

BIMB SHARIAH INCOMEPLUS FUND

QUARTERLY REPORT FOR THE FINANCIAL
PERIOD FROM 1 APRIL 2022 TO 30 JUNE 2022



MANAGER:

BIMB INVESTMENT MANAGEMENT BERHAD 199301021508 (276246-X)

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1.0 FUND KEY INFORMATION

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

2.0 MANAGER'S REPORT

<p>Performance Review</p>	<p>For the financial period under review, BIMB Shariah IncomePlus Fund (“the Fund”) registered a return of 0.46% as compared to its Benchmark’s return of 0.33%. The selected performance benchmark for the Fund is Bank Islam’s 1-month Term-Deposit i (Tawarruq).</p> <p>The Fund’s strategy has consistently been to invest in a diversified portfolio of approved money market instruments, Islamic deposits, Islamic investment accounts and Shariah-compliant fixed income securities that will provide a steady stream of income.</p> <p>During the financial period under review, the Fund has managed to maintain capital stability for its investors’ as per its investment objective. The Fund has distributed income totaling 0.48 sen per unit to its unit holders during the financial period under review.</p> <p>For the financial period under review, the Fund has not undertaken any securities lending or repurchase transactions nor cross trade transactions. There was no significant change to the state of affairs of the Fund and no circumstance that materially affect the interest of unit holders have taken place up to the date of this Manager’s report.</p>
<p>Economy and Market Review</p>	<p>Economy</p> <p>a) Global</p> <ul style="list-style-type: none"> • American economy shrank an annualized 0.9% quarter-on-quarter in the second quarter of 2022, following a 1.6% drop in the first quarter, and technically entering a recession. Inventories and business investments were the main drag. • The Euro Area economy expanded 0.7% quarter-on-quarter in the second quarter of 2022. It is the strongest performance in three quarters, prompted by easing of COVID-19 restrictions and summer tourism season in southern countries. • The Chinese economy shrank by a seasonally adjusted 2.6% in second quarter of 2022. This is the first quarterly contraction since the first quarter of 2020. Full or partial lockdowns were imposed in major cities including Shanghai. <p><i>(Source: Bureau of Economic Analysis, CNBC, Trading Economics)</i></p> <p>b) Local</p> <ul style="list-style-type: none"> • Malaysia’s Gross Domestic Product (GDP) expanded 5% year-on-year in the first quarter of 2022. The economic performance increased in tandem with a robust growth in Services sector, supported by higher household consumption and recovery in labour market. • The Monetary Policy Committee (MPC) of Bank Negara Malaysia hiked the Overnight Policy Rate (OPR) by a surprised 25 basis points to 2.00% during their third meeting of the year in May 2022. With the domestic growth on a firmer footing, the MPC decided to begin reducing the degree of monetary accommodation. <p><i>(Source: Bloomberg, Bank Negara Malaysia and Department of Statistics Malaysia)</i></p>

	<p>Market Review</p> <p>Sukuk Market and Money Market</p> <p>a) Global</p> <ul style="list-style-type: none"> For the period under review, US Treasury performed rather weak as the US Federal Reserve (Fed)'s aggressively increased the Federal Funds Rate twice totalling 125 bps in May and June. The yield curve shifted higher as overall benchmark yields spiked between 58-71 bps across the yield curve. <p>b) Local</p> <ul style="list-style-type: none"> The local bond market saw MGS benchmark yields increase by between 33-57 bps whilst GII benchmark yields rise between 34-64 bps, in tandem with increase in global bond yields. Foreign-led news especially on inflation in the US, the Fed's balance sheet run off and Russia-Ukraine war were among the factors dictating MYR bonds for the quarter under review.
<p>Market Outlook and Strategy</p>	<p>Sukuk Market & Money Market</p> <ul style="list-style-type: none"> The yield curve is expected to be steepening in anticipation of aggressive monetary policy tightening by the US Fed and BNM. Our Sukuk strategy is to invest in Sukuk with short duration due to the uncertain market outlook and the aggressiveness of rate hikes. Our money market strategy is to invest with aim to maximize return while providing liquidity for investors.

