

BIMB ONE-YEAR SHARIAH INCOME FUND

QUARTERLY REPORT FOR THE FINANCIAL PERIOD
FROM 28 APRIL 2021 (DATE OF LAUNCH) TO 12 AUGUST 2021



MANAGER:

BIMB INVESTMENT MANAGEMENT BERHAD 199301021508 (276246-X)

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1.0 FUND KEY INFORMATION

Fund Name	BIMB One-Year Shariah Income Fund
Fund Type	Income
Fund Category	1-year close-ended Islamic fixed income fund (Wholesale)
Fund Investment Objective	<p>The Fund aims to provide income to investors through investment in Islamic Investment Notes and/or Islamic fixed income instruments.</p> <p>Note: Any material changes to the investment objective would require Unit Holders' approval.</p>
Fund Performance Benchmark	Bank Islam's 1-Year Term-Deposit <i>i</i> (Tawarruq).
Fund Distribution Policy	<p>Income, if any, will be distributed quarterly or such other frequency as may be determined by the Manager from time to time.</p> <p>Note: Income distribution (if any) will be in the form of cash.</p>

2.0 MANAGER'S REPORT

<p>Performance Review</p>	<p>For the period under review, BIMB One-Year Shariah Income Fund (“the Fund”) registered a return of 1.82% as compared to its Benchmark’s return of 0.46%.</p> <p>The selected performance benchmark for the Fund is Bank Islam’s 1-month Term-Deposit <i>i</i> (Tawarruq).</p> <p>The Fund’s strategy has been to invest in Investment Notes and/or Islamic fixed income instruments.</p> <p>During the financial period under review, the Fund has managed to achieve its investment objective of providing income to investors. The Fund declared income distribution of 1.25 sen per unit during the period under review.</p> <p>For the financial period 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.</p>
<p>Economy and Market Review</p>	<p>Malaysia’s Gross Domestic Product (GDP) expanded by 16.1% year-on-year (YoY) in the second quarter of 2021 (Q2 2021) versus the same quarter last year. With a more loose lockdown measure imposed in the month of May and June, the country had managed to avoid having to face a hard landing for its economy in 2Q 2021.</p> <p>BNM had maintained the overnight policy rate (OPR) at 1.75% during its July meeting, reiterating that the rate remains appropriate and accommodative amid persistent downside risks to the growth outlook.</p> <p><i>(Source: Bloomberg, Bank Negara Malaysia and Department of Statistics Malaysia)</i></p>
<p>Market Outlook and Strategy</p>	<p>The easing of social distancing measures in key states such as Selangor and Kuala Lumpur as well as the increase in vaccination rates suggest that economic activities are set to pick-up in pace. Given that the majority of SMEs operate in these two states, we foresee growth in the SME sector to pick up.</p> <p>With the pickup in economic growth, we anticipate more businesses to have additional headroom to borrow, leaning in to the economic expansionary cycle, as well as the increase in debt repayment capabilities.</p> <p>That being said, the fund will continue to be selective in the notes that it chooses to invest in with credit quality being of central importance.</p>

FUND PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED 12 AUGUST 2021

Fund	As at 12.08.2021
Unit Prices (RM)	
Highest Net Asset Value (NAV) per unit for the period/year	1.0185
Lowest NAV per unit for the period/year	1.0000
Net Asset Value (NAV) and Units in Circulation (UIC) as at the end of the period/year	
Total NAV (RM)	21,718,917
Units in Circulation (UIC)	21,584,356
NAV per unit (RM)	1.0062
Return of Fund (%)	
Capital Growth (%) ^(b)	0.89
Income Return (%) ^(c)	0.48
Return of the Fund (%)^(a)	1.37
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)	0.9995
NAV per Unit after Distribution (RM)	0.9974
Monthly distribution - May	
NAV per Unit before Distribution (RM)	0.9996
NAV per Unit after Distribution (RM)	0.9986
Monthly distribution - June	
NAV per Unit before Distribution (RM)	1.0002
NAV per Unit after Distribution (RM)	0.9985
Management Expenses Ratio (%)^(d)	1.12
Portfolio Turnover Ratio (times)^(e)	6.02

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) **Management Expenses Ratio** = It is the total management expenses expressed as an annual percentage of the Fund's average Net Asset Value.
- e) **Portfolio Turnover Ratio** = It represents the average of the total acquisitions and disposals of the investment in the Fund for the 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 12 August 2021

	Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
3 months (28/4/2021 – 12/8/2021)	1.37	5.48	0.46	1.84

Asset Allocation as at 12 August 2021

BIMB One-Year Shariah Income Fund	12.8.2021 (%)
Islamic Investment Notes	
P2P Notes	14.55
	14.55
CASH AND SHORT TERM INVESTMENTS:	85.45
	100.00

