



**PERMODALAN BSN BERHAD**  
A Wholly-Owned Subsidiary of BSN

# **BSN DANA DIVIDEN AL - IFRAH**

**ANNUAL REPORT**  
**For the Financial Year Ended**  
**31 December 2022**

## **BSN DANA DIVIDEN AL IFRAH**

<b>CONTENTS</b>	<b>PAGE</b>
<b>1. FUND INFORMATION</b>	<b>2</b>
<b>2. FUND PERFORMANCE</b>	<b>3</b>
<b>3. MANAGER'S REPORT</b>	<b>6</b>
<b>4. STATEMENT BY MANAGER</b>	<b>13</b>
<b>5. TRUSTEE'S REPORT</b>	<b>14</b>
<b>6. SHARIAH ADVISER'S REPORT</b>	<b>15</b>
<b>7. INDEPENDENT AUDITORS' REPORT</b>	<b>16</b>
<b>8. STATEMENT OF FINANCIAL POSITION</b>	<b>19</b>
<b>9. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>	<b>20</b>
<b>10. STATEMENT OF CHANGES IN NET ASSET VALUE</b>	<b>21</b>
<b>11. STATEMENT OF CASH FLOWS</b>	<b>22</b>
<b>12. NOTES TO THE FINANCIAL STATEMENTS</b>	<b>23</b>

## BSN DANA DIVIDEN AL IFRAH

### MANAGER'S REPORT

Dear Unit Holders,

Permodalan BSN Berhad act as a Manager and AmanahRaya Trustees Berhad act as a Trustee for BSN Dana Dividen Al-Ifrac, are pleased to present the Annual Report of BSN Dana Dividen Al-Ifrac for the financial year ended 31 December 2022.

#### 1. FUND INFORMATION

BSN Dana Dividen Al-Ifrac ("the Fund")																			
Fund Type	Income Fund																		
Fund Category	Equity Fund (Islamic)																		
Investment Objective	<p>The fund seeks to provide consistent income* by investing in Shariah-compliant equities with attractive dividend** yield and/or potential dividend yield.</p> <p><i>*Note: Distribution of income will be done by way of reinvestment into additional Units.</i></p> <p><i>**Note: "Attractive dividend" refers to stocks of companies which have provided an average gross dividend of at least 3% for the past 3 years from the latest financial year.</i></p> <p>Note: Any material changes to the investment objectives of the Fund would require the unitholders approval.</p>																		
Performance Benchmark	FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA)																		
Distribution Policy	Subject to the Manager's discretion and the availability of the Fund's realised income, distribution of income (if any) shall be made once in a financial year.																		
Unit Holdings	<p>On 31 December 2022, a total of 20 people have invested in BSN Dana Dividen Al-Ifrac. Breakdown of unit holdings are as follows:</p> <table border="1"><thead><tr><th>Size of Holdings</th><th>No. of Unitholders</th><th>No. Of Units Held</th></tr></thead><tbody><tr><td>5,000 and below</td><td>10</td><td>20,516</td></tr><tr><td>5,001 – 10,000</td><td>3</td><td>17,218</td></tr><tr><td>10,001 – 50,000</td><td>4</td><td>87,752</td></tr><tr><td>50,001 – 500,000</td><td>2</td><td>210,165</td></tr><tr><td>500,001 and above</td><td>1</td><td>254,234,043</td></tr></tbody></table>	Size of Holdings	No. of Unitholders	No. Of Units Held	5,000 and below	10	20,516	5,001 – 10,000	3	17,218	10,001 – 50,000	4	87,752	50,001 – 500,000	2	210,165	500,001 and above	1	254,234,043
Size of Holdings	No. of Unitholders	No. Of Units Held																	
5,000 and below	10	20,516																	
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10,001 – 50,000	4	87,752																	
50,001 – 500,000	2	210,165																	
500,001 and above	1	254,234,043																	

## BSN DANA DIVIDEN AL IFRAH

### 2. FUND PERFORMANCE

#### 2.1 Achievement of BSN Dana Dividen Al-Ifrac

For the financial year ended 31 December 2022, BSN Dana Dividen Al-Ifrac (“the Fund”) registered a return of -1.78% as compared to its Benchmark return of -10.80%, thus outperformed the Benchmark’s return by 9.02 percentage points.

For the financial year under review, the Fund did not declare any dividend distribution. Due to challenging market condition in the 2022, the Fund was unable to meet its investment objectives of providing investors with capital appreciation and income opportunities during the period under review.

#### 2.2 Asset Allocations

Asset allocations for BSN Dana Dividen Al-Ifrac are as follows:

Components of Asset Portfolio	%		
	2022	2021	2020
Quoted Shariah-compliant equity investments	75.55	68.42	69.79
Quoted Islamic collective investment schemes: Islamic Real Estate Investment Trusts (“REITs”)	5.70	2.54	7.84
Cash and other net assets	18.75	29.04	22.37
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

#### 2.3 Asset Allocation by Sector

Sector	RM		
	2022	2021	2020
Construction	1,855,027	-	2,759,835
Consumer Products & Services	3,253,782	9,973,140	3,463,792
Energy	2,837,212	-	-
Financial Services	4,393,744	1,275,000	3,627,248
Health Care	353,320	-	553,000
Industrial Products & Services	3,259,658	5,337,856	4,153,372
Plantation	619,650	2,254,026	2,848,639
Property	2,026,763	1,177,000	918,740
Collective Investment Schemes - REITS	2,562,442	1,164,211	3,684,707
Technology	2,807,113	1,184,000	3,566,418
Telecommunication & Media	3,698,430	3,980,000	2,543,505
Transportation & Logistics	1,965,750	670,455	1,024,317
Utilities	6,879,949	5,459,360	7,329,797
Cash	6,495,725	11,709,955	9,896,221

## BSN DANA DIVIDEN AL IFRAH

### 2.4 3-Year Financial Information

Net Asset Value (RM)	44,938,936	45,764,269	46,983,885
Net Asset Value per Unit (RM)	0.1765	0.1797	0.1844
Unit In Circulation	254,596,000	254,646,000	254,746,000
Selling Price per Unit (RM)	0.1765	0.1797	0.1844
Buying Price per Unit (RM)	0.1765	0.1797	0.1844
Selling Price per Unit (High) (RM)	0.1835	0.1879	0.1854
Buying Price per Unit (High) (RM)	0.1835	0.1879	0.1854
Selling Price per Unit (Low) (RM)	0.1694	0.1740	0.1473
Buying Price per Unit (Low) (RM)	0.1694	0.1740	0.1473
Total Fund Return (%)	(1.78)	(2.55)	(0.11)
Capital Growth (%)	(1.78)	(2.55)	(0.11)
Income Return (%)	-	-	-
Performance Fee (RM)	-	-	-
Gross Distribution per Unit (Sen)	-	-	-
Net Distribution per Unit (Sen)	-	-	-
Date of payment	-	-	-
Total Expenses Ratio (%) :	2.20	2.00	2.20
Portfolio Turnover Ratio (times) :	0.54	0.66	0.88

#### 2.4.1 Total Expenses Ratio

The Total Expenses Ratio for the financial year is higher than previous financial year mainly due to decrease in average net asset value of the fund. No performance fees incurred and included in total expenses ratio during the financial year.

#### 2.4.2 Portfolio Turnover Ratio

The Portfolio Turnover Ratio for the financial period is lower than previous financial period mainly due to decrease in trading activities during the financial period under review.

#### 2.4.3 Distribution of Income

There was no distribution was make out of the fund's capital, no breakdown of distribution sourced from income and capital, neither in value nor percentage of total distribution amount during the financial period under review.

## BSN DANA DIVIDEN AL IFRAH

### BASES OF CALCULATION

**i. Portfolio Composition**

Portfolio composition is calculated according to the market price on 31 December 2022.

**ii. Net Asset Value (NAV)**

NAV is the value of all the assets of the Fund less the value of all the liabilities at the valuation point divided by the number of units in circulation.

**iii. Selling Price per Unit**

The price payable by the applicant for a Unit pursuant to a successful application. Selling price per Unit is the NAV per Unit as at the valuation point and does not include any sales charge which may be imposed.

**iv. Buying Price per Unit**

The price payable to a unit holder pursuant to a successful application. Buying price per Unit is the NAV per Unit as at the valuation point and does not include any redemption charge which may be imposed.

**v. Capital Growth**

Capital growth is the difference of the purchase price from year to year.

**vi. Distribution of Income**

The distribution of income is calculated on the gross dividend divided by the selling price per Unit on the first day of the financial year.

$$\frac{\text{Gross Dividend}}{\text{Sale Price on The First Day of the same year}} \times 100$$

**vii. Total Expenses Ratio**

This ratio is calculated based on the ratio of the sum of fees and the recovered expenses of the unit trust fund to the average value of the unit trust fund calculated on a daily basis.

$$\frac{\text{Fees of the unit trust fund + Recovered expenses of the unit trust fund}}{\text{Average value of the unit trust fund calculated on a daily basis}} \times 100$$

**viii. Portfolio Turnover Ratio**

The calculation is as follows:

$$\frac{(\text{Total acquisitions of the fund for the year} + \text{Total disposals of the fund for the year}) / 2}{\text{Average value of the unit trust fund for the year calculated on a daily basis}}$$

**Note: Past performance of the Fund is not an indication of its future performance.**

**Unit prices and investment returns may go down, as well as up.**

## BSN DANA DIVIDEN AL IFRAH

### 3. MANAGER'S REPORT

#### 3.1 Fund and Benchmark Performance

Over a 5-year period, the Fund recorded a return of -15.21%, outperforming the benchmark return of -17.77% by 2.57 percentage points.

