



OPUS INCOME PLUS FUND

INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
31 DECEMBER 2021**

OPUS INCOME PLUS FUND

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OPUS INCOME PLUS FUND

FUND INFORMATION

Fund name	Opus Income Plus Fund
Type (Category)	Income (Bond)
Fund's Inception Date	28 September 2018
Investment Objective	The Fund seeks to achieve higher returns than Maybank 12-month fixed deposit rate over the medium to long term, while preserving capital* and providing an opportunity for income. <i>* Opus Income Plus Fund is neither a capital guaranteed fund nor a capital protected fund.</i>
Benchmark	Maybank 12-month fixed deposit rate.
Distribution Policy	The Fund intends to distribute income, if any, at least once a year.

Breakdown of unit holdings as at 31 December 2021

Size of holdings (units)	No. of unit holders	Percentage of Unitholders	No. of units held	Percentage of units held
0-5,000	549	56.77%	809,663	3.55%
5,001-10,000	117	12.10%	883,612	3.87%
10,001-50,000	205	21.20%	4,961,205	21.73%
50,001-500,000	93	9.62%	12,071,410	52.88%
500,001 and above	3	0.31%	4,101,960	17.97%
Total	967	100.00%	22,827,850	100.00%

OPUS INCOME PLUS FUND

FUND PERFORMANCE DATA

Fund Performance Data

	As at 31-Dec-21 Unaudited % of NAV	As at 30-Jun-21 Audited % of NAV	As at 30-Jun-20 Audited % of NAV
Portfolio Composition:			
Unquoted fixed income securities	91.08	95.32	92.55
Cash and cash equivalents	8.92	4.68	7.45
Total	100.00	100.00	100.00
Total Net Asset Value (NAV) (RM)	23,909,652	26,916,485	23,935,209
Units in circulation (million)	22,827,850	25,685,283	22,432,550
NAV per unit (RM)	1.0474	1.0479	1.0670
	01.07.2021 to 31.12.2021 Unaudited	01.07.2020 to 30.06.2021 Audited	01.07.2019 to 30.06.2020 Audited
Highest NAV per unit	1.0588	1.0979	1.0882
Lowest NAV per unit	1.0348	1.0309	1.0302
Return of the Fund (%)	0.33	0.20	6.24
- Capital growth (%)	-0.05	-1.79	1.82
- Income return (%)	0.38	2.02	4.34
Gross distribution per Unit (sen)	0.40	2.15	4.50
Net distribution per Unit (sen)	0.40	2.15	4.50
Management Expense Ratio (%)	0.44	0.87	0.88
Portfolio Turnover Ratio (times)	0.26	0.78	1.06

**ex-distribution*

Basis of calculation and assumption made in calculating the returns:

Capital return = (End NAV per Unit / Beginning NAV per unit) - 1

Income return = Income distribution per Unit / NAV per Unit ex-date

Total return = (1 + Capital return) x (1 + Income return) - 1

OPUS INCOME PLUS FUND

FUND PERFORMANCE DATA (continued)

Performance of the Fund

	6 Months	1 Years	3 Years	Since Inception
	01.07.2021 to	01.01.2021 to	01.01.2019 to	Date @
	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>18.10.2018 to</u>
				<u>31.12.2021</u>
Opus Income Plus Fund	0.33%	-1.38%	12.48%	13.73%
Benchmark #	0.93%	1.85%	7.43%	8.15%
(Underperformed)/Outperformed	-0.60%	-3.23%	5.05%	5.58%

Annual Total Return of the Fund

	Financial Year	Financial Year	Financial
	2021	2020	Period 2019
	01.07.2020 to	01.07.2019 to	18.10.2018 to
	<u>30.06.2021</u>	<u>30.06.2020</u>	<u>30.06.2019</u>
Opus Income Plus Fund	0.20%	6.24%	6.49%
Benchmark #	1.86%	2.83%	2.28%
(Underperformed)/Outperformed	-1.66%	3.41%	4.21%

Average Total Return of the Fund

	6 Months	1 Years	3 Years	Since Inception
	01.07.2021 to	01.01.2021 to	01.01.2019 to	Date @
	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>18.10.2018 to</u>
				<u>31.12.2021</u>
Opus Income Plus Fund	0.33%	-1.38%	3.99%	4.09%
Benchmark #	0.93%	1.85%	2.42%	2.47%
(Underperformed)/Outperformed	-0.60%	-3.23%	1.57%	1.62%

Note: * Source: Bloomberg, Opus Asset Management Sdn Bhd

Source: Malayan Banking Berhad

@ The Fund's commencement date was 18 October 2018 (i.e. after the end of Fund's initial offer period).

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

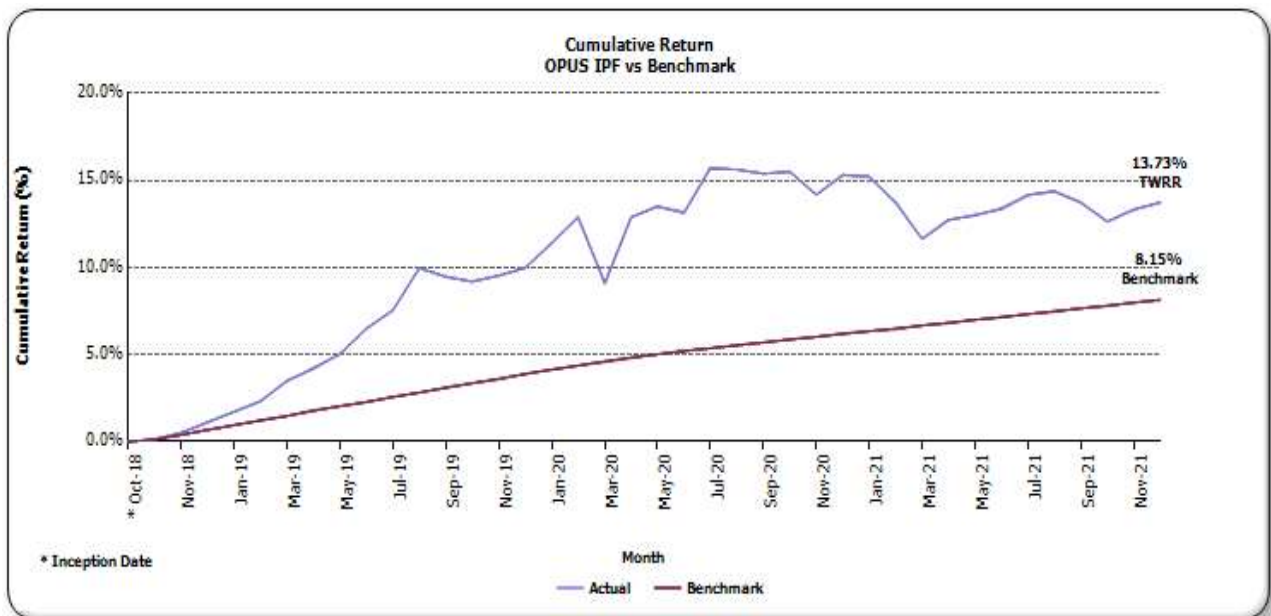
OPUS INCOME PLUS FUND

MANAGER'S REPORT

Performance Review

As at 31 December 2021, the Fund was 91.08% invested while 8.92% was held in cash. For the period 1 July 2021 to 31 December 2021, the Fund had registered a return of 0.33% as compared to the benchmark return of 0.93% which was the accreted value of the Maybank 12-Months Fixed Deposit Rate. Hence, the Fund underperformed the benchmark by 0.60%. Since its inception, the Fund has outperformed the benchmark by 5.58% with returns of 13.73% compared to the benchmark of 8.15%. The Fund had a duration of 4.80 years.

