
- Restrictions on the tax deductible expenses for unit trust funds	<u>580,417</u>	<u>516,520</u>
	<u>-</u>	<u>-</u>

BIMB DANA AL-FAKHIM

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

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

	<u>2021</u>	<u>2020</u>
	RM	RM
Shariah-compliant deposits with licensed Islamic financial institutions*:		
Commodity Murabahah	416,089,057	310,950,560
Wafiyah Investment Account**	<u>10,124,521</u>	<u>76,017,150</u>
	<u>426,213,578</u>	<u>386,967,710</u>

* Included within the Shariah-compliant deposits with licensed Islamic financial institutions is profit receivable amounting to RM1,989,164 (2020: RM3,191,566).

** Wafiyah Investment Account 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>
	%	%
Shariah-compliant deposits with licensed Islamic financial institutions	<u>2.11</u>	<u>2.60</u>

Shariah-compliant deposits with licensed Islamic financial institutions of the Fund have an average maturity of 86 days (2020: 184 days).

BIMB DANA AL-FAKHIM

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

8 CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	<u>2021</u> RM	<u>2020</u> RM
Shariah-compliant deposits with licensed Islamic financial institutions:		
Commodity Murabahah	71,365,304	31,616,637
Wafiyah Investment Account*	<u>9,068,267</u>	<u>-</u>
	80,433,571	31,616,637
Cash at bank	<u>3,690,842</u>	<u>493,488</u>
	<u><u>84,124,413</u></u>	<u><u>32,110,125</u></u>

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

	<u>2021</u> %	<u>2020</u> %
Shariah-compliant deposits with licensed Islamic financial institutions	<u>0.36%</u>	<u>1.76</u>

Shariah-compliant deposits with licensed Islamic financial institutions of the Fund have an average maturity of 2 days (2020: 9 days).

* Wafiyah Investment Account is placed with Bank Islam Malaysia Berhad, the holding company of the Manager.

9 UNIT HOLDERS' CAPITAL

	<u>No. of units</u>	<u>RM</u>
As at 1 September 2020	808,561,878	418,526,712
Creation of units from applications	519,867,632	269,385,769
Creation of units from distributions	14,354,546	7,435,167
Cancellation of units	<u>(364,414,464)</u>	<u>(188,866,199)</u>
As at 31 August 2021	<u><u>978,369,592</u></u>	<u><u>506,481,449</u></u>
As at 1 September 2019	672,787,280	348,366,978
Creation of units from applications	923,189,365	478,764,602
Creation of units from distributions	22,447,467	11,629,236
Cancellation of units	<u>(809,862,234)</u>	<u>(420,234,104)</u>
As at 31 August 2020	<u><u>808,561,878</u></u>	<u><u>418,526,712</u></u>

BIMB DANA AL-FAKHIM

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

10 DISTRIBUTION

	<u>2021</u> RM	<u>2020</u> RM
Distribution to unit holders is from the following sources:		
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	9,704,617	13,634,503
Prior financial years' realised income	<u>250,146</u>	<u>245,231</u>
	9,954,763	13,879,734
Less:		
Expenses	<u>(2,519,596)</u>	<u>(2,250,498)</u>
Net distribution amount	<u><u>7,435,167</u></u>	<u><u>11,629,236</u></u>
GROSS/NET DISTRIBUTION PER UNIT (SEN)		
Distribution on 28 September 2020 / 30 September 2019	<u>0.08</u>	<u>0.13</u>
Distribution on 28 October 2020 / 31 October 2019	<u>0.08</u>	<u>0.12</u>
Distribution on 27 November 2020 / 29 November 2019	<u>0.08</u>	<u>0.12</u>
Distribution on 28 December 2020 / 31 December 2019	<u>0.07</u>	<u>0.10</u>
Distribution on 27 January 2021 / 31 January 2020	<u>0.07</u>	<u>0.17</u>
Distribution on 26 February 2021 / 28 February 2020	<u>0.06</u>	<u>0.12</u>
Distribution on 26 March 2021 / 31 March 2020	<u>0.06</u>	<u>0.12</u>
Distribution on 28 April 2021 / 30 April 2020	<u>0.07</u>	<u>0.12</u>
Distribution on 28 May 2021 / 29 May 2020	<u>0.07</u>	<u>0.12</u>
Distribution on 28 June 2021 / 29 June 2020	<u>0.07</u>	<u>0.12</u>
Distribution on 28 July 2021 / 28 July 2020	<u>0.07</u>	<u>0.10</u>
Distribution on 27 August 2021 / 28 August 2020	<u>0.06</u>	<u>0.09</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 DANA AL-FAKHIM

