

BIMB-ARABESQUE VALUECAP MALAYSIA SHARIAH-ESG EQUITY FUND (“BVMSEF”)

SECOND QUARTER REPORT
FOR THE FINANCIAL PERIOD
FROM 1 FEBRUARY 2019 TO 30 APRIL 2019

BIMB  **INVESTMENT**
A BANK ISLAM
SUBSIDIARY

MANAGER:
BIMB INVESTMENT MANAGEMENT BERHAD (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-Arabesque Valuecap Malaysia Shariah-ESG Equity Fund for the financial period from 1 February 2019 to 30 April 2019.

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

Fund Name	BIMB-Arabesque Valuecap Malaysia Shariah-ESG Equity Fund
Fund Type	Growth
Fund Category	Wholesale Equity
Fund Investment Objective	<p>The Fund seeks to achieve medium to long term capital appreciation.</p> <p>Note: Medium to long term in this context refers to 3 years or more.</p> <p>Note: Any material change to the investment objective of the Fund would require Unit Holders' approval.</p>
Fund Performance Benchmark	<p>FTSE Bursa Malaysia EMAS Index</p> <p>(Please note that the risk profile of the Fund may be higher than the risk profile of the benchmark).</p>
Asset Allocation	<p>i) Up to 98% of the Fund's NAV will be invested in Shariah-compliant equities listed in Malaysia; and</p> <p>ii) At least 2% of the Fund's NAV in Shariah-compliant liquid assets.</p> <p>The Fund aims to be fully invested in equities at all time, while maintaining a small allocation to liquid assets for liquidity purposes.</p>

<p>Investor's Profile</p>	<p>The Fund is primarily suitable for Sophisticated Investors:-</p> <ul style="list-style-type: none"> i. Seeking exposure to ESG and Shariah-compliant Malaysia listed equities. ii. Seeking capital appreciation over medium to long term period. iii. With moderate to high risk tolerance. iv. With medium to long term period.
<p>Fund Strategy / Outlook</p>	<p>The Fund employs a quantitative approach. Given the quantitative and momentum-based nature of the strategy, the Manager does not manage the Fund based on macro analysis, views and expected outlook. The Fund invests through a rules-based investment process which will be rebalanced/ traded on a monthly basis.</p>

1.2 Performance for the financial period from 1 February 2019 to 30 April 2019

1.2.1 Performance review

Since Inception from 5 July 2018 to 30 April 2019

The Fund's performance since inception registered a negative return of -4.14%. The Fund had underperformed the benchmark by -1.65% as the benchmark registered a negative return of -2.49% since inception.

Financial period from 1 February 2019 to 30 April 2019

Subsequently, during the financial period under review, the Fund registered a positive return of 1.62%, outperforming the benchmark by 1.69% as the benchmark performance registered a -0.07% return.

The main sectors that contributed positively to the fund's performance were Transportation, Industrial Services and Process Industries whilst Communications, Health Services and Health Technology sectors contributed the most negatively. On a relative basis, sector allocation effects over the period had a positive effect whilst stock selection effects had a negative impact. The fund reacted over the period by decreasing its exposure to Utilities (-6.4%) and increasing its exposure to Transportation (+2.6%) and Industrial Services (+3.1%).

As at 30 April 2019, the NAV per unit of the Fund was RM0.9586 while units in circulation were 50,436,731 units.

1.2.2 Total return and average total return for the financial period from 5 July 2018 (date of commencement) to 30 April 2019

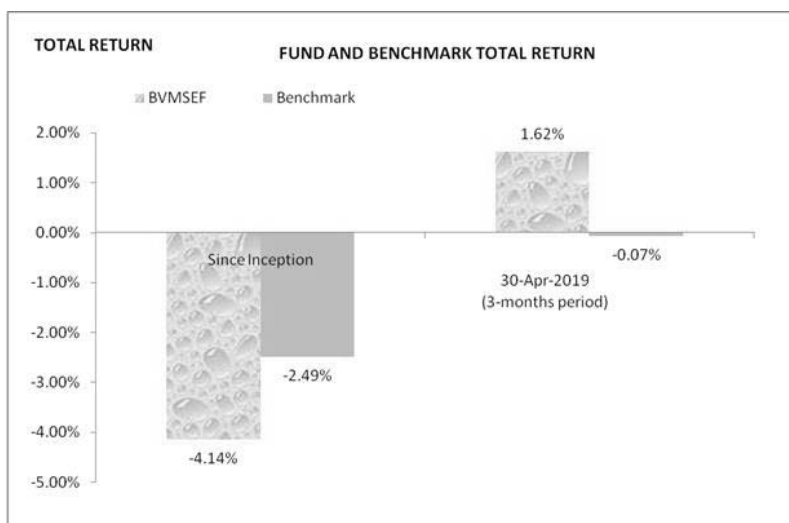
Period	BIMB-Arabesque Valuecap Malaysia Shariah-ESG Equity Fund		Benchmark	
	Total Return (%)	Average Total Return (%)	Total Return (%)	Average Total Return (%)
Since Inception (5 July 2018 – 30 April 2019)	-4.14	-5.05	-2.49	-3.04
Financial Period from (1 Nov 2018 – 30 April 2019)	1.62	6.48	-0.07	-0.28