Besides, the Fund has declared a total distribution of RM0.004 during the financial period. We believe the Fund has achieved its objective of providing investors with a higher return than Maybank 12-month fixed deposit rate, while preserving capital and providing an opportunity for income.



** performance calculated since inception to last business day of the financial period/ year.

^ benchmark calculated since inception to last business day of the financial period / year.

Market Review

Much of the story for 2021 could be summed up in two parts, with the first half of the year seeing countries across the world grapple with the paradox of trying to coexist with COVID, while the second half of the year saw the narrative shift towards the threat from rising inflation as economies reopened.

Early attempts to relax restrictions as COVID cases dropped were met with a subsequent spike in cases, although there is light at the end of the tunnel as vaccination progress worldwide remains a cause for optimism. From 0.1% of the world population being fully vaccinated at the beginning of 2021, that number has now risen to 48.3% as we enter the year-end.

OPUS INCOME PLUS FUND

MANAGER'S REPORT (continued)

Market Review (Continued)

Mirroring the trend in vaccinations was the gradual recovery in the world economy, although the path was far from smooth as some major economies were forced to enter lockdown as cases surged during the period while the vaccination drive was still ramping up. This stop-start economic recovery narrative in 2021 was corroborated by the IMF which revised downwards its global economic growth forecast for the year from 6.0% to 5.9%. Stop-starts notwithstanding, major economies posted encouraging jobs data as well as positive economic growth numbers, a far cry from the raging unemployment and contractions of the early pandemic period.

However, the green shoots of economic recovery in the second half of the year would soon give way to rising inflation, which evolved from “transitory” to a persistent worry that hastened policy normalization for most central banks around the world. Pent-up demand from COVID-weary consumers along with ample central bank stimulus formed a recipe for rising inflation, further exacerbated by supply chain issues and elevated commodity prices as economies resumed normalcy.

Consequently, inflation figures in the US reached near 40-year highs of 6.8% YoY in November, while inflation numbers for other major economies such as the UK and Eurozone showed similarly large increases at 4.9% and 5.1% respectively, showcasing the global reach of inflation from supply chain issues and congested ports to surging energy prices. Most central banks thus embarked on a normalisation path despite the late emergence of the Omicron variant to prevent runaway inflation. The Fed sped up its taper program with a view to three rate hikes in 2022, while the BoE surprised with a 15bps rate hike as the first G7 economy to do so.

Notably, China was the rare dove among the hawks as it eased monetary policy by slashing its reserve requirement ratio to provide liquidity support for its struggling economy. The sluggish Chinese economic recovery can be chalked up to its slumping property sector which saw multiple developers default due to straitjacket financial constraints.

2021 was no less eventful for Malaysia, which also struggled with COVID surges as evidenced by the multiple MCOs (Movement Control Orders). Political noise was also the order of the day as MCO weariness and COVID led to installation of Malaysia’s third Prime Minister.

An accelerated vaccination program combined with a lifting of said draconian MCO measures was sufficient for Malaysia to remain on track for 4.0% GDP growth in 2021 despite a contraction in 3Q GDP due to the aforementioned lockdown. Perhaps mindful of the nascent economic recovery, the expansionary Budget 2022 was passed as the largest budget to date at RM332.1bil with the aim of bringing Malaysia out of the pandemic-induced slump. Consequently, fiscal consolidation has been put on hold with the fiscal deficit-to-GDP ratio expected to remain elevated at 6.5% in 2021 and 6% in 2022, presenting an additional risk to Malaysia’s sovereign credit rating.

OPUS INCOME PLUS FUND

MANAGER'S REPORT (continued)

Market Review (continued)

In line with the expansionary Budget 2022, BNM continued to express an accommodative monetary policy stance throughout 2021. Adding to dovish tendencies was Malaysia's core inflation numbers which was below 1% in 2021.

The Malaysian Government Securities' (MGS) yield curve rose as a whole in 2021, as yields increased by between 36 to 105bps which saw the curve flatten as compared to the steepening in 2020. Notably, MGS yields have exceeded pre-pandemic levels with the exception of the 3Y and 5Y MGS still playing catchup from the previous 125bps OPR cuts in 2020, although the 3Y has responded sharply towards the end of 2021 as the market digests the implication of faster rate normalization from developed economies.

Market Outlook

The global economy continues to recover from the pandemic experienced over the last two years. From this perspective, the hurdle to surpass recent growth numbers is not difficult, although the sustainability of future growth remains uncertain. The ongoing supply chain reconfigurations will cause some businesses to thrive, and some to recede. This would then lead to displacement of workers that requires reskilling, which may take time to occur. Consequently, while the unemployment rate could decline in a post-pandemic economy, businesses will need to raise productivity in order to cope with a "new normal" and capitalise on the economic recovery.

In Malaysia, the economic recovery continues along with the rest of the world given accommodative fiscal and monetary policy. As a result, improving external conditions and high commodity prices would bode well for Malaysia's trade surplus. Furthermore, the largest Budget on record for 2022 will continue to support the recovery, and focuses on social welfare, ESG (environmental, social and governance) projects and the healthcare sector, that came into focus following the pandemic. Fortunately, in Malaysia, the low inflation rate that is projected to remain below 3% in the medium term despite the rise in commodity prices will create conducive conditions for the capital market.

We anticipate the presently accommodative interest rates would support businesses and individuals, while the central bank will continue to ensure liquidity in credit supply for the nascent recovery. Against this backdrop, BNM may consider normalising interest rates upward in the event both inflation and the economic recovery warrant such action. However, the ongoing risk of a recurring pandemic and the tapering of expansionary monetary policy on a global scale will make any decision of a rate hike a difficult one, with potential delays to be likely. Overall, we expect to see a buoyant local bond market going forward despite bouts of volatility in the short-term. As real yields on Malaysian bonds remain relatively high given low inflation, the Malaysian bond market is likely to witness continuously moderate inflows of capital from both domestic and foreign investors. Over time, markets will appreciate that inflation in Malaysia is well-managed despite ongoing concerns at the advanced economies where inflation is rising rapidly.

