



**Opus Shariah Dynamic Income Fund  
(OPUS SDIF)**

**ANNUAL REPORT 2024**

**FOR FINANCIAL YEAR ENDED**

**30 JUNE 2024**

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**Market Review, Outlook and Strategy**

**Market Review**

In Q2'24, we saw G10 central banks—specifically the Bank of Canada, Riksbank (Sweden), and the European Central Bank (ECB)—transition into the rate easing cycle with their first policy rate cuts, while the Swiss National Bank (SNB) surprised with a second cut. Central banks now appear more tolerant of stickier inflation as a trade-off to avoid the risk of an economic downturn.

The US continues to show a picture of resilient labour market with hotter job numbers and wage growth. However, upon closer examination, most job gains were part-time and driven by sectors such as healthcare and government, while the number of full-time jobs notably declined, hinting at a possible slowdown ahead. In terms of leading indicators, there continues to be a divergence between goods and services, with disappointing manufacturing Purchasing Managers' Index (PMI) as of Jun'24, which remained contractionary at 48.7 while the services PMI exceeded expectations at 53.8.

The Federal Reserve kept the Fed fund Rate (FFR) unchanged at 5.25% - 5.50% in the June '24 Federal Reserve Open Market Committee (FOMC) meeting, in line with market expectation. The Fed now projects only one rate cut which had already been priced in by the markets. Some dovish undertones were noted in the Fed statement, acknowledging "modest further progress" in light of recent softer inflation data. Key data points influencing yield movements included: 1) a slower May'24 core inflation rate at 0.2% MoM (Apr '24: 0.3%; Exp: 0.3%), 2) a surprising contraction in the Producer Price Index (PPI) at -0.2% (Apr '24: 0.5%; Exp: 0.2%), and 3) weaker retail sales at 0.1% MoM (Exp: 0.2%).

Meanwhile, in China, the property sector slump shows no signs of recovery despite the recent announcement of policy support (RMB300 billion housing relending scheme), which has only just begun implementation. However, targeted consumption stimulus began to yield results in recent retail sales data (12.9% YoY), amid ongoing efforts by the Chinese government to restore consumer confidence. Fixed asset investments in both manufacturing and infrastructure continue to grow consecutively at 9.4% and 7.7%, respectively, in line with broader initiatives toward higher-quality growth. Further issuance of special government bonds will provide additional tailwinds in the second half of '24 towards the Chinese government's 5% growth target.

Back home in Malaysia, our fundamentals remain intact, evident in strong employment and trade recovery. The labor market remained resilient, with the April '24 unemployment rate stable at 3.3%, supported by a high participation rate of 70.3%. Exports in May '24 showed a strong recovery with a 7.3% YoY growth, driven mainly by increased sales of electrical & electronics and palm oil/related agricultural products. Meanwhile, increased imports of intermediate and capital goods suggest a promising outlook for economic activity expansion ahead. Furthermore, inflation has remained subdued so far (May '24: 2% YoY), even with the recent diesel subsidy cut due to its small contribution to the consumer price index. However, a larger impact is expected from the rationalization of RON95 fuel subsidies, with headline forecasts ranging between 2.5% and 3.3%. While rising costs may moderate discretionary spending, the withdrawal of RM7 billion from EPF Account 3 as of June 10, '24, and the 13% salary hike for civil servants could mitigate some effects. We expect domestic consumption and recovery in external trades and tourism to support growth with 2024 GDP growth expected at 4.5% - 5.0%

## **Market Outlook**

Following the adjustment seen in Q1'24, yields have been inching lower as the markets react to the recent softer data prints throughout Q2'24. Overall, UST yields declined 23–33 bps across the curve, with the UST10Y now at 4.40%, down from April's high of 4.71%.

Notwithstanding fewer and delayed rate cuts, interest rate outlook is bias towards more rate cuts as central banks shift focus on growth slowdown. We expect Fed to cut between 0 – 50bps by end-2024. Nevertheless, volatility in rates will continue persist on any surprisingly stronger labour market data print or slower progress in disinflation in the US. Unexpected election outcomes in developed nations would also cause gyrations in risk sentiment.

