

BIMB SHARIAH INCOMEPLUS FUND

QUARTERLY REPORT FOR THE FINANCIAL PERIOD
FROM 1 JULY 2022 TO 30 SEPTEMBER 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 0.60% as compared to its Benchmark’s return of 0.39%. 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 Islamic 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 0.45 cents 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 grew an annualized 2.6% quarter-on-quarter in the third quarter of 2022, beating forecasts of a 2.4% rise and rebounding from a contraction in the first half of the year. The biggest positive contribution came from net trade, as the trade gap narrowed. • The Euro Area economy expanded 0.2% quarter-on-quarter in the third quarter of 2022, following a 0.7% growth in Q2, in line with market expectations. It was the weakest GDP growth since the rebound from Covid-19 restrictions in Q2 2021. • The Chinese economy expanded a seasonally adjusted 3.9% in the third quarter of 2022. This was the strongest pace of growth since the second quarter of 2020, buoyed by a series of policies and stimulus from Beijing to revive economic activity. <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 8.9% year-on-year in the second quarter of 2022. The economic performance increased as domestic demand strengthened amid normalising economic activity as the country moved towards Covid-19 endemicity and reopened its international borders. <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 sold-off sharply as the US Federal Reserve (Fed)'s aggressively materialised two consecutive rate hikes totalling 150 bps in July and September 2022. The curve bear-flattened as overall benchmark yields spiked between 60 to 133bps across the curve led by the shorter tenure. <p>b) Local</p> <ul style="list-style-type: none"> • For the period under review, MGS benchmark yields moved higher whilst MGII closed mixed. MGS movements were in tandem with the spike in global bond yields, led by the news on US inflation and the Federal Reserve's aggressive tightening move.
Market Outlook and Strategy	<p>Sukuk Market & Money Market</p> <ul style="list-style-type: none"> • The domestic 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 Islamic Commercial Sukuk (ICP) / Sukuk with short duration due to the uncertain market outlook and the aggressiveness of rate hikes. • Our Islamic money market strategy is to invest with short to medium duration due to the expectation of rate hike in the coming quarter while providing liquidity for investors.

FUND PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

Fund	30 SEPTEMBER 2022
Unit Prices (RM)	
Highest Net Asset Value (NAV) per unit for the period	0.9862
Lowest NAV per unit for the period	0.9836
Net Asset Value (NAV) and Units in Circulation (UIC) as at the end of the period	
Total NAV (RM)	44,616,206
Units in Circulation (UIC)	45,300,659
NAV per unit (RM)	0.9849
Return of Fund (%)	
Capital Growth (%) ^(b)	0.15
Income Return (%) ^(c)	0.45
Return of the Fund (%)^(a)	0.60
Total Gross Distribution per Unit (cent) per annum	0.45
Total Net Distribution per Unit (cent) per annum	0.45
Monthly distribution - July	
NAV per Unit before Distribution (RM)	0.9851
NAV per Unit after Distribution (RM)	0.9836
Monthly distribution - August	
NAV per Unit before Distribution (RM)	0.9856
NAV per Unit after Distribution (RM)	0.9841
Monthly distribution - September	
NAV per Unit before Distribution (RM)	0.9863
NAV per Unit after Distribution (RM)	0.9848
Total Expense Ratio (%)^(d)	0.05
Portfolio Turnover Ratio (times)^(e)	2.96

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 September 2022

	Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
3 months (1/7/2022 – 30/9/2022)	0.60%	2.40%	0.39%	1.56%
6 months (1/4/2022 – 30/9/2022)	1.06%	2.12%	0.72%	1.44%
9 months (1/1/2022 – 30/9/2022)	1.49%	1.99%	1.03%	1.38%
12 months (1/10/2021 – 30/9/2022)	(0.04%)	(0.04%)	1.35%	1.35%

Asset Allocation as at 30 September 2022

BIMB Shariah IncomePlus Fund	30 September 2022 (%)
Investment in Commercial Paper	
Financial – Islamic Commercial Paper	11.19
	11.19
SHARIAH-COMPLIANT CASH AND SHORT TERM INVESTMENTS:	88.81
	100.00