OPUS INCOME PLUS FUND

MANAGER'S REPORT (continued)

Strategy employed

The concerns of heavy bond supply in 2021 and 2022 will continue to weigh on the bond market. However, uncertainties in the economy would encourage investors to seek the safe haven bond market. As such, we believe higher yields will be capped, and short-term volatility would present opportunities of value in the market. Low interest rates will continue to spur demand for government bonds, and market volatility arising from the risk of a rate hike will be contained since the economic recovery remains in a nascent stage. We also expect some of the liquidity in the global markets to find its way to the local market as real returns on an inflation-adjusted basis remain relatively attractive compared to the developed markets.

However, improving credit conditions will provide an anchor for the corporate bond market. Looking forward, we expect to see further credit improvement potentially resulting in an environment of stabler credit ratings. This will be accompanied by improving corporate earnings, cash flows, and an ongoing trend of deleveraging. As such, we will raise our corporate bond holdings and will remain selective in our credit selection. In addition, we will reduce our allocation in government and government guarantee (GG) papers which does not provide as much upside in an economic recovery. However, a healthy level of liquidity will be provided by a material allocation in government and government guaranteed (GG) papers, while providing opportunities to trade as risks are being imputed into yields. We are targeting an allocation of 20% – 30% in government and GG papers, and increase allocation in corporate bonds, with cash at 4% - 10%. We look to maintain our duration at around 4 – 5 years given concerns on higher global yields and inflation worries which may transmit to the local market. However, we believe interest rate risk to the bond market is manageable since the recovery is at an early stage and will likely remain uneven.

OPUS INCOME PLUS FUND

MANAGER'S REPORT (continued)

Soft Commissions and Rebates

No soft commissions or rebates were received from any broker for the period under review.

Cross Trade

Cross trade transactions have been carried out during the reported period and the Investment Committee of the Fund has reviewed that such transactions were in the best interest of the Fund, transacted in the normal course of business at agreed terms and on a fair value basis.

State Affairs of the Fund

There is neither any significant change to the state affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the financial period under review.

Asset Allocation

	31-Dec-21	30-Jun-21
	% of NAV	% of NAV
Unquoted fixed income securities - local	91.08	95.32
Cash and cash equivalents	8.92	4.68
	<u>100.00</u>	<u>100.00</u>

Income Distribution / Unit Split

The Fund has distributed a total gross distribution of RM0.004 per unit to the unitholders for the financial period under review.

Ex date	NAV per unit before distribution (RM)	Gross distribution per unit (Sen)	Net distribution per unit (Sen)	NAV per unit after distribution (RM)
24-Sep-21	1.0571	0.20	0.20	1.0535
23-Dec-21	1.0481	0.20	0.20	1.0465

No unit splits were declared for the financial period from 01 July 2021 to 31 December 2021.

OPUS INCOME PLUS FUND

STATEMENT BY THE MANAGER

I, SIAW WEI TANG, being the Managing Directors of Opus Asset Management Sdn. Bhd. (the "Manager"), do hereby state that in the opinion of the Manager, the accompanying financial statements set out on pages 11 to 56 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as of 31 December 2021 and of its financial performance and cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

On behalf of the Manager

SIAW WEI TANG
MANAGING DIRECTOR

Kuala Lumpur
18 February 2022

OPUS INCOME PLUS FUND

TRUSTEE'S REPORT

For The Financial Period Ended 31 December 2021 To the Unitholders of OPUS INCOME PLUS FUND

We have acted as Trustee for OPUS INCOME PLUS FUND ("the Fund") for the financial period ended 31 December 2021. To the best of our knowledge, OPUS ASSET MANAGEMENT SDN BHD ("the Manager") has managed the Fund in the financial period under review in accordance with the following:

1. Limitations imposed on the investment powers of the Manager and the Trustee under the Deed, securities laws and the Securities Commission Malaysia's Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework;
2. Valuation and pricing of the Fund are carried out in accordance with the Deed and any regulatory requirement; and
3. Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

Total income distributions of 0.4 sen per unit (gross) was declared to the unitholders of the Fund for the financial period under review.

We are of the view that the distributions are consistent with the investment objective and distribution policy of the Fund.

For Maybank Trustees Berhad
(Company No. : 196301000109 (5004-P))

NORHAZLIANA BINTI MOHAMMED HASHIM
Head, Unit Trust & Corporate Operations

Kuala Lumpur, Malaysia
18 February 2022

OPUS INCOME PLUS FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<u>Note</u>	<u>Unaudited</u> <u>31-Dec-21</u> RM	<u>Audited</u> <u>30-Jun-21</u> RM
ASSETS			
Financial assets at fair value through profit or loss (“FVTPL”)	4	21,777,335	25,656,938
Cash and cash equivalents	5	2,144,003	1,264,554
Amount due from manager (Creation)		6,099	16,393
TOTAL ASSETS		<u>23,927,437</u>	<u>26,937,885</u>
LIABILITIES			
Amount due to manager		17,277	19,065
Amount due to trustee		508	2,335
TOTAL LIABILITIES		<u>17,785</u>	<u>21,400</u>
NET ASSET VALUE		<u>23,909,652</u>	<u>26,916,485</u>
UNITHOLDERS' FUNDS			
Unitholders' capital		24,293,099	27,297,705
Accumulated losses		(383,447)	(381,220)
NET ASSET ATTRIBUTABLE TO UNITHOLDERS		<u>23,909,652</u>	<u>26,916,485</u>
UNITS IN CIRCULATION	6	<u>22,827,850</u>	<u>25,685,283</u>
NET ASSET VALUE PER UNIT		<u>1.0474</u>	<u>1.0479</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

OPUS INCOME PLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	<u>Note</u>	6 months financial period ended <u>31-Dec-21</u> RM	6 months financial period ended <u>31-Dec-20</u> RM
INVESTMENT INCOME			
Interest income from unquoted fixed income securities		487,118	592,586
Interest income from deposits with licensed financial institutions		16,008	31,310
Net loss on financial assets at FVTPL	4	<u>(299,366)</u>	<u>(24,040)</u>
		<u>203,760</u>	<u>599,856</u>
EXPENSES			
Management fee	7	(108,303)	(143,134)
Trustee's fee	8	(3,185)	(4,210)
Other expenses		<u>(145)</u>	<u>(90)</u>
		<u>(111,633)</u>	<u>(147,434)</u>
PROFIT BEFORE TAXATION		92,127	452,422
TAXATION	10	<u>-</u>	<u>-</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD END		<u>92,127</u>	<u>452,422</u>
Profit after taxation is made up as follows:			
Realised amount		218,513	770,130
Unrealised amount		<u>(126,386)</u>	<u>(317,708)</u>
		<u>92,127</u>	<u>452,422</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