Locally, we expect the recovery of global trade, especially in commodities and electrical & electronics to be the key catalyst for our economic growth in addition to the strong rebound in tourism. Household spending will continue to drive resilience in domestic demand, underpinned by the robust labour market and wage growth. We expect Bank Negara Malaysia to maintain OPR at the current 3.00% level to sustain growth and the mitigate any Ringgit weakness. In terms of our local bond market, strong demand by local institution funds will continue to provide support while lower corporate bond issuance see demand outstrip supply. Further foreign inflows are likely when yield differentials with the US narrows.

## **Strategy**

We think that the big adjustment in the UST is done, with market now pricing 50 bps rate cut. While we do not discount the possibility of zero rate cut in 2024, which would lead to some volatility in the market, we deem the risk to be a lot lower.

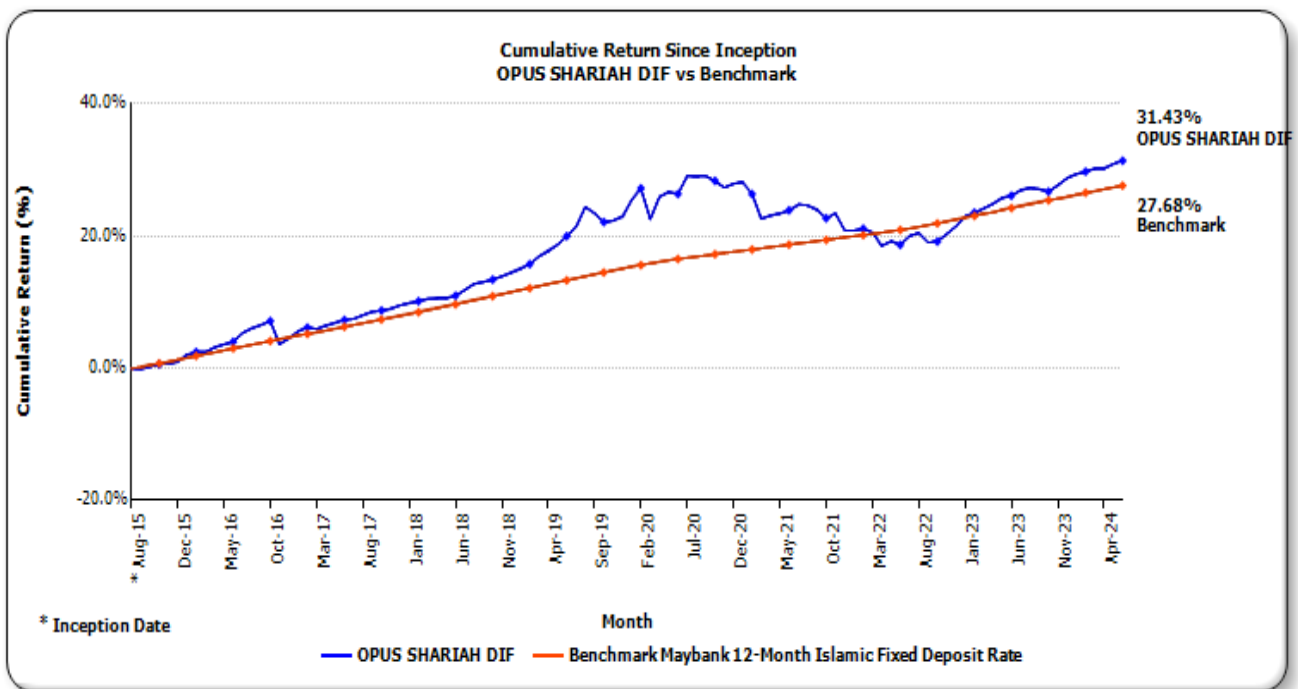
Despite the debatable timing and quantum of rate cuts in 2024, the narrative of rate cuts commencing is supportive of the local sukuk market and the MYR as the yield differentials will narrow. We also expect increased demand from local institutions, especially pension funds and government-linked investment companies (GLIC). We expect OPR to stay at 3.00% for the rest of 2024 in view of manageable inflation and MYR volatility. Hence, we will be maintaining our duration between 4 - 6 years, while focusing on high quality corporate sukuk for yield pick-up.