1.2.3 Total return for the last financial period

Financial Year*	Total Return	
	BIMB-Arabesque Valuecap Malaysia Shariah-ESG Equity Fund (%)	Benchmark (%)
5 July 2018 to 30 April 2019	-4.14	-2.49

*Note: The Fund has not completed its first financial year, hence the first financial year and since inception period are similar.

Figure 1: Movement of the Fund versus the Benchmark



Note:

Data Source : BIMB Investment Management Berhad
Data verified by : Novagni Analytics & Advisory Sdn. Bhd.
Benchmark : FTSE Bursa Malaysia EMAS Index

Notes:

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

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

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

1.3 Asset Allocation as at 30 April 2019

BIMB-Arabesque Valuecap Malaysia Shariah-ESG Equity Fund	As at 30.4.2019 (%)
Investment in Collective Investment Scheme	
REITs	1.20
Investment in Quoted Securities in Malaysia	
Construction	2.67
Consumer products	13.45
Finance	0.65
Industrial products	22.73
Infrastructure	8.52
Plantation	6.17
Properties	3.25
Technology	0.66
Trading and services	34.72
	92.82
CASH AND SHORT TERM INVESTMENTS:	5.98
	100.00

1.4 Other Performance Data for the period ended 30 April 2019

BIMB-Arabesque Valuecap Malaysia Shariah-ESG Equity Fund	1.2.2019 to 30.4.2019
Net Asset Value (RM)	48,348,615
Units in Circulation	50,436,731
NAV per unit (RM)	0.9586
Highest NAV per unit (RM)	0.9732
Lowest NAV per unit (RM)	0.9405

1.5 Unit Holdings as at 30 April 2019

Size of Holdings	BIMB-Arabesque Valuecap Malaysia Shariah-ESG Equity 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	-	-	-	-
50,001 to 500,000	1	50.00	411,933	0.82
500,001 and above	1	50.00	50,024,798	99.18
Units Held by Holders	2	100.00	50,436,731	100.00
Units Held by Manager	-	-	-	-
Grand Total for the Fund	2	100.00	50,436,731	100.00

1.6 Policy on Rebate and Soft Commission

Any stock broking rebates received by the Manager will be directed to the account of the Fund. Any soft commissions received from the broker which 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.

The Manager did not receive any rebate and soft commission from broker during the financial period.

For and on behalf of

The Manager

BIMB INVESTMENT MANAGEMENT BERHAD

Date: 27 June 2019

2.0 Financial Statements (Unaudited)

2.1 Unaudited Statement of Financial Position as at 30 April 2019

	Note	30.4.2019 RM
Assets		
Collective investment scheme	1	579,057
Quoted securities	2	44,879,339
Other receivables		45,194
Cash and cash equivalents	3	<u>2,901,800</u>
Total assets		<u>48,405,390</u>
Liabilities		
Other payables		<u>56,775</u>
Total liabilities		<u>56,775</u>
Net asset value		<u>48,348,615</u>
Unitholders' fund		
Unitholders' capital	4	50,445,430
Accumulated loss		<u>(2,096,815)</u>
Net asset value attributable to unitholders		<u>48,348,615</u>
Number of units in circulation		<u>50,436,731</u>
Net asset value per unit		<u>95.86</u>

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

2.2 Unaudited Statement of Profit or Loss and Other Comprehensive Income for the financial period from 1 February 2019 to 30 April 2019