Unit Holdings as at 12 August 2021

Size of Holding	BIMB One-Year Shariah Income 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	114,440,981.89	100.00
Units Held by Holders	2	66.67	114,440,981.89	100.00
Units Held by Manager	1	33.33	1,010.56	0.00
Grand Total for the Fund	3	100.00	114,441,992.45	100.00

3.0 SHARIAH ADVISER'S REPORT

QUARTERLY REPORT FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCH) TO 12 AUGUST 2021

To the Unit Holder of
BIMB One-Year Shariah Income Fund

We hereby confirm the following:

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

For and on behalf of the Shariah Adviser

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DR. AHMAD SHAHBARI@SOBRI SALAMON
(Chairman)

Date: 29 October 2021

4.0 UNAUDITED FINANCIAL STATEMENT

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCHED) TO 12 AUGUST 2021

	<u>28.4.2021 (Date of launched) to 12.8.2021</u> RM
INVESTMENT INCOME	
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	16,553
Profit income from P2P notes	585,887
Hibah	1,440
	<u>603,880</u>
EXPENSES	
Management fee	27,758
Trustee's fee	1,665
Administrative expenses	41,989
	<u>71,412</u>
INCOME BEFORE TAXATION	532,468
Taxation	<u>(128,103)</u>
INCOME AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>404,365</u>
Total comprehensive income for the period consist of:	
Realised amount	<u>404,365</u>
	<u>404,365</u>

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

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 12 AUGUST 2021

	Note	<u>As at 12.8.2021</u> RM
ASSETS		
Cash and cash equivalents (Shariah-compliant)	2	3,280,691
Financial assets at fair value through profit or loss (Shariah-compliant)	1	<u>18,845,162</u>
TOTAL ASSETS		<u><u>22,125,853</u></u>
LIABILITIES		
Accrued management fee		3,605
Amount due to Trustee		216
Audit fee payable		3,255
Tax agent's fee payable		1,023
Income Tax payable		128,103
Income Distribution Payable		269,804
Administrative expenses		<u>930</u>
TOTAL LIABILITIES		<u><u>406,936</u></u>
NET ASSET VALUE ("NAV") OF THE FUND		<u><u>21,718,917</u></u>
EQUITY		
Unit holders' capital		21,584,356
Retained profits		<u>134,561</u>
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u><u>21,718,917</u></u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		21,584,356
NET ASSET VALUE PER UNIT (SEN) (EX-DISTRIBUTION)		<u><u>100.62</u></u>

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

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCHED) TO 12 AUGUST 2021

	Unit holders' capital RM	Retained profits RM	Total RM
Balance as at 28 April 2021	-	-	-
Movement in unit holders' contributions:			
- Creation of units	21,585,356		21,585,356
- Cancellation of units	(1,000)		(1,000)
- Distributions (Note 3)		(269,804)	(269,804)
Total comprehensive income for the financial period	-	404,365	960,295
Balance as at 12 August 2021	<u>21,584,356</u>	<u>134,561</u>	<u>21,718,917</u>

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

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCHED) TO 12 AUGUST 2021

	<u>28.4.2021 (Date of launched) to 12.8.2021</u>
Note	RM
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceed from repayment and maturity of P2P notes instrument	12,336,527
Purchase of P2P notes instrument	(31,181,689)
Profit income received from Shariah-compliant deposit with licensed Islamic financial institution	16,553
Profit income received from P2P notes instrument	585,887
Management fee paid	(24,153)
Trustee fee paid	(1,449)
Payment for administrative expenses	(36,781)
Profit hibah	1,440
	<u>(18,303,665)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Cash proceeds from creation of units	21,585,356
Payments for cancellation of units	(1,000)
	<u>21,584,356</u>
Net cash generated from financing activities	<u>21,584,356</u>
Net cash and cash equivalents	3,280,691
Cash and cash equivalents at the beginning of the financial period	<u>-</u>
Cash and cash equivalents at the end of the financial period	<u>2</u> <u>3,280,691</u>
Cash and cash equivalents comprise:	
Commodity murabahah	1,261,059
Wafiyah Investment Account	1,871,316
Cash at bank	148,316
	<u>2</u> <u>3,280,691</u>

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

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCHED) TO 12 AUGUST 2021

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

As at
12.8.2021

Financial assets at fair value through profit or loss:

P2P notes instrument

18,845,162

Details of P2P notes as at 12 August 2021 are set out as follows:

