



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

BOSWM ISLAMIC DEPOSIT FUND

SEMI-ANNUAL REPORT
For the interim period ended 30 June 2022

CONTENTS

Fund Information	2
Fund Performance	3
Manager's Report	9
Operational Review	
Performance Review	
Investment Strategy Review	
Asset Allocation	
Securities Financing Transactions	
Analysis Of Net Asset Value	
Market Review	
Income Distribution	
Unit Split	
Significant Changes In The State Of Affairs Of The Fund	
Changes In The Fund's Prospectus	
Circumstances That Materially Affect Interest Of Unitholders	
Crossed Trade Transactions That Have Been Carried Out	
Soft Commissions	
Report Of The Trustee	13
Shariah Adviser's Report	14
Statement By The Manager	15
Unaudited Statement Of Financial Position	16
Unaudited Statement Of Comprehensive Income	17
Unaudited Statement Of Changes In Net Asset Value	18
Unaudited Statement Of Cash Flows	19
Notes To The Unaudited Financial Statements	20

**FUND INFORMATION
As At 30 June 2022**

Name Of Fund : BOSWM Islamic Deposit Fund

Manager Of Fund : BOS Wealth Management Malaysia Berhad
199501006861 (336059-U)

Launch Date : 28 February 2018

With effect from 15 December 2021, the Fund was segregated into Class A and Class B where individual unitholders will be designated to Class A and non-individual unitholders will be designated to Class B.

The Fund will continue its operations until terminated as provided under Part 12 of the Deed.

Category Of Fund : Money market (Islamic)

Type Of Fund : Income

Investment Objective : BOSWM Islamic Deposit Fund aims to provide stability of capital, regular income[□] and liquidity by investing in Islamic cash deposits and/or Islamic money market instruments.

[□] Income is in reference to the Fund's distribution, which will be in the form of cash or units.

Performance Benchmark : Maybank Islamic Overnight Deposit Rate

Distribution Policy : Monthly, depending on the availability of realised income and/or realised gains and at the Manager's discretion.

Fund Size : 1,223.74 million units

Breakdown Of Unitholdings	Size Of Holdings	No. Of Unitholders	% Of Unitholders	No. Of Units (million)
	5,000 units & below	1	4.76	0.00
	5,001-10,000 units	-	-	-
	10,001-50,000 units	-	-	-
	50,001-500,000 units	2	9.52	0.30
	500,001 units & above	18	85.72	1,223.44
	Total	21	100.00	1,223.74

FUND PERFORMANCE

Financial Highlights

Category	As At 30.6.2022	As At 31.12.2021	As At 31.12.2020	As At 31.12.2019
	%	%	%	%
Cash And Islamic Money Market Instruments	100.00	100.00	100.00	100.00
Net Asset Value (RM'000)	1,235,578	858,244	1,360,965	959,051
Number Of Units In Circulation (Units '000)	1,223,744	857,770	1,361,039	959,033
Net Asset Value Per Unit (RM)	1.0097	1.0006	1.0000*	1.0001*
Total Expense Ratio ("TER")	0.13%	0.27%	0.27%	0.27%
Portfolio Turnover Ratio (times)#	Not applicable	Not applicable	Not applicable	Not applicable

The Total Expense Ratio for the current interim period remains consistent with that of the previous interim period. (30 June 2021: 0.14%). The Fund does not charge performance fee.

The Fund only has placements with Islamic financial institutions.

Notes:

The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

* Price quoted is ex-distribution.

Source Of Distribution	1.1.2022 to 30.6.2022 RM'000	1.1.2021 to 31.12.2021 RM'000	1.1.2020 to 31.12.2020 RM'000	1.1.2019 to 31.12.2019 RM'000
Class A**				
- Net realised income	-	14,535	29,745	32,796
- Capital (distribution equalisation)	-	(87)	93	50
Total distributions	-	14,448	29,838	32,846
Class A**	%	%	%	%
- Net realised income	-	100.60	99.69	99.85
- Capital (distribution equalisation)	-	(0.60)	0.31	0.15
Total distributions	-	100.00	100.00	100.00
Class B				
- Net realised income	-	540	-	-
- Capital (distribution equalisation)	-	(30)	-	-
Total distributions	-	510	-	-
Class B	%	%	%	%
- Net realised income	-	105.88	-	-
- Capital (distribution equalisation)	-	(5.88)	-	-
Total distributions	-	100.00	-	-

** Inclusive of distribution to unitholders at fund level prior to 15 December 2021.

Performance Data

	1/1/2022 - 30/6/2022 6 Months' Period	1/1/2021 - 31/12/2021 1 Year's Period	1/1/2019 - 31/12/2021 3 Years' Period	28/2/2018 - 31/12/2021 Since Inception	
BOSWM Islamic Deposit Fund (Class A)					
- Total Return	0.00%	1.71%	7.52%	9.35%	
- Average Return	-	1.71%	2.51%	2.43%	
Maybank Islamic Overnight Deposit Rate					
- Total Return	0.16%	0.25%	2.61%	4.26%	
- Average Return	-	0.25%	0.87%	1.11%	
					Since Inception
	1/1/2022 - 30/6/2022	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019	28/2/2018 - 31/12/2018
BOSWM Islamic Deposit Fund (Class A)					
- Capital Return	0.00%	0.09%	0.00%	-0.02%	0.02%
- Income Return	0.00%	1.62%	2.31%	3.35%	1.68%
- Total Return	0.00%	1.71%	2.31%	3.33%	1.70%
Maybank Islamic Overnight Deposit Rate	0.16%	0.25%	0.63%	1.71%	1.55%
	1/1/2022 - 30/6/2022	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019	
Unit Prices					
Highest NAV (RM)	1.0000	1.0009	1.0000	1.0002*	
Lowest NAV (RM)	1.0000	1.0000	1.0000	1.0000*	
Unit Splits	-	-	-	-	