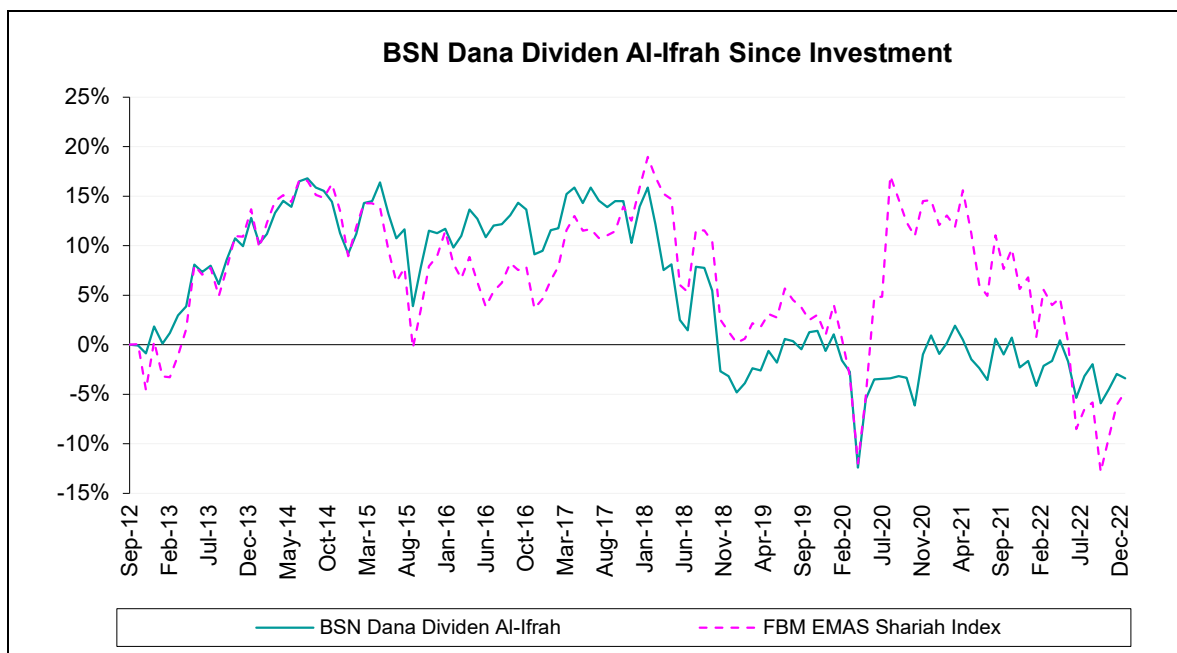
For the financial year 2022, the Fund registered a return of -1.78% as compared to its Benchmark's return of -10.80%, thus outperforming the Benchmark's return by 9.02 percentage points.

The selected performance benchmark for the Fund is FBM EMAS Shariah Index.

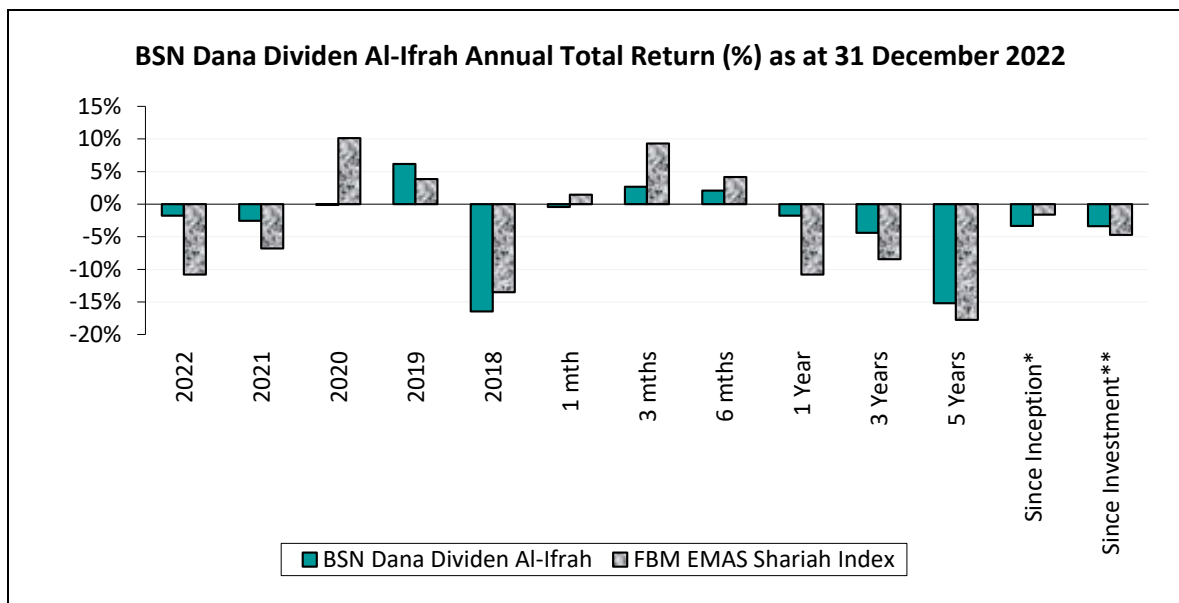
Our strategy is to remain focus on companies that are consistently paying attractive dividend yields and have potential earnings growth over the medium- to long-term.

As at 31 December 2022, the Fund has 81.25% exposure to Shariah-compliant equities and 18.75% exposure to cash. The total NAV of the Fund is RM44.94 million whereas the NAV per unit is RM0.1765.

The Fund did not declare any distribution of income for the period under review.



## BSN DANA DIVIDEN AL IFRAH



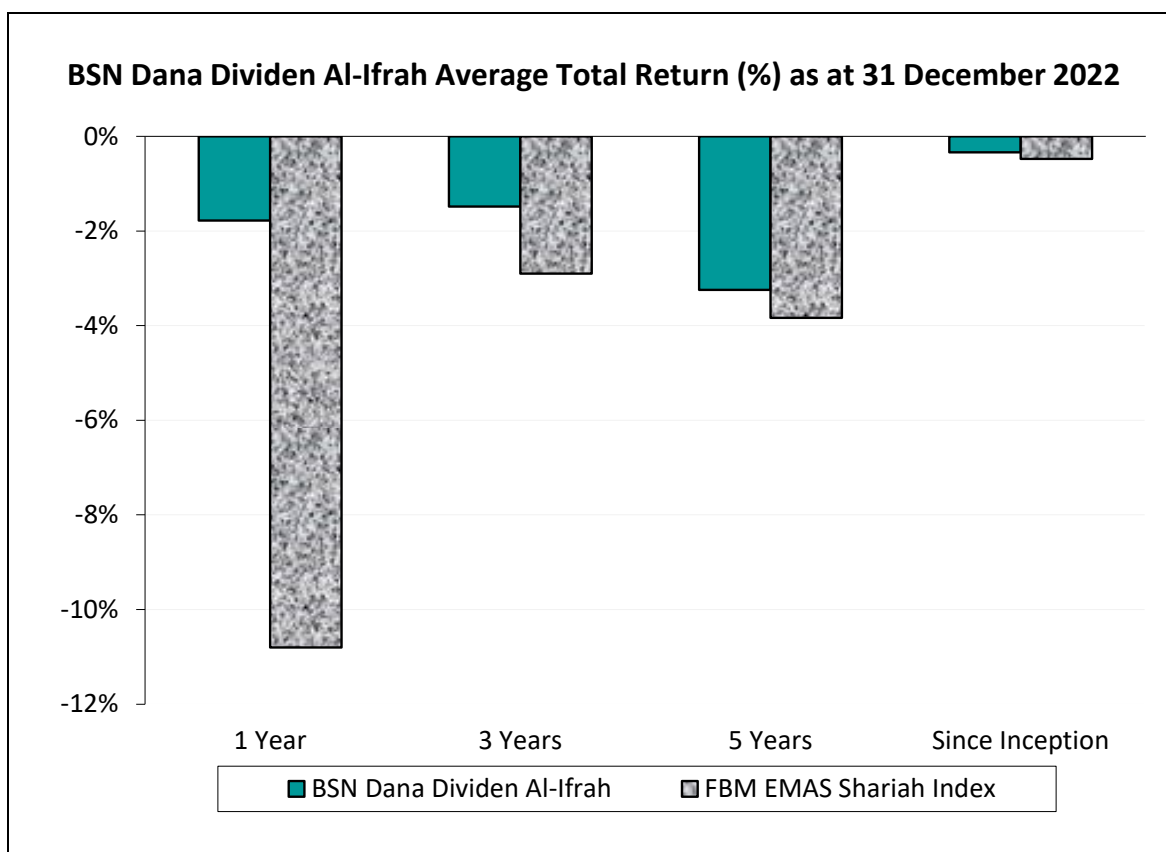
Annual Total Return		
%	BSN Dana Dividen Al-Ifrah	FBM EMAS Shariah Index
2022	(1.78)	(10.80)
2021	(2.55)	(6.81)
2020	(0.11)	10.14
2019	6.17	3.85
2018	(16.47)	(13.52)
1 month	(0.45)	1.44
3 month	2.68	9.30
6 month	2.08	4.14
1 year	(1.78)	(10.80)
3 year	(4.39)	(8.45)
5 year	(15.21)	(17.77)
Since Inception*	(3.34)	(1.62)
Since Investment**	(3.38)	(4.73)

\*starts from 12 September 2012

\*\*starts from 12 October 2012



## BSN DANA DIVIDEN AL IFRAH



Average Total Return (%)				
	1 year 1 Jan 2022 to 31 Dec 2022	3 years 1 Jan 2020 to 31 Dec 2022	5 years 1 Jan 2018 to 31 Dec 2022	Since Inception
BSN Dana Dividen Al-Ifrac	(1.78)	(1.48)	(3.24)	(0.34)
Benchmark (FBMSHA)	(10.80)	(2.90)	(3.84)	(0.47)

Source: All performance figures have been verified by Novagni Analytics and Advisory Sdn. Bhd.