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

11	MANAGEMENT EXPENSE RATIO (“MER”)		
		<u>2021</u>	<u>2020</u>
		%	%
	MER	<u>0.55</u>	<u>0.52</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 RM460,448,250 (2020: RM429,199,372).

12	PORTFOLIO TURNOVER RATIO (“PTR”)		
		<u>2021</u>	<u>2020</u>
	PTR (Times)	<u>4.06</u>	<u>5.52</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 = RM1,910,726,309 (2020: RM2,397,889,478)

total disposal for the financial year = RM1,831,696,577 (2020: RM 2,342,058,986)

BIMB DANA AL-FAKHIM

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 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 (“BHB”)	Ultimate holding company of the Manager
Subsidiaries and associates of BHB as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager
SCBMB Trustee Berhad	Trustee of the Fund

The number and value of units held legally or beneficially by parties related to the Manager are as follows:

	<u>As at 31 August 2021</u>		<u>As at 31 August 2020</u>	
	Units	RM	Units	RM
<u>Immediate holding company of the Manager</u>				
Bank Islam Malaysia Berhad	-	-	2,552,882	1,322,209
<u>Subsidiary of the ultimate holding company of the Manager</u>				
BIMB Securities Sdn. Bhd.	27,138,476	14,060,444	26,702,209	13,829,822
Syarikat Al-Ijarah Sdn. Bhd.	22,577,731	11,697,523	22,126,320	11,459,841
Syarikat Takaful Malaysia Keluarga Berhad	-	-	193	100

The Manager did not hold any unit in the Fund as at 31 August 2021 and 31 August 2020.

BIMB DANA AL-FAKHIM

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

13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

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>2021</u> RM	<u>2020</u> RM
<u>The Manager</u>				
BIMB Investment Management Berhad				
- Amount due from Manager	-	-	247,859	-
- Amount due to Manager	-	-	(39,678)	(115,131)
- Management fee	<u>2,311,052</u>	<u>2,135,561</u>	<u>(209,691)</u>	<u>(163,598)</u>
<u>Holding company of the Manager</u>				
Bank Islam Malaysia Berhad				
- Profit income from Shariah-compliant deposits	(1,738,171)	(2,387,369)	158,788	205,960
- Outstanding Shariah-compliant deposits	<u>79,215,348</u>	<u>230,480,792</u>	<u>19,034,000</u>	<u>75,811,189</u>
<u>The Trustee</u>				
SCBMB Trustee Berhad				
- Trustee fee	<u>92,442</u>	<u>89,215</u>	<u>(8,388)</u>	<u>(6,544)</u>

14 TRANSACTIONS WITH FINANCIAL INSTITUTIONS

Details of transactions with financial institutions are as follows:

	<u>Value of trade</u> RM	<u>Percentage of</u> <u>total trade</u> %
<u>2021</u>		
MBSB Bank Berhad	698,778,731	36.57
Alliance Islamic Bank Berhad	314,230,983	16.45
CIMB Islamic Bank Berhad	208,182,166	10.90
RHB Islamic Bank Berhad	165,745,353	8.67
MIDF Amanah Investment Bank Bhd Spi	153,123,448	8.01
Al Rajhi Banking & Investment Corporation (M) Berhad	114,892,228	6.01
Kuwait Finance House (Malaysia) Berhad	97,855,837	5.12
Bank Islam Malaysia Berhad*	79,215,348	4.15
Maybank Islamic Berhad	45,000,000	2.36
Hong Leong Islamic Bank Berhad	33,702,215	1.76
	<u>1,910,726,309</u>	<u>100.00</u>

BIMB DANA AL-FAKHIM

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

14 TRANSACTIONS WITH FINANCIAL INSTITUTIONS (CONTINUED)

Details of transactions with financial institutions are as follows: (continued)