Distributions

Gross Distribution Per Unit (sen)

1/1/2022 - 30/6/2022	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019
30/6/2022 -	29/1/2021 0.15	31/1/2020 0.27	31/1/2019 0.30
	26/2/2021 0.14	28/2/2020 0.23	28/2/2019 0.28
	31/3/2021 0.17	31/3/2020 0.24	29/3/2019 0.28
	30/4/2021 0.15	30/4/2020 0.22	30/4/2019 0.31
	31/5/2021 0.15	29/5/2020 0.21	31/5/2019 0.29
	30/6/2021 0.14	30/6/2020 0.20	28/6/2019 0.25
	30/7/2021 0.14	30/7/2020 0.15	31/7/2019 0.29
	30/8/2021 0.15	28/8/2020 0.15	30/8/2019 0.26
	30/9/2021 0.14	30/9/2020 0.16	30/9/2019 0.27
	29/10/2021 0.13	30/10/2020 0.14	31/10/2019 0.26
	30/11/2021 0.15	30/11/2020 0.16	29/11/2019 0.24
		31/12/2020 0.16	31/12/2019 0.27

Net Distribution Per Unit (sen)

1/1/2022 - 30/6/2022	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019
30/6/2022 -	29/1/2021 0.15	31/1/2020 0.27	31/1/2019 0.30
	26/2/2021 0.14	28/2/2020 0.23	28/2/2019 0.28
	31/3/2021 0.17	31/3/2020 0.24	29/3/2019 0.28
	30/4/2021 0.15	30/4/2020 0.22	30/4/2019 0.31
	31/5/2021 0.15	29/5/2020 0.21	31/5/2019 0.29
	30/6/2021 0.14	30/6/2020 0.20	28/6/2019 0.25
	30/7/2021 0.14	30/7/2020 0.15	31/7/2019 0.29
	30/8/2021 0.14	28/8/2020 0.15	30/8/2019 0.26
	30/9/2021 0.14	30/9/2020 0.16	30/9/2019 0.27
	29/10/2021 0.14	30/10/2020 0.14	31/10/2019 0.26
	30/11/2021 0.15	30/11/2020 0.16	29/11/2019 0.24
		31/12/2020 0.16	31/12/2019 0.27

* Price quoted is ex-distribution price.

Notes:

1. All figures pertaining to the Fund's return were extracted from Lipper.
2. The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

Performance Data

	1/1/2022 - 30/6/2022 6 Months' Period	1/1/2021 - 31/12/2021 1 Year's Period	1/1/2019 - 31/12/2021 3 Years' Period	28/2/2018 - 31/12/2021 Since Inception	
BOSWM Islamic Deposit Fund (Class B)					
- Total Return	0.91%	1.76%	7.58%	9.40%	
- Average Return	-	1.76%	2.53%	2.45%	
Maybank Islamic Overnight Deposit Rate					
- Total Return	0.16%	0.25%	2.61%	4.26%	
- Average Return	-	0.25%	0.87%	1.11%	
					Since Inception 28/2/2018 - 31/12/2018
BOSWM Islamic Deposit Fund (Class B)					
- Capital Return	0.91%	0.04%	0.00%	-0.02%	0.02%
- Income Return	0.00%	1.72%	2.31%	3.35%	1.68%
- Total Return	0.91%	1.76%	2.31%	3.33%	1.70%
Maybank Islamic Overnight Deposit Rate					
	0.16%	0.25%	0.63%	1.71%	1.55%
	1/1/2022 - 30/6/2022	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019	
Unit Prices					
Highest NAV (RM)	1.0097	1.0009	1.0000	1.0002*	
Lowest NAV (RM)	1.0010	1.0000	1.0000	1.0000*	
Unit Splits					
	-	-	-	-	

Distributions

Gross Distribution Per Unit (sen)

1/1/2022 - 30/6/2022	1/1/2021 - 30/6/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019
30/6/2022 -	29/1/2021 0.15	31/1/2020 0.27	31/1/2019 0.30
	26/2/2021 0.14	28/2/2020 0.23	28/2/2019 0.28
	31/3/2021 0.17	31/3/2020 0.24	29/3/2019 0.28
	30/4/2021 0.15	30/4/2020 0.22	30/4/2019 0.31
	31/5/2021 0.15	29/5/2020 0.21	31/5/2019 0.29
	30/6/2021 0.14	30/6/2020 0.20	28/6/2019 0.25
	30/7/2021 0.14	30/7/2020 0.15	31/7/2019 0.29
	30/8/2021 0.15	28/8/2020 0.15	30/8/2019 0.26
	30/9/2021 0.14	30/9/2020 0.16	30/9/2019 0.27
	29/10/2021 0.13	30/10/2020 0.14	31/10/2019 0.26
	30/11/2021 0.15	30/11/2020 0.16	29/11/2019 0.24
	17/12/2021 0.08	31/12/2020 0.16	31/12/2019 0.27

Net Distribution Per Unit (sen)