## **Performance: Outperformed benchmark by 3.75% since inception**

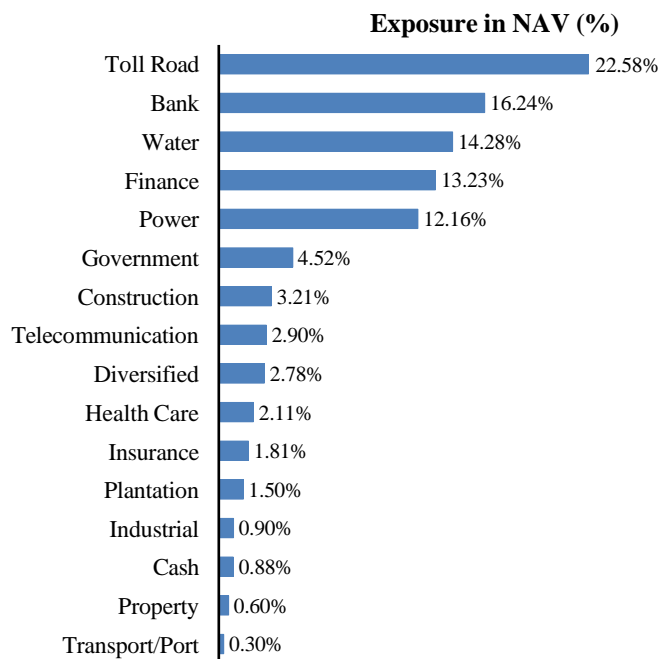
As at 30 June 2024, the Fund was 99.12% invested while 0.88% was held in cash. The Fund's TWRR since inception was 31.43% compared to the benchmark of 27.68%, which is the accreted value since inception of the Maybank 12-Month Islamic Fixed Deposit Rate. Hence, the Fund outperformed the benchmark by 3.75%. For the calendar year-to-date period, TWRR for the fund was 2.06% against the benchmark TWRR of 1.33%. The Fund had a duration of 4.29 years. The average rating of the portfolio was AA2. Apart from cash, 86.87% are rated at least AA3, which are generally quite liquid. For corporate bonds rated lower than AA3, bid-offer spreads are generally wider due to the less liquid market conditions.

## Opus Shariah Dynamic Income Fund

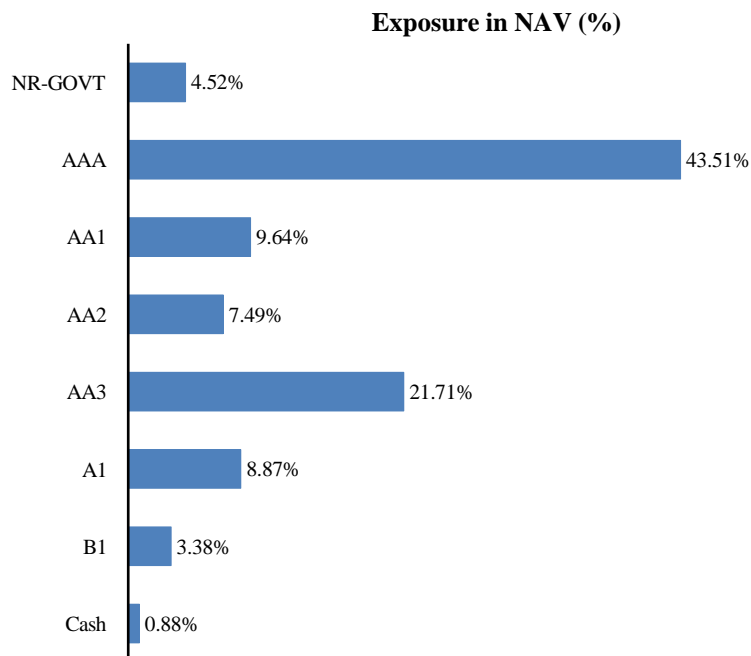
### MANAGER'S REPORT - FOR FINANCIAL YEAR ENDED 30 JUNE 2024



**Distribution By Sector as at 30 June 2024**



**Distribution By Rating as at 30 June 2024**



\* The figure above is excluded amount due from Manager.

**INFORMATION ON THE OPUS SHARIAH DYNAMIC INCOME FUND (OPUS SDIF or “the Fund”)**

<b>Fund Name</b>	<b>: Opus Shariah Dynamic Income Fund</b>
<b>Category</b>	<b>: Income and Growth</b>
<b>Type</b>	<b>: Fixed Income</b>
<b>Fund's Launch Date</b>	<b>: 6 August 2015</b>
<b>Financial Year End</b>	<b>: 30 June</b>
<b>Benchmark</b>	<b>: Maybank, 12-Month Islamic Fixed Deposit Rate</b>

**Investment Objective**

The Fund aims to achieve higher returns than 12-Month Fixed Islamic Deposit Rate over the medium to long-term\*, while preserving capital\*\* and providing opportunity for income.