FUND PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

Fund	30 June 2022
Unit Prices (RM)	
Highest Net Asset Value (NAV) per unit for the period/year	0.9851
Lowest NAV per unit for the period/year	0.9832
Net Asset Value (NAV) and Units in Circulation (UIC) as at the end of the period	
Total NAV (RM)	34,769,034
Units in Circulation (UIC)	35,350,797
NAV per unit (RM)	0.9835
Return of Fund (%)	
Capital Growth (%) ^(b)	-0.02
Income Return (%) ^(c)	0.48
Return of the Fund (%)^(a)	0.46
Total Gross Distribution per Unit (sen) per annum	0.48
Total Net Distribution per Unit (sen) per annum	0.48
Monthly distribution - April	
NAV per Unit before Distribution (RM)	0.9847
NAV per Unit after Distribution (RM)	0.9827
Monthly distribution - May	
NAV per Unit before Distribution (RM)	0.9845
NAV per Unit after Distribution (RM)	0.9832
Monthly distribution - June	
NAV per Unit before Distribution (RM)	0.9850
NAV per Unit after Distribution (RM)	0.9835
Total Expense Ratio (%)^(d)	0.04
Portfolio Turnover Ratio (times)^(e)	4.49

Note:

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

Total Return and Average Total Return for the Financial Period Ended 30 June 2022

	Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
3 months (1/4/2022 – 30/6/2022)	0.46%	1.84%	0.33%	1.32%
6 months (1/1/2022 – 30/6/2022)	0.89%	1.78%	0.64%	1.28%
9 months (1/10/2021 – 30/6/2022)	(0.64%)	(0.85%)	0.95%	1.27%
12 months (1/7/2021 – 30/6/2022)	(0.09%)	(0.09%)	1.27%	1.27%

Asset Allocation as at 30 June 2022

BIMB Shariah Incomeplus Fund	30 June 2022 (%)
Investment in Unquoted Sukuk	
Financial – Islamic Commercial Paper	0.00
	0.00
SHARIAH-COMPLIANT CASH AND SHORT TERM INVESTMENTS:	100.00
	100.00

Unit Holdings as at 30 June 2022

Size of Holding	BIMB Shariah IncomePlus Fund			
	Number of Unit Holders		Number of Units Held	
	No.	%	Units	%
5,000 and below	-	-	-	-
5,001 to 10,000	-	-	-	-
10,001 to 50,000	-	-	-	-
50,001 to 500,000	-	-	-	-
500,001 and above	2	66.67	35,349,774.67	100.00
Units Held by Holders	2	66.67	35,349,774.67	100.00
Units Held by Manager	1	33.33	1,022.06	0.00
Grand Total for the Fund	3	100.00	35,350,796.73	100.00

3.0 SHARIAH ADVISER'S REPORT

QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

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 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 assets of the Fund comprise instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Advisers

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DR. SHAMSIAH BINTI MOHAMAD
(Chairman)

Date:

4.0 FINANCIAL STATEMENT (UNAUDITED)

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 JUNE 2022

	<u>1.4.2022 to</u> <u>30.6.2022</u> RM
INVESTMENT INCOME	
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	168,467
Profit income from unquoted Sukuk	13,521
Net unrealised loss from financial instruments at fair value through profit or loss	<u>(2,221)</u>
	<u>179,767</u>
EXPENSES	
Management fee	13,181
Trustee's fee	2,636
Administrative expenses	<u>38</u>
	<u>15,855</u>
INCOME BEFORE TAXATION	163,912
Taxation	<u>-</u>
INCOME AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>163,912</u>
Total comprehensive income for the period consist of:	
Realised amount	166,133
Unrealised amount	<u>(2,221)</u>
	<u>163,912</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	<u>As at</u> <u>30.6.2022</u> RM
ASSETS		
Cash and cash equivalents (Shariah-compliant)	2	1,103,120
Financial assets at fair value through profit or loss (Shariah-compliant)	1	<u>33,692,805</u>
TOTAL ASSETS		<u><u>34,795,925</u></u>
LIABILITIES		
Amount due to Manager		-
Accrued management fee		4,242
Amount due to Trustee		848
Audit fee payable		1,585
Tax agent's fee payable		1,677
Administrative expenses		<u>18,539</u>
TOTAL LIABILITIES		<u><u>26,891</u></u>
NET ASSET VALUE ("NAV") OF THE FUND		<u><u>34,769,034</u></u>
EQUITY		
Unit holders' capital		35,445,219
Retained profits		<u>(676,185)</u>
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u><u>34,769,034</u></u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		35,350,797
NET ASSET VALUE PER UNIT (SEN) (EX-DISTRIBUTION)		<u><u>98.35</u></u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 JUNE 2022

	Unit holders' capital RM	Retained profits RM	Total RM
Balance as at 1 April 2022	36,268,946	(666,911)	35,602,035
Movement in unit holders' contributions:			
- Creation of units	2,005,736		2,005,736
- Reinvestment of distributions	173,186		173,186
- Cancellation of units	(3,002,649)		(3,002,649)
- Distributions (Note 3)		(173,186)	(173,186)
Total comprehensive income for the financial period	-	163,912	163,912
Balance as at 30 June 2022	<u>35,445,219</u>	<u>(676,185)</u>	<u>34,769,034</u>

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

BIMB SHARIAH INCOMEPLUS FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 JUNE 2022