1/1/2022 - 30/6/2022	1/1/2021 - 30/6/2021	1/1/2020 - 31/12/2020	1/1/2019 - 31/12/2019
30/6/2022 -	29/1/2021 0.15	31/1/2020 0.27	31/1/2019 0.30
	26/2/2021 0.14	28/2/2020 0.23	28/2/2019 0.28
	31/3/2021 0.17	31/3/2020 0.24	29/3/2019 0.28
	30/4/2021 0.15	30/4/2020 0.22	30/4/2019 0.31
	31/5/2021 0.15	29/5/2020 0.21	31/5/2019 0.29
	30/6/2021 0.14	30/6/2020 0.20	28/6/2019 0.25
	30/7/2021 0.14	30/7/2020 0.15	31/7/2019 0.29
	30/8/2021 0.15	28/8/2020 0.15	30/8/2019 0.26
	30/9/2021 0.14	30/9/2020 0.16	30/9/2019 0.27
	29/10/2021 0.13	30/10/2020 0.14	31/10/2019 0.26
	30/11/2021 0.15	30/11/2020 0.16	29/11/2019 0.24
	17/12/2021 0.08	31/12/2020 0.16	31/12/2019 0.27

* Price quoted is ex-distribution price.

Notes:

1. All figures pertaining to the Fund's return were extracted from Lipper.
2. The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

MANAGER'S REPORT
30 June 2022

Operational Review

Please read on below for more information pertaining to the operational review of the Fund, the results of those operations and details of significant changes in the state of affairs of the Fund during the financial year end.

Performance Review

Class A

From 28 February 2018 to 30 June 2022, the BOSWM Islamic Deposit Fund (Class A) registered a total return of 9.35%, while its benchmark, Maybank Islamic Overnight Deposit rate, rose 4.42%.

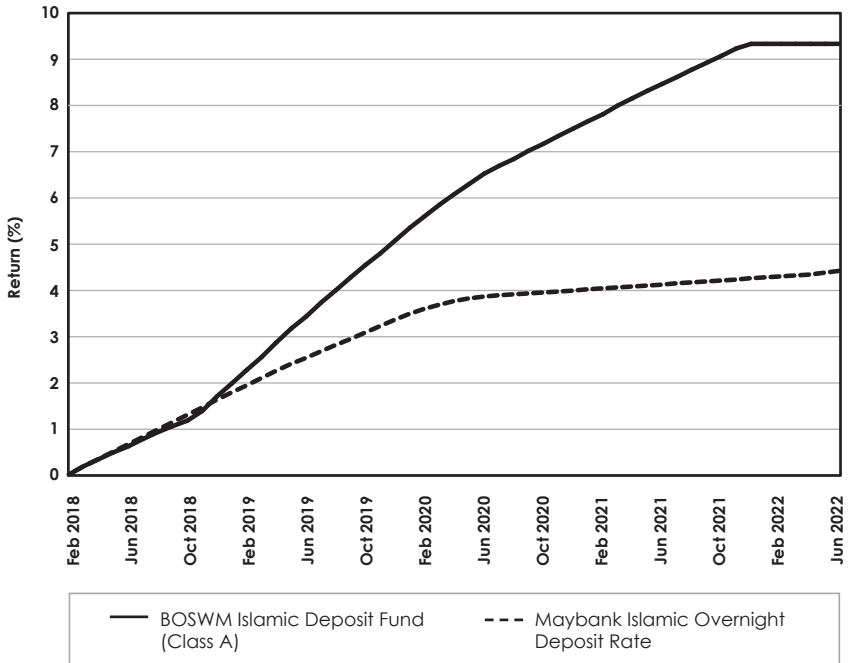
For the interim period under review (1 January 2022 to 30 June 2022), the Fund (Class A) registered a total return of 0.00%. In comparison, its benchmark rose 0.16%.

Class B

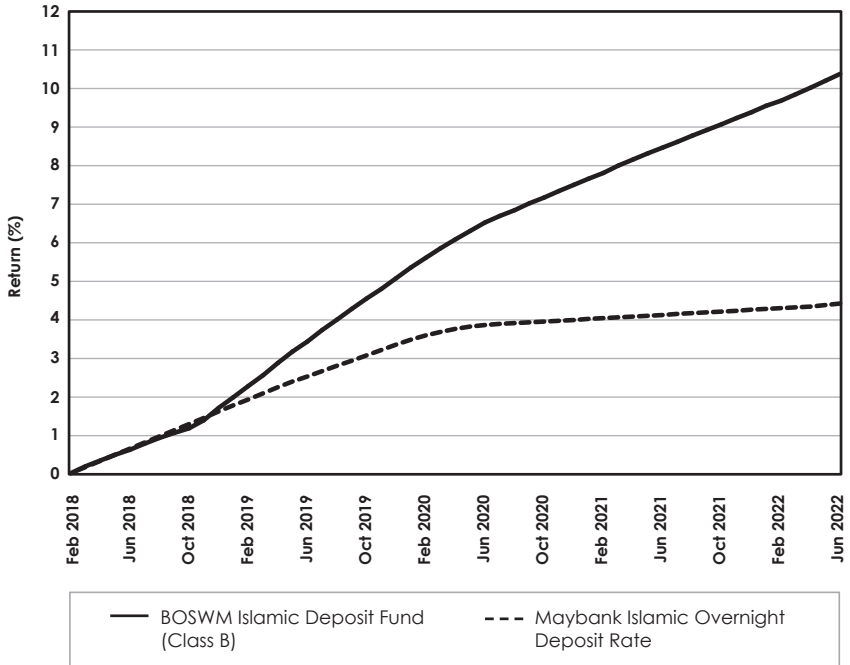
From 28 February 2018 to 30 June 2022, the BOSWM Islamic Deposit Fund (Class B) registered a total return of 10.40%, while its benchmark, Maybank Islamic Overnight Deposit rate, rose 4.42%.