*Notes:*

\* *The Manager regards 3 to 5 years as medium-term and more than 5 years as long-term.*

\*\* *OPUS SDIF is neither a capital guaranteed fund nor a capital protected fund.*

**Investment Strategy**

The Fund’s investment maturity profile is subject to active maturity structure management based on the profit rate outlook without any portfolio maturity limitation.

This means, the Fund may invest in Sukuk, Islamic money market instruments, Islamic placement of deposits and other permitted investments with varying maturities such as 3 months, 6 months, 1 year, 3 years, 5 years, 10 years or more. The Fund will only invest in instruments denominated in Ringgit Malaysia Sukuk.

**Distribution Policy**

The Fund intends to distribute income, if any, at least once a year on best effort basis. The Fund may distribute from realised income, realised gains and/or capital. For avoidance of doubt, the Fund will not distribute out of the unrealised income and/or unrealised gains. The Manager reserves the right not to distribute at its absolute discretion.

Given the nature of the Fund, all income distributions will be paid out to the Unit Holders via cheques or telegraphic transfer. However, Unit Holders may instruct that the distributions declared be reinvested into additional units of the Fund at the time of application.

Payment of distributable income shall be made within ten (10) Business Days from the income declaration date.

All reinvestments will be made at the NAV per Unit of the income declaration date. The allotment of Units for the reinvestment shall be made within two (2) Business Days after the income declaration date. There is no sales charge imposed for such re-investment of Units.



## Opus Shariah Dynamic Income Fund

### MANAGER'S REPORT - FOR FINANCIAL YEAR ENDED 30 JUNE 2024

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OPUS SDIF	30 June 2024	30 June 2023
Net Asset Value (RM)	186,352,732.56	158,806,507.57
Net Asset Value Per unit (RM)	0.9776	0.9723
Total Units in Circulation (units)	190,620,429.7438	163,328,445.4727
Selling / Repurchase price (RM)	0.9776	0.9723

OPUS SDIF	1 July 2023 - 30 June 2024	1 July 2022 - 30 June 2023
Portfolio Turnover Ratio (PTR) for the financial year	0.19 times	0.36 times
Net distribution per unit for the financial year (RM)*	0.0350	0.0260
Daily Return Volatility for the financial year **	0.04%	0.06%

\* Distributions were made on 25 September 2023, 20 December 2023, 23 January 2024, 26 February 2024, 25 March 2024, 23 April 2024, 27 May 2024 and 25 June 2024.

\*\* measured by standard deviation of daily returns.

#### **Other Information**

There is no change in key investment team and delegates.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **STATEMENT BY MANAGER**

We, SIAW WEI TANG and CHAN CHOONG KONG, being two of the 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 15 to 63 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 30 June 2024 and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

On behalf of the Manager

**SIAW WEI TANG**  
MANAGING DIRECTOR

**CHAN CHOONG KONG**  
DIRECTOR

Kuala Lumpur  
27 August 2024

## **TRUSTEE'S REPORT**

### **TO THE UNITHOLDERS OF OPUS SHARIAH DYNAMIC INCOME FUND (“the Fund”)**

We have acted as Trustee for the Fund for the financial year ended 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Opus Asset Management Sdn Bhd has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:-

- (a) Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework:
- (b) Valuation and pricing is carried out in accordance with the deed; and
- (c) Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For Deutsche Trustees Malaysia Berhad

**Soon Lai Ching**  
Senior Manager, Trustee Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
27 August 2024

**INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF OPUS SHARIAH DYNAMIC INCOME FUND**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Our opinion

In our opinion, the financial statements of OPUS SHARIAH DYNAMIC INCOME FUND (“the Fund”), give a true and fair view of the financial position of the Fund as at 30 June 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 15 to 63.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence and Other Ethical Responsibilities*