	Note	<u>1.4.2022 to</u> <u>30.6.2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Placement of Shariah-compliant deposit with licensed Islamic financial institution		(159,802,157)
Proceed from Maturity Shariah-compliant deposit with licensed Islamic financial institutions		159,617,665
Profit income received from Shariah-compliant deposit with licensed Islamic financial institution		168,467
Profit income received from Sukuk		13,521
Management fee paid		(13,506)
Trustee fee paid		(2,701)
Audit fee paid		(9,900)
Payment for administrative expenses		<u>(1,156)</u>
Net cash used in operating activities		<u>(29,767)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from creation of units		2,178,922
Payments for cancellation of units		(3,302,803)
Payment for income Distribution		<u>(173,186)</u>
Net cash used in financing activities		<u>(1,297,067)</u>
Net cash and cash equivalents		(1,326,834)
Cash and cash equivalents at the beginning of the financial period		<u>2,429,954</u>
Cash and cash equivalents at the end of the financial period	2	<u>1,103,120</u>
Cash and cash equivalents comprise:		
Cash at bank		1,103,120
	2	<u>1,103,120</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 PERIOD FROM 1 APRIL 2022 TO 30 JUNE 2022

1	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (SHARIAH-COMPLIANT)	
		<u>As at</u>
		<u>30.6.2022</u>
		RM
	Shariah-compliant deposits with licensed Islamic financial institutions:	
	Commodity Murabahah	18,639,975
	Wafiyah Investment Account	<u>15,052,830</u>
		<u><u>33,692,805</u></u>
	* 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>As at</u>
		<u>30.6.2022</u>
		%
	Shariah-compliant deposits with licensed Islamic financial institutions	2.24
	The deposits have an average maturity of 20 days.	
2	CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)	
		<u>As at</u>
		<u>30.6.2022</u>
		RM
	Shariah-compliant deposits with licensed Islamic financial institutions:	
	Cash at bank	<u>1,103,120</u>
3	DISTRIBUTION	
		<u>1.4.2022 to</u>
		<u>30.6.2022</u>
		RM
	Distribution to unit holders is from the following sources:	
	Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	<u>187,622</u>
		187,622
	Less:	
	Expenses	<u>(14,435)</u>
	Net distribution amount	<u><u>173,186</u></u>
	GROSS/NET DISTRIBUTION PER UNIT (SEN)	
	Distribution on 29 April 2022	<u>0.20</u>
	Distribution on 27 May 2022	<u>0.13</u>
	Distribution on 30 June 2022	<u><u>0.15</u></u>

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 JUNE 2022

4	TOTAL EXPENSE RATIO (“TER”)	As at <u>30.6.2022</u> %
	TER	<u>0.04</u>

TER is derived from the following calculation:

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

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

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

5	PORTFOLIO TURNOVER RATIO (“PTR”)	As at <u>30.6.2022</u>
	PTR (Times)	<u>4.49</u>

PTR is derived from the following calculation:

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

where:

total acquisition for the financial period = RM159,802,157

total disposal for the financial period = RM156,913,156

6 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises assets in local market, which are placed in Shariah-compliant investment and/or instruments.

7 QUARTERLY REPORT

The quarterly report for the financial period from 1 April 2022 to 30 June 2022 is unaudited.

5.0 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>Mohamed Ridza Mohamed Abdulla (Chairman Non-Executive Independent Director) Dato' Dr. Mohamad Zabidi bin Ahmad (Non-Executive Independent Director) Dr. Mohd Hatta Dagap (Non-Executive Independent Director) Datin Maznah Mahbob (Non-Executive Independent Director) Azizan Abd Aziz (Non-Executive Non Independent Director) Najmuddin Mohd Lutfi (Chief Executive Officer)</p>
Shariah Advisers	<p>Dr. Ahmad Shahbari @ Sobri Bin Salamon – passed away on 13 April 2022 Assoc. Prof. Dr. Asmak binti Ab. Rahman – resigned wef 1 April 2022 Dr. Shamsiah binti Mohamad Assoc. Prof. Dr. Yasmin Hanani binti Mohd Safian – appointed wef 1 April 2022 Ir. Dr. Hj. Muhamad Fuad bin Abdullah – appointed wef 1 May 2022</p>
Investment Committee	<p>Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Mohd Radzuan Ahmad Tajuddin (Independent Member) Datin Maznah binti Mahbob (Independent Director)</p>
Board Audit and 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) Level 32, Menara Bank Islam, No. 22, Jalan Perak, 50450 Kuala Lumpur</p>
Key Management	<p>Najmuddin Mohd Lutfi (Chief Executive Officer) 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 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Federation of Investment Managers Malaysia (FIMM)	19-06-1, 6th Floor, Wisma Tune No.19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur
Distributor	Bank Islam Malaysia Berhad

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