For the interim period under review (1 January 2022 to 30 June 2022), the Fund (Class B) registered a total return of 0.91%. In comparison, its benchmark rose 0.16%.

Comparison Between Fund's Performance And Benchmark
Class A



Comparison Between Fund's Performance And Benchmark
Class B

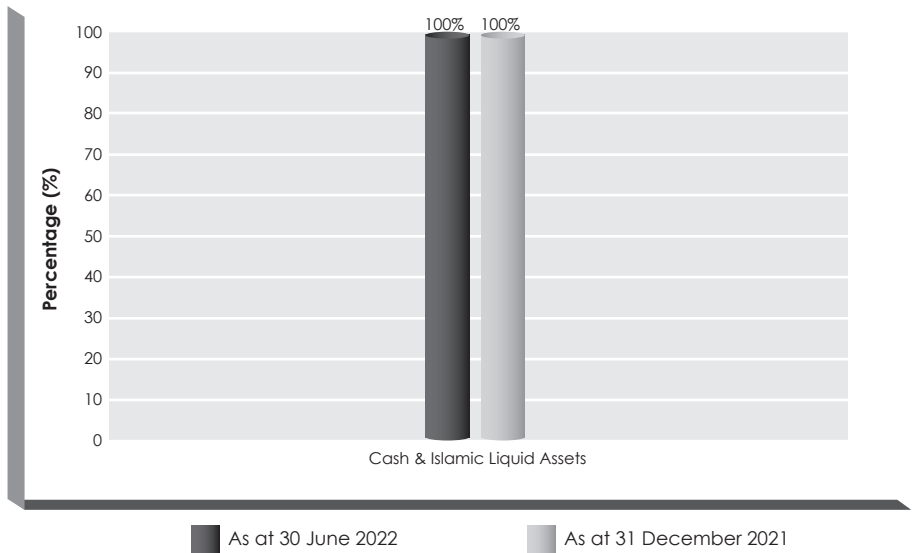


Source: Lipper

Investment Strategy Review

As at 30 June 2022, the portfolio was 100% invested in Islamic cash deposits. Cash rates were seen trading steadily in range but adjusted higher by 24-25 basis points (bps) across all placement tenures towards mid-May following the 25bps overnight policy rate (OPR) hike. The Fund sustained its outperformance due to its active management along the maturity spectrum while fund flows were actively managed to ensure liquidity requirements are met.

Asset Allocation



The cash and Islamic money market instruments of BOSWM Islamic Deposit Fund were maintained at 100% as at 30 June 2022 during the interim period under review.

Securities Financing Transactions Nil

Analysis Of Net Asset Value

Class A

Nil

Class B

The net asset value (NAV) per unit of BOSWM Islamic Deposit Fund increased from RM1.0006 to RM1.0097 during the interim period under review. Meanwhile, total NAV of the Fund increased from RM858,244,332 to RM1,235,577,698 due to net inflow of funds.

Market Review**Bond Market Review**

For most of the interim period, yield movements took cue from higher Treasury yields amid the Federal Reserve's (Fed) hawkish pivot. Longer end of the curve steepened on evident selling pressure from foreign accounts as concerns of foreign outflows from the emerging market (EM) space triggered further sell down in the local bond space. The Ringgit on the other hand weakened by more than 4.39% against the greenback along with most EM currencies on broad Dollar rally spearheaded by Fed rate hike expectations. In May, Bank Negara Malaysia (BNM) has surprised the market with an earlier rate hike as economic activity continues to accelerate, underpinned by strengthening domestic demand and sustained export growth. The surprised rate hike saw the curve bear flattened with the short-end continued to reprice higher. Over the period in review, the yield curve flattened with the 3-year rising 73bps to 3.52% while the 10-year rose 67bps to 4.26%.

Unit Split Not applicable

Significant Changes In The State Of Affairs Of The Fund Nil

Changes In The Fund's Prospectus Nil

Circumstances That Materially Affect Interest Of Unitholders Nil

Crossed Trade Transactions That Have Been Carried Out Nil

Soft Commissions

During the interim period under review, the Fund did not receive any soft commissions.

REPORT OF THE TRUSTEE

To the Unitholders of **BOSWM ISLAMIC DEPOSIT FUND** ("Fund")

We have acted as Trustee of the Fund for the interim period ended 30 June 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **BOS WEALTH MANAGEMENT MALAYSIA BERHAD** has operated and managed the Fund during the interim period ended 30 June 2022 covered by these financial statements in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, securities laws and the Guidelines on Unit Trust Funds;
- (b) valuation and pricing of units of the Fund is carried out in accordance with the Deeds; and
- (c) any creation and cancellation of units are carried out in accordance with the Deeds and relevant regulatory requirements.