**Note: Past performance of the Fund is not an indication of its future performance.**

**Unit prices and investment returns may go down, as well as up.**

## **BSN DANA DIVIDEN AL IFRAH**

### **3.2 Investment Policies**

The investment policies for BSN Dana Dividen Al Ifrah are to invest in permitted investment, especially into Shariah-compliant shares which are listed on Bursa Malaysia and also into other type of Shariah-compliant instruments, in line with Securities Commission's Guidelines on Unit Trust Funds.

### **3.3 Economic and Market Review**

#### **3.3.1 Economic Review**

Inflation dropped to 4.0% in November, higher than market estimates of 3.9%. Inflation was stable for both alcoholic beverages, tobacco (at 0.8%) and clothing (0.4%), while cost eased for both housing (1.4% vs 1.5% in October), transport (5.0% vs 5.2%), and furnishing & household maintenance (3.8% vs 4.1%). Meantime, prices accelerated for health (1.4% vs 1.0%), restaurant & hotels (7.0% vs 6.8%), recreation (3.6% vs 3.4%), and miscellaneous goods & services (2.6% vs 2.4%). Also, food prices rose 7.3%, the steepest rise on record, after a 7.1% gain in October. On a monthly basis, consumer prices increased 0.3% in November, after a 0.2% gain in October.

Retail trade grew 26.0% in October mainly contributed by increases in retail sales in non-specialised stores (1.4%), which grew 25.7% to RM21.6 million. On a month-on-month basis, retail trade grew 1.1%, mainly contributed by increases in retail sales in non-specialised stores (1.4%), retail sales in specialised stores (2.1%), and retail sales of automotive fuels (1.1%).

Producer prices advanced by 3.2% year-on-year in November, easing from a 4.0% rise a month earlier. The latest reading marked the lowest producer inflation since February 2021, due to softer rises in prices of both manufacturing (6.2% vs 7.3% in October) and water supply (4.2% vs 4.9%), amid a faster fall in prices of agriculture, forestry & fishing (-18.5% vs -18.2%). On the other hand, prices of electricity & gas supply grew more (1.4% vs 1.2%) while those of mining rebound (2.4% vs -0.5). On a monthly basis, producer prices increased 0.6% in November, after edging up 0.1% in October.

The unemployment rate declined to 3.6% in October from 4.3% in the same month a year earlier, pointing to the lowest reading since February 2020. The number of unemployed dropped 14.2% from a year earlier to 605,000 while employment increased 3.4% to 16.1 million. Meantime, the labour force gained 2.6% to 16.68 million. In September 2022, the jobless rate was at 3.6%.

## **BSN DANA DIVIDEN AL IFRAH**

### **3.3.2 Market Review**

The aggressiveness of the US Federal Reserve (Fed) in raising interest rates seven (7) times in 2022 had caused downward pressure on the equity market. It rattled sentiment given a rare of big move by the US Fed particularly when the global economy was still recovering from Covid-19 pandemic.

This is inevitable however, given generational high US inflation which reached a 40-year peak in June (9.1%) versus a year ago (5.4% in June 2021), much higher compared to the Fed target circa 2%. Full economic openings and strong impact of US's USD5 trillion economic stimulus (21.7% of GDP) gave the economy a strong lift. Inflation bore the brunt however, contributed as well by the steady rise in oil price, global supply-demand imbalance, and Russia transgression into Ukraine. This paves the way for the global equity market to end the year lower, led by NASDAQ (-33.1% YoY), Kospi (-24.9% YoY) and S&P (-19.4%).

The curveball by China also caused the global equity market to pullback following its decision to close the economy following the rapid emergence of new Covid-19 variant, Omicron. The zero-Covid policies in China caused mass closure in major cities, only adding to the yet-to-regularise global supply chain condition. China has been tough on this until the end of 2022, leading to intermittent shock to global sentiment. Combination of factors pushed its equity market to drop 14.6% year-on-year.

The FBM KLCI was also pressed to find a firm footing following the US Fed's decision. The FBM KLCI was building an upward momentum at more than 1,600 points early 2022, against a backdrop of recovering economy and corporate earnings. The equity benchmark dropped to beneath 1,500 points level in June 2022 and slumped further at below 1,400 points level in October 2022. The political uncertainties during 4Q2022 did not help matter. FBM KLCI closed 2022 at 1,495 points, 4.6% lower than last year despite the window dressing on the last few days of the year.

Over the last two years, the global pandemic outlook was a key driver of macroeconomic forecasts. Improved health outcomes have allowed governments to phase out social distancing measures and travel restrictions, while the remaining restrictions no longer do much harm to economic activity. However, 2022 was still a difficult year. Global inflation, the end of easy monetary policy, supply chain disruptions and an unprovoked war set the global markets on a downward path and the challenges the challenges persist as we enter 2023.

### **3.4 Market Outlook and Strategy**

We envisage 2023 to remain challenging as corporates adapt to the new policy and political landscape after the 15<sup>th</sup> General Election. Slower global growth, further rate hikes, and on-going Russia-Ukraine war leading to higher commodity prices, could still be in the cards in 2023. However, we expect these concerns to be priced in by 1<sup>st</sup> half this year. We also believe that the FBMKLCI and FBM EMAS Shariah Index downside

## **BSN DANA DIVIDEN AL IFRAH**

could be capped by expectations of its stronger earnings growth in 2023 with undemanding valuations.

We believe that investors have already priced in expectations that the pace of monetary tightening has past its peak. We have been consistent with our view that inflation has peaked and will subsequently ease.

We are also of the view that China's zero-Covid stance is increasingly unsustainable. With the announcement of wide-ranging relaxations of strict pandemic controls in Dec 2022 by China should be the biggest sign yet that China is shifting its focus from battling Covid-19 to stabilising its economy.

Domestic political risk has also abated somewhat post the 15<sup>th</sup> General Election. We think the investors will be looking closely to see if the new government will be able to offer political stability and policy continuity. This will have implications for longer-term trends for foreign flows and the ability of the new Government to unite the country.

All in all, we expect equity markets to remain volatile in 2023 with a positive bias. The positive impact of emerging catalysts from greater political clarity, peaking interest rate cycle, and the China re-opening process could however potentially be offset by investor reaction to weaker macroeconomic and corporate data points, and persistent foreign funds outflows.

### **3.5 Distribution of Income**

The fund did not declare any distribution of income for the financial year ended 31 December 2022.

### **3.6 Policy on Rebates and Soft Commissions**

For the financial year under review, the Manager received soft commission from brokers in the form of research materials. Any soft commissions received from the broker which are in the form of research material that assist in the decision-making process relating to the Fund's investment may be retained by the Manager. The soft commission received were for the benefit of the fund and there was no churning of trades. Any stock broking rebates received by the Manager will be directed to the account of the Fund.

## BSN DANA DIVIDEN AL IFRAH

### 3.7 Investment Allocation by Sector

Sector	Cost At 01.01.2022	Purchase At Cost	Sold At Cost	Mark up/ down to market value	Value At 31.12.2022
	RM	RM	RM	RM	RM
Construction	-	3,187,755	(1,378,341)	30,604	1,855,027
Consumer Products	10,042,668	3,321,849	(10,421,878)	311,143	3,253,782
Energy	-	2,657,807	-	179,404	2,837,212
Financial Services	1,241,152	3,206,672	-	(91,730)	4,393,744
Health Care	-	495,932	(123,925)	(18,687)	353,320
Industrial Products	5,112,014	3,459,427	(5,396,480)	84,698	3,259,658
Plantation	2,261,752	2,647,280	(4,279,924)	(9,458)	619,650
Property	1,077,852	3,659,993	(2,744,329)	33,247	2,026,763
REITS	1,143,564	1,392,572	-	(38,887)	2,562,442
Technology	878,915	5,726,063	(3,831,453)	33,588	2,807,113
Telecommunication	3,884,810	1,353,165	(1,629,132)	89,587	3,698,430
Transportation	694,418	2,357,229	(1,170,394)	84,497	1,965,750
Utilities	5,493,420	2,683,415	(1,383,767)	86,880	6,879,949
	<u>31,830,565</u>	<u>36,149,159</u>	<u>(32,359,623)</u>	<u>774,886</u>	<u>36,512,840</u>

### 3.8 Separation Unit

There is no separation unit performed during the financial year ended 31 December 2022.

### 3.9 State of Affairs of the Fund

There were two female directors appointed during the reporting period, however there were no significant changes to the state affairs of the Fund during the period under review other than the above-mentioned.

