

BIMB SHARIAH INCOMEPLUS FUND

ANNUAL REPORT FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2022

*LAPORAN TAHUNAN BAGI TAHUN KEWANGAN
BERAKHIR 31 DISEMBER 2022*

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 Shariah IncomePlus Fund (Fund) for the financial year ended 31 December 2022.

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

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

1.2 Performance for the Financial Year Ended 31 December 2022

1.2.1 Performance review

For the financial year under review, BIMB Shariah IncomePlus Fund (“the Fund”) registered a return of 1.92% as compared to its Benchmark’s return of 1.50%.

The selected performance benchmark for the Fund is Bank Islam’s 1-month Term-Deposit *i* (Tawarruq).

During the financial year, the Fund has managed to provide regular income while maintaining capital stability for investors in accordance to its investment objective. The Fund’s strategy is to invest in a diversified portfolio of approved money market instruments, Islamic deposits, Islamic investment accounts and Shariah-compliant fixed income securities that provides a steady stream of income.

For 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 have taken place up to the date of this Manager’s report.

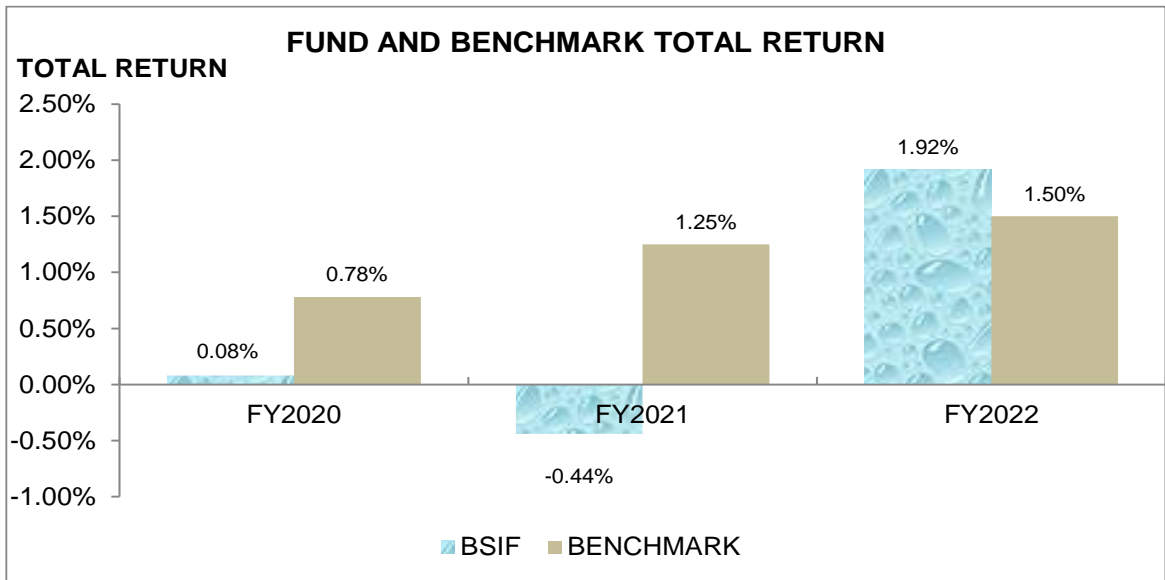
1.2.2 Total return and average total return as at 31 December 2022

Period	The Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
1 Year	1.92%	1.92%	1.50%	1.50%
2 Years	1.46%	0.73%	2.77%	1.39%
Since Inception	1.55%	0.60%	3.57%	1.38%

1.2.3 Total Return for the Previous Financial Years

Financial Year Ended	Total Return	
	Fund (%)	Benchmark (%)
31 December 2022	1.92%	1.50%
31 December 2021	-0.44%	1.25%
31 December 2020 (May '20 - Dec '20)	0.08%	0.78%

Figure 1: Performance of the Fund versus the benchmark



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

Notes:

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

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

The calculation of average total return 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

Global

- The United States (US) economy grew an annualized 2.9% quarter-on-quarter in the fourth quarter of 2022, beating forecasts of 2.6% and following a 3.2% jump in the third quarter. Considering full 2022, the US Gross Domestic Product (GDP) expanded 2.1%.
- The Euro Area economy expanded 1.9% quarter-on-quarter in the fourth quarter of 2022, slightly higher than market estimates of 1.8%, but below 2.3% in the preceding quarter. Considering full 2022, the Euro Area GDP expanded 3.5%.
- The Chinese economy recorded 2.9% growth in the fourth quarter of 2022, compared with market consensus of a 1.8% rise and after a 3.9% expansion in the preceding quarter. For the full year of 2022, the economy grew by 3.0%.

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

Local

- Malaysia's Gross Domestic Product (GDP) expanded 14.2% year-on-year in the third quarter of 2022, exceeding market forecasts of 11.7%. This was the fastest pace of expansion since Q2 of 2021, boosted by strong domestic demand as well as ongoing policy support.

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

1.3.2 Market Review

Sukuk Market and Money Market

- For the financial year under review, US Treasuries ended weaker, after 7 Federal Funds Rate hikes were implemented in 2022. Overall benchmark yields closed mostly higher between 233 to 363bps across, and the yield curve remained deeply inverted at more than -100 basis points.
- Bank Negara Malaysia (BNM) embarked on 4 rate hikes totaling 100bps in 2022. The rate hikes brought the Overnight Policy Rate (OPR) to 2.75% from 1.75% at the beginning of the year. Monetary Policy Committee statement reiterated that OPR is still accommodative, not on any pre-set course, and adjustment remains data dependent as well as measured and gradual.

1.4 Market Outlook and Strategy

Another OPR rate hike of 25bps is expected to occur in the first quarter of 2023, bringing the OPR level to 3.00%. Market sentiment is expected to be positive due to diminishing political risk premium and projected reduction of fiscal deficit from 5.8% in 2022 to 5.5% in 2023. The Fund intends to invest in a diversified portfolio of money market instruments, Islamic deposits, Islamic investment accounts and Shariah-compliant fixed income securities that provides a steady stream of income.