For and on behalf of the Trustee

MTRUSTEE BERHAD

NURIZAN JALIL

Chief Executive Officer

Selangor, Malaysia

16 August 2022

SHARIAH ADVISER'S REPORT

To the Unitholders of **BOSWM ISLAMIC DEPOSIT FUND** ("Fund")

We hereby confirm:

1. To the best of our knowledge, after having made all reasonable enquiries, **BOS WEALTH MANAGEMENT MALAYSIA BERHAD** has operated and managed the Fund for the period covered by these financial statements namely, the period ended 30 June 2022, in accordance with 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 assets of the Fund comprise instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Adviser,
BIMB SECURITIES SDN BHD

NURUSSA'ADAH NASARUDIN
Designated Shariah Officer

Kuala Lumpur, Malaysia
16 August 2022

STATEMENT BY THE MANAGER

We, **PETER JAMES WARNES** and **TAN AI CHIN**, being two of the Directors of **BOS WEALTH MANAGEMENT MALAYSIA BERHAD** do hereby declare that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 16 to 30 are prepared in accordance with the requirements of the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission's Guidelines on Unit Trust Funds in Malaysia so as to give a true and fair view of the financial position of **BOSWM ISLAMIC DEPOSIT FUND** as at 30 June 2022 and of its results, changes in net asset value and cash flows for the interim period then ended.

Signed on behalf of the Manager in accordance with a resolution of the directors

PETER JAMES WARNES

TAN AI CHIN

Kuala Lumpur, Malaysia
16 August 2022

UNAUDITED STATEMENT OF FINANCIAL POSITION
As At 30 June 2022

	Note	30.6.2022 RM	31.12.2021 RM
Assets			
Profit receivable		3,613,582	258,898
Amount due from Manager	5	-	2,516
Cash and bank balances	3	1,236,278,347	858,147,150
Total Assets		<u>1,239,891,929</u>	<u>858,408,564</u>
Liabilities			
Amount due to Manager	5	4,276,582	140,978
Other payables		37,649	23,254
Total Liabilities		<u>4,314,231</u>	<u>164,232</u>
Net Asset Value ("NAV") Of The Fund		<u>1,235,577,698</u>	<u>858,244,332</u>
Equity			
Unitholders' capital		1,223,808,824	857,886,630
Retained earnings		11,768,874	357,702
NAV Attributable To Unitholders - Class B	10	<u>1,235,577,698</u>	<u>858,244,332</u>
Total Equity And Liabilities		<u>1,239,891,929</u>	<u>858,408,564</u>
Number Of Units In Circulation (Units)	11	<u>1,223,744,228</u>	<u>857,769,555</u>
NAV Per Unit - Class B	10	<u>RM1.0097</u>	<u>RM1.0006</u>

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
For The Six Months Ended 30 June 2022

	Note	1.1.2022 To 30.6.2022 RM	1.1.2021 To 30.6.2021 RM
Shariah-Compliant Investment Income			
Profit from Islamic money market instruments		13,106,357	10,323,622
		<u>13,106,357</u>	<u>10,323,622</u>
Expenses			
Audit fee		3,520	3,520
Tax agent's fee		1,276	1,240
Manager's fee		1,557,875	1,243,134
Trustee's fee	6	124,630	99,451
Administration expenses	7	7,884	11,156
		<u>1,695,185</u>	<u>1,358,501</u>
Net Income Before Taxation		11,411,172	8,965,121
Less: Taxation	9	-	-
Net Income After Taxation, Representing		<u>11,411,172</u>	<u>8,965,121</u>
Total Comprehensive Income For The Period		<u>11,411,172</u>	<u>8,965,121</u>
Total Comprehensive Income			
Comprises The Following:			
Realised income		11,411,172	8,965,121
		<u>11,411,172</u>	<u>8,965,121</u>

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

UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE
For The Six Months Ended 30 June 2022

	Note	Unitholders' Capital RM	Retained Earnings RM	NAV Attributable To Unitholders RM
At 1 January 2021		1,360,965,415	-	1,360,965,415
Net income after taxation		-	8,965,121	8,965,121
Creation of units - Class A		1,237,806,390	-	1,237,806,390
Cancellation of units - Class A		(1,743,743,387)	-	(1,743,743,387)
Distribution - Class A		30,113	(8,965,121)	(8,935,008)
At 30 June 2021		<u>855,058,531</u>	-	<u>855,058,531</u>
At 1 January 2022		857,886,630	357,702	858,244,332
Net income after taxation		-	11,411,172	11,411,172
Creation of units - Class B		1,005,185,736	-	1,005,185,736
Cancellation of units - Class B		(639,263,542)	-	(639,263,542)
At 30 June 2022		<u>1,223,808,824</u>	<u>11,768,874</u>	<u>1,235,577,698</u>

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

UNAUDITED STATEMENT OF CASH FLOWS
For The Six Months Ended 30 June 2022

	1.1.2022 To 30.6.2022 RM	1.1.2021 To 30.6.2021 RM
Cash Flows From Operating And Investing Activities		
Placement of Islamic deposits with licensed financial institutions	(515,500,000)	(333,100,000)
Profit from Islamic money market instruments received	9,751,673	16,512,706
Manager's fee paid	(1,422,271)	(1,370,291)
Trustee's fee paid	(113,782)	(109,623)
Payment for other fees and expenses	(9,133)	(15,379)
Net cash used in operating and investing activities	<u>(507,293,513)</u>	<u>(318,082,587)</u>
Cash Flows From Financing Activities		
Cash proceeds from units created	1,005,188,252	1,237,823,672
Cash paid on units cancelled	(635,263,542)	(1,743,743,387)
Distributions paid	-	(8,943,505)
Net cash generated from/(used in) financing activities	<u>369,924,710</u>	<u>(514,863,220)</u>
Net Decrease In Cash And Cash Equivalents	(137,368,803)	(832,945,807)
Cash And Cash Equivalents At Beginning Of Interim Period	858,147,150	1,354,493,469
Cash And Cash Equivalents At End Of Interim Period	<u>720,778,347</u>	<u>521,547,662</u>
Cash And Cash Equivalents Comprise:		
Cash at banks	123,678,347	181,347,662
Islamic money market instruments	597,100,000	340,200,000
3	<u>720,778,347</u>	<u>521,547,662</u>