<u>Name of counter</u>	<u>Fair Value</u> RM	<u>Percentage of</u> <u>value of funds</u> %
MYISS-2000000034	3,216,066	14.81
MYISS-2000000047	2,421,167	11.15
MYISS-2100000105	2,042,567	9.40
MYISS-2100000132	37,634	0.17
MYISS-2100000140	257,581	1.19
MYISS-2100000147	438,970	2.02
MYISS-2100000155	3,081,370	14.19
MYISS-2100000156	375,893	1.73
MYISS-2100000167	925,791	4.26
MYISS-2100000176	83,691	0.39
MYISS-2100000179	1,458,892	6.72
MYISS-2100000195	90,907	0.42
MYISS-2100000200	3,010,130	13.86
MYISS-2100000223	1,404,503	6.47
Total P2P notes as at 12 August 2021	<u>18,845,162</u>	<u>14.55</u>

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCHED) TO 12 AUGUST 2021 (CONTINUED)

2 CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	<u>As at</u> <u>12.8.2021</u> RM
Shariah-compliant deposits with licensed Islamic financial institutions:	
Commodity Murabahah	1,261,059
Wafiyah Investment Account	<u>1,871,316</u>
	3,132,375
Cash at bank	<u>148,316</u>
	<u><u>3,280,691</u></u>

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

	<u>As at</u> <u>12.8.2021</u> %
Commodity Murabahah	1.70
Wafiyah Investment Account	1.70

The deposits have an average maturity of 4 days.

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

3 DISTRIBUTION

	<u>28.4.2021 (Date</u> <u>of launched) to</u> <u>12.8.2021</u> RM
Distribution to unit holders is from the following sources:	
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	16,553
Profit income from P2P Notes	<u>452,766</u>
	469,319
Less:	
Expenses	(71,412)
Taxation	<u>(128,103)</u>
Net distribution amount	<u><u>269,804</u></u>
 GROSS/NET DISTRIBUTION PER UNIT (SEN)	
Distribution on 30 April 2021	<u>0.21</u>
Distribution on 31 May 2021	<u>0.10</u>
Distribution on 28 June 2021	<u><u>0.17</u></u>

BIMB ONE-YEAR SHARIAH INCOME FUND

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 28 APRIL 2021 (DATE OF LAUNCHED) TO 12 AUGUST 2021 (CONTINUED)

4	MANAGEMENT EXPENSE RATIO (“MER”)	As at <u>12.8.2021</u> %
	MER	<u>1.12</u>

MER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on daily basis is RM21,538,480.

5	PORTFOLIO TURNOVER RATIO (“PTR”)	As at <u>12.8.2021</u>
	PTR (Times)	<u>6.02</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 = RM147,785,919

total disposal for the financial period = RM111,374,828

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 28 April 2021 (Date of Launched) to 12 August 2021 is unaudited.

5.0 CORPORATE DIRECTORY

Manager	BIMB Investment Management Berhad Registered Office Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur Business Office Level 19, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur
Board of Directors	Mohamed Ridza Mohamed Abdulla (Chairman Non-Executive Independent Director) Dato' Ghazali bin Awang (Non-Executive Independent Director) Dr. Mohd Hatta bin Dagap (Non-Executive Independent Director) Datin Maznah binti Mahbob (Non-Executive Independent Director) Azizan bin Abd Aziz (Non-Executive Non Independent Director) Najmuddin bin Mohd Lutfi (Chief Executive Officer)
Shariah Advisers	Dr. Ahmad Shahbari @ Sobri bin Salamon (Chairman) Assoc. Prof. Dr. Asmak binti Ab. Rahman Dr. Shamsiah binti Mohamad
Investment Committee	Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Mohd Radzuan Ahmad Tajuddin (Independent Member) Datin Maznah binti Mahbob (Independent Director)
Board Audit and Risk Committee	Dato' Ghazali bin Awang (Chairman - Independent Director) Dr. Mohd Hatta bin Dagap (Independent Director) Azizan bin Abd Aziz (Non Independent Director)
Company Secretaries	Norhidayati Mohamat Salim (MIA 27364) Level 32, Menara Bank Islam, No.22 Jalan Perak, 50450 Kuala Lumpur Maria Mat Said (LS 009400) Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur
Key Management	Najmuddin Mohd Lutfi (Chief Executive Officer) Mohd Amir Shah Basir (Chief Operating Officer) Abd Razak Salimin (Head of Investment) Ariff Firman Mohd Sidek (Head of Compliance)
Principal Banker	Bank Islam Malaysia Berhad Ground Floor, Menara Bank Islam No. 22, Jalan Perak 50450 Kuala Lumpur
Trustee	Deutsche Trustees Malaysia Berhad (763590-H) Level 20, Menara IMC 8, Jalan Sultan Ismail 50250 Kuala Lumpur

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