1.5 Asset Allocation

BIMB Shariah IncomePlus Fund	2022 (%)	2021 (%)	2020 (%)
INVESTMENT IN ISLAMIC COMMERCIAL PAPER	4.43	-	-
SHARIAH-COMPLIANT CASH AND SHORT TERM INVESTMENT:	95.57	100.00	100.00
	100.00	100.00	100.00

1.6 Other Performance Data for the Financial Year Ended 31 December

BIMB Shariah IncomePlus Fund	2022	2021	2020
Unit Prices (RM)			
Highest NAV per unit for the year	0.9877	1.0026	1.0008
Lowest NAV per unit for the year	0.9820	0.9807	0.9999
Net Asset Value (NAV) and Units in Circulation (UIC) as at the end of the year			
Total NAV (RM)	112,648,157	11,771,973	140,405,206
Units in Circulation (UIC)	114,422,748	11,987,684	140,299,066
NAV per unit (RM)	0.9845	0.9820	1.0008
Return of Fund (%)			
Capital Growth (%) ^(b)	0.27	-1.89	0.08
Income Return (%) ^(c)	1.65	1.45	-
Return of Fund (%)^(a)	1.92	-0.44	0.08
Total Gross Distribution per Unit (sen)	1.62	1.45	-
Total Net Distribution per Unit (sen)	1.62	1.45	-
Monthly distribution - January			
NAV per Unit before Distribution (RM)	0.9831	1.0020	-
NAV per Unit after Distribution (RM)	0.9827	1.0008	-
Monthly distribution - February			
NAV per Unit before Distribution (RM)	0.9841	0.9996	-
NAV per Unit after Distribution (RM)	0.9831	0.9981	-
Monthly distribution - March			
NAV per Unit before Distribution (RM)	0.9847	-	-
NAV per Unit after Distribution (RM)	0.9837	-	-
Monthly distribution - April			
NAV per Unit before Distribution (RM)	0.9852	0.9995	-
NAV per Unit after Distribution (RM)	0.9832	0.9974	-
Monthly distribution - May			
NAV per Unit before Distribution (RM)	0.9845	0.9996	-
NAV per Unit after Distribution (RM)	0.9832	0.9986	-
Monthly distribution - June			
NAV per Unit before Distribution (RM)	0.9850	1.0002	-
NAV per Unit after Distribution (RM)	0.9835	0.9985	-
Monthly distribution - July			
NAV per Unit before Distribution (RM)	0.9851	1.0014	-
NAV per Unit after Distribution (RM)	0.9836	1.0004	-
Monthly distribution - August			
NAV per Unit before Distribution (RM)	0.9856	1.0026	-
NAV per Unit after Distribution (RM)	0.9841	1.0006	-
Monthly distribution - September			
NAV per Unit before Distribution (RM)	0.9863	1.0012	-
NAV per Unit after Distribution (RM)	0.9848	1.0002	-
Monthly distribution - October			
NAV per Unit before Distribution (RM)	0.9869	0.9976	-
NAV per Unit after Distribution (RM)	0.9854	0.9961	-

BIMB Shariah IncomePlus Fund	2022	2021	2020
Monthly distribution - November			
NAV per Unit before Distribution (RM)	0.9880	0.9999	-
NAV per Unit after Distribution (RM)	0.9865	0.9984	-
Monthly distribution - December			
NAV per Unit before Distribution (RM)	0.9867	-	-
NAV per Unit after Distribution (RM)	0.9852	-	-
Total Expense Ratio (%)^(d)	0.22	0.21	1.06
Portfolio Turnover Ratio (times)^(e)	16.42	14.97	57.89

Note:

- a) **Return of the Fund** = $\frac{\text{NAV per unit (end of year)} - \text{NAV per unit (opening of year)}}{\text{NAV per unit (opening of year)}} - 1$
- b) **Capital Growth** = Total Return of the Fund – Income Return
- c) **Income Return** = (Income Distribution per Unit / NAV per Unit) x 100
- d) **Total Expense Ratio** = It is the total 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 December 2022

Size of Holdings	BIMB Shariah IncomePlus Fund			
	No. of Unit Holders		No. of Units Held	
	No.	%	Units	%
5,000 and below	-	-	-	-
5,001 to 10,000	-	-	-	-
10,001 to 50,000	3	50.00	30,561.96	0.03
50,001 to 500,000	-	-	-	-
500,001 and above	2	33.33	114,391,154.79	99.97
Units Held by Holders	5	83.33	114,421,716.75	100.00
Unit Held by Manager	1	16.67	1,031.43	0.00
Grand Total for the Fund	6	100.00	114,422,748.18	100.00

1.8 Policy on Rebate and Soft Commission

Any 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 did not 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 and there was no churning of trades.

For and on behalf of

The Manager

BIMB INVESTMENT MANAGEMENT BERHAD

Date: 28 February 2023

1.0 LAPORAN PENGURUS

Para Pemegang Unit,

Kami dengan sukacitanya membentangkan Laporan Pengurus Dana BIMB Shariah IncomePlus (Dana) bagi tahun kewangan berakhir 31 Disember 2022.

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

Nama Dana	Dana BIMB Shariah IncomePlus
Jenis Dana	Pendapatan
Kategori Dana	Dana Borong Islam Pendapatan Tetap
Objektif Pelaburan Dana	<p>Dana bertujuan untuk memberikan pendapatan tetap* di samping mengekalkan kestabilan modal **.</p> <p><i>Nota:</i> <i>*Pendapatan adalah berupa wang tunai atau Unit tambahan.</i> <i>**Dana ini adalah dana yang bukan dijamin modal atau dana yang dilindungi modal.</i></p> <p>Sebarang perubahan ketara pada objektif pelaburan Dana memerlukan kelulusan Pemegang Unit.</p>
Penanda Aras Dana	<p>Kadar 1-bulan Deposit-Bertempoh <i>i</i> (Tawarruq) Bank Islam.</p> <p>Pelabur perlu ambil perhatian bahawa profil risiko Dana mungkin lebih tinggi daripada profil risiko penanda aras.</p>
Polisi Agihan Dana	Tertakluk pada ketersediaan pendapatan, Dana akan mengagihkan pendapatan setiap bulan.

1.2 Prestasi Dana bagi Tahun Kewangan Berakhir 31 Disember 2022

1.2.1 Kajian Prestasi

Bagi tahun kewangan dalam kajian, Dana BIMB Syariah IncomePlus (“Dana”) telah mencatatkan pulangan 1.92% berbanding dengan pulangan penanda arasnya sebanyak 1.50%.

Penanda aras terpilih untuk Dana ini adalah Kadar 1-bulan Deposit-Bertempoh i (Tawarruq) Bank Islam.

Sepanjang tahun kewangan dalam kajian, Dana berjaya menyediakan aliran pendapatan sambil mengekalkan kestabilan modal untuk para pelabur sebagaimana objektif pelaburannya. Strategi Dana adalah melabur dalam portfolio yang dipelbagaikan terdiri daripada instrumen pasaran wang, deposit Islamik, akaun pelaburan Islamik dan sekuriti berpendapatan tetap patuh Syariah yang menghasilkan aliran pendapatan yang stabil.