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF OPUS SHARIAH DYNAMIC INCOME FUND**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intend to liquidate the Fund or to terminate the Fund, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF OPUS SHARIAH DYNAMIC INCOME FUND**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF OPUS SHARIAH DYNAMIC INCOME FUND**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements (continued)

- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**OTHER MATTERS**

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

**PRICEWATERHOUSECOOPERS PLT**

LLP0014401-LCA & AF 1146

Chartered Accountants

Kuala Lumpur

27 August 2024

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SHARIAH ADVISER'S REPORT**

#### **TO THE UNITHOLDERS OF OPUS SHARIAH DYNAMIC INCOME FUND**

I hereby confirm the following:

1. To the best of the knowledge, after having made all reasonable enquiries, OPUS ASSET MANAGEMENT SDN. BHD. has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

**Mohd Fadhly Md. Yusoff**  
Shariah Adviser

27 August 2024



# OPUS SHARIAH DYNAMIC INCOME FUND

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>ASSETS</b>			
Financial assets at fair value through profit or loss (“FVTPL”)	4	168,848,307	146,414,244
Amount due from broker		-	2,699,727
Cash and cash equivalents	5	1,640,948	9,818,355
Amount due from Manager (Creation)		16,000,000	-
<b>TOTAL ASSETS</b>		<b>186,489,255</b>	<b>158,932,326</b>
<b>LIABILITIES</b>			
Amount due to Manager		111,474	104,327
Amount due to Trustee		6,968	6,521
Other payables and accruals	6	18,081	14,970
<b>TOTAL LIABILITIES</b>		<b>136,523</b>	<b>125,818</b>
<b>NET ASSET VALUE</b>		<b>186,352,732</b>	<b>158,806,508</b>
<b>UNITHOLDERS' FUNDS</b>			
Unitholders' capital		194,971,617	168,270,221
Accumulated losses		(8,618,885)	(9,463,713)
<b>NET ASSET ATTRIBUTABLE TO UNITHOLDERS</b>		<b>186,352,732</b>	<b>158,806,508</b>
<b>UNITS IN CIRCULATION</b>	7	<b>190,620,429</b>	<b>163,328,445</b>
<b>NET ASSET VALUE PER UNIT</b>		<b>0.9776</b>	<b>0.9723</b>

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

# OPUS SHARIAH DYNAMIC INCOME FUND

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>INVESTMENT INCOME</b>			
Profit income from unquoted sukuk at fair value through profit or loss		7,360,342	6,629,370
Profit income from Islamic deposits with licensed financial institutions at amortised cost		163,204	256,126
Net gain on financial assets at FVTPL	4	<u>802,101</u>	<u>3,817,028</u>
		<u>8,325,647</u>	<u>10,702,524</u>
<b>EXPENSES</b>			
Management fee	8	(1,337,381)	(1,232,417)
Trustee's fee	9	(83,586)	(77,026)
Audit fee		(7,047)	(7,050)
Tax agent's fee		(3,199)	(3,200)
Other expenses	10	<u>(2,708)</u>	<u>(3,058)</u>
		<u>(1,433,921)</u>	<u>(1,322,751)</u>
<b>PROFIT BEFORE TAXATION</b>		<b>6,891,726</b>	<b>9,379,773</b>
<b>TAXATION</b>	11	<u>-</u>	<u>-</u>
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		<b><u>6,891,726</u></b>	<b><u>9,379,773</u></b>
Profit after taxation is made up of the following:			
Realised amount		5,748,177	4,862,781
Unrealised amount		<u>1,143,549</u>	<u>4,516,992</u>
		<b><u>6,891,726</u></b>	<b><u>9,379,773</u></b>

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

## OPUS SHARIAH DYNAMIC INCOME FUND

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
Distributions during the financial year	12	<u>6,046,898</u>	<u>4,154,579</u>
Gross distributions per unit (sen)	12	<u>3.50</u>	<u>2.60</u>
Net distributions per unit (sen)	12	<u>3.50</u>	<u>2.60</u>