### 3.10 Circumstances that materially affects any interest of the Unit holders

During the financial period under review, there were no circumstances that materially affect any interest of the unit holders.

### 3.11 Cross-trade

During the financial period under review, no cross-trade transactions were undertaken by the Designated Fund Manager for the Fund.

### 3.12 Securities Financing Transactions

For the financial period under review, the Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as "securities financing transactions").

## **BSN DANA DIVIDEN AL IFRAH**

### **4. STATEMENT BY MANAGER**

We, **KAMARI ZAMAN BIN JUHARI** and **ASARAF ABOO BAKAR**, being two of the Directors of **PERMODALAN BSN BERHAD** (“the Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of **BSN DANA DIVIDEN AL-IFRAH** as at 31 December 2022 and of its financial performance and cash flows for the financial year then ended and comply with the requirements of the Deed.

Signed on behalf of the Board in accordance  
with a resolution of the Directors of the Manager,

**KAMARI ZAMAN BIN JUHARI**  
Director

**ASARAF ABOO BAKAR**  
Director

Kuala Lumpur  
Date : 24 February 2023

## **BSN DANA DIVIDEN AL IFRAH**

### **5. TRUSTEE’S REPORT**

To the unit holders of **BSN DANA DIVIDEN AL-IFRAH (“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, PERMODALAN BSN 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 Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For **AMANAHRAYA TRUSTEES BERHAD**

**ZAINUDIN BIN SUHAIMI**

Chief Executive Officer

Date : 31 January 2023

## **BSN DANA DIVIDEN AL IFRAH**

### **6. SHARIAH ADVISER'S REPORT**

To the unit holders of **BSN DANA DIVIDEN AL IFRAH (Fund)**,

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, **PERMODALAN BSN BERHAD** has operated and managed the Fund during the period 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 asset of the Fund comprises instruments that have been classified as Shariah-compliant.

For **TAWAFUQ CONSULTANCY SDN BHD**

**MUHAMMAD AIMAN MOHAMAD SALMI, CPIF CSAA**  
Director/ Principal Consultant

Kuala Lumpur  
Date: 24 February 2023



## **BSN DANA DIVIDEN AL IFRAH**

### **7. INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF BSN DANA DIVIDEN AL-IFRAH**

#### **Report on the Audit of the Financial Statements**

##### *Opinion*

We have audited the financial statements of **BSN DANA DIVIDEN AL-IFRAH** ("the Fund"), which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in net asset value and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 19 to 48.

In our opinion, the accompanying financial statements 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 year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the relevant Securities Commission Malaysia guidelines.

##### *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.

##### *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 the information included in the annual report of the Fund, 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.

## **BSN DANA DIVIDEN AL IFRAH**

If, based on the work we have performed, we conclude that there is a material misstatement of the this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Manager and Trustee for the Financial Statements*

The Manager of the Fund is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the relevant Securities Commission Malaysia guidelines. The Manager is also responsible for such internal control as the Manager determine is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

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 cease operations, or have 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.

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 skepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager' 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,

## **BSN DANA DIVIDEN AL IFRAH**

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.

- 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.

### **Other Matter**

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**SITI HAJAR BINTI OSMAN**  
**Partner - 03061/04/2023 J**  
**Chartered Accountant**

24 February 2023

**BSN DANA DIVIDEN AL IFRAH****8. STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	Note	2022 RM	2021 RM
<b>Assets</b>			
<b>Investment</b>			
Quoted Shariah-compliant equity investments	5	36,512,840	32,475,048
<b>Other Assets</b>			
Islamic deposits with licensed financial institutions	6	6,490,000	11,679,000
Dividend receivables		243,215	132,355
Profit income receivables		14,248	22,533
Tax recoverable		-	-
Amount owing from broker	7	2,238,014	1,503,772
Bank balances		5,725	30,955
<b>Total Asset</b>		<u>45,504,042</u>	<u>45,843,663</u>
<b>Unitholders' Fund and Liabilities</b>			
<b>Liabilities</b>			
Accrued expenses		23,757	22,623
Amount owing to broker	7	484,184	-
Amount owing to Manager	8	54,884	54,486
Amount owing to Trustee	9	2,281	2,285
<b>Total Liabilities</b>		<u>565,106</u>	<u>79,394</u>
<b>Unitholders' Fund</b>			
Unitholders' contribution	10(a)	62,911,080	62,920,015
Accumulated losses	10(b)(c)	(17,972,144)	(17,155,746)
<b>Net Asset Value ("NAV") Attributable to Unitholders</b>		<u>44,938,936</u>	<u>45,764,269</u>
<b>Total Unitholder's Fund and Liabilities</b>		<u>45,504,042</u>	<u>45,843,663</u>
<b>Number of Units in Circulation</b>	10(a)	<u>254,596,000</u>	<u>254,646,000</u>
<b>NAV Per Unit (Ex-Distribution)</b>		<u>0.1765</u>	<u>0.1797</u>

(The accompanying Notes form an integral part of the Financial Statements)

**BSN DANA DIVIDEN AL IFRAH****9. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	2022	2021
		RM	RM
<b>Investment Income</b>			
Net loss on financial assets at fair value through profit or loss:			
Realised loss on sales of Shariah-Compliant equity investments		(1,875,327)	(4,189,315)
Unrealised gain on changes in fair values		130,403	2,151,728
Dividend income		1,698,164	1,594,301
Profit income from Islamic deposits		221,017	164,463
Other income		8	207
		<u>174,265</u>	<u>(278,616)</u>
<b>Gross Income/(Loss)</b>			
<b>Expenditure</b>			
Management fee	11	(675,043)	(693,699)
Trustee's fee	12	(27,002)	(27,747)
Auditor's remuneration		(18,000)	(16,000)
Tax agent's fee		(4,800)	(4,800)
Administrative expenses		(265,818)	(180,524)
		<u>(990,663)</u>	<u>(922,770)</u>
Total Expenditure			
		<u>(816,398)</u>	<u>(1,201,386)</u>
<b>Loss before tax</b>			
Tax expense		-	-
		<u>(816,398)</u>	<u>(1,201,386)</u>
<b>Loss for the financial period/year, representing total comprehensive loss for the financial period/year</b>			
		<u>(816,398)</u>	<u>(1,201,386)</u>
<b>Loss for the financial period/year, representing total comprehensive loss for the financial period/year comprises the following:</b>			
Realised loss	10(b)	(946,801)	(3,353,114)
Unrealised gain	10(c)	130,403	2,151,728
		<u>(816,398)</u>	<u>(1,201,386)</u>
<b>Distribution for the financial period/year:</b>			
Net distributions	13	-	-
Gross/Net distribution per unit (sen)	13	-	-

(The accompanying Notes form an integral part of the Financial Statements)

**BSN DANA DIVIDEN AL IFRAH****10. STATEMENT OF CHANGES IN NET ASSET VALUE  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Unitholders' contribution RM</b>	<b>Accumulated losses RM</b>	<b>Total RM</b>
<b>As at 1 January 2021</b>	62,938,245	(15,954,360)	46,983,885
Loss for the year, representing total comprehensive loss for the year	-	(1,201,386)	(1,201,386)
Contributions by/ (Distribution to) unitholders of the Fund:			
Creation of units	10(a) -	-	-
Cancellation of units	10(a) (18,230)	-	(18,230)
Total transactions with unitholders of the Fund	<u>(18,230)</u>	<u>-</u>	<u>(18,230)</u>
<b>As at 31 December 2021</b>	<u>62,920,015</u>	<u>(17,155,746)</u>	<u>45,764,269</u>
<b>As at 1 January 2022</b>	62,920,015	(17,155,746)	45,764,269
Loss for the year, representing total comprehensive loss for the year	-	(816,398)	(816,398)
Distribution to unitholders of the Fund:			
Cancellation of units	10(a) (8,935)	-	(8,935)
<b>As at 31 December 2022</b>	<u>62,911,080</u>	<u>(17,972,144)</u>	<u>44,938,936</u>

(The accompanying Notes form an integral part of the Financial Statements)

**BSN DANA DIVIDEN AL IFRAH****11. STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS (USED IN)/FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of Shariah-complaint equity investments	30,003,228	30,680,610
Purchase of Shariah-complaint equity investments	(36,036,002)	(29,621,918)
Dividend received	1,587,304	1,565,137
Profit income received	229,310	142,581
Management fee paid	(674,645)	(696,292)
Trustee's fee paid	(27,006)	(27,851)
Auditors' remuneration paid	(16,000)	(14,040)
Tax agent's fee paid	(4,800)	(4,800)
Payment of administrative expenses	(266,684)	(190,020)
	<hr/>	<hr/>
Net Cash (Used In)/From Operating and Investing Activities	(5,205,295)	1,832,407
	<hr/>	<hr/>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Proceeds from creation of units	-	-
Payments for cancellation of units	(8,935)	(18,230)
Distribution paid	-	-
	<hr/>	<hr/>
Net Cash Used In Financing Activities	(8,935)	(18,230)
	<hr/>	<hr/>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(5,214,230)	1,814,177
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	11,709,955	9,895,778
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	6,495,725	11,709,955
	<hr/>	<hr/>
<b>Cash and cash equivalents comprise of:</b>		
Islamic deposits with licensed financial institutions	6,490,000	11,679,000
Bank balances	5,725	30,955
	<hr/>	<hr/>
	6,495,725	11,709,955
	<hr/>	<hr/>

(The accompanying notes form an integral part of the financial statements)

## **BSN DANA DIVIDEN AL IFRAH**

### **12. NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

#### **1. GENERAL INFORMATION**

The Fund was constituted pursuant to the execution of a Deed dated 9 February 2012 and First Supplemental Deed dated 22 December 2022 between Permodalan BSN Berhad (“the Manager”), AmanahRaya Trustees Berhad (“the Trustee”) and registered unitholders of the Fund.