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

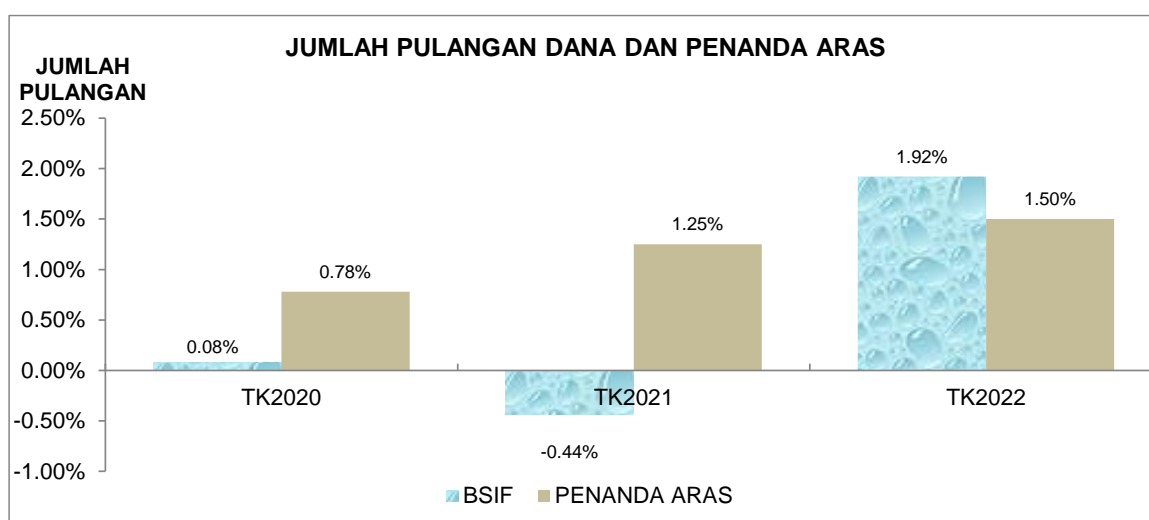
1.2.2 Jumlah Pulangan dan Purata Jumlah Pulangan bagi Tahun Kewangan Berakhir 31 Disember 2022

Tempoh	Dana		Penanda Aras	
	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)	Jumlah Pulangan (%)	Purata Jumlah Pulangan (%)
1 Tahun	1.92%	1.92%	1.50%	1.50%
2 Tahun	1.46%	0.73%	2.77%	1.39%
Sejak Pelancaran	1.55%	0.60%	3.57%	1.38%

1.2.3 Jumlah Pulangan bagi Tahun-Tahun Kewangan yang lalu

Tahun Kewangan Berakhir	Jumlah Pulangan	
	Dana (%)	Penanda Aras (%)
31 Disember 2022	1.92%	1.50%
31 Disember 2021	-0.44%	1.25%
31 Disember 2020 (Mei '20 – Dis '20)	0.08%	0.78%

Rajah 1: Prestasi Dana berbanding penanda aras



Sumber Data : BIMB Investment Management Berhad
 Data disahkan oleh : Novagni Analytics & Advisory Sdn. Bhd.
 Penanda Aras : 1-bulan Deposit-Bertempoh i (Tawarruq) Bank Islam.

Nota:

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

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

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

Prestasi masa lepas tidak semestinya menjadi petunjuk prestasi masa depan dan harga unit serta pulangan pelaburan mungkin turun atau naik.

1.3 Ekonomi dan Kajian Pasaran

1.3.1 Ekonomi

Global

- Ekonomi Amerika Syarikat (AS) berkembang pada kadar tahunan 2.9% pada suku keempat 2022 berbanding suku sebelumnya, mengatasi angka ramalan 2.6%, setelah berkembang 3.2% pada suku sebelumnya. Bagi keseluruhan tahun 2022, Keluaran Dalam Negeri Kasar (KDNK) AS mencatatkan pertumbuhan 2.1%.
- Ekonomi zon Euro berkembang 1.9% pada suku keempat 2022 berbanding suku sebelumnya, lebih tinggi berbanding angka ramalan pasaran iaitu 1.8%, namun lebih rendah berbanding 2.3% yang dicatatkan pada suku sebelumnya. Bagi keseluruhan tahun 2022, Keluaran Dalam Negeri Kasar (KDNK) zon Euro mencatatkan pertumbuhan 3.5%.
- Ekonomi China mencatatkan peningkatan 2.9% pada suku keempat 2022, berbanding dengan ramalan pasaran iaitu pertumbuhan 1.8%, setelah berkembang 3.9% pada suku sebelumnya. Bagi keseluruhan tahun 2022, ekonomi China telah berkembang 3.0%.

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

Dalam Negara

- Keluaran Dalam Negara Kasar (KDNK) Malaysia berkembang 14.2% tahun ke tahun pada suku ketiga tahun 2022 melebihi jangkauan pasaran sebanyak 11.7%. Ini merupakan pertumbuhan terpantas sejak suku kedua tahun 2021, disokong oleh permintaan domestik yang baik dan dasar-dasar rangsangan semasa.

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

1.3.2 Kajian Pasaran

Pasaran Bon dan Pasaran Wang

- Bagi tahun kewangan dalam kajian, kertas-kertas Perbendaharaan AS berakhir lebih lemah setelah kadar Rizab Persekutuan dinaikkan sebanyak 7 kali dalam tahun 2022. Kadar penanda hasil keseluruhan kebanyakannya ditutup lebih tinggi antara 233 hingga 363 mata asas, dan keluk pulangan berakhir dalam keadaan songsang lebih daripada -100 mata asas.
- Bank Negara Malaysia (BNM) melaksanakan 4 kenaikan kadar berjumlah 100 mata asas dalam tahun 2022. Kenaikan kadar tersebut menjadikan Kadar Dasar Semalaman (OPR) berakhir pada paras 2.75% berbanding 1.75% pada awal tahun. Jawatankuasa Dasar Monetari melalui kenyataannya menegaskan bahawa OPR masih akomodatif, tidak ditetapkan pada mana-mana laluan, dan pelarasan kekal bergantung kepada data serta terukur dan beransur-ansur.

1.4 Tinjauan Pasaran dan Strategi

Satu lagi kenaikan OPR sebanyak 25 mata asas dijangka berlaku pada suku pertama tahun 2023, lantas menaikkan paras OPR ke 3.00%. Sentimen pasaran dijangka positif berikutan berkurangnya premium risiko politik dan jangkauan pengurangan defisit fiskal daripada 5.8% pada tahun 2022 kepada 5.5% pada tahun 2023. Dana berhasrat melabur dalam portfolio yang dipelbagaikan terdiri daripada instrumen pasaran wang, deposit Islamik, akaun pelaburan Islamik dan sekuriti berpendapatan tetap patuh Syariah yang menghasilkan aliran pendapatan yang stabil.