OPUS INCOME PLUS FUND

STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Unitholders' <u>capital</u> RM	Accumulated <u>losses</u> RM	<u>Total</u> RM
Balance as at 01 July 2021	27,297,705	(381,220)	26,916,485
Movement in net asset value:			
Total comprehensive income for the financial period	-	92,127	92,127
Creation of units from applications	5,321,066	-	5,321,066
Creation of units from distributions	87,284	-	87,284
Cancellation of units	(8,412,956)	-	(8,412,956)
Distribution (Note 11)	-	(94,354)	(94,354)
Balance as at 30 December 2021	<u>24,293,099</u>	<u>(383,447)</u>	<u>23,909,652</u>
Balance as at 01 July 2020	23,470,112	465,097	23,935,209
Movement in net asset value:			
Total comprehensive income for the financial period	-	452,422	452,422
Creation of units from applications	36,174,577	-	36,174,577
Creation of units from distributions	604,181	-	604,181
Cancellation of units	(24,664,565)	-	(24,664,565)
Distribution (Note 11)	-	(710,725)	(710,725)
Balance as at 31 December 2020	<u>35,584,305</u>	<u>206,794</u>	<u>35,791,099</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

OPUS INCOME PLUS FUND

STATEMENT OF CASH FLOWS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	6 months financial period ended <u>31-Dec-21</u> RM	6 months financial period ended <u>31-Dec-20</u> RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	8,229,753	5,995,489
Proceeds from redemption of unquoted fixed income securities	400,000	-
Purchase of investments	(4,991,167)	(17,267,412)
Interest income received from unquoted fixed income securities	428,769	529,115
Interest income received from deposits with licensed financial institutions	16,008	31,310
Management fee paid	(110,091)	(134,479)
Trustee's fee paid	(5,012)	(3,955)
Payment for other fees and expenses	(145)	(90)
Net cash generated from/(used in) operating and investing activities	<u>3,968,115</u>	<u>(10,850,022)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	5,418,644	36,887,828
Payments for cancellation of units	(8,412,956)	(24,664,565)
Payment for distribution	(94,354)	(710,725)
Net cash (used in)/generated from financing activities	<u>(3,088,666)</u>	<u>11,512,538</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	879,449	662,516
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	1,264,554	1,636,205
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>2,144,003</u>	<u>2,298,721</u>
Cash and cash equivalents comprise:		
Deposit with a licensed financial institution	2,090,553	2,226,102
Bank balance	53,450	72,619
	<u>2,144,003</u>	<u>2,298,721</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A Basis of preparation of the financial statements

The financial statements of the Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”) and International Financial Reporting Standards (“IFRSs”).

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial period. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J.

- (a) During the current financial period, the Fund has adopted the following amendments to accounting standards (including the consequential amendments, if any):-

Amendments to MFRSs (Including The Consequential Amendments)

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16

- Interest Rate Benchmark Reform - Phase 2

Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

The adoption of the above accounting standards (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Fund upon its initial application.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

A Basis of preparation of the financial statements (continued)

- (b) The Fund has not applied in advance the following accounting standards (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendment to MFRS 17 Insurance Contracts initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Fund upon its initial application.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

B Income recognition

Interest income from deposits with licensed financial institutions and unquoted fixed income securities are recognised on an accrual basis using the effective interest method.

Realised gain and loss on sale of unquoted fixed income securities are measured by the difference between the net disposal proceeds and the carrying amounts of investment, calculated on the weighted average cost basis.

Realised gains and losses on sale of collective investment scheme are accounted for as the difference between the net disposal proceeds and the carrying amount of the collective investment scheme, determined on a weighted average cost basis.

C Distribution

Distributions are at the discretion of the Fund. A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved for appropriation.

D Taxation

Current tax assets and liabilities are the expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in statement of comprehensive income except to the extent that the tax relates to items recognised outside statement of comprehensive income (either in other comprehensive income or directly in equity).

E Presentation and functional currency

Items included in 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 the Fund's presentation and functional currency.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

F Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Fund has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Fund has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

F Financial instruments (continued)

Financial Assets (continued)

Debt Instruments (continued)

(i) Amortised Cost (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value.

Unrealised gains or losses arising from changes in the fair value of the financial assets at 'fair value through profit or loss' category are recognised in the statement of comprehensive income in the financial period in which they arise.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

F Financial instruments (continued)

Financial Assets (continued)

Debt Instruments (continued)

(iii) Fair Value through Profit or Loss (continued)

Unquoted fixed income securities denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency (“BPA”) registered with the Securities Commission of Malaysia (“SC”). Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specified unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) Records its basis for using a non-BPA price;
- (ii) Obtain necessary internal approvals to use the non-BPA price; and
- (iii) Keeps an audit trail of all decisions and basis for adopting the market yield.

The Fund reclassifies debt instruments when and only when its business model for managing those assets change.

Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

F Financial instruments (continued)

Financial Liabilities (continued)

(ii) Other Financial Liabilities (continued)

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate 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 interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the assets and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain and loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

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.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

F Financial instruments (continued)

Impairment of financial assets

The Fund recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, the receivables, deposits with a financial institution and cash at bank.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Fund in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Fund always recognises lifetime expected credit losses for the receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Fund's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Fund recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Fund measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Fund recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balance, deposits with a licensed financial institution, and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less.

H Unitholders' capital

The unitholders' capital is classified as equity.

The Fund issues cancellable units, which are cancelled at the unitholder's option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's Net Asset Value ("NAV"). The outstanding units are carried at the redemption amount that is payable as at the date of the statement of financial position if the unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the unitholder's option at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

The units in the Fund are puttable instruments which entitle the unitholders to a pro-rata share of the Net Asset of the Fund. The units are subordinated and have identical features. There is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units. The total expected cash flows from the units in the Fund over the life of the units are based on the change in the Net Asset of the Fund.

I Segmental information

Operating segments are reported in a manner consistent with the internal reporting used by chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments that undertakes strategic decisions for the Fund.

OPUS INCOME PLUS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

J Critical accounting estimates and judgements in applying accounting policies

Key Sources of Estimation Uncertainty

Manager believes that there are no key assumptions made 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 within the next financial period other than as disclosed below:-

Fair Value Estimates for Unquoted Financial Assets

The Fund carries certain financial assets that are not traded in an active market at fair value. The Fund uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The amount of fair value changes would differ if the Fund uses different valuation methodologies and assumptions, and eventually affect profit and/or other comprehensive income. The carrying amount of these financial assets as at the reporting date is disclosed in Note 4 to the financial statements.

Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Fund recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

Critical Judgements Made in Applying Accounting Policies

Manager believes that there are no instances of application of critical judgement in applying the Fund's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

1 INFORMATION ON THE FUND

Opus Income Plus Fund (hereinafter referred to as ‘the Fund’) was constituted pursuant to the execution of a deed dated 31 May 2018 between Opus Asset Management Sdn. Bhd. as the Manager and Maybank Trustees Berhad as the Trustee. The Fund was launched on 28 September 2018 and will continue to be in operation until determined otherwise by the Manager or the Trustee as provided under the Deed.

The principal place of business is located at B-19-2, Northpoint Offices, Mid Valley City, No.1, Medan Syed Putra Utara, 59200 Kuala Lumpur.