	Note	1.2.2019 to 30.4.2019 RM
Income		
Gross dividend income from quoted securities		377,562
Income from short term investments		16,263
Loss on sale of quoted securities		(898,827)
Unrealised gain from financial instruments at fair value through profit or loss		<u>1,380,643</u>
Gross income		<u>875,641</u>
Expenses		
Manager's fee	5	87,884
Trustee's fee	6	7,031
Audit fee		2,467
Tax agent's fee		759
Administrative expenses		<u>6,383</u>
		<u>104,524</u>
Net income before taxation		771,117
Taxation		<u>-</u>
Net income after taxation		771,117
Other comprehensive income for the period		<u>-</u>
Total comprehensive income for the period		<u><u>771,117</u></u>
Total comprehensive loss for the period consist of:		
Realised amount		(609,526)
Unrealised amount		<u>1,380,643</u>
		<u><u>771,117</u></u>

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

2.3 Unaudited Statement of Changes in Net Asset Value for the financial period from 1 February 2019 to 30 April 2019

	Unitholders' capital RM	Accumulated loss RM	Total RM
As at 31 January 2019/ 1 February 2019	50,445,430	(2,867,932)	47,577,498
Creation of units	-	-	-
Cancellation of units	-	-	-
Total attributable to unitholders	-	-	-
Total comprehensive income for the period	-	771,117	771,117
As at 30 April 2019	4 50,445,430	(2,096,815)	48,348,615

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

2.4 Unaudited Statement of Cash Flows for the financial period from 1 February 2019 to 30 April 2019

	1.2.2019 to 30.4.2019 RM
Cash flows from operating activities	
Proceeds from sale of quoted securities	9,897,806
Purchase of quoted securities	(8,225,082)
Dividend received	341,902
Income from short term investments	16,253
Management fee paid	(86,488)
Trustee fee paid	(6,919)
Payment for administrative expenses	(1,555)
Net cash generated from operating activities	<u>1,935,917</u>
Cash flows from financing activities	
Cash receipt for creation of units	-
Cash payment for cancellation of units	-
Net cash generated from financing activities	<u>-</u>
Net increase in cash and cash equivalents	1,935,917
Cash and cash equivalents at 1 February 2019	965,883
Cash and cash equivalents at 30 April 2019	<u>2,901,800</u>
Cash and cash equivalents comprise:	
Short term placements	2,780,340
Cash at bank	121,460
	<u>2,901,800</u>

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

2.5 Unaudited Notes to the financial statements

1. Collective Investment Scheme

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of funds %
As at 30 April 2019				
<u>Main Market</u>				
(i) REITs				
KLCC Property Holdings Bhd.	75,300	585,986	579,057	1.20

2. Quoted securities

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of funds %
As at 30 April 2019				
<u>Main Market</u>				
(i) Construction				
Gamuda Bhd.	254,000	809,187	889,000	1.84
IJM Corporation Bhd.	79,000	157,312	184,860	0.38
Muhibbah Engineering (M) Bhd.	52,300	154,721	149,055	0.31
Sunway Construction Group Bhd.	35,000	69,277	70,000	0.14
	<u>420,300</u>	<u>1,190,497</u>	<u>1,292,915</u>	<u>2.67</u>
(ii) Consumer products				
Dutch Lady Milk Industries Bhd.	2,300	143,525	147,338	0.30
Fraser & Neave Holdings Bhd.	27,900	1,000,686	973,710	2.01
Nestle (Malaysia) Bhd.	10,800	1,605,613	1,577,880	3.26
Padini Holdings Bhd.	36,100	214,249	138,624	0.29
PPB Group Bhd.	83,000	1,477,678	1,557,080	3.22
QL Resources Bhd.	132,300	825,713	902,286	1.87
UMW Holdings Bhd.	221,600	1,333,349	1,207,720	2.50
	<u>514,000</u>	<u>6,600,813</u>	<u>6,504,638</u>	<u>13.45</u>
(iii) Finance				
Syarikat Takaful Malaysia Bhd.*	51,600	220,751	313,212	0.65
(iv) Industrial products				
Cahaya Mata Sarawak Bhd.	152,400	461,007	509,016	1.05
DRB-Hicom Bhd.	65,500	146,678	142,790	0.30
Hartalega Holdings Bhd.	228,400	1,407,568	1,148,852	2.38