Unit Holdings as at 30 September 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	45,299,632.06	100.00
Units Held by Holders	2	66.67	45,299,632.06	100.00
Units Held by Manager	1	33.33	1,026.74	0.00
Grand Total for the Fund	3	100.00	45,300,658.80	100.00

3.0 SHARIAH ADVISER'S REPORT

QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 JULY 2022 TO 30 SEPTEMBER 2022

	<u>1.7.2022 to</u> <u>30.9.2022</u> RM
INVESTMENT INCOME	
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	196,821
Profit income from Islamic commercial paper	25,699
Net unrealised loss from financial instruments at fair value through profit or loss	<u>1,055</u>
	<u>223,575</u>
EXPENSES	
Management fee	13,302
Trustee's fee	2,660
Administrative expenses	<u>63</u>
	<u>16,025</u>
INCOME BEFORE TAXATION	207,550
Taxation	<u>-</u>
INCOME AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>207,550</u>
Total comprehensive income for the period consist of:	
Realised amount	206,495
Unrealised amount	<u>1,055</u>
	<u>207,550</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 SEPTEMBER 2022

	Note	<u>As at</u> <u>30.9.2022</u> RM
ASSETS		
Cash and cash equivalents (Shariah-compliant)	2	10,094,305
Financial assets at fair value through profit or loss (Shariah-compliant)	1	<u>34,573,261</u>
TOTAL ASSETS		<u>44,667,566</u>
LIABILITIES		
Amount due to Manager		25,182
Accrued management fee		4,620
Amount due to Trustee		924
Audit fee payable		1,585
Tax agent's fee payable		1,511
Administrative expenses		<u>17,538</u>
TOTAL LIABILITIES		<u>51,360</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>44,616,206</u>
EQUITY		
Unit holders' capital		45,257,280
Retained profits		<u>(641,074)</u>
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u>44,616,206</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		45,300,659
NET ASSET VALUE PER UNIT (CENTS) (EX-DISTRIBUTION)		<u>98.49</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 JULY 2022 TO 30 SEPTEMBER 2022

	Unit holders' capital RM	Retained profits RM	Total RM
Balance as at 1 July 2022	35,445,219	(676,185)	34,769,034
Movement in unit holders' contributions:			
- Creation of units	10,805,312		10,805,312
- Reinvestment of distributions	172,439		172,439
- Cancellation of units	(1,165,690)		(1,165,690)
- Distributions (Note 3)		(172,439)	(172,439)
Total comprehensive income for the financial period	-	207,550	207,550
Balance as at 30 September 2022	45,257,280	(641,074)	44,616,206

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 JULY 2022 TO 30 SEPTEMBER 2022

	Note	<u>1.7.2022 to</u> <u>30.9.2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Placement of Shariah-compliant deposit with licensed Islamic financial institution		(102,192,946)
Proceed from Maturity Shariah-compliant deposit with licensed Islamic financial institutions		106,107,352
Purchase of Islamic commercial paper		(4,966,247)
Profit income received from Shariah-compliant deposit with licensed Islamic financial institution		196,821
Profit income received from Islamic commercial paper		25,699
Management fee paid		(12,924)
Trustee fee paid		(2,584)
Tax agent fee paid		(166)
Payment for administrative expenses		<u>(1,064)</u>
NET CASH USED IN OPERATING ACTIVITIES		<u>(846,058)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from creation of units		10,805,312
Payments for cancellation of units		(1,140,508)
Payment for income Distribution		<u>172,439</u>
NET CASH GENERATED FROM FINANCING ACTIVITIES		<u>9,837,243</u>
Net cash and cash equivalents		8,991,185
Cash and cash equivalents at the beginning of the financial period		<u>1,103,120</u>
Cash and cash equivalents at the end of the financial period	2	<u><u>10,094,305</u></u>
Cash and cash equivalents comprise:		
Cash at bank	2	<u>10,094,305</u>
		<u><u>10,094,305</u></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 JULY 2022 TO 30 SEPTEMBER 2022

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

	<u>As at</u> <u>30.9.2022</u> RM
Shariah-compliant deposits with licensed Islamic financial institutions:	
Commodity Murabahah	29,580,260
	<u>29,580,260</u>

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

	<u>As at</u> <u>30.9.2022</u> %
Shariah-compliant deposits with licensed Islamic financial institutions	2.75

The deposits have an average maturity of 32 days.