The objective of the Fund is to achieve higher returns than Maybank 12-month fixed deposit rate over the medium to long term, while preserving capital and providing an opportunity for income.

The Manager, Opus Asset Management Sdn. Bhd., a company incorporated in Malaysia, is principally engaged in the business of fund management and the provision of financial advisory services.

The financial statements were authorised for issue by the Manager on 18 February 2022.

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include management risk, market risk (inclusive of price risk and interest rate risk), credit risk, liquidity risk, non-compliance risk and capital risk management.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Fund’s Prospectus.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss RM	Amortised cost RM	Total RM
31.12.2021 (Unaudited)			
Unquoted fixed income securities	21,777,335	-	21,777,335
Cash and cash equivalents	-	2,144,003	2,144,003
Amount due from manager	-	6,099	6,099
	<u>21,777,335</u>	<u>2,150,102</u>	<u>23,927,437</u>
30.06.2021 (Audited)			
Unquoted fixed income securities	25,656,938	-	25,656,938
Cash and cash equivalents	-	1,264,554	1,264,554
Amount due from manager	-	16,393	16,393
	<u>25,656,938</u>	<u>1,280,947</u>	<u>26,937,885</u>

Management risk

Poor management of the Fund may jeopardise the investment of each unitholder. Therefore, it is important for the Manager to set the investment policies and appropriate strategies to be in line with the investment objective before any investment activities can be considered. However, there can be no guarantee that these measures will produce the desired results.

Price risk

Price risk is the risk that the fair value of an investment of the Fund will fluctuate because of changes in market prices (other than those arising from interest rate risk).

The Fund's overall exposure to price risk was as follows:

	Unaudited 31-Dec-21 RM	Audited 30-Jun-21 RM
Financial assets at fair value through profit or loss*	<u>21,777,335</u>	<u>25,656,938</u>

* Includes interest receivable of RM246,872 (30.06.2021: RM287,664)

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Price risk (continued)

The table below summarises the sensitivity of the Fund's net asset value and profit after tax to movements in prices of investments. The analysis is based on the assumption that the price of the investments fluctuates by 5% with all other variables held constant.

	Change in price of <u>investments</u> %	<u>Market value</u> RM	<u>Impact on profit after tax and net asset value</u> RM
<u>31.12.2021 (Unaudited)</u>	-5	20,453,940	(1,076,523)
	0	21,530,463	-
	5	22,606,986	1,076,523
<u>30.06.2021 (Audited)</u>	-5	24,100,810	(1,268,464)
	0	25,369,274	-
	5	26,637,738	1,268,464

Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the net asset value of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income securities till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the net asset value shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial since bond portfolio management depends on forecasting interest rate movements. Unquoted fixed income securities with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk (continued)

Investors should note that unquoted fixed income securities (such as the bonds held by the Fund) and money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's net asset value to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increased and decreased by 1% with all other variables held constant.

<u>% change in interest rate</u>	Impact on profit after tax/ net asset value	
	Unaudited 31-Dec-21	Audited 30-Jun-21
	RM	RM
+1%	(46,293)	(56,784)
-1%	47,720	57,448

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations to make timely repayments of interest, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships, derivatives and other transactions.

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/counterparty's credit profile to minimise such risk. It is the Fund's policy to buy financial instruments with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's counterparties by reviewing their credit ratings and credit profiles on a regular basis.

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the end of the reporting period.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The Manager consider these banks and financial institutions have low credit risk. Therefore, the Manager is of the view that the loss allowance is immaterial and hence, it is not provided for.

The following table sets out the credit risk concentration of the Fund:

	Unquoted fixed income securities	Cash and cash equivalents	Amount due from manager	Total
	RM	RM	RM	RM
<u>31.12.2021 (Unaudited)</u>				
- AAA	9,492,974	2,144,003	-	11,636,977
- AA1	1,040,544	-	-	1,040,544
- AA3	4,111,282	-	-	4,111,282
- AA-	1,848,162	-	-	1,848,162
- Unrated (Government)	1,532,615	-	-	1,532,615
- Unrated (Government guaranteed)	3,751,758	-	-	3,751,758
- Not rated			6,099	6,099
	<u>21,777,335</u>	<u>2,144,003</u>	<u>6,099</u>	<u>23,927,437</u>
<u>30.06.2021 (Audited)</u>				
- AAA	9,289,167	1,264,554	-	10,553,721
- AA1	-	-	-	-
- AA3	4,963,529	-	-	4,963,529
- AA	1,570,107	-	-	1,570,107
- AA-	1,881,755	-	-	1,881,755
- Unrated (Government)	3,674,526	-	-	3,674,526
- Unrated (Government guaranteed)	4,277,854	-	-	4,277,854
- Not rated	-	-	16,393	16,393
	<u>25,656,938</u>	<u>1,264,554</u>	<u>16,393</u>	<u>26,937,885</u>

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. Liquidity risk exists when particular investments are difficult to sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price. Unit trust fund with principal investment strategies that involve securities or securities with substantial market and/or credit risk tend to have the greater exposure to liquidity risk. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining year as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Maturity Analysis

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
<u>31.12.2021 (Unaudited)</u>			
Amount due to manager	17,277	-	17,277
Amount due to trustee	508	-	508
	<u>17,785</u>	<u>-</u>	<u>17,785</u>
<u>30.06.2021 (Audited)</u>			
Amount due to manager	19,065	-	19,065
Amount due to trustee	2,335	-	2,335
	<u>21,400</u>	<u>-</u>	<u>21,400</u>

Non-compliance risk

This is the risk of the Manager not complying with the internal policies, the Deeds of the Fund, all applicable laws or guidelines issued by the regulators. This may occur as a result of system failure or the inadvertence of the Manager. The magnitude of such risk and its impact on the Fund and/or unitholders are dependent on the nature and severity of the non-compliance. Non-compliance may adversely affect the Fund especially if the investment of the Fund has to be disposed at a lower price to rectify the non-compliance.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital of RM24,293,099 (30.06.2021: RM27,297,705) and accumulated losses of RM383,447 (30.06.2021 : RM381,220). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3 FAIR VALUE ESTIMATION

Fair value is defined as 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 (i.e. an exit price).

The fair values of financial assets traded in active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial period end date.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

For instruments for which there is no active market, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which market were or have been inactive during the financial period. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

The fair values are based on the following methodologies and assumptions:

- (i) For bank balances, deposits and placements with financial institutions with maturities less than 1 year, the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value less impairment of receivables and payables are assumed to approximate their fair values. The carrying values of financial assets and financial liabilities approximate their fair values due to their short term nature.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy

The Fund adopted MFRS 13 “Fair Value Measurement” in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<u>31.12.2021 (Unaudited)</u>				
Financial assets at FVTPL				
- Unquoted fixed income securities	-	21,777,335	-	21,777,335
<u>30.06.2021 (Audited)</u>				
Financial assets at FVTPL				
- Unquoted fixed income securities	-	25,656,938	-	25,656,938

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. Level 2 instruments include unquoted fixed income securities. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or nontransferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note F.