1.5 Peruntukan Aset

Dana BIMB Shariah IncomePlus	2022 (%)	2021 (%)	2020 (%)
SIJIL PELABURAN KOMERSIAL ISLAMIK	4.43	-	-
TUNAI DAH PELABURAN JANGKA PENDEK PATUH SYARIAH:	95.57	100.00	100.00
	100.00	100.00	100.00

1.6 Lain-lain Data Prestasi bagi Tahun Kewangan Berakhir 31 Disember

Dana BIMB Syariah IncomePlus	2022	2021	2020
Harga Unit (RM)			
NAB terendah seunit dalam tahun	0.9877	1.0026	1.0008
NAB terendah seunit dalam tahun	0.9820	0.9807	0.9999
Nilai Aset Bersih (NAB) dan Unit Dalam Edaran (UDE) pada akhir tahun			
Jumlah NAB (RM)	112,648,157	11,771,973	140,405,206
Unit Dalam Edaran (UDE)	114,422,748	11,987,684	140,299,066
NAB seunit (RM)	0.9845	0.9820	1.0008
Jumlah Pulangan Dana (%)^(a)			
Pertumbuhan Modal (%) ^(b)	0.27	-1.89	0.08
Pulangan Pendapatan (%) ^(c)	1.65	1.45	-
Jumlah Pulangan Dana (%)	1.92	-0.44	0.08
Jumlah Agihan Kasar seunit (Sen) setahun	1.62	1.45	-
Jumlah Agihan Bersih seunit (Sen) setahun	1.62	1.45	-
Pengagihan bulanan - Januari			
NAB seunit sebelum Pengangihan (RM)	0.9831	1.0020	-
NAB seunit selepas Pengangihan (RM)	0.9827	1.0008	-
Pengagihan bulanan - Februari			
NAB seunit sebelum Pengangihan (RM)	0.9841	0.9996	-
NAB seunit selepas Pengangihan (RM)	0.9831	0.9981	-
Pengagihan bulanan - Mac			
NAB seunit sebelum Pengangihan (RM)	0.9847	-	-
NAB seunit selepas Pengangihan (RM)	0.9837	-	-
Pengagihan bulanan - April			
NAB seunit sebelum Pengangihan (RM)	0.9852	0.9995	-
NAB seunit selepas Pengangihan (RM)	0.9832	0.9974	-
Pengagihan bulanan - Mei			
NAB seunit sebelum Pengangihan (RM)	0.9845	0.9996	-
NAB seunit selepas Pengangihan (RM)	0.9832	0.9986	-
Pengagihan bulanan - Jun			
NAB seunit sebelum Pengangihan (RM)	0.9850	1.0002	-
NAB seunit selepas Pengangihan (RM)	0.9835	0.9985	-
Pengagihan bulanan - Julai			
NAB seunit sebelum Pengangihan (RM)	0.9851	1.0014	-
NAB seunit selepas Pengangihan (RM)	0.9836	1.0004	-
Pengagihan bulanan - Ogos			
NAB seunit sebelum Pengangihan (RM)	0.9856	1.0026	-
NAB seunit selepas Pengangihan (RM)	0.9841	1.0006	-
Pengagihan bulanan - September			
NAB seunit sebelum Pengangihan (RM)	0.9863	1.0012	-
NAB seunit selepas Pengangihan (RM)	0.9848	1.0002	-
Pengagihan bulanan - Oktober			
NAB seunit sebelum Pengangihan (RM)	0.9869	0.9976	-
NAB seunit selepas Pengangihan (RM)	0.9854	0.9961	-

Dana BIMB Syariah IncomePlus	2022	2021	2020
Pengagihan bulanan - November			
NAB seunit sebelum Pengangihan (RM)	0.9880	0.9999	-
NAB seunit selepas Pengangihan (RM)	0.9865	0.9984	-
Pengagihan bulanan - Disember			
NAB seunit sebelum Pengangihan (RM)	0.9867	-	-
NAB seunit selepas Pengangihan (RM)	0.9852	-	-
Nisbah Jumlah Perbelanjaan (NJP) (%)^(d)	0.22	0.21	1.06
Nisbah Pusing Ganti Portfolio (Kali)^(e)	16.42	14.97	57.89

Nota:

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

1.7 Pegangan Unit pada 31 Disember 2022

Saiz Pegangan	Dana BIMB Syariah IncomePlus			
	Pemegang Unit		Pegangan Unit	
	Bilangan	%	Bilangan Unit	%
5,000 dan ke bawah	-	-	-	-
5,001 hingga 10,000	-	-	-	-
10,001 hingga 50,000	3	50.00	30,561.96	0.03
50,001 hingga 500,000	-	-	-	-
500,001 dan ke atas	2	33.33	114,391,154.79	99.97
Unit yang dipegang oleh Pemegang unit	5	83.33	114,421,716.75	100.00
Unit yang dipegang oleh Pengurus	1	16.67	1,031.43	0.00
Jumlah Keseluruhan Dana	6	100.00	114,422,748.18	100.00

1.8 Polisi Rebat dan Komisen Ringan (Bukan Tunai)

Sebarang rebat 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 tidak menerima komisen ringan (bukan tunai) bagi pihak Dana, daripada broker dalam bentuk perkhidmatan penyelidikan dan khidmat nasihat yang bermanfaat untuk para Pemegang Unit Dana dan tiada pergolakan dagangan.

Untuk dan bagi pihak

Pengurus

BIMB INVESTMENT MANAGEMENT BERHAD

Tarikh: 28 Februari 2023

Nota:

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

2.0 DIRECTORS' DECLARATION REPORT

To the Unit Holders of **BIMB SHARIAH INCOMEPLUS FUND ("Fund")**

We, being the Directors of BIMB Investment Management Berhad (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements 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 December 2022 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' DR. MOHAMAD ZABIDI BIN AHMAD
(Director)

.....
AZIZAN ABD AZIZ
Director

Kuala Lumpur, Malaysia
28 February 2023

3.0 TRUSTEE’S REPORT TO THE UNIT HOLDERS OF BIMB SHARIAH INCOMEPLUS FUND (“Fund”)

We have acted as Trustee of the Fund for the financial year ended 31 December 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **BIMB Investment Management Berhad** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distributions of income by the Fund are appropriate and reflect the investment objective of the Fund.

For and on behalf of
CIMB Islamic Trustee Berhad

.....
Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
28 February 2023

4.0 SHARIAH ADVISER'S REPORT

To the Unit Holders of **BIMB SHARIAH INCOMEPLUS FUND** ("Fund")

We hereby confirm the following:

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

For and on-behalf of the Shariah Advisors

.....
DR. SHAMSIAH BINTI MOHAMAD
(Chairman)

28 February 2023

5.0 INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF BIMB SHARIAH INCOMEPLUS FUND

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of BIMB Shariah IncomePlus Fund (the "Fund") give a true and fair view of the financial position of the Fund as at 31 December 2022, 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 December 2022, 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 22 to 48.