The principal activity of the Fund is to invest in a portfolio of equity, equity-related securities, debentures, money market instruments and any such other securities and/or instruments as may be determined by the Manager that comply with Shariah requirements. Any material change to the investment objective of the Fund would require the unitholders’ approval. The Fund commenced operation on 12 September 2012.

The Manager, a company incorporated in Malaysia, is a wholly-owned subsidiary of Bank Simpanan Nasional (“BSN”). The Manager is principally engaged in the management of unit trust funds and fund management activities. The registered office and principal place of business of the Manager is located at Tingkat 2, Blok A, Wisma Bank Simpanan Nasional, 117 Jalan Ampang, 50450 Kuala Lumpur.

These financial statements were authorized for issue by the Board of Directors of the Manager in accordance with a resolution of directors on 24 February 2023.

#### **2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the relevant Securities Commission (“SC”) Malaysia guidelines.

##### **Adoption of Amendments to MFRSs**

In the current financial period, the Fund adopted all the Amendments to MFRSs issued by Malaysian Accounting Standards Board (“MASB”) that are relevant to its operations and effective for annual financial periods on or after 1 January 2022 as follows:

Amendments to MFRS 3	Reference to Conceptual Framework
Amendments to MFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021
Amendments to MFRS 116	Property, Plant, and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Costs of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020	

The adoption of the above does not give rise to any material financial effects on the financial statements of the Fund



## BSN DANA DIVIDEN AL IFRAH

### New MFRS and Amendments to MFRSs in Issue but Not Yet Effective

At the date of authorisation for issue of these financial statements, the new MFRS and Amendments to MFRSs which were in issue but not yet effective and not early adopted by the Fund are as listed below:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback <sup>3</sup>
MFRS 17	Insurance Contracts <sup>2</sup>
Amendments to MFRS 17	Insurance Contracts <sup>2</sup>
Amendments to MFRS 17	Initial Application of MFRS 9 and MFRS 17 - Comparative Information <sup>2</sup>
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current <sup>2</sup>
Amendments to MFRS 101	Disclosure of Accounting Policies <sup>2</sup>
Amendments to MFRS 101	Non-current Liabilities with Covenants <sup>3</sup>
Amendments to MFRS 108	Definition of Accounting Estimates <sup>2</sup>
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning before 1 January 2023

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

<sup>4</sup> Effective date defer to a date to be determined and announced by MASB.

The Manager of the Fund anticipates that the abovementioned applicable new MFRS and Amendments to MFRSs will be adopted in the annual financial statements of the Fund when they become effective. The adoption of these applicable new MFRS and Amendments to MFRSs will have no material impact on the financial statements of the Fund in the period of initial application.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Basis of Accounting

The financial statements of the Fund have been prepared under the historical cost convention except for certain financial assets and financial liabilities which are measured at fair values as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Fund takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of MFRS 2 *Share-based Payment*, leasing transactions that are within the scope of

## **BSN DANA DIVIDEN AL IFRAH**

MFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value-in-use in MFRS 136 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

### **3.2 Functional and Presentation Currency**

The financial statements are measured using the currency of the primary economic environment in which the Fund operates (“functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is also its functional currency.

### **3.3 Financial Instruments**

#### **(i) Recognition and Initial Measurement**

A financial asset or a financial liability 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 (“FVTPL”), transaction costs that are directly attributable to its acquisition or issuance.

#### **(ii) Financial Instrument Categories and Subsequent Measurement**

##### *Financial assets*

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.

##### *(a) Amortised cost*

Amortised cost category comprises financial assets that are held within a business model whose objectives 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 FVTPL. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit

## **BSN DANA DIVIDEN AL IFRAH**

method. The amortised cost is reduced by impairment losses. Profit income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The effective profit method is a method of calculating the amortised cost of a financial asset and of allocating the profit income over the relevant period. The effective profit rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instruments but does not consider future credit losses. Significant fees and transaction costs integral to the effective profit rate, as well as premiums or discounts are also considered.

### *(b) Fair value through profit or loss (“FVTPL”)*

All financial assets not measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designates a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminate or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised at FVTPL are subsequently measured at their fair value. Net gains or losses, including any profit or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at FVTPL, are subject to impairment assessment.

### *Financial Liabilities*

Financial liabilities are classified as measured at amortised cost.

A financial liability is any liability with contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

### *(a) Financial Liabilities Measured Subsequently at Amortised Cost*

Financial liabilities that are not held for trading, or designated as at FVTPL, are measured subsequently at amortised cost using the effective cost method.

The effective cost method is a method of calculating the amortised cost of a financial liability and of allocating profit charges over the relevant period. The effective charges is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective charges, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Fund’s significant other financial liabilities include accrued expenses, amounts owing to a broker, Manager and Trustee which are initially measured at fair value and subsequently measured at amortised cost.

## **BSN DANA DIVIDEN AL IFRAH**

### **(iii) Derecognition**

A financial asset or a 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 Shariah-compliant 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) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

## **3.4 Impairment of Financial Assets**

The Fund assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

The measurement of expected credit losses (“ECL”) is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the financial assets’ gross carrying amount at the end of each reporting year. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Fund applies the simplified approach under MFRS 9 which requires expected lifetime loss to be recognised from initial recognition. The expected loss allowance is based on provisional matrix.

## **3.5 Provisions**

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the amount required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material.

At the end of each reporting period, provisions are reviewed and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that the Fund will be required to settle the obligations.

## **BSN DANA DIVIDEN AL IFRAH**

### **3.6 Unitholders' Contribution**

The unitholders' contribution of the Fund meets the definition of puttable instruments and is classified as equity instruments.

Instruments classified as equity are measured at cost and are not remeasured subsequently.

Distribution equalisation is accounted for at the date of creation and cancellation of units of the Fund. It represents the average amount of distributable income or loss included in the creation and cancellation prices of units.

### **3.7 Net Asset Value Attributable to Unitholders**

Net asset value attributable to unitholders represents the redemption amount that would be payable if the unitholders exercised the right to redeem units of the Fund at the end of the reporting period.

### **3.8 Income Recognition**

Realised gain or loss on disposal of investments represents the difference between the net disposal proceeds and the carrying amount of the investments, computed on the weighted average cost basis.

Unrealised gains or losses comprise changes in the fair value of financial instruments for the reporting period.

Dividend income from investments is recognised when the right to receive dividend payment is established.

Profit income from Islamic deposits is recognised on a time proportion basis that reflects the effective yield on the asset.

### **3.9 Income Tax**

There is no tax charge as profit income derived by the Fund is exempted pursuant to Paragraph 35 and 35A, Schedule 6 of the Income Tax Act, 1967. Gains arising from realisation of investments are not treated as income pursuant to Paragraph 61(1)(b) of the Income Tax Act, 1967.

Pursuant to Public Ruling No. 7/2013 in Unit Trust Funds and Paragraph 12B, Schedule 6 of the Income Tax Act, 1967, single-tier dividends distributed by a resident company will be exempted from tax in Malaysia.

Pursuant to Public Ruling No. 5/2017 Taxation of Unit Holders of Real Estate Investment Trust/Property Trust Funds, unit holders are not required to declare the income from REIT as the tax withheld is a final tax.

### **3.10 Classification of Realised and Unrealised Gains and Losses**

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

## **BSN DANA DIVIDEN AL IFRAH**

Realised gains and losses on disposals of financial instruments classified at FVTPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal proceeds.

### **3.11 Dividend Distributions**

Dividend distributions are at the discretion of the Fund. A dividend distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where dividend is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' contribution. The amount is either refunded to unitholder by way of distribution and/or adjusted accordingly when units are cancelled.

A proposed dividend distribution is recognised as a liability in the period in which it is approved.

### **3.12 Operating Segments**

For management purposes, the Fund is organised into one main operating segment, which invests in various types of Shariah-compliant equity investments and Islamic deposits. All of the Fund's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant decisions are based upon analysis of the Fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

### **3.13 Statement of Cash Flows**

The Fund adopts the direct method in the preparation of statement of cash flows.