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

# OPUS SHARIAH DYNAMIC INCOME FUND

## STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	<b>Unitholders' <u>capital</u> RM</b>	<b>Accumulated <u>losses</u> RM</b>	<b><u>Total</u> RM</b>
Balance as at 1 July 2022	170,821,506	(14,688,907)	156,132,599
Movement in net asset value:			
Total comprehensive income for the financial year	-	9,379,773	9,379,773
Creation of units from applications	2,196,170	-	2,196,170
Creation of units from distributions	3,984,386	-	3,984,386
Cancellation of units	(8,731,841)	-	(8,731,841)
Distributions (Note 12)	-	(4,154,579)	(4,154,579)
Balance as at 30 June 2023	<u>168,270,221</u>	<u>(9,463,713)</u>	<u>158,806,508</u>
Balance as at 1 July 2023	168,270,221	(9,463,713)	158,806,508
Movement in net asset value:			
Total comprehensive income for the financial year	-	6,891,726	6,891,726
Creation of units from applications	24,915,242	-	24,915,242
Creation of units from distributions	5,871,795	-	5,871,795
Cancellation of units	(4,085,641)	-	(4,085,641)
Distributions (Note 12)	-	(6,046,898)	(6,046,898)
Balance as at 30 June 2024	<u>194,971,617</u>	<u>(8,618,885)</u>	<u>186,352,732</u>

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

**OPUS SHARIAH DYNAMIC INCOME FUND****STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	<b><u>2024</u></b> <b>RM</b>	<b><u>2023</u></b> <b>RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	21,846,064	51,971,011
Proceeds from redemption of unquoted sukuk	3,000,000	-
Purchase of investments	(43,622,451)	(57,369,217)
Profit income received from unquoted sukuk	7,203,807	6,107,270
Profit income received from Islamic deposits with licensed financial institutions	163,204	256,126
Management fee paid	(1,330,234)	(1,230,776)
Trustee's fee paid	(83,139)	(76,923)
Payment for other fees and expenses	(9,156)	(12,809)
Net cash used in operating activities	<u>(12,831,905)</u>	<u>(355,318)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	8,915,242	2,196,170
Payments for cancellation of units	(4,085,641)	(8,731,841)
Payment for distributions	(175,103)	(170,193)
Net cash generated from/(used in) financing activities	<u>4,654,498</u>	<u>(6,705,864)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(8,177,407)</b>	<b>(7,061,182)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>9,818,355</b>	<b>16,879,537</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b><u>1,640,948</u></b>	<b><u>9,818,355</u></b>
Cash and cash equivalents comprise:		
Islamic deposits with licensed financial institutions	1,610,197	9,783,521
Bank balance	<u>30,751</u>	<u>34,834</u>
	<b><u>1,640,948</u></b>	<b><u>9,818,355</u></b>

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

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

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 have been prepared under the historical cost convention, except as disclosed in the summary of material accounting policies, and comply with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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 year. 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 K.

(a) Standards, amendments to published standards and interpretations that are effective:

- Amendments to MFRS 101 and MFRS Practice Statement 2 'Disclosure of Accounting Policies'.
- Amendments to MFRS 108 'Definition of Accounting Estimates'.

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **A Basis of preparation of the financial statements (continued)**

(b) Standards and amendments that have been issued but not yet effective:

- Amendments to MFRS 101 'Classification of liabilities as current or non-current' (effective 1 January 2024) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

#### **B Income recognition**

Profit income from Islamic deposits with licensed financial institutions and unquoted sukuk are recognised based on effective profit rate method on an accrual basis.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets, the effective profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Realised gain and loss on sale of unquoted sukuk is measured by the difference between the net disposal proceeds and the carrying amounts of investment, determined on cost adjusted for accretion of discount or amortisation of premium.

#### **C Distributions**

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 by the Trustee.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **D Taxation**

Current tax expense is determined according to the Malaysian tax laws and includes all taxes based upon the taxable income earned during the financial year.

#### **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.

#### **F Financial assets**

##### Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and make decisions. The contractual cash flows of the Fund’s investment in unquoted sukuk are solely principal and profit. However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from broker and amount due from Manager as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.



## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **F Financial assets (continued)**

##### Recognition and measurement

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.

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

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 profit or loss in the financial year in which they arise.

Unquoted sukuk 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") as per the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. Refer to Note K for further explanation.

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated on the effective profit rate method over the period from the date of placement to the date of maturity of the respective deposits, which is a reasonable estimate of fair value due to the short-term nature of the deposits.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective profit rate method.