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 SHARIAH INCOMEPLUS 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. 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 to terminate the Fund or has no realistic alternative but to do so.

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 SHARIAH INCOMEPLUS 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 SHARIAH INCOMEPLUS 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
28 February 2023

6.0 FINANCIAL STATEMENTS (AUDITED)

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
INVESTMENT INCOME			
Profit income from unquoted sukuk at fair value through profit or loss		91,000	873,142
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions at fair value through profit or loss		646,097	1,410,522
Realised gain/(loss) on disposal of financial instrument at fair value through profit or loss		-	(1,185,350)
Unrealised gain from financial instruments at fair value through profit or loss		1,941	-
		<u>739,038</u>	<u>1,098,314</u>
EXPENSES			
Management fee	4	48,619	168,229
Trustee's fee	5	12,000	33,646
Audit fee		9,900	9,900
Tax agent's fee		1,500	1,500
Administrative expenses		228	22,016
		<u>72,247</u>	<u>235,291</u>
NET PROFIT BEFORE TAXATION		666,791	863,023
Taxation	6	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>666,788</u>	<u>863,023</u>
Total comprehensive income for the year consist of:			
Realised amount		664,850	863,023
Unrealised amount		1,941	-
		<u>666,791</u>	<u>863,023</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
Distribution for the Financial year	10		
Distribution on 28 January 2022 / 29 January 2021			
Net distributions		14,191	194,189
Net distributions per unit (sen)		0.04	0.12
Gross distributions per unit (sen)		0.04	0.12
Distribution on 25 February 2022 / 26 February 2021			
Net distributions		36,509	243,922
Net distributions per unit (sen)		0.10	0.15
Gross distributions per unit (sen)		0.10	0.15
Distribution on 30 March 2022			
Net distributions		36,153	-
Net distributions per unit (sen)		0.10	-
Gross distributions per unit (sen)		0.10	-
Distribution on 29 April 2022 / 30 April 2021			
Net distributions		74,414	236,514
Net distributions per unit (sen)		0.20	0.21
Gross distributions per unit (sen)		0.20	0.21
Distribution on 27 May 2022 / 31 May 2021			
Net distributions		45,827	112,871
Net distributions per unit (sen)		0.13	0.10
Gross distributions per unit (sen)		0.13	0.10
Distribution on 30 June 2022 / 28 June 2021			
Net distributions		52,945	192,088
Net distributions per unit (sen)		0.15	0.17
Gross distributions per unit (sen)		0.15	0.17
Distribution on 27 July 2022 / 28 July 2021			
Net distributions		52,999	114,091
Net distributions per unit (sen)		0.15	0.10
Gross distributions per unit (sen)		0.15	0.10
Distribution on 26 August 2022 / 27 August 2021			
Net distributions		51,554	228,428
Net distributions per unit (sen)		0.15	0.20
Gross distributions per unit (sen)		0.15	0.20

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
Distribution for the Financial year (continued)	10		
Distribution on 28 September 2022 / 28 September 2021			
Net distributions		<u>67,886</u>	<u>131,563</u>
Net distributions per unit (sen)		<u>0.15</u>	<u>0.10</u>
Gross distributions per unit (sen)		<u>0.15</u>	<u>0.10</u>
Distribution on 27 October 2022 / 28 October 2021			
Net distributions		<u>52,751</u>	<u>54,070</u>
Net distributions per unit (sen)		<u>0.15</u>	<u>0.15</u>
Gross distributions per unit (sen)		<u>0.15</u>	<u>0.15</u>
Distribution on 29 November 2022 / 29 November 2021			
Net distributions		<u>51,627</u>	<u>53,911</u>
Net distributions per unit (sen)		<u>0.15</u>	<u>0.15</u>
Gross distributions per unit (sen)		<u>0.15</u>	<u>0.15</u>
Distribution on 27 December 2022			
Net distributions		<u>19,243</u>	<u>-</u>
Net distributions per unit (sen)		<u>0.15</u>	<u>-</u>
Gross distributions per unit (sen)		<u>0.15</u>	<u>-</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
ASSETS			
Cash and cash equivalents (Shariah-compliant)	8	266,854	100,655
Financial assets at fair value through profit or loss (Shariah-compliant)	7	12,417,967	6,316,678
Amount due from dealer		-	5,390,815
Amount due from Manager		100,000,000	-
TOTAL ASSETS		<u>112,684,821</u>	<u>11,808,148</u>
LIABILITIES			
Accrued management fee		1,962	2,797
Amount due to Trustee		2,669	559
Audit fee payable		9,900	9,900
Tax agent's fee payable		3,000	2,500
Other payables		19,133	20,419
TOTAL LIABILITIES		<u>36,664</u>	<u>36,175</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>112,648,157</u>	<u>11,771,973</u>
EQUITY			
Unit holders' capital	9	113,241,883	12,476,391
Accumulated loss		(593,726)	(704,418)
NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS		<u>112,648,157</u>	<u>11,771,973</u>
NUMBER OF UNITS IN CIRCULATION	9	114,422,748	11,987,685
NET ASSET VALUE PER UNIT (SEN)		<u>98.45</u>	<u>98.20</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	<u>Note</u>	Unit holders' <u>capital</u> RM	Accumulated <u>loss</u> RM	<u>Total</u> RM
<u>2022</u>				
As at 1 January 2022		12,476,391	(704,418)	11,771,973
Movement in unit holders' contributions:				
- Creation of units from applications	9	137,236,456	-	137,236,456
- Creation of units from distribution	9	556,099	-	556,099
- Cancellation of units	9	(37,027,063)	-	(37,027,063)
- Distribution	10	-	(556,099)	(556,099)
Total comprehensive income for the financial year		-	666,791	666,791
Balance as at 31 December 2022		<u>113,241,883</u>	<u>(593,726)</u>	<u>112,648,157</u>
<u>2021</u>				
As at 28 May 2022		140,411,000	(5,794)	140,405,206
Movement in unit holders' contributions:				
- Creation of units from applications	9	47,910,327	-	47,910,327
- Creation of units from distribution	9	1,561,647	-	1,561,647
- Cancellation of units	9	(177,406,583)	-	(177,406,583)
- Distribution	10	-	(1,561,647)	(1,561,647)
Total comprehensive loss for the financial year`		-	863,023	863,023
Balance as at 31 December 2021		<u>12,476,391</u>	<u>(704,418)</u>	<u>11,771,973</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Placement of Shariah-compliant deposit with licensed Islamic financial institution		(525,352,565)	(1,579,821,254)
Proceeds from maturity of Shariah-compliant deposits with licensed Islamic financial institution		524,268,656	1,713,886,236
Profit income received from Shariah-compliant deposit with licensed Islamic financial institution		621,617	1,417,197
Proceed from sale of unquoted sukuk		5,390,815	27,179,327
Proceed from sale and maturity of commercial paper		9,940,644	-
Realised gain on disposal of financial instrument at fair value through profit or loss		59,356	-
Purchase of commercial paper		(14,899,959)	-
Purchase of unquoted sukuk		-	(32,882,350)
Management fee paid		(49,454)	(166,534)
Trustee fee paid		(9,890)	(33,307)
Audit fee paid		(9,900)	(9,900)
Tax agent fee paid		(1,000)	(1,000)
Payment for administrative expenses		(1,514)	(1,597)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		<u>(43,194)</u>	<u>129,566,818</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds for creation of units		37,236,456	47,940,327
Cash payment for cancellation of units		(37,027,063)	(177,406,583)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES		<u>209,393</u>	<u>(129,466,256)</u>
Net increase in cash and cash equivalents		166,199	100,562
Cash and cash equivalents at beginning of the financial year		100,655	93
Cash and cash equivalents at the end of the financial year	8	<u>266,854</u>	<u>100,655</u>
CASH AND CASH EQUIVALENTS COMPRISE:			
Cash at bank	8	<u>266,854</u>	<u>100,655</u>