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
30 June 2022**1. The Fund, The Manager And Their Principal Activities**

BOSWM Islamic Deposit Fund (hereinafter referred to as "the Fund") was constituted pursuant to the execution of the Supplemental Master Deed dated 22 May 2009, Second Supplemental Master Deed dated 14 December 2009, Third Supplemental Master Deed dated 26 April 2010, Fourth Supplemental Master Deed dated 8 January 2014, Fifth Supplemental Master Deed dated 7 July 2017, Sixth Supplemental Master Deed dated 22 November 2018, Seventh Supplemental Master Deed dated 22 January 2019, Eighth Supplemental Master Deed dated 20 May 2020, Ninth Supplemental Master Deed dated 6 November 2020, Tenth Supplemental Master Deed dated 25 November 2020; and its Eleventh Supplemental Master Deed dated 17 August 2021 (hereinafter referred to as "the Deeds") made between the Manager, BOS Wealth Management Malaysia Berhad and the Trustee, MTrustee Berhad for the registered holders of the Fund.

The principal activity of the Fund is to invest in "Permitted Investments" as defined in the Deeds, which include Islamic cash deposits and Islamic money market instruments as approved by the Securities Commission Malaysia. The Fund was launched on 28 February 2018 and will continue its operations until terminated by the Trustee as provided in the Deeds.

The Manager is a wholly owned subsidiary of Bank of Singapore Limited, a private bank based in Singapore. The ultimate holding company is Oversea-Chinese Banking Corporation Limited, a public listed company incorporated in Singapore.

The principal activities of the Manager are the establishment and management of unit trust funds as well as the management of private investment mandates. The Manager received approval from the Securities Commission Malaysia to include the regulated activity of investment advice under the variation of its Capital Markets Services License on 25 October 2019. The Manager registered to be an Institutional Unit Trust Adviser with the Federation of Investment Managers Malaysia on 13 November 2019. As at end of the current financial period, no transactions relating to investment advice and marketing and distribution of third party funds were performed by the Manager.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the directors on 16 August 2022.

2. Summary Of Significant Accounting Policies

(a) Basis Of Preparation

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), and the Securities Commission Malaysia's Guidelines on Unit Trust Funds in Malaysia and Shariah principles.

The significant accounting policies adopted are consistent with those applied in the previous financial year end except for the adoption of new MFRS and Amendments to MFRS which are effective for the financial year beginning on or after 1 January 2022. These new MFRS and Amendments to MFRS did not give rise to any significant effect on the financial statements.

The Fund will adopt the new MFRS and Amendments to MFRS when they become effective in the respective financial periods and new MFRS and Amendments to MFRS are not expected to have any material impact to the financial statements of the Fund upon initial application.

Standards issued but not yet effective:

	Effective dates for financial periods beginning on or after
Amendments to MFRS contained in the document entitled <i>Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i> *	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i> *	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> *	Deferred

* These new MFRS and Amendments to MFRS are not relevant to the Fund.

(b) Functional And Presentation Currency

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

(c) Financial Instruments

The Fund recognises financial assets and financial liabilities in the statement of financial position on the date it becomes a party to the contractual provisions of the instruments.

Regular way purchase and sales of all categories of Shariah-compliant investments in Islamic financial instruments are recognised on trade dates i.e. dates on which the Fund commits to purchase or sell the Islamic financial instruments.

Financial Assets

The Fund classifies its financial assets as subsequently measured at amortised cost on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial Assets At Amortised Cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial asset in order 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 ("SPPP") on the principal amount outstanding. Receivables are classified as financial assets at amortised cost. They are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These include cash and cash equivalents, amount due from Manager and other receivables. For the purpose of the investment made by the Fund, debt instrument refers to sukuk.

(ii) Financial Assets At FVTPL

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and profit ("SPPP") on the principal amount outstanding; or
- (b) It is held within a business model whose objective is to sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Fund includes in this category its Permitted Investments. These include investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

Financial Liabilities

Financial liabilities are recognised initially at fair value i.e. the consideration for goods and services received and subsequently stated at amortised cost. These include amounts due to Manager, Trustee and other payables. The difference between the proceeds and the amount payable is recognised over the period of the payable using the effective profit method.

(d) Derecognition Of Financial Assets And Liabilities*Financial Assets*

A financial asset is derecognised when the asset is disposed and the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial Liabilities

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liability is derecognised, and through the amortisation process.

(e) Impairment Of Financial Assets

Credit losses are recognised based on the expected credit loss ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at fair value through profit or loss ("FVTPL"), either on a 12-month or lifetime basis based on the significant increase in credit risk since initial recognition. The impairment model does not apply to equity investments.

Given the limited exposure of the Fund to credit risk, there is no material impact on the Fund's financial statements. For balances which are short-term in nature and with no financing component (e.g. profit receivable, dividend receivable and amount due from brokers/dealers), full impairment will be recognised on uncollected balances after the grace period is exceeded.

(f) Income Recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Profit income, accretion of discount and amortisation of premium are recognised using the effective profit method on an accrual basis.