Cash and cash equivalents consist of bank balances and Islamic deposits, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

## **4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **4.1 Critical judgements in applying accounting policies**

In the process of applying the Fund's accounting policies, which are described in Note 3 above, the Manager is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

### **4.2 Key sources of estimation uncertainty**

The Manager believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**BSN DANA DIVIDEN AL IFRAH****5. QUOTED SHARIAH-COMPLIANT EQUITY INVESTMENTS**

Details of quoted Shariah-compliant equity investments are as follows:

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Construction</b>								
Gamuda Berhad	494,674	1,824,423	1,855,027	4.13	-	-	-	-
	<u>494,674</u>	<u>1,824,423</u>	<u>1,855,027</u>	<u>4.13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**BSN DANA DIVIDEN AL IFRAH**

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Consumer Products and Services</b>								
AEON Co. (M) Bhd	-	-	-	-	800,000	1,005,901	1,128,000	2.46
Ajinomoto (M) Berhad	-	-	-	-	80,500	1,388,863	1,239,700	2.71
Bermaz Auto Berhad	-	-	-	-	720,000	1,163,200	1,137,600	2.49
Dutch Lady Milk Industries Berhad	-	-	-	-	28,000	917,871	938,560	2.05
Fraser & Neave Holdings Berhad	-	-	-	-	47,000	1,249,491	1,162,780	2.54
Kawan Food Berhad	43,300	95,764	96,126	0.21	-	-	-	-
MBM Resources Bhd	-	-	-	-	290,000	902,394	928,000	2.03
Petronas Dagangan Berhad	40,800	831,006	938,400	2.09	45,000	897,414	927,000	2.03
Power Root Berhad	463,200	767,237	963,456	2.14	990,000	1,341,703	1,316,700	2.88
Sime Darby Berhad	546,000	1,248,632	1,255,800	2.79	515,000	1,175,832	1,194,800	2.61
	<u>1,093,300</u>	<u>2,942,639</u>	<u>3,253,782</u>	<u>7.23</u>	<u>3,515,500</u>	<u>10,042,669</u>	<u>9,973,140</u>	<u>21.80</u>



**BSN DANA DIVIDEN AL IFRAH**

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Energy</b>								
Hibiscus Petroleum Berhad	1,499,600	1,607,428	1,604,572	3.57	-	-	-	-
Velesto Energy Berhad	8,217,600	1,050,380	1,232,640	2.74	-	-	-	-
	<u>9,717,200</u>	<u>2,657,808</u>	<u>2,837,212</u>	<u>6.31</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Financial Services</b>								
Bank Islam Malaysia Berhad	640,800	1,813,394	1,749,384	3.89	425,000	1,241,152	1,275,000	2.79
Bursa Malaysia Berhad	192,800	1,252,990	1,282,120	2.85	-	-	-	-
Syarikat Takaful Malaysia Keluarga Berhad	396,000	1,419,090	1,362,240	3.03	-	-	-	-
	<u>1,229,600</u>	<u>4,485,474</u>	<u>4,393,744</u>	<u>9.77</u>	<u>425,000</u>	<u>1,241,152</u>	<u>1,275,000</u>	<u>2.79</u>

## BSN DANA DIVIDEN AL IFRAH

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Health Care</b>								
Kossan Rubber Industries Berhad	321,200	372,007	353,320	0.79	-	-	-	-
	<u>321,200</u>	<u>372,007</u>	<u>353,320</u>	<u>0.79</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Industrial Products and Services</b>								
Petronas Chemicals Group Berhad	251,500	2,105,485	2,162,900	4.81	102,000	748,579	909,840	1.99
SKP Resources Berhad	-	-	-	-	350,000	581,003	609,000	1.33
Sunway Berhad	-	-	-	-	647,800	1,105,997	1,114,216	2.43
Thong Guan Industries Berhad	-	-	-	-	495,000	1,356,833	1,386,000	3.03
UCHI Technologies Berhad	335,400	1,069,475	1,096,758	2.44	420,000	1,319,602	1,318,800	2.88
	<u>586,900</u>	<u>3,174,960</u>	<u>3,259,658</u>	<u>7.25</u>	<u>2,014,800</u>	<u>5,112,014</u>	<u>5,337,856</u>	<u>11.66</u>

**BSN DANA DIVIDEN AL IFRAH**

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Plantation</b>								
IOI Corporation Berhad	153,000	629,108	619,650	1.38	-	-	-	-
Kuala Lumpur Kepong Berhad	-	-	-	-	51,700	1,154,848	1,126,026	2.46
Sime Darby Plantation Berhad	-	-	-	-	300,000	1,106,904	1,128,000	2.46
	<u>153,000</u>	<u>629,108</u>	<u>619,650</u>	<u>1.38</u>	<u>351,700</u>	<u>2,261,752</u>	<u>2,254,026</u>	<u>4.92</u>
<b>Property</b>								
Matrix Concepts Holdings Berhad	<u>1,378,750</u>	<u>1,993,516</u>	<u>2,026,763</u>	<u>4.51</u>	<u>535,000</u>	<u>1,077,852</u>	<u>1,177,000</u>	<u>2.57</u>
	<u>1,378,750</u>	<u>1,993,516</u>	<u>2,026,763</u>	<u>4.51</u>	<u>535,000</u>	<u>1,077,852</u>	<u>1,177,000</u>	<u>2.57</u>

**BSN DANA DIVIDEN AL IFRAH**

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Real Estate Investment Trusts ("REIT")</b>								
AME REIT	54,200	61,246	63,414	0.14	-	-	-	-
Axis REIT	733,352	1,392,318	1,312,700	2.92	600,109	1,143,564	1,164,211	2.54
KLCC REIT	176,800	1,147,765	1,186,328	2.64	-	-	-	-
	<u>964,352</u>	<u>2,601,329</u>	<u>2,562,442</u>	<u>5.70</u>	<u>600,109</u>	<u>1,143,564</u>	<u>1,164,211</u>	<u>2.54</u>
<b>Technology</b>								
Frontken Corporation Berhad	446,600	1,264,302	1,375,528	3.06	-	-	-	-
Inari Amertron Berhad	548,500	1,509,223	1,431,585	3.19	296,000	878,915	1,184,000	2.59
	<u>995,100</u>	<u>2,773,525</u>	<u>2,807,113</u>	<u>6.25</u>	<u>296,000</u>	<u>878,915</u>	<u>1,184,000</u>	<u>2.59</u>

## BSN DANA DIVIDEN AL IFRAH

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Telecommunication and Media</b>								
Axiata Group Berhad	-	-	-	-	300,000	1,209,486	1,248,000	2.73
Telekom Malaysia Berhad	368,300	2,036,248	1,988,820	4.43	250,000	1,387,762	1,375,000	3.00
Time Dotcom Berhad	348,900	1,572,595	1,709,610	3.80	295,000	1,287,561	1,357,000	2.97
	<u>717,200</u>	<u>3,608,843</u>	<u>3,698,430</u>	<u>8.23</u>	<u>845,000</u>	<u>3,884,809</u>	<u>3,980,000</u>	<u>8.70</u>
<b>Transportation and Logistics</b>								
MISC Berhad	262,100	1,881,253	1,965,750	4.37	95,100	694,418	670,455	1.47
	<u>262,100</u>	<u>1,881,253</u>	<u>1,965,750</u>	<u>4.37</u>	<u>95,100</u>	<u>694,418</u>	<u>670,455</u>	<u>1.47</u>

**BSN DANA DIVIDEN AL IFRAH**

Name of company	2022				2021			
	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %	Number of shares	Purchase cost RM	Market value RM	Market value as a percentage of NAV %
<b>Utilities</b>								
Gas Malaysia Berhad	529,300	1,596,120	1,725,518	3.84	517,900	1,450,648	1,372,435	3.00
Mega First Corporation Berhad	351,900	1,220,503	1,168,308	2.60	255,000	878,871	892,500	1.95
Petronas Gas Berhad	93,100	1,562,230	1,593,872	3.55	77,000	1,293,495	1,386,000	3.03
Taliworks Corporation Berhad	1,249,300	1,124,297	1,080,645	2.40	525,000	470,275	454,125	0.99
Tenaga Nasional Berhad	136,200	1,289,919	1,311,606	2.92	145,000	1,400,131	1,354,300	2.96
	<u>2,359,800</u>	<u>6,793,069</u>	<u>6,879,949</u>	<u>15.31</u>	<u>1,519,900</u>	<u>5,493,420</u>	<u>5,459,360</u>	<u>11.93</u>
Total portfolio investment	<u>20,273,176</u>	<u>35,737,954</u>	<u>36,512,840</u>	<u>81.25</u>	<u>10,198,109</u>	<u>31,830,565</u>	<u>32,475,048</u>	<u>70.97</u>
Unrealised gain on changes in fair value (Note 10(c))		<u>774,886</u>				<u>644,483</u>		
Fair value of quoted Shariah-compliant equity investments		<u>36,512,840</u>				<u>32,475,048</u>		

## **BSN DANA DIVIDEN AL IFRAH**

### **6. ISLAMIC DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS**

The effective profit rates for the Islamic deposits with licensed financial institutions ranged from 1.90% to 3.20% (2021: 1.55% to 2.05%) per annum. The deposits have a maturity period of 1 day to 77 days (2021: 3 days to 92 days).

### **7. AMOUNT OWING FROM/(TO) BROKER**

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
Amount owing from broker in respect of:		
Sales of Shariah-compliant equity investments	<u>2,238,014</u>	<u>1,503,772</u>
Amount owing to broker in respect of:		
Purchase of Shariah-compliant equity investments	<u>(484,184)</u>	<u>-</u>

Amount owing from/(owing to) broker is unsecured and interest free (2021: interest free). The settlement period is within 2 to 3 working days from the deal date.

### **8. AMOUNT OWING TO MANAGER**

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
Amount owing to Manager in respect of:		
Management fee	<u>54,884</u>	<u>54,486</u>

Amount owing to Manager is unsecured, interest free (2021: interest free) and payable on demand.

### **9. AMOUNT OWING TO TRUSTEE**

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
Amount owing to Trustee in respect of:		
Trustee fee	<u>2,281</u>	<u>2,285</u>

Amount owing to Trustee is unsecured, interest free (2021: interest free) and payable on demand.