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

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1 INFORMATION ON THE FUND

BIMB Shariah IncomePlus Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 15 May 2020 between the Manager - BIMB Investment Management Berhad and the Trustee – CIMB Islamic Trustee Berhad.

The principal activity of the Fund is to invest in authorised investments as defined in the Deed, which include short term money market instruments, Islamic deposits, Islamic investment accounts, Islamic commercial papers, Sukuk and Malaysia Government Investment Issues.

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 have been prepared in accordance with the provisions of the 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 financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS 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 financial year.

It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and assumptions 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(j) to the financial statements.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

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

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have a material effect on the financial statements of the Fund.

- (ii) Standards and amendments that have been issued but not yet effective:

A number of new standards and amendments to standards and interpretations are effective for the financial year beginning after 1 January 2022. None of these is expected to have a significant effect on the financial statements of the Fund, except the following set out below:

Amendments to MFRS 101 'Classification of liabilities as current or non-current' clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendment is effective for the annual financial reporting period beginning on or after 1 January 2024.

The amendment shall be applied retrospectively.

(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 period following the change of the business model.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (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:

(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.

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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets (continued)

(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 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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets (continued)

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

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 and Sukuk is recognised as it accrues, using the effective profit method in profit or loss.

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).

Realised gains or losses on disposal of investments is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on cost adjusted for accretion of discount or amortisation of premium.

(e) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and short term placements with licensed Islamic 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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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) Amount due from/(to) dealers

Amount due from and to dealers represent receivables for Shariah-compliant investment sold and payables for Shariah-compliant investment purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from dealers balance is held for collection.

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 amount due from dealer 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 loss allowance at an amount equal to 12 months expected credit losses. Significant financial difficulties of the dealers, probability that the dealers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that loss allowance may be required.

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

(h) Unit holders' capital

The Fund issues cancellable units, which are cancelled at the unit holder'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 unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the unit holder'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 Unlisted Capital Market Products under The Lodge and Launch Framework 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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Unit holders' capital (continued)

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.

(i) 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.

(j) 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 period 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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments of the Fund are as follows:

	Financial assets at fair value through <u>profit or loss</u> RM	Financial assets at amortised <u>cost</u> RM	<u>Total</u> RM
<u>2022</u>			
Cash and cash equivalents (Shariah-compliant)	-	266,854	266,854
Unquoted commercial paper	4,992,900	-	4,992,900
Shariah-compliant deposit with licensed Islamic financial institution	7,425,067	-	7,425,067
Amount due from Manager	-	100,000,000	100,000,000
	<u>12,417,967</u>	<u>100,266,854</u>	<u>112,684,821</u>
<u>2021</u>			
Cash and cash equivalents (Shariah-compliant)	-	100,655	100,655
Shariah-compliant deposit with licensed Islamic financial institution	6,316,678	-	6,316,678
Amount due from dealer	-	5,390,815	5,390,815
	<u>6,316,678</u>	<u>5,491,470</u>	<u>11,808,148</u>

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

The Fund aims to provide investors with regular income, whilst maintaining capital stability by investing primarily in short-term money market instruments, Islamic deposits and/or Islamic Investment Accounts with Financial Institutions.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and 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.

(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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

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 (continued)

(i) Price risk

	<u>2022</u> RM	<u>2021</u> RM
Financial assets at fair value through profit or loss:		
- Unquoted commercial paper	<u>4,992,900</u>	<u>-</u>
		<u>Impact on profit</u>
		<u>After tax/NAV</u>
	<u>Market value</u>	<u>RM</u>
	<u>RM</u>	<u>RM</u>
As at 31 December 2022		
-5%	4,743,255	(249,645)
0%	4,992,900	-
+5%	<u>5,242,545</u>	<u>249,645</u>

(ii) Profit rate risk

In general, when profit rates rise, unquoted Sukuk prices will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when profit rates rise or are expected to rise. However, investors should be aware that should the Fund hold unquoted Sukuk till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity. In order to mitigate profit rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future profit rate trend of the Manager, which is based on its continuous fundamental research and analysis.

Although unquoted Sukuk is a non-profit bearing instrument, investors should note that the movement in prices of unquoted Sukuk are correlated to the movement in profit rates. As such, the investments in unquoted Sukuk are exposed to the movement of the profit rates. Even though the Fund does not invest in profit bearing instruments, the profit rate referred herein is to the general profit rate of the country, which may affect the value of the investment of the Fund. However, it does not in any way suggest that this Fund will invest in conventional financial instruments. All investments carried out for the Fund including placement and deposits are in accordance with Shariah.

This risk is crucial since unquoted Sukuk portfolio management depends on forecasting profit rate movements. Prices of unquoted Sukuk move inversely to profit rate movements, therefore as profit rates rise, the prices of unquoted Sukuk decrease and vice versa. Furthermore, unquoted Sukuk with longer maturity and lower yield profit rates are more susceptible to profit rate movements.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Profit rate risk

Such investments may be subject to unanticipated rise in profit rates which may impair the ability of the issuers to meet the obligation under the instrument, especially if the issuers are highly leveraged. An increase in profit rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of unquoted Sukuk held by the Fund as a result of movement in profit rate at the end of each reporting year. The analysis is based on the assumptions that the profit rate changed by 1% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the profit rate, having regard to the historical volatility of the profit rate.

	<u>Change in profit rate</u> %	<u>Impact on profit/NAV</u> RM
<u>2022</u>		
- Unquoted commercial paper	+1	440
	<u>-1</u>	<u>572</u>

The Fund's exposure to profit rates associated with Shariah-compliant deposits with licensed Islamic financial institutions is not material as the Shariah-compliant deposits are held on short-term basis.