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	Unaudited 31-Dec-21 RM	Audited 30-Jun-21 RM
Financial assets designated as FVTPL:		
- Unquoted fixed income securities	21,777,335	25,656,938
	01.07.2021 to 31/12/2021 RM	01.07.2020 to 31/12/2020 RM
Net loss on financial assets at FVTPL comprised:		
- net realised (loss)/gain on sale of financial assets at FVTPL	(172,980)	293,668
- net unrealised loss on changes in fair value	(126,386)	(317,708)
	(299,366)	(24,040)

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Unaudited financial assets designated as FVTPL as at 31 December 2021 are as follows:

Name of Counter	Nominal value	Cost RM	Fair value as at 31.12.2021 RM	Fair value as at 31.12.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES				
CORPORATE BONDS				
BANK				
4.90% RHB INVESTMENT BANK BERHAD 11/10/2022 AA3	750,000	782,594	769,986	3.22
3.65% RHB BANK BERHAD 28/04/2026 AA3	500,000	503,250	498,640	2.08
		<u>1,285,844</u>	<u>1,268,626</u>	<u>5.30</u>
FINANCE				
3.85% AEON Credit Service (M) Berhad 10/02/2028 AA3	750,000	761,313	747,250	3.13
5.50% AL-DZAHAB ASSETS BERHAD 29/09/2023 AAA	750,000	787,698	786,453	3.29

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Unaudited financial assets designated as FVTPL as at 31 December 2021 are as follows:
(Continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 31.12.2021 RM	Fair value as at 31.12.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
FINANCE (CONTINUED)				
4.75% Bank Pembangunan Malaysia Berhad 12/09/2029 NR-GG	1,250,000	1,448,443	1,342,644	5.61
3.90% Bank Pertanian Malaysia Berhad 02/11/2028 AAA	750,000	754,808	756,833	3.16
3.50% Toyota Capital Malaysia Sdn Bhd 18/10/2024 AAA	1,250,000	1,257,274	1,250,461	5.23
		<hr/>	<hr/>	<hr/>
		5,009,536	4,883,641	20.42
GAMING				
4.98% GENM Capital Bhd 11/07/2023 AA1	1,000,000	1,036,004	1,040,544	4.35

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Unaudited financial assets designated as FVTPL as at 31 December 2021 are as follows:
(Continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 31.12.2021 RM	Fair value as at 31.12.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
INDUSTRIAL				
4.69% Press Metal Aluminium Holdings Berhad 07/12/2027 AA3	250,000	251,578	251,358	1.05
INFRASTRUCTURE				
3.28% Prasarana Malaysia Berhad 23/02/2035 NR-GG	1,000,000	1,002,767	929,392	3.89
3.44% Prasarana Malaysia Berhad 24/02/2040 NR-GG	750,000	759,118	680,526	2.84
5.08% Danainfra Nasional Berhad 30/04/2038 NR-GG	725,000	842,702	799,197	3.34
		<u>2,604,587</u>	<u>2,409,115</u>	<u>10.07</u>

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Unaudited financial assets designated as FVTPL as at 31 December 2021 are as follows:
(Continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 31.12.2021 RM	Fair value as at 31.12.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
INVESTMENT HOLDING				
2.97% Danum Capital Berhad 13/05/2025 AAA	1,750,000	1,756,693	1,739,525	7.28
3.42% Danum Capital Berhad 21/02/2035 AAA	1,250,000	1,255,793	1,170,768	4.90
		<u>3,012,486</u>	<u>2,910,293</u>	<u>12.18</u>
POWER				
5.04% SPR Energy (M) Sdn Bhd 17/07/2025 AA3	1,750,000	<u>1,926,963</u>	<u>1,844,048</u>	<u>7.71</u>
PROPERTY				
4.98% INVERFIN SDN BHD 28/02/2023 AAA	1,000,000	<u>1,019,518</u>	<u>1,036,168</u>	<u>4.33</u>

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Unaudited financial assets designated as FVTPL as at 31 December 2021 are as follows:
(Continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 31.12.2021 RM	Fair value as at 31.12.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
TELECOMMUNICATION				
3.60% Digi Telecommunications Sdn Bhd 20/09/2029 AAA	500,000	505,080	492,870	2.06
TOLL ROAD				
5.64% LEBUHRAYA DUKE FASA 3 SDN BHD 22/08/2031 AA-	1,750,000	1,877,649	1,848,161	7.73
TRANSPORTATION				
3.87% Malaysia Airports Holdings Berhad 30/12/2026 AAA	500,000	500,106	500,106	2.09
WATER				
4.10% Pengurusan Air Selangor Sdn Bhd	750,000	755,392	757,349	3.17

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

**4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)
(CONTINUED)**

Unaudited financial assets designated as FVTPL as at 31 December 2021 are as follows:
(Continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 31.12.2021 RM	Fair value as at 31.12.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
WATER (CONTINUED)				
3.85% Glacier Assets Bhd 24/03/2025 AAA	500,000	505,222	503,607	2.11
3.73% Pengurusan Air Spv Berhad 02/06/2028 AAA	500,000	507,429	498,834	2.10
		<u>1,768,043</u>	<u>1,759,790</u>	<u>7.38</u>
TOTAL CORPORATE BONDS		<u>20,797,394</u>	<u>20,244,720</u>	<u>84.67</u>
MALAYSIAN GOVERNMENT SECURITIES				
3.73% Government Of Malaysia 15/06/2028 NR-GOVT	1,500,000	1,595,465	1,532,615	6.41
TOTAL MALAYSIAN GOVERNMENT SECURITIES		<u>1,595,465</u>	<u>1,532,615</u>	<u>6.41</u>
TOTAL UNQUOTED FIXED INCOME SECURITIES		<u>22,392,859</u>	<u>21,777,335</u>	<u>91.08</u>
ACCUMULATED UNREALISED LOSS		<u>(615,524)</u>		
TOTAL FINANCIAL ASSETS AT FVTPL		<u>21,777,335</u>		

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows:

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES				
CORPORATE BONDS				
BANK				
4.90% RHB INVESTMENT BANK BERHAD 11/10/2022 AA3	750,000	782,392	775,590	2.88
4.95% CIMB Group Holdings Berhad 29/03/2023 AA	1,500,000	1,590,372	1,570,107	5.83
3.65% RHB BANK BERHAD 28/04/2026 AA3	500,000	503,200	508,770	1.89
		<u>2,875,964</u>	<u>2,854,467</u>	<u>10.60</u>
CONSTRUCTION				
6.05% Pujian Bayu Sdn Bhd 31/07/2029 AA3	1,000,000	<u>1,025,360</u>	<u>1,050,520</u>	<u>3.90</u>