(g) Unrealised Reserves/(Deficits)

The unrealised reserves/(deficits) represent the net gain or loss arising from carrying Islamic fixed income securities at their fair value and are recognised in the statement of comprehensive income.

(h) Cash And Cash Equivalents

Cash and cash equivalents comprise cash at banks and placements in Islamic money market instruments with original maturities of 3 months or less which have an insignificant risk of changes in value.

(i) Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rate and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

(j) Fair Value Measurement

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.

(k) Distributions

Distributions made by the Fund are accounted for as a deduction from realised reserves except where distributions are sourced out of distribution equalisation which are accounted for as a deduction from unitholders' capital. Distributions are recognised in the statement of changes in net asset value when they are approved by the Manager and the Trustee.

(l) Unitholders' Capital

Unitholders' capital meets the conditions for the definition of puttable instruments classified as equity instruments.

Distribution equalisation is accounted for on the date of creation and cancellation of units. It represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

(m) Significant Accounting Estimates And Judgments

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgments. Estimates and judgments are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major estimates or judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the reporting date.

3. Cash And Bank Balances

Cash and bank balances include cash at banks and placements in Islamic money market instruments.

	30.6.2022	31.12.2021
	RM	RM
Cash at banks	<u>348,478,347</u>	<u>186,847,150</u>
Islamic deposits with licensed institutions:		
- Commercial banks	887,800,000	592,300,000
- Investment banks	<u>-</u>	<u>79,000,000</u>
	<u>887,800,000</u>	<u>671,300,000</u>
Cash and bank balances	<u><u>1,236,278,347</u></u>	<u><u>858,147,150</u></u>

For the purposes of the statement of cash flows, the cash and cash equivalents as at 30 June 2022 amounted to RM720,778,347 (2021: RM521,547,662).

The weighted average rate of return and remaining maturity of the Islamic money market instruments at the reporting date were as follows:

	Weighted Average Effective Profit Rate (% Per Annum)		Weighted Average Remaining Maturity (Days)	
	30.6.2022	31.12.2021	30.6.2022	31.12.2021
Islamic deposits with licensed financial institutions:				
- Commercial banks	3.73	1.96	72	32
- Investment banks	<u>-</u>	<u>2.03</u>	<u>-</u>	<u>24</u>

4. Shariah Information Of The Fund

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, comprising cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

5. Amount Due From/To Manager

The amount due from/(to) Manager represents amount receivable/(payable) for units created/(cancelled) and/or amount payable for management fee.

Management fee is payable on a monthly basis and amount receivable/payable for units created/ cancelled is received/paid within 10 days of the transaction dates.

6. Manager's Fee

The Manager's fee provided in the financial statements is computed at 0.25% (2021: 0.25%) per annum of the NAV attributable to unitholders of the Fund, calculated on a daily basis as agreed by the Trustee and the Manager.

7. Trustee's Fee

The Trustee's fee provided in the financial statements is computed at 0.02% (2021: 0.02%) per annum of the net asset value attributable to unitholders of the Fund, calculated on a daily basis.

8. Total Expense Ratio

	1.1.2022 To 30.6.2022	1.1.2021 To 30.6.2021
Total expense ratio ("TER")	<u>0.13%</u>	<u>0.14%</u>

TER is the ratio of expenses of the Fund expressed as a percentage of the average net asset value attributable to unitholders of the Fund for the interim period calculated on a daily basis. The TER for the current interim period remains consistent with that of the previous interim period. The Fund does not charge performance fee.

¹ The TER does not include brokerage and other transaction fees.

9. Taxation

	1.1.2022 To 30.6.2022 RM	1.1.2021 To 30.6.2021 RM
Malaysian income tax: Current period's provision	<u>-</u>	<u>-</u>

Income tax is calculated at the Malaysian statutory rate of taxation of 24% (2021: 24%) of the estimated assessable income for the interim period.

There was no taxation charge for the current and previous interim periods due to tax exempt income received.

A reconciliation of income tax expense applicable to net income before taxation at the statutory rate of taxation to income tax expense at the effective rate of taxation is as follows:

	1.1.2022 to 30.6.2022 RM	1.1.2021 to 30.6.2021 RM
Net income before taxation	<u>11,411,172</u>	<u>8,965,121</u>
Taxation at Malaysian statutory rate of 24%	2,738,681	2,151,629
Tax effects of:		
Income not subject to tax	(3,145,526)	(2,477,669)
Expenses not deductible for tax purpose	31,302	26,136
Restriction on tax deductible expenses for unit trust funds	375,543	299,904
Tax expense for the period	<u>-</u>	<u>-</u>

10. Net Asset Value (“NAV”) Attributable To Unitholders

	30.6.2022 RM	31.12.2021 RM
Unitholders' capital - Class B	1,223,808,824	857,886,630
Retained earnings		
- Realised reserves	<u>11,768,874</u>	<u>357,702</u>
Net asset value attributable to unitholders	<u>1,235,577,698</u>	<u>858,244,332</u>

The NAV per unit is rounded up to four decimal places.

11. Number Of Units In Circulation

	30.6.2022	31.12.2021
	No. Of Units	No. Of Units
At beginning of the period	857,769,555	1,361,039,303
Creation - Class A	-	1,463,334,011
Cancellation - Class A	-	(2,182,246,434)
Switch out from Class A	-	(642,126,880)
Creation - Class B	1,001,546,035	232,633,381
Cancellation - Class B	(635,571,362)	(16,990,706)
Switch into Class B	-	642,126,880
At end of the period	<u>1,223,744,228</u>	<u>857,769,555</u>

12. Units Held By The Manager And Its Related Parties

	30.6.2022		31.12.2021	
	No. Of Units	RM	No. Of Units	RM
Holding Company of the Manager	<u>557,769,182</u>	<u>563,179,543</u>	<u>237,228,372</u>	<u>237,370,709</u>

There were no units held by the Manager and other related parties.