(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, unquoted commercial paper, amount due from dealer and amount due from Manager.

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>Financial asset at fair value through profit or loss</u> RM	<u>Amount due from Manager</u> RM	<u>Total</u> RM
<u>2022</u>				
Finance				
- AAA	266,854	-	-	266,854
- A2	-	2,170,698	-	2,170,698
- A3	-	5,254,369	-	5,254,369
- MARC-1 IS	-	4,992,900	-	4,992,900
Others				
- Not-rated	-	-	100,000,000	100,000,000
	<u>266,854</u>	<u>12,417,967</u>	<u>100,000,000</u>	<u>112,684,821</u>

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

	<u>Cash and cash equivalents</u> RM	<u>Financial asset 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	100,655	1,054,423	5,390,815	6,545,893
- A1	-	5,262,255	-	5,262,255
	<u>100,655</u>	<u>6,316,678</u>	<u>5,390,815</u>	<u>11,808,148</u>

All the financial assets of the Fund as at end of the financial year/period 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 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>2022</u>			
Accrued management fee	1,962	-	1,962
Amount due to Trustee	2,669	-	2,669
Audit fee payable	-	9,900	9,900
Tax agent's fee payable	-	3,000	3,000
Other payables	-	19,133	19,133
	<u>4,631</u>	<u>32,033</u>	<u>36,664</u>
<u>2021</u>			
Accrued management fee	2,797	-	2,797
Amount due to Trustee	559	-	559
Audit fee payable	-	9,900	9,900
Tax agent's fee payable	-	2,500	2,500
Other payables	-	20,419	20,419
	<u>3,356</u>	<u>32,819</u>	<u>36,175</u>

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(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)

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.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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>2022</u>				
Financial assets at fair value through profit or loss:				
- Unquoted commercial paper	-	4,992,900	-	4,992,900
- Shariah-compliant deposit with licensed Islamic financial institution	-	7,425,067	-	7,425,067
	<u>-</u>	<u>12,417,967</u>	<u>-</u>	<u>12,417,967</u>
	<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 deposit with licensed Islamic financial institution	-	6,316,678	-	6,316,678
	<u>-</u>	<u>6,316,678</u>	<u>-</u>	<u>6,316,678</u>

Financial instruments that trade in markets that are not 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. This includes unquoted Sukuk. 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) and 2(j).

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

The carrying values of cash and cash equivalents and amount due from Manager and all 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 0.15% (2021: 0.15%) 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 is payable to the trustee of the Fund is based on 0.03% (2021: 0.03%) per annum subject to a minimum of RM12,000 fee per annum of the net asset value of the Fund calculated on a daily basis.

6 TAXATION

	<u>2022</u> RM	<u>2021</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>2022</u> RM	<u>2021</u> RM
Profit/(Loss) before taxation	<u>666,791</u>	<u>863,023</u>
Taxation at Malaysian statutory rate of 24% (2021: 24%)	160,029	207,126
Tax effects of:		
- Investment income not subject to tax	(177,368)	(263,595)
- Expenses not deductible for tax purposes	3,240	13,719
- Restrictions on the tax deductible expenses for unit trust funds	<u>14,099</u>	<u>42,750</u>
	-	-

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

	<u>2022</u> RM	<u>2021</u> RM
Financial assets at fair value through profit or loss		
- Unquoted commercial paper	4,992,900	-
- Shariah-compliant deposit with licensed financial institution*	<u>7,425,067</u>	<u>6,316,678</u>
	<u>12,417,967</u>	<u>6,316,678</u>
Net gain/(loss) on financial asset at fair value through profit or loss:		
- Realised gain/(loss) on disposals	-	(1,185,350)
- Net unrealised gain on fair value movement	<u>1,941</u>	<u>-</u>
	<u>1,941</u>	<u>(1,185,350)</u>

* Deposit with licensed financial institution includes profit receivable of RM24,882 (2021 RM402).

Weighted average rates of return are as follows:

	<u>2022</u> %	<u>2021</u> %
Shariah-compliant deposit with licensed Islamic financial institution	<u>3.45</u>	<u>1.76</u>

The deposits have an average maturity of 8 days (2021: 10 days).

Details of quoted and unquoted Commercial paper as at 31 December 2022 are set out as follows:

<u>Name of issuer</u>	<u>Nominal value</u> Units	<u>Aggregate cost</u> RM	<u>Market value</u> RM	<u>Percentage of NAV</u> %
Quoted Commercial paper:				
<u>Financial</u>				
SME BANK ICP 90D 19.01.2023 (S004/T001)	5,000,000	4,990,959	4,992,900	4.43
Total quoted and unquoted Sukuk as at 31 December 2022	<u>5,000,000</u>	<u>4,990,959</u>	<u>4,992,900</u>	<u>4.43</u>
Accumulated unrealised gain on financial assets at fair value through profit or loss		<u>1,941</u>		
Total unquoted commercial paper at fair value through profit or loss		<u>4,992,900</u>		

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

8 CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	<u>2022</u> RM	<u>2021</u> RM
Cash at bank	<u>266,854</u>	<u>100,655</u>

9 UNIT HOLDERS' CAPITAL

	<u>No of units</u>	<u>RM</u>
As at 1 January 2022	11,987,685	12,476,391
Creation of units from applications	139,413,691	137,236,456
Creation of units from distribution	565,060	556,099
Cancellation of units	(37,543,688)	(37,027,063)
As at 31 December 2022	<u>114,422,748</u>	<u>113,241,883</u>
As at 1 January 2021	140,299,066	140,411,000
Creation of units from applications	47,860,342	47,910,327
Creation of units from distribution	1,563,108	1,561,647
Cancellation of units	(177,734,831)	(177,406,583)
As at 31 December 2021	<u>11,987,685</u>	<u>12,476,391</u>

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

10 DISTRIBUTION

	<u>2022</u> RM	<u>2021</u> RM
Distribution to unit holders is from the following sources:		
Profit income from Shariah-compliant investment	606,800	1,791,289
Less:		
Expenses	<u>(50,701)</u>	<u>(229,642)</u>
Net distribution amount	<u>556,099</u>	<u>1,561,647</u>
 GROSS/NET DISTRIBUTION PER UNIT (SEN)		
Distribution on 28 January 2022 / 29 January 2021	<u>0.04</u>	<u>0.12</u>
Distribution on 25 February 2022 / 26 February 2021	<u>0.10</u>	<u>0.15</u>
Distribution on 30 March 2022	<u>0.10</u>	<u>-</u>
Distribution on 29 April 2022 / 30 April 2021	<u>0.20</u>	<u>0.21</u>
Distribution on 27 May 2022 / 31 May 2021	<u>0.13</u>	<u>0.10</u>
Distribution on 30 June 2022 / 28 June 2021	<u>0.15</u>	<u>0.17</u>
Distribution on 27 July 2022 / 28 July 2021	<u>0.15</u>	<u>0.10</u>
Distribution on 26 August 2022 / 27 August 2021	<u>0.15</u>	<u>0.20</u>
Distribution on 28 September 2022 / 28 September 2021	<u>0.15</u>	<u>0.10</u>
Distribution on 27 October 2022 / 28 October 2021	<u>0.15</u>	<u>0.15</u>
Distribution on 29 November 2022 / 29 November 2021	<u>0.15</u>	<u>0.15</u>
Distribution on 27 December 2022	<u>0.15</u>	<u>-</u>