##### Impairment of financial assets

The Fund measures credit risk and expected credit losses using probability of default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected and lifetime expected credit losses as any such impairment would be wholly insignificant to the Fund.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **F Financial assets (continued)**

##### Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

##### Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

##### Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of obligor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

#### **G Financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

The Fund classifies amount due to Manager, amount due to Trustee and other payables and accruals as financial liabilities measured at amortised cost.

A financial liability is de-recognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

#### **H Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balance and Islamic deposits with licensed financial institutions with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **I Unitholders' capital**

The unitholders' contributions to the Fund meet the criteria of definition of puttable instruments classified as equity instrument under MFRS 132 'Financial Instruments: Presentation'. Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net assets value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund.

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

#### **J Fair value of financial instruments**

Financial instruments comprise financial assets and financial liabilities. 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. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **SUMMARY OF MATERIAL ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **K Critical accounting estimates and judgements in applying accounting policies**

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

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

##### Estimates of fair value of unquoted sukuk

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

Ringgit-denominated unquoted sukuk are valued using fair value prices quoted by a BPA. Where the Manager is of the view that the price quoted by BPA for a specific unquoted sukuk differs from the market price by more than 20 basis points ("bps"), the Manager may use 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 price.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

#### **1 INFORMATION ON THE FUND**

OPUS SHARIAH DYNAMIC INCOME FUND (hereinafter referred to as "the Fund") was constituted pursuant to the execution of a Deed dated 12 January 2010 as amended by a First Supplemental Deed dated 15 November 2010, a Second Supplemental Deed dated 28 January 2011, a Third Supplemental Deed dated 1 July 2011, a Fourth Supplemental Deed dated 15 December 2011, a Fifth Supplemental Deed dated 28 June 2012, a Sixth Supplemental Deed dated 20 November 2013, a Seventh Supplemental Deed dated 28 October 2014, a Eighth Supplemental Deed dated 27 July 2015, a Ninth Supplemental Deed dated 26 October 2015, a Tenth Supplemental Deed dated 6 January 2016 and a Eleventh Supplemental Deed dated 6 January 2016, a Twelfth Master Supplemental Deed dated 22 December 2022 and a Thirteenth Supplemental Deed dated 30 October 2023 between Opus Asset Management Sdn. Bhd. as the Manager and Deutsche Trustees Malaysia Berhad as the Trustee. The Fund was launched on 6 August 2015 and will continue to be in operation until determined otherwise by the Manager or the Trustee as provided under the Deeds.

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 principal activity of the Fund is to invest in a portfolio of fixed income and money market instruments that includes sukuk, bills and short-term deposits. The Fund aims to achieve higher returns than the benchmark over the medium to long term.

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 27 August 2024.

#### **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, Shariah specific 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 Information Memorandum.

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

### 2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments of the Fund are as follows:

	Financial assets at fair value through RM	Financial assets at amortised cost RM	<u>Total</u> RM
<b><u>2024</u></b>			
Unquoted sukuk	168,848,307	-	168,848,307
Cash and cash equivalents	-	1,640,948	1,640,948
Amount due from Manager (Creation)	-	16,000,000	16,000,000
	<u>168,848,307</u>	<u>17,640,948</u>	<u>186,489,255</u>
<b><u>2023</u></b>			
Unquoted sukuk	146,414,244	-	146,414,244
Amount due from broker	-	2,699,727	2,699,727
Cash and cash equivalents	-	9,818,355	9,818,355
	<u>146,414,244</u>	<u>12,518,082</u>	<u>158,932,326</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:

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss	167,102,473	144,901,531
Profit receivables	<u>1,745,834</u>	<u>1,512,713</u>
	<u>168,848,307</u>	<u>146,414,244</u>

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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.

	<b>Change in price of <u>investments</u> %</b>	<b>Market value RM</b>	<b>Impact on profit after tax and <u>net asset value</u> RM</b>
<b><u>2024</u></b>	-5	158,747,349	(8,355,124)
	0	167,102,473	-
	+5	<u>175,457,597</u>	<u>8,355,124</u>
<b><u>2023</u></b>	-5	137,656,454	(7,245,077)
	0	144,901,531	-
	+5	<u>152,146,608</u>	<u>7,245,077</u>

##### Interest rate risk

In general, when interest rates rise, unquoted sukuk 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 sukuk 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 sukuk portfolio management depends on forecasting interest rate movements. Unquoted sukuk with longer maturity and lower yield coupon rates are more susceptible to interest rate movements. It does not in any way suggest that this Fund will invest in conventional financial instruments. All the investments carried out for this Fund are in accordance with Shariah requirements.