13. Transactions With Financial Institutions

Details of transactions with the financial institutions for the interim period are as follows:

Financial Institutions	Value Of Trade RM	% Of Total Trades
United Overseas Bank (Malaysia) Bhd	7,671,420,000	38.18
Maybank Islamic Bank Berhad	5,956,105,000	29.64
CIMB Islamic Bank Berhad	3,815,300,000	18.99
RHB Islamic Bank Berhad	818,900,000	4.08
Kenanga Investment Bank Berhad	509,080,000	2.53
Hong Leong Islamic Bank Berhad	445,000,000	2.21
Amlslamic Bank Berhad	428,100,000	2.13
MIDF Amanah Investment Bank Berhad	282,600,000	1.41
Kuwait Finance House (Malaysia) Berhad	166,000,000	0.83
	<u>20,092,505,000</u>	<u>100.00</u>

The transactions above are with non related parties.

14. Financial Risk Management Objectives And Policies

The Fund is exposed to a variety of risks which include market risk, credit risk, liquidity risk, specific risk, single issuer risk and Shariah status reclassification risk.

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

(i) **Market Risk**

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments. The Fund seeks to diversify some of these risks by investing into various financial institutions and ensuring optimal tenure allocation of Islamic deposits with licensed financial institutions.

The Fund's market risk is affected primarily by the interest rate risk:

(a) **Interest Rate Risk**

This risk refers to the effect of interest rate changes on the returns of placements in Islamic money market instruments. In the event of reduction in interest rates, the returns on placements in Islamic money market instruments will decrease, thus affecting the NAV of the Fund. This risk will be minimised via the management of the duration structure of the placements in Islamic money market instruments.

The above interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust Fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments are carried out for the Fund are in accordance with Shariah requirements.

(ii) **Credit Risk**

The Fund's principal exposure to credit risk arises primarily due to changes in the financial conditions of an issuer or a counterparty to make payment of principals, profit and proceeds from realisation of Shariah-compliant investments. Such events can lead to loss of capital or delayed or reduced profit for the Fund resulting in a reduction in the Fund's net asset value and thus, unit price. This risk is mitigated by setting counterparty limits and vigorous credit analyses.

Credit risk generally arises from cash and cash equivalents and other receivables. The maximum exposure to credit risk is presented in the statement of financial position. None of these balances are impaired. Cash and cash equivalents are placed in Islamic licensed financial institutions with strong credit ratings.

(iii) Liquidity Risk

This risk occurs in thinly traded or illiquid Shariah-compliant securities. Should the Fund need to sell a relatively large amount of such Shariah-compliant securities, the act itself may significantly depress the selling price. The risk is minimised by maintaining a prudent level of Islamic liquid assets that allows the Fund to meet daily redemption of units without jeopardising potential returns.

The maturity of the Fund's financial liabilities fall due within three months while the net asset value attributable to unitholders are payable on demand.

(iv) Specific Risk

The Fund is exposed to the individual risk of the respective companies issuing Shariah-compliant securities which includes changes to the business performance of the company, consumer tastes and demands, lawsuits and management practices. This risk is minimised through the diversification of the portfolio of Shariah-compliant investments of the Fund.

(v) Single Issuer Risk

The Fund's exposure to Shariah-compliant securities issued by any issuer is limited to not more than a certain percentage of the Fund's net asset value. Under such restriction, the risk exposure to the Shariah-compliant securities of any issuer is minimised.

(vi) Shariah Status Reclassification Risk

This risk refers to the risk of a possibility that the currently held Islamic money market instruments or Islamic deposits invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such conventional money market instruments or conventional deposits.

15. Operating Segment

All of the Fund's investments are in local Islamic money market instruments and, as such, there are no separately identifiable business and geographical segments.

16. Capital Management

The Fund's capital comprises unitholders' subscription to the Fund. The unitholders' capital fluctuates according to the daily subscription and redemption of units at the discretion of unitholders.

The Fund aims to achieve its investment objective and at the same time maintain sufficient liquidity to meet unitholders' redemptions.

This page has been left blank intentionally.

This page has been left blank intentionally.

BOS WEALTH MANAGEMENT MALAYSIA BERHAD 199501006861 (336059-U)

A subsidiary of Bank of Singapore

09-02, Level 9, Imazium
No. 8 Jalan SS 21/37
Damansara Uptown
47400 Petaling Jaya, Selangor
Tel: 03-7712 3000
www.boswealthmanagement.com.my

IMPORTANT NOTICES

Beware of phishing scams

Kindly be alert of any email or SMS that requires you to provide your personal information and/or to login to your account via an unsolicited link. Do not click on email links or URLs without verifying the sender of the email. Please ensure the actual internet address is displayed i.e. www.boswealthmanagement.com.my

If you suspect your account may be compromised and/or would like to seek clarification, please contact us as above.

Update of particulars

Investors are advised to furnish us updated personal details on a timely basis. You may do so by downloading and completing the Update of Particulars Form available at www.boswealthmanagement.com.my, and e-mail to customercare@boswm.com. Alternatively, you may call us as above.