## BSN DANA DIVIDEN AL IFRAH

### 10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Note	2022 RM	2021 RM
Unitholders' contribution	(a)	62,911,080	62,920,015
Accumulated losses:			
- Realised loss - distributable	(b)	(18,747,030)	(17,800,229)
- Unrealised gain - non-distributable	(c)	774,886	644,483
		<u>(17,972,144)</u>	<u>(17,155,746)</u>
		<u>44,938,936</u>	<u>45,764,269</u>

#### (a) Unitholders' contribution/units in circulation

	2022		2021	
	Number of units	RM	Number of units	RM
At beginning of the financial year	254,646,000	62,920,015	254,746,000	62,938,245
Creation during the financial year	-	-	-	-
Cancellation during the financial year	<u>(50,000)</u>	<u>(8,935)</u>	<u>(100,000)</u>	<u>(18,230)</u>
At end of the financial year	<u>254,596,000</u>	<u>62,911,080</u>	<u>254,646,000</u>	<u>62,920,015</u>

#### (b) Realised loss - distributable

	Note	2022 RM	2021 RM
At beginning of the financial year		(17,800,229)	(14,447,115)
Net realised loss for the financial year	13	<u>(946,801)</u>	<u>(3,353,114)</u>
At end of the financial year		<u>(18,747,030)</u>	<u>(17,800,229)</u>



## BSN DANA DIVIDEN AL IFRAH

### (c) Unrealised gain/(loss) - non-distributable

	Note	2022 RM	2021 RM
At beginning of the financial year		644,483	(1,507,245)
Net unrealised gain for the financial year		<u>130,403</u>	<u>2,151,728</u>
At end of the financial year	5	<u><u>774,886</u></u>	<u><u>644,483</u></u>

### 11. MANAGEMENT FEE

The First Supplemental Master Prospectus dated 29 March 2019 provides that the Manager is entitled to an annual management fee of up to 1.5% (2021: 1.5%) per annum of the NAV of the Fund calculated on a daily basis.

### 12. TRUSTEE'S FEE

The Master Prospectus dated 24 November 2016 provides that the Trustee is entitled to an annual Trustee's fee of 0.06% (2021: 0.06%) of the NAV of the Fund calculated on a daily basis.

### 13. DISTRIBUTIONS

The distribution to unitholders is from the following sources:

	2022 RM	2021 RM
Realised loss on sale of Shariah-Compliant equity investments	(1,875,327)	(4,189,315)
Dividend income	1,698,164	1,594,301
Profit income from Islamic deposits	221,017	164,463
Other income	8	207
Undistributed realised loss for the financial year carried forward (Note 10(b))	<u>946,801</u>	<u>3,353,114</u>
	990,663	922,770
Less: Total expenditure	<u>(990,663)</u>	<u>(922,770)</u>
Total amount of distributions	<u><u>-</u></u>	<u><u>-</u></u>
Gross/Net distribution per unit (sen)	<u><u>-</u></u>	<u><u>-</u></u>

## BSN DANA DIVIDEN AL IFRAH

### 14. TRANSACTIONS WITH BROKERS

Transactions with brokers during the financial period are as follows:

Brokers	2022		2021		2021		2021	
	Transaction value RM	%	Brokerage fees and commissions RM	%	Transaction value RM	%	Brokerage fees and commissions RM	%
Affin Hwang Investment Bank Berhad	1,501,957	2.25	5,706	2.39	9,356,502	16.22	26,887	17.78
AmInvestment Bank Berhad	-	-	-	-	858,004	1.49	2,173	1.43
BIMB Securities Sdn Bhd	9,630,715	14.40	31,665	13.29	8,371,147	14.52	19,054	12.60
CIMB Investment Bank Berhad	17,217,128	25.74	65,520	27.50	1,288,309	2.23	3,913	2.59
Credit Suisse (Malaysia) Sdn Bhd	1,966,595	2.94	7,470	3.14	-	-	-	-
Hong Leong Investment Bank Berhad	-	-	-	-	566,666	0.98	1,787	1.18
JF Apex Securities Berhad	8,712,440	13.03	29,165	12.24	8,529,482	14.79	20,887	13.81
KAF Equities Sdn Bhd	-	-	-	-	1,128,226	1.96	3,119	2.06
M&A Securities Sdn Bhd	10,280,570	15.37	34,034	14.29	10,003,617	17.35	21,673	14.33
Maybank Investment Bank Berhad	5,029,646	7.52	17,342	7.28	7,618,141	13.21	22,318	14.75
MIDF Amanah Investment Bank Berhad	4,588,093	6.85	17,078	7.17	7,946,747	13.77	22,894	15.14
RHB Investment Bank Berhad	7,959,486	11.90	30,252	12.70	2,004,128	3.48	6,549	4.33
	<u>66,886,630</u>	<u>100.00</u>	<u>238,232</u>	<u>100.00</u>	<u>57,670,969</u>	<u>100.00</u>	<u>151,254</u>	<u>100.00</u>

## BSN DANA DIVIDEN AL IFRAH

### 15. UNITS HELD BY THE MANAGER AND RELATED PARTIES

As of the end of the reporting period, the total number and value of units held by the Manager and related parties are as follows:

	2022		2021	
	Number of units	Value at NAV RM	Number of units	Value at NAV RM
Bank Simpanan Nasional (Holding company of the Manager)	254,234,043	44,872,309	254,234,043	45,685,858
Permodalan BSN Berhad (the Manager, wholly-owned by BSN)	<u>26,306</u>	<u>4,643</u>	<u>65,805</u>	<u>11,825</u>
	<u>254,260,349</u>	<u>44,876,952</u>	<u>254,299,848</u>	<u>45,697,683</u>

The directors of the Manager are of the opinion that the transactions with the related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

### 16. TOTAL EXPENSE RATIO

The total expense ratio of the Fund for the financial year ended 31 December 2022 is 2.20% (2021: 2.00%). It is the ratio of all the fees deducted from the Fund including management fee, Trustee's fee, auditors' remuneration, tax agent's fee plus expense charged to the Fund expressed as a percentage of the Fund's average NAV, calculated on a daily basis.

### 17. PORTFOLIO TURNOVER RATIO

The portfolio turnover ratio of the Fund for the financial year ended 31 December 2022 is 0.54 times (2021: 0.66 times). It is the ratio of average of the total acquisitions and disposals of investment in the Fund to the average NAV of the Fund, calculated on a daily basis.

### 18. OPERATING SEGMENTS

The Investment Committee of the Manager, being the operating decision-maker, makes the strategic decision on the resource allocation of the Fund. The decisions are based on an integrated investment strategy to ensure the Fund achieves its targeted return with an acceptable level of risk within the portfolio.

The Investment Committee is responsible for the performance of the Fund by investing a minimum of 70% of the Fund's NAV in Shariah-compliant stocks and shares of companies quoted on Bursa Securities. The Fund will also invest up to 30% of the Fund's NAV in liquid assets including Islamic money market instruments and Islamic deposits.

## BSN DANA DIVIDEN AL IFRAH

On this basis, the Investment Committee considers the business of the Fund to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investments strategy and the Fund's performance is evaluated on an overall basis.

The internal reporting provided for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

There were no changes in the reportable operating segments during the financial year.

### 19. FINANCIAL RISK MANAGEMENT

#### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

##### Categories of Financial Instruments

	2022 RM	2021 RM
<b>Financial assets</b>		
<b>Carried at FVTPL:</b>		
Quoted Shariah-compliant equity investments	36,512,840	32,475,048
<b>Amortised cost:</b>		
Islamic deposits with licensed financial institutions	6,490,000	11,679,000
Dividend receivables	243,215	132,355
Profit income receivables	14,248	22,533
Tax recoverable	-	-
Amount owing from broker	2,238,014	1,503,772
Bank balances	5,725	30,955
	<u>45,504,042</u>	<u>45,843,663</u>
<b>Financial liabilities:</b>		
<b>Amortised cost:</b>		
Accrued expenses	23,757	22,623
Amount owing to broker	484,184	-
Amount owing to Manager	54,884	54,486
Amount owing to Trustee	2,281	2,285
	<u>565,106</u>	<u>79,394</u>

The Fund's activities are exposed to market risk, credit risk and liquidity risk. The Fund's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

Financial risk management is carried out through policy reviews, internal control systems and adherence to the investment powers and restrictions stipulated in the SC's Guidelines on Unit Trust Funds in Malaysia.

## **BSN DANA DIVIDEN AL IFRAH**

### **(a) Market Risk**

Market risk arises due to changing market conditions as a result of regulatory, political, economic and business environment. Such changes can result in stock market fluctuations which may affect the Fund's underlying investments which will cause the NAV of the Fund to fall or rise. Market risk cannot be eliminated but may be reduced through diversification. The Manager diversify the portfolio and monitor the investment climate and market conditions to take measures, where necessary and appropriate, to mitigate this risk.

#### Price Risk

Price risk is the risk that the fair values of equity securities decrease as a result of changes in the level of equity indices and the value of individual securities. It is the Fund's policy to maximise returns for the least amount of risk and the Manager selects securities that are fundamentally sound with good growth potential.

The Fund's Shariah-compliant securities are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Fund's overall market position is monitored on a daily basis by the Fund's Investment Manager.

The Fund only invests in Shariah-compliant securities issued in Malaysia and the Fund's market price risk is managed through diversification of the investment portfolio ratios by exposures.