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
FINANCE				
3.85% AEON Credit Service (M) Berhad 10/02/2028 AA3	750,000	761,154	756,804	2.81
5.50% AL-DZAHAB ASSETS BERHAD 29/09/2023 AAA	750,000	787,698	795,618	2.96
4.75% Bank Pembangunan Malaysia Berhad 12/09/2029 NR-GG	1,250,000	1,448,313	1,378,563	5.12
3.00% Zamarad Assets Berhad 25/11/2021 AAA	800,000	802,433	802,953	2.98
3.50% Toyota Capital Malaysia Sdn Bhd 18/10/2024 AAA	1,250,000	1,257,274	1,260,924	4.68
		<hr/>	<hr/>	<hr/>
		5,056,872	4,994,862	18.55

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
INFRASTRUCTURE				
3.93% Danainfra Nasional Berhad 27/11/2034 NR-GG	250,000	271,192	248,110	0.92
4.65% Danainfra Nasional Berhad 20/10/2036 NR-GG	500,000	570,336	530,291	1.97
5.08% Danainfra Nasional Berhad 30/04/2038 NR-GG	475,000	565,398	523,783	1.95
3.28% Prasarana Malaysia Berhad 23/02/2035 NR-GG	1,000,000	1,002,498	925,433	3.44
3.44% Prasarana Malaysia Berhad 24/02/2040 NR-GG	750,000	758,906	671,674	2.50
		<hr/>	<hr/>	<hr/>
		3,168,330	2,899,291	10.78

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
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UNQUOTED FIXED INCOME SECURITIES (CONTINUED)

CORPORATE BONDS (CONTINUED)

INVESTMENT HOLDING

2.97% Danum Capital Berhad 13/05/2025 AAA	1,750,000	1,756,408	1,762,988	6.55
3.42% Danum Capital Berhad 21/02/2035 AAA	1,250,000	1,255,559	1,155,321	4.30
		<u>3,011,967</u>	<u>2,918,309</u>	<u>10.85</u>

POWER

5.04% SPR Energy (M) Sdn Bhd 17/07/2025 AA3	1,750,000	<u>1,926,480</u>	<u>1,871,845</u>	<u>6.96</u>
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PROPERTY

4.98% INVERFIN SDN BHD 28/02/2023 AAA	1,000,000	<u>1,019,655</u>	<u>1,042,285</u>	<u>3.87</u>
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OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
TELECOMMUNICATION				
4.65% Digi Telecommunications Sdn Bhd 14/04/2027 AAA	500,000	555,568	542,858	2.02
3.60% Digi Telecommunications Sdn Bhd 20/09/2029 AAA	500,000	504,981	503,551	1.87
		<u>1,060,549</u>	<u>1,046,409</u>	<u>3.89</u>
TOLL ROAD				
5.64% LEBUHRAYA DUKE FASA 3 SDN BHD 22/08/2031 AA-	1,750,000	<u>1,876,838</u>	<u>1,881,755</u>	<u>6.99</u>

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
CORPORATE BONDS (CONTINUED)				
WATER				
3.20% Swirl Assets Bhd 20/09/2021 AAA	400,000	403,682	403,878	1.50
3.85% Glacier Assets Bhd 24/03/2025 AAA	500,000	505,221	509,421	1.89
3.73% Pengurusan Air Spv Berhad 02/06/2028 AAA	500,000	507,480	509,370	1.89
		<u>1,416,383</u>	<u>1,422,669</u>	<u>5.28</u>
TOTAL CORPORATE BONDS		<u>22,438,398</u>	<u>21,982,412</u>	<u>81.67</u>

MALAYSIAN GOVERNMENT SECURITIES

3.73% Government Of Malaysia 15/06/2028 NR-GOVT	1,500,000	1,595,298	1,571,448	5.84
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OPUS INCOME PLUS FUND**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)
(CONTINUED)**

Audited financial assets designated as FVTPL as at 30 June 2021 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2021 RM	Fair value as at 30.06.2021 expressed as a percentage of value of the Fund %
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
MALAYSIAN GOVERNMENT SECURITIES (CONTINUED)				
3.45% Government Of Malaysia 15/07/2036 NR-GOVT	500,000	474,431	476,951	1.77
3.47% Government Of Malaysia 15/10/2030 NR-GOVT	1,500,000	1,536,435	1,522,935	5.65
4.64% Government Of Malaysia 15/11/2049 NR-GOVT	100,000	101,512	103,192	0.39
		<u>3,707,676</u>	<u>3,674,526</u>	<u>13.65</u>
TOTAL MALAYSIAN GOVERNMENT SECURITIES		<u><u>3,707,676</u></u>	<u><u>3,674,526</u></u>	<u><u>13.65</u></u>
TOTAL UNQUOTED FIXED INCOME SECURITIES		26,146,074	<u><u>25,656,938</u></u>	<u><u>95.32</u></u>
ACCUMULATED UNREALISED LOSS		<u>(489,136)</u>		
TOTAL FINANCIAL ASSETS AT FVTPL		<u><u>25,656,938</u></u>		

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

5 CASH AND CASH EQUIVALENTS

	Unaudited <u>31-Dec-21</u> RM	Audited <u>30-Jun-21</u> RM
Deposit with a licensed financial institution	2,090,553	1,208,544
Bank balance	53,450	56,010
	<u>2,144,003</u>	<u>1,264,554</u>

Deposit with a licensed financial institution include interest receivable of RM 92 (30.06.2021: RM53)

	Unaudited <u>31-Dec-21</u>	Audited <u>30-Jun-21</u>
Weighted average rate of return	1.60%	1.60%
Average maturity	3 day	1 day

6 UNITS IN CIRCULATION

	Unaudited <u>31-Dec-21</u> Units	Audited <u>30-Jun-21</u> Units
At the beginning of the financial period	25,685,283	22,432,550
Creation of units during the financial period		
Arising from distribution during the financial period	83,118	565,220
Arising from applications during the financial period	5,075,893	46,153,880
Cancellation of units during the financial period	<u>(8,016,444)</u>	<u>(43,466,367)</u>
At the end of the financial period	<u>22,827,850</u>	<u>25,685,283</u>

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

7 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum of the net asset value of the Fund, calculated on a daily basis.

The management fee provided in the financial statements is 0.85% per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

8 TRUSTEE'S FEE

In accordance with the Deed, the Trustee is entitled to a trustee fee at a rate not exceeding 0.025% per annum of the net asset value of the Fund, subject to a minimum of RM12,000 per annum calculated on a daily basis.

The Trustee's fee provided in the financial statements is 0.025% per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

There will be no further liability to the Trustee in respect of the Trustee's fee other than the amounts recognised above.