2. Quoted securities (continued)

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of funds %
As at 30 April 2019				
<u>Main Market (continued)</u>				
(iv) Industrial products (continued)				
Hengyuen Refining Company Bhd.	21,000	104,544	124,530	0.26
Hibiscus Petroleum Bhd.	286,000	280,367	326,040	0.67
Kossan Rubber Industries Bhd.	67,000	283,543	243,880	0.50
Petronas Chemical Group Bhd.	402,900	3,553,726	3,626,100	7.50
Petronas Gas Bhd.	162,400	3,005,802	2,871,232	5.94
Press Metal Bhd.	58,700	266,809	278,825	0.58
Scientex Bhd.	30,600	247,937	261,630	0.54
SKP Resources Bhd.	129,200	184,409	178,296	0.37
Supermax Corporation Bhd.	154,400	343,496	233,144	0.48
Ta Ann Holdings Bhd.	18,000	44,911	42,300	0.09
Top Glove Corporation Bhd.	78,400	410,668	381,808	0.79
Uchi Technologies Bhd.	68,000	206,805	193,800	0.40
V.S. Industry Bhd	373,000	418,131	425,220	0.88
	<u>2,295,900</u>	<u>11,366,401</u>	<u>10,987,463</u>	<u>22.73</u>
(v) Infrastructure				
DiGi.Com Bhd.	690,100	3,152,845	3,174,460	6.57
Lingkarans Trans Kota Holdings Bhd.	37,400	163,427	160,820	0.33
Time Dotcom Bhd.	87,800	738,840	785,810	1.62
	<u>815,300</u>	<u>4,055,112</u>	<u>4,121,090</u>	<u>8.52</u>
(vi) Plantation				
Batu Kawan Bhd.	4,400	72,187	73,920	0.15
FGV Holdings Bhd.	65,000	80,208	81,250	0.17
IOI Corporation Bhd.	241,500	1,103,533	1,089,165	2.25
Kuala Lumpur Kepong Bhd.	25,300	622,883	625,922	1.30
Sime Darby Plantation Bhd.	194,000	1,007,139	1,001,040	2.07
United Plantations Bhd.	4,200	112,208	112,140	0.23
	<u>534,400</u>	<u>2,998,158</u>	<u>2,983,437</u>	<u>6.17</u>

2. Quoted securities (continued)

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of funds %
As at 30 April 2019				
<u>Main Market (continued)</u>				
(vii) Properties				
Eastern & Oriental Bhd.	73,566	104,528	64,370	0.13
Eco World Development Group Bhd.	55,000	65,386	50,875	0.11
IOI Properties Group Bhd.	191,000	288,357	261,670	0.54
Mah Sing Group Bhd.	88,000	85,924	84,480	0.18
Matrix Concepts Holdings Bhd.	45,900	92,210	88,128	0.18
Malaysian Resources Corporation Bhd.	60,000	62,923	61,800	0.13
Sime Darby Property Bhd.	487,600	634,938	541,236	1.12
Sunway Bhd.	179,784	284,461	300,240	0.62
UEM Sunrise Bhd.	124,500	110,637	115,785	0.24
	1,305,350	1,729,364	1,568,584	3.25
(viii) Technology				
Globetronics Technology Bhd.	71,100	145,695	135,090	0.28
Inari Amertron Bhd.	79,700	178,850	137,881	0.28
Mi Technovation Bhd.	21,000	44,459	46,620	0.10
	171,800	369,004	319,591	0.66
(ix) Trading and services				
Aeon Co. (M) Bhd.	83,200	186,323	119,808	0.25
Axiata Group Bhd.	100,300	434,025	398,191	0.82
Bermaz Auto Bhd.	220,600	491,040	529,440	1.10
Dayang Enterprise Holdings Bhd.	108,000	89,932	152,280	0.31
Dialog Group Bhd.	441,000	1,454,521	1,420,020	2.94
GD Express Carrier Bhd.	190,000	65,269	60,800	0.13
IHH Healthcare Bhd.	424,500	2,436,627	2,360,220	4.88
KPJ Healthcare Bhd.	475,500	500,140	465,990	0.96
Malakoff Corporation Bhd.	350,100	331,533	308,088	0.64
Maxis Bhd.	296,400	1,645,844	1,588,704	3.29
MBM Resources Bhd.	50,000	132,930	150,500	0.31
MISC Bhd.	212,900	1,424,415	1,469,010	3.04
MMC Corporation Bhd.	89,000	91,982	93,450	0.19
My E.G. Services Bhd.	88,000	108,696	132,000	0.27