## BSN DANA DIVIDEN AL IFRAH

The table below shows the diversification of the Fund's investment portfolio as at the end of the reporting period.

<b>2022</b>		
<b>Industry</b>	<b>RM</b>	<b>% NAV</b>
Construction	1,855,027	4.13
Consumer products and services	3,253,782	7.23
Energy	2,837,212	6.31
Financial services	4,393,744	9.77
Health care	353,320	0.79
Industrial products and services	3,259,658	7.25
Plantation	619,650	1.38
Property	2,026,763	4.51
REIT	2,562,442	5.70
Technology	2,807,113	6.25
Telecommunication and media	3,698,430	8.23
Transportation and logistics	1,965,750	4.37
Utilities	6,879,949	15.31
	<u>36,512,840</u>	<u>81.25</u>

<b>2021</b>		
<b>Industry</b>	<b>RM</b>	<b>% NAV</b>
Consumer products and services	9,973,140	21.80
Financial services	1,275,000	2.79
Industrial products and services	5,337,856	11.66
Plantation	2,254,026	4.92
Property	1,177,000	2.57
REIT	1,164,211	2.54
Technology	1,184,000	2.59
Telecommunication and media	3,980,000	8.70
Transportation and logistics	670,455	1.47
Utilities	5,459,360	11.93
	<u>32,475,048</u>	<u>70.97</u>

The overall market position is monitored on a daily basis by the Manager. The Manager will determine which industry may benefit from current and future changes in the economy when undergoing the process of sector allocation. The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's daily NAV.

If prices for quoted Shariah-compliant investments as at the end of the reporting period strengthened by 5% with all other variables being held constant, the Fund's profit before taxation and NAV would have increased by RM1,825,642. A 5% weakening in the quoted prices would have had an equal but opposite effect on the profit before taxation and NAV respectively. This is for illustration purpose only and is not an indication of future variances.

The Manager has in place a system for the monitoring of the Fund's transactions to ensure compliance with the SC's Guidelines on Unit Trust Funds in Malaysia and the Fund's limits and investment restrictions in accordance with the parameters in the Deed.

## BSN DANA DIVIDEN AL IFRAH

### (b) Credit Risk

Credit risk refers to the inability of an issuer or a counterparty to make timely payments of profit, principal and proceeds from realisation of investments.

Credit risk arising from placements of Islamic deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For amount owing from broker, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Securities. All transactions in listed Shariah-compliant securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of Shariah-compliant securities sold is only made once the broker has received payment. Payment is made on a purchase once the Shariah-compliant securities have been received by the broker. If either party fails to meet their obligation, the trade will fail.

The settlement terms of the proceeds from the creation of units receivable from the Manager and redemption of units payable to the Manager are governed by the SC's Guidelines on Unit Trust Funds in Malaysia.

The maximum exposure to credit risk before any credit enhancements as at the end of the reporting period is the carrying amount of the financial assets as set out below:

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
Islamic deposits with licensed financial institutions	6,490,000	11,679,000
Dividend receivables	243,215	132,355
Profit income receivables	14,248	22,533
Amount owing from broker	2,238,014	1,503,772
Bank balances	5,725	30,955
	<u>8,991,202</u>	<u>13,368,615</u>

### (c) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund maintains sufficient level of liquid assets with minimum level of 10% of the NAV of the Fund to meet anticipated payments and cancellation of units by unitholders. Islamic money market instruments which include Islamic term deposits, Islamic repurchase agreements and short term cash placements with licensed financial institutions, will be used to maintain the Fund's liquidity position and as a short term alternative measure when the equity market experiences excessive volatility.

## **BSN DANA DIVIDEN AL IFRAH**

The Fund shall not borrow in connection with its activities or lend any of its cash or investments unless permitted by the SC's Guidelines on Unit Trust Funds in Malaysia and any Guidance Notes issued by the SC from time to time or other laws or regulations pertaining to unit trusts.

As of the current and previous financial year, all the financial liabilities of the Fund are due on demand or within one year from the end of the reporting period.

### **(d) Capital Risk Management**

The Manager is responsible for identifying and controlling risks. The Board of Directors of the Manager is ultimately responsible for the overall risk management approach within the Fund.

Monitoring and controlling risk are primarily set up to be performed based on limits established by the Manager and the Trustee. These limits reflect the investment strategy and market environment of the Fund's investments as well as the level of the risk that the Manager is willing to accept. In addition, the Manager monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risk type and activities.

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy. The Manager also has a Compliance Department to ensure that the Fund complies with the various regulations and guidelines stipulated in its Trust Deed, the SC's Guidelines on Unit Trust Funds in Malaysia.

It is, and has been throughout the current and previous financial year, the Fund's policy that no derivatives shall be undertaken for either investment risk management purposes.

The capital is represented by unitholders' subscription to the Fund. The amount of capital can change significantly on a daily basis as the fund is subject to daily redemption and subscription at the discretion of unitholders. The Manager manages the Fund's capital in accordance with its objective, while maintaining sufficient liquidity to meet unitholders' redemption.



## BSN DANA DIVIDEN AL IFRAH

### 20. FINANCIAL RISK MANAGEMENT

Except as detailed in the table below, the carrying amounts of the financial assets and financial liabilities as reported in the statement of financial position as at 30 June 2022 and 31 December 2021 approximate their fair values due to the relatively short-term nature of these financial instruments.

#### Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>2022</b>				
<b>Financial asset at FVTPL</b>				
Quoted Shariah-compliant equity investments	<u>36,512,840</u>	<u>-</u>	<u>-</u>	<u>36,512,840</u>
<b>2021</b>				
<b>Financial asset at FVTPL</b>				
Quoted Shariah-compliant equity investments	<u>32,475,048</u>	<u>-</u>	<u>-</u>	<u>32,475,048</u>

## **BSN DANA DIVIDEN AL IFRAH**

### **CORPORATE INFORMATION**

#### **MANAGER**

Permodalan BSN Berhad : 199401034061 (319744-W)  
License No.for Capital Market Services : CMSL/A0156/2007

#### **REGISTERED/ BUSINESS OFFICE**

Tingkat 2, Blok A,  
Wisma Bank Simpanan Nasional,  
117 Jalan Ampang,  
50450 Kuala Lumpur  
E - mail : info@pbsn.com.my  
Tel : 03 - 2634 2200  
Faks : 03 - 2177 1300  
Website : www.pbsn.com.my

#### **BOARD OF DIRECTORS**

Encik Asaraf bin Aboo Bakar  
Encik Kamari Zaman bin Juhari  
Encik Roslani bin Hashim (resigned w.e.f 1 January 2022)  
Encik Norahmadi bin Sulong  
Datin Zainab binti Hj. Md. Shariff (appointed w.e.f 1 April 2022)  
Puan Sharizad binti Juma'at (appointed w.e.f 1 July 2022)  
Encik Mohamad Hamdi bin Mohamad Khir)

#### **CHIEF EXECUTIVE OFFICER**

Encik Mohamad Hamdi bin Mohamad Khir (appointed w.e.f 14 January 2022)

#### **COMPANY SECRETARY**

Puan Nor Eliza Bt Musa  
MAICSA No 1035207

#### **ADVOCATES & SOLICITORS**

SOON, GAN DION & PARTNERS  
1st Floor, No. 73, Jalan SS 21/1A  
Damansara Utama  
47400 Petaling Jaya

#### **PRINCIPAL BANKER**

Affin Islamic Bank Berhad  
Kuala Lumpur Main,  
133, Jalan Bunus  
Off Jalan Masjid India  
50100 Kuala Lumpur

#### **TRUSTEE**

AmanahRaya Trustees Berhad : 200701008892 (766894-T)  
Level 14, Wisma AmanahRaya,  
No 2, Jalan Ampang,  
50508 Kuala Lumpur

## **BSN DANA DIVIDEN AL IFRAH**

### **SHARIAH ADVISER**

Tawafuq Consultancy Sdn Bhd: 201501036171 (1161491-M)  
Suite 10.01, Level 10, Menara Atlan  
161B, Jalan Ampang  
Persiaran KLCC  
50450 Kuala Lumpur

### **AUDITOR**

Deloitte PLT (LLP0010145-LCA)  
Chartered Accountants (AF0080)  
Level 16, Menara LGB  
1, Jalan Wan Kadir  
Taman Tun Dr. Ismail  
60000 Kuala Lumpur

### **TAX ADVISER**

CROWE KL TAX SDN BHD (10709-X)  
(Formerly know as Crowe Horwath KL Tax Sdn Bhd)  
Level 15, Tower C  
Megan Avenue 2  
No. 12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur

### **INDEPENDENT CONSULTANT**

Novagni Analytics and Advisory Sdn Bhd : 199501033943 (363145-W)  
Level 42, Menara TH Perdana  
1001, Jalan Sultan Ismail  
50250 Kuala Lumpur

# **BSN DANA DIVIDEN AL - IFRAH**

**Managed by Permodalan BSN Berhad 199401034061(319744-W)**

**Tingkat 2, Blok A, Wisma Bank Simpanan Nasional,  
117 Jalan Ampang, 50450 Kuala Lumpur.**

**Tel: 03- 2634 2200 Faks: 03- 2177 1300**

**Email : [info@pbsn.com.my](mailto:info@pbsn.com.my)**

**Website : [www.pbsn.com.my](http://www.pbsn.com.my)**