9 AUDIT FEE AND TAX AGENT'S FEE

No accruals were made in respect of auditors' remuneration and tax agent's fees for the current and previous financial periods as the amounts were borne by the Manager.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

10 TAXATION

(a) Tax charge for the financial period

	01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
	RM	RM
Current taxation	-	-

(b) Numerical reconciliation of income tax expense

The numerical reconciliation between profit before taxation multiplied by the Malaysian statutory income tax rate and the tax expense of the Fund is as follows:

	01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
	RM	RM
Profit before taxation	92,127	452,422
Tax calculated at a tax rate of 24% (2020: 24%)	22,110	108,581
Tax effects of:		
Income not subject to tax	(48,903)	(143,965)
Expenses not deductible for tax purposes	800	1,032
Restriction on tax deductible expenses for unit trust funds	25,993	34,352
Tax expense	-	-

OPUS INCOME PLUS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)**

11 DISTRIBUTION

	01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
	RM	RM
Distribution to unitholders are from following sources:		
Interest income from unquoted fixed income securities	96,269	361,913
Interest income from deposits with licensed financial institutions	4,033	17,867
Realised (loss)/gain on sale of investments	(29,978)	174,138
Prior year realised income	53,958	304,318
Gross realised income	<u>124,282</u>	<u>858,236</u>
Less: Expenses	(29,928)	(147,511)
Gross distribution amount	<u>94,354</u>	<u>710,725</u>
Less: Taxation	-	-
Net distribution amount	<u><u>94,354</u></u>	<u><u>710,725</u></u>

	Entitlement date	Payment date	Gross distribution per unit (sen)	Net distribution per unit (sen)
01.07.2021 to 31/12/2021	24-Sep-2021	27-Sep-2021	0.20	0.20
	23-Dec-2021	24-Dec-2021	0.20	0.20
			<u>0.40</u>	<u>0.40</u>
01.07.2020 to 31/12/2020	28-Sep-2020	29-Sep-2020	1.20	1.20
	23-Dec-2020	24-Dec-2020	0.95	0.95
			<u>2.15</u>	<u>2.15</u>

Gross distribution is derived using total income less total expenses.

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

12 MANAGEMENT EXPENSE RATIO (“MER”)

	01.07.2021 to <u>31.12.2021</u> %	01.07.2020 to <u>31.12.2020</u> %
MER	<u>0.44</u>	<u>0.44</u>

Management expense ratio includes management fee, trustee’s fee and other expenses which is calculated as follows:

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

A = Management fee

B = Trustee’s fee

C = Other expenses

D = Average net asset value of the Fund for the financial period, calculated on a daily basis

The average net asset value of the Fund for the financial period, calculated on a daily basis is RM25,273,370 (31.12.2020 : RM33,493,370)

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	01.07.2021 to <u>31.12.2021</u>	01.07.2020 to <u>31.12.2020</u>
PTR (times)	<u>0.26</u>	<u>0.35</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average net asset value of the Fund for the financial period calculated on a daily basis}}$$

where:

Total acquisition for the financial period = RM4,991,167 (31.12.2020 : RM17,267,412)

Total disposals for the financial period = RM8,229,753 (31.12.2020 : RM5,995,489)

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

14 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
Opus Asset Management Sdn Bhd	The Manager
Persons connected with the Manager	Employees and related parties to the Manager

The number of units held by the person connected with Manager is as follows:

	<u>31.12.2021 (Unaudited)</u>		<u>30.06.2021 (Audited)</u>	
	<u>Units</u>	<u>RM</u>	<u>Units</u>	<u>RM</u>
The Manager*	10	11	11	11
Person connected with the Manager	<u>2,323,424</u>	<u>2,433,555</u>	<u>3,762,014</u>	<u>3,942,215</u>

*The units are held beneficially by the Manager for booking purposes and were transacted at the prevailing market price.

The Manager is of the opinion that all transactions with the related companies have been entered into an agreed terms between the related parties.

In addition to the related party disclosure mentioned elsewhere in the financial statements, there were no other significant related party transactions and balances.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

15 TRANSACTIONS WITH BROKERS

Details of transactions by the Fund for the financial period from 1 July 2021 to 31 December 2021 are as follows:

<u>Broker/ financial institution</u>	<u>Value of trades[^] RM</u>	<u>Percentage of total trades %</u>	<u>Brokerage fees RM</u>	<u>Percentage of total brokerage fees %</u>
RHB Investment Bank Berhad*	3,172,224	23.99	-	-
CIMB Bank Berhad	2,241,203	16.95	-	-
AmBank (M) Berhad	1,431,630	10.83	-	-
Hong Leong Bank Berhad	1,826,324	13.81	-	-
CIMB Islamic Bank Berhad	105,264	0.80	-	-
AmBank Islamic Berhad	1,863,659	14.10	-	-
Malayan Banking Berhad*	2,580,616	19.52	-	-
	<u>13,220,920</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

[^] Includes purchase price plus accrued interest at acquisition.

* Included in transactions with brokers and dealers are cross trades conducted between portfolios managed by the Manager.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

15 TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions by the Fund for the financial period from 1 July 2020 to 31 December 2020 are as follows:

<u>Broker/ financial institution</u>	<u>Value of trades[^] RM</u>	<u>Percentage of total trades %</u>	<u>Brokerage fees RM</u>	<u>Percentage of total brokerage fees %</u>
RHB Investment Bank Berhad*	11,260,272	48.40	-	-
AmBank (M) Berhad	3,882,762	16.69	-	-
CIMB Bank Berhad	2,979,101	12.81	-	-
Affin Hwang Investment Bank Berhad	1,450,771	6.24	-	-
J.P. Morgan Chase Bank Berhad	1,135,444	4.88	-	-
Hong Leong Bank Berhad*	1,043,331	4.49	-	-
CIMB Islamic Bank Berhad	1,005,515	4.32	-	-
Standard Chartered Bank Malaysia Berhad	505,705	2.17	-	-
	<u>23,262,901</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

[^] Includes purchase price plus accrued interest at acquisition.

* Included in transactions with brokers and dealers are cross trades conducted between portfolios managed by the Manager.

OPUS INCOME PLUS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

17 SEGMENTAL INFORMATION

The internal reporting provided to the Committee for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS. The Committee is responsible for the performance of the Fund and considers the business to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of interest and gains on the appreciation in the value of investments which is derived from unquoted fixed income securities in Malaysia.

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

18 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as global pandemic. Following the declaration, the Government of Malaysia has on 18 March 2020 imposed the Movement Control Order ("MCO") and subsequently entered into various phases of the MCO to curb the spread of the COVID-19 pandemic in Malaysia.

material financial impacts arising from the pandemic. Nevertheless, the fund manager has taken and will continue to take necessary steps to safeguard and preserve its financial condition, emphasising on liquidity management to meet its continuing financial commitments and liquidity needs.

Given the dynamic nature of the COVID-19 pandemic, it is not practicable to provide a reasonable estimate of its impacts on the Fund's financial position, operating results and cash flows at the date on which these financial statements are authorised for issue.

19 INTERIM FINANCIAL STATEMENTS

The interim financial statements for the 6-month period ended 31 December 2021 have not been audited.

OPUS INCOME PLUS FUND

CORPORATE INFORMATION

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