2. Quoted securities (continued)

Company's Name	Number of shares held	Cost RM	Market value RM	Percentage of value of funds %
As at 30 April 2019				
<u>Main Market (continued)</u>				
(x) Trading and services (continued)				
Petronas Dagangan Bhd.	34,400	891,128	831,792	1.72
Sapura Energy Bhd.	595,000	213,524	193,375	0.40
Serba Dinamik Holdings Bhd.	77,200	290,439	322,696	0.67
Sime Darby Bhd.	1,373,600	3,305,749	3,186,752	6.59
Taliworks Corporation Bhd.	91,000	75,317	91,910	0.19
Telekom Malaysia Bhd.	331,300	981,196	964,083	1.99
Tenaga Nasional Bhd.	42,200	622,653	518,216	1.07
UEM Edgenta Bhd.	39,600	87,202	114,444	0.24
Veestro Energy Bhd.	744,000	218,091	219,480	0.45
Westports Holdings Bhd.	193,200	690,149	734,160	1.52
Yinson Holdings Berhad.	75,000	348,577	363,000	0.75
	6,726,000	17,117,302	16,788,409	34.72
	12,834,650	45,647,402	44,879,339	92.82
Total quoted securities as at 30 April 2019	12,909,950	46,233,388	45,458,396	94.02

* The Fund holds investments in company which is related to the Manager.

3. Cash and cash equivalents

	As at 30.4.2019 RM
Short term placements with maturity less than 30 days:	
Commodity Murabahah	2,780,340
Cash at bank	<u>121,460</u>
	<u><u>2,901,800</u></u>

4. Unitholders' capital

	No. of units	RM
As at 31 January 2019/1 February 2019	50,436,731	50,445,430
Creation of units	-	-
Cancellation of units	-	-
As at 30 April 2019	<u>50,436,731</u>	<u>50,445,430</u>

5. Manager's fee

The manager's fee payable to the Manager is based on 0.75% per annum of the net asset value of the Fund calculated on a daily basis.

6. Trustee's fee

The trustee's fee payable to the trustee is based on 0.06% per annum of the net asset value of the Fund subject to a minimum fee of RM15,000 per annum, calculated on a daily basis.

7. Comparative

No comparative are included in the financial statements because this is the Fund's first set of financial statements after the Fund commenced operations on 5 July 2018.

3.0 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	Nik Mohd Hasyudeen Yusoff (Chairman – Non-Executive Independent Director) Dato' Ghazali Awang (Non-Executive Independent Director) Datuk Noripah Kamso (Non-Executive Independent Director – Resigned w.e.f. 14 December 2018) Dr. Mohd Hatta Dagap (Non-Executive Independent Director) Malkiat Singh @ Malkit Singh Maan (Non-Executive Non Independent Director) Datin Maznah Mahbob (Non-Executive Independent Director – Appointed w.e.f. 1 April 2019) Najmuddin Mohd Lutfi (Chief Executive Officer)
Shariah Committee	Dr. Ahmad Shahbari @ Sobri Salamon Dr. Yusof Ramli (Resigned w.e.f. 31 March 2019) Assoc. Prof. Dr. Asmak Ab. Rahman Dr. Azrul Azlan Iskandar Mirza (Appointed w.e.f. 1 April 2019)
Investment Committee	Khairul Muzamel Perera Abdullah (Chairman – Non Independent Member) Datuk Noripah Kamso (Independent Member - Resigned w.e.f. 14 December 2018) Mohd Radzuan Ahmad Tajuddin (Independent Member) Datin Maznah Mahbob (Appointed w.e.f. 1 April 2019)
Audit Committee	Dato' Ghazali Awang (Chairman - Independent Member) Dr. Mohd Hatta Dagap (Independent Member) Malkiat Singh @ Malkit Singh Maan (Non-Executive Non Independent Member)
Company Secretaries	Norhidayati Mohamat Salim (MIA 27364) Level 32, Menara Bank Islam, No. 22, Jalan Perak, 50450 Kuala Lumpur. Aidil Haznul Zulkifli (MEIS 01638) Level 32, Menara Bank Islam, No. 22 Jalan Perak, 50450 Kuala Lumpur.

Key Management	Najmuddin Mohd Lutfi (Chief Executive Officer) Abd Razak Salimin (Head of Investment) Mohd Hamidullah Che Hassan (Head of Compliance)
Principal Banker	Deutsche Bank Berhad Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur
Trustee	Deutsche Trustees Malaysia Berhad (763590-H) Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.
Auditors	KPMG Desa Megat PLT (LLP0010082-LCA & AF 0759) Level 10, KPMG Tower 8, First Avenue, Bandar Utama 47800 Petaling Jaya, Selangor
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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