	<u>Value of trade</u> RM	<u>Percentage of</u> <u>total trade</u> %
<u>2020</u>		
CIMB Islamic Bank Berhad	749,567,323	31.26
Maybank Islamic Berhad	344,976,780	14.39
Bank Islam Malaysia Berhad*	230,480,792	9.61
MBSB Bank Berhad	211,865,257	8.84
Hong Leong Islamic Bank Berhad	183,418,468	7.65
Al-Rajhi Banking & Investment Corporation (M) Berhad	179,356,473	7.48
Alliance Islamic Bank Berhad	151,165,642	6.30
Bank Muamalat Malaysia Berhad	125,159,080	5.22
MIDF Amanah Investment Bank Bhd Spi	109,813,356	4.58
Kuwait Finance House (Malaysia) Berhad	101,893,064	4.25
Others	10,193,244	0.42
	<u>2,397,889,478</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.

15 SIGNIFICANT EVENT DURING THE FINANCIAL 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 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 SUBSEQUENT EVENT

The Manager proposed for the distribution of 0.08 sen per unit (gross) in respect of the month of September 2021, which has been approved by the Trustee.

17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Manager on 27 October 2021.

7.0 Corporate Directory

Manager	BIMB Investment Management Berhad 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	Mohamed Ridza bin Mohamed Abdulla (Chairman Non-Executive Independent Director) Dato' Ghazali bin Awang (Non-Executive Independent Director) Dr. Mohd Hatta bin Dagap (Non-Executive Independent Director) Datin Maznah binti Mahbob (Non-Executive Independent Director) Azizan bin Abd Aziz (Non-Executive Non-Independent Director) Najmuddin bin Mohd Lutfi (Chief Executive Officer)
Shariah Advisers	Dr. Ahmad Shahbari @ Sobri bin Salamon (Chairman) Assoc. Prof. Dr. Asmak binti Ab. Rahman Dr. Shamsiah binti Mohamad
Investment Committee	Khairul Muzamel Perera bin Abdullah (Chairman – Non-Independent Member) Mohd Radzuan bin Ahmad Tajuddin (Independent Member) Datin Maznah binti Mahbob (Independent Director)
Board Audit and Risk Committee	Dato' Ghazali bin Awang (Chairman - Independent Director) Dr. Mohd Hatta bin Dagap (Independent Director) Azizan bin Abd Aziz (Non-Independent Director)
Company Secretaries	Norhidayati binti Mohamat Salim (MIA 27364) Level 32, Menara Bank Islam, No.22 Jalan Perak, 50450 Kuala Lumpur Maria binti Mat Said (LS 009400) Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur
Key Management	Najmuddin bin Mohd Lutfi (Chief Executive Officer) Mohd Amir bin Shah Basir (Chief Operating Officer) Abd Razak bin Salimin (Head of Investment) Ariff Firman bin Mohd Sidek (Head of Compliance)
Principal Banker	Standard Chartered Saadiq Bank Berhad Level 23, Plaza Equatorial Jalan Sultan Ismail 50250 Kuala Lumpur

Trustee	SCBMB Trustee Berhad (1005793T) Level 23, Plaza Equatorial Jalan Sultan Ismail 50250 Kuala Lumpur
----------------	---

Federation of Investment Managers Malaysia (FIMM)	19-06-1, 6th Floor, Wisma Tune No.19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur
--	---

Distributors	Bank Islam Malaysia Berhad IFast Capital Sdn Bhd Phillip Mutual Berhad Areca Capital Sdn Bhd Amanahraya Investment Sdn Bhd Genexus Advisory Sdn Bhd Registered Unit Trust Consultant with the Manager
---------------------	---

Toll Free Number: 1-800-88-1196

www.bimbinvestment.com.my

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

BIMB INVESTMENT

A BANK ISLAM
SUBSIDIARY

BIMB Investment Management Berhad 199301021508 (276246-X)

Level 19, Menara Bank Islam, No.22, Jalan Perak, 50450 Kuala Lumpur

Tel: 03-2161 2524 / 2924 | Toll Free: 1-800-88-1196 | Call Centre: 03-26 900 900 | Email: marketing.bimbinvest@bankislam.com.my
bimbinvestment.com.my