Gross distribution is derived using total income less total expenses. Net distribution above is sourced from current 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 net asset value per unit on the distribution date, unless the unit holders specifically request for cash distribution.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

11 TOTAL EXPENSE RATIO (“TER”)

	<u>2022</u>	<u>2021</u>
	%	%
TER	<u>0.22</u>	<u>0.21</u>

TER is derived from the following calculation:

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

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

The average net asset value of the Fund for the financial year calculated on a daily basis is RM32,721,077 (31.12.2021: RM112,151,795)

12 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2022</u>	<u>2021</u>
PTR (times)	<u>16.42</u>	<u>14.97</u>

PTR is derived from the following calculation:

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

where:

total acquisition for the financial year = RM540,252,524 (2021: RM1,613,116,523)

total disposal for the financial year = RM530,209,300 (2021: RM1,745,583,236)

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (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
Directors of BIMB Investment Management Berhad	Director's 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
CIMB Islamic Trustee Berhad	Trustee of the Fund

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

	Units	<u>2022</u> RM	Units	<u>2021</u> RM
<u>The Manager</u>				
BIMB Investment Management Berhad	<u>1,031</u>	<u>1,015</u>	<u>1,015</u>	<u>997</u>
<u>Immediate holding company of the Manager</u>				
Bank Islam Malaysia Berhad	<u>101,574,403</u>	<u>100,000,000*</u>	<u>-</u>	<u>-</u>

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.

*The cash has been deposited into the Fund on 3 January 2023.

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

	Transactions during the financial year		Balance as at	
	<u>2022</u> RM	<u>2021</u> RM	<u>2022</u> RM	<u>2021</u> RM
<u>The Manager</u>				
BIMB Investment Management Berhad				
- Amount due from Manager	-	-	100,000,000	-
- Management fee	48,619	168,229	(1,962)	(2,797)
<u>Holding company of the Manager</u>				
Bank Islam Malaysia Berhad				
- Profit income from Shariah compliant deposit	(234,090)	(70,338)	-	-
<u>The Trustee</u>				
CIMB Islamic Trustee Berhad				
- Trustee fee	12,000	33,646	(2,669)	(559)

14 TRANSACTIONS WITH FINANCIAL INSTITUTION

Details of transaction is as follows:	Value of trade RM	Percentage of total trade %
<u>2022</u>		
MBSB Bank Berhad	333,732,922	31.06
Alliance Islamic Bank Berhad	260,524,773	24.25
Bank Islam Malaysia Berhad*	205,326,866	19.11
CIMB Islamic Bank Berhad	207,317,756	19.30
Al Rajhi Banking & Investment Corporation (M) Berhad	47,678,219	4.44
Malayan Banking Berhad	19,881,288	1.85
	<u>1,074,461,824</u>	<u>100.00</u>
<u>2021</u>		
CIMB Islamic Bank Berhad	742,031,094	43.30
MBSB Bank Berhad	641,696,458	37.44
Alliance Islamic Bank Berhad	183,621,387	10.71
Bank Islam Malaysia Berhad*	77,687,298	4.53
Kuwait Finance House (Malaysia) Berhad	45,088,000	2.63
Al Rajhi Banking & Investment Corporation (M) Berhad	23,762,000	1.39
	<u>1,713,886,237</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 SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

15 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Manager on 28 February 2023.

7.0 CORPORATE DIRECTORY

Manager	<p>BIMB Investment Management Berhad [199301021508 (276246-X)]</p> <p>Registered Office Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur</p> <p>Business Office Level 19, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur</p>
Board of Directors	<p>Datin Maznah Mahbob (Chairman Non-Executive Independent Director) – appointed wef 1 December 2022 Mohamed Ridza Mohamed Abdulla (Chairman Non-Executive Independent Director) – resigned wef 1 December 2022 Dato' Dr. Mohamad Zabidi bin Ahmad (Non-Executive Independent Director) Dr. Mohd Hatta Dagap (Non-Executive Independent Director) Azizan Abd Aziz (Non-Executive Non Independent Director)</p>
Shariah Advisers	<p>Dr. Shamsiah binti Mohamad (Chairman) Assoc. Prof. Dr. Yasmin Hanani binti Mohd Safian Ir. Dr. Hj. Muhamad Fuad bin Abdullah</p>
Investment Committee	<p>Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Mohd Radzuan Ahmad Tajuddin (Independent Member) Dato' Dr. Mohamad Zabidi Ahmad (Independent Member) – appointed wef 1 December 2022 Datin Maznah Mahbob (Chairman Non-Executive Independent Director) – resigned wef 1 December 2022</p>
Board Audit & Risk Committee	<p>Dato' Dr. Mohamad Zabidi bin Ahmad (Non-Executive Independent Director) Dr. Mohd Hatta Dagap (Independent Director) Azizan Abd Aziz (Non Independent Director)</p>
Company Secretaries	<p>Maria binti Mat Said (LS 009400) Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur</p> <p>Norhidayati Mohamat Salim (MIA 27364) – resigned wef 30 June 2022 Level 32, Menara Bank Islam, No. 22, Jalan Perak, 50450 Kuala Lumpur</p>
Key Management	<p>Azizan Abd Aziz (Acting Chief Executive Officer) – appointed wef 1 July 2022 Najmuddin Mohd Lutfi (Chief Executive Officer) – resigned wef 30 June 2022 Said Mohd Jawahir Said Bahari (Chief Operating Officer) Abd Razak Salimin (Head of Investment) Ahmad Razli Sabri (Head of Finance & Operation) – appointed wef 1 June 2022 Noorsazreen Nordin (Head of Compliance)</p>

Principal Banker	Bank Islam Malaysia Berhad Ground Floor, Menara Bank Islam No. 22, Jalan Perak 50450 Kuala Lumpur
Trustee	CIMB Islamic Trustee Berhad 198801000556 (167913-M) Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Auditor	PricewaterhouseCoopers PLT (LLP0014401-LCA & AF1146) Level 10, 1 Sentral Jalan Rakyat, Kuala Lumpur Sentral 50706 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
Toll Free Number: 1-800-88-1196	
www.bimbinvestment.com.my	

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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