Details of commercial paper as at 30 September 2022 are set out as follows:

	<u>As at</u> <u>30.9.2022</u> RM
Financial assets at fair value through profit or loss:	
- Commercial paper	4,993,001
	<u>4,993,001</u>
Net (loss)/gain on financial asset at fair value through profit or loss:	
- Realised gain/(loss) on disposals	-
- Net unrealised gain on fair value movement	1,055
	<u>1,055</u>

2 CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	<u>As at</u> <u>30.9.2022</u> RM
Shariah-compliant deposits with licensed Islamic financial institutions:	
Cash at bank	10,094,305

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2022 TO 30 SEPTEMBER 2022

3 DISTRIBUTION

	<u>1.7.2022 to</u> <u>30.9.2022</u> RM
Distribution to unit holders is from the following sources:	
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions	186,446
	<u>186,446</u>
Less:	
Expenses	(14,007)
	<u>(14,007)</u>
Net distribution amount	<u>172,439</u>
GROSS/NET DISTRIBUTION PER UNIT (CENTS)	
Distribution on 27 July 2022	0.15
Distribution on 26 August 2022	0.15
Distribution on 28 September 2022	0.15

4 TOTAL EXPENSE RATIO ("TER")

	As at <u>30.9.2022</u> %
TER	<u>0.05</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 RM35,181,424

BIMB SHARIAH INCOMEPLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2022 TO 30 SEPTEMBER 2022

5	PORTFOLIO TURNOVER RATIO (“PTR”)	As at 30.9.2022
	PTR (Times)	<u>2.96</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 = RM102,192,945

total disposal for the financial period = RM106,107,352

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 July 2022 to 30 September 2022 is unaudited.

5.0 CORPORATE DIRECTORY

Manager	BIMB Investment Management Berhad [199301021508 (276246-X)] 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' 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) – resigned wef 30 June 2022
Shariah Advisers	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
Investment Committee	Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Mohd Radzuan Ahmad Tajuddin (Independent Member) Datin Maznah binti Mahbob (Non-Executive Independent Director)
Board Audit and Risk Committee	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)
Company Secretaries	Maria binti Mat Said (LS 009400) Level 32, Menara Bank Islam, No. 22, Jalan Perak 50450, Kuala Lumpur Norhidayati Mohamat Salim (MIA 27364) – resigned wef 30 June 2022 Level 32, Menara Bank Islam, No. 22, Jalan Perak, 50450 Kuala Lumpur.

Key Management	<p>Azizan Abd Aziz (Acting Chief Executive Officer) – appointed wef 1 July 2022</p> <p>Najmuddin Mohd Lutfi (Chief Executive Officer) – resigned wef 30 June 2022</p> <p>Said Mohd Jawahir Said Bahari (Chief Operating Officer)</p> <p>Abd Razak Salimin (Head of Investment)</p> <p>Ahmad Razli Sabri (Head of Finance & Operation) – appointed wef 1 June 2022</p> <p>Noorsazreen Nordin (Head of Compliance)</p>
Principal Banker	<p>Bank Islam Malaysia Berhad</p> <p>Ground Floor, Menara Bank Islam</p> <p>No. 22, Jalan Perak</p> <p>50450 Kuala Lumpur</p>
Trustee	<p>CIMB Islamic Trustee Berhad 198801000556 (167913-M)</p> <p>Level 21, Menara CIMB</p> <p>Jalan Stesen Sentral 2</p> <p>Kuala Lumpur Sentral</p> <p>50470 Kuala Lumpur</p>
Federation of Investment Managers Malaysia (FIMM)	<p>19-06-1, 6th Floor, Wisma Tune</p> <p>No.19, Lorong Dungun</p> <p>Damansara Heights</p> <p>50490 Kuala Lumpur</p>
Distributor	<p>Bank Islam Malaysia Berhad</p>
Toll Free Number: 1-800-88-1196	