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Interest rate risk (continued)

Investors should note that unquoted sukuk (such as the sukuk held by the Fund) and Islamic money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rate which may impair the ability of the issuers to make payments of profit and principal, especially if the issuers are highly leveraged. An increase in interest rate 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 sukuk 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>	<b>Impact on profit after tax/ net asset value</b>	
	<b><u>2024</u></b> <b>RM</b>	<b><u>2023</u></b> <b>RM</b>
+1%	(303,501)	(296,569)
-1%	303,394	302,460

##### Credit risk

This refers to the likelihood that the company issuing the sukuk and/or financial institution where liquid assets of the Fund are deposited may default. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings.

Credit risk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer and/or financial institution. This risk refers to the possibility that the issuer of an instrument and/or financial institution will not be able to make timely payments of profit or principal payment on the maturity date, where applicable. This may lead to a default in the payment of principal and profit and ultimately a reduction in the value of the Fund.

The credit risk arising from placements of Islamic deposits in licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.



## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Credit risk (continued)

The Manager considers these banks and financial institutions to have low credit risks. 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:

	<b>Unquoted fixed income securities RM</b>	<b>Cash and cash equivalents RM</b>	<b>Amount due from broker RM</b>	<b>Amount due from Manager RM</b>	<b>Total RM</b>
<b><u>2024</u></b>					
AAA	74,126,805	1,640,948	-	-	75,767,753
AA1	15,395,526	-	-	-	15,395,526
AA2	12,305,420	-	-	-	12,305,420
AA3	15,705,793	-	-	-	15,705,793
A1	15,105,143	-	-	-	15,105,143
B1	5,761,584	-	-	-	5,761,584
AA+	1,022,849	-	-	-	1,022,849
AA	455,518	-	-	-	455,518
AA-	21,275,728	-	-	-	21,275,728
NR-GOVT	7,693,941	-	-	-	7,693,941
Other	-	-	-	16,000,000	16,000,000
	<u>168,848,307</u>	<u>1,640,948</u>	<u>-</u>	<u>16,000,000</u>	<u>186,489,255</u>
<b><u>2023</u></b>					
AAA	68,485,338	8,106,596	2,699,727	-	79,291,661
AA1	13,358,263	34,834	-	-	13,393,097
AA2	25,848,716	-	-	-	25,848,716
AA3	21,391,751	-	-	-	21,391,751
A1	2,927,077	1,676,925	-	-	4,604,002
BBB2	6,773,583	-	-	-	6,773,583
NR-GOVT	7,629,516	-	-	-	7,629,516
	<u>146,414,244</u>	<u>9,818,355</u>	<u>2,699,727</u>	<u>-</u>	<u>158,932,326</u>

NR-GOVT - Unrated (Government)

The financial assets of the Fund are neither past due nor impaired.

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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. Wholesale funds 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 period 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*

	<b>Less than 1 month RM</b>	<b>Between 1 month to 1 year RM</b>	<b>Total RM</b>
<b><u>2024</u></b>			
Amount due to Manager	111,474	-	111,474
Amount due to Trustee	6,968	-	6,968
Other payables and accruals	-	18,081	18,081
	<u>118,442</u>	<u>18,081</u>	<u>136,523</u>
<b><u>2023</u></b>			
Amount due to Manager	104,327	-	104,327
Amount due to Trustee	6,521	-	6,521
Other payables and accruals	-	14,970	14,970
	<u>110,848</u>	<u>14,970</u>	<u>125,818</u>

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### 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.

##### Shariah specific risk

The risk that the investments do not conform to the principle of Shariah may result in those investments being not Shariah compliant. Should the situation arise, necessary steps shall be taken to dispose of such investments in accordance with the rules of divestment of non Shariah-compliant investments. If this occurs, the Fund could suffer losses from the disposal and thus, adversely affecting the value of the Fund.

##### Capital risk management

	<u>2024</u> <b>RM</b>	<u>2023</u> <b>RM</b>
The capital of the Fund is represented by equity consisting of :-		
Unitholders' capital	194,971,617	168,270,221
Accumulated losses	<u>(8,618,885)</u>	<u>(9,463,713)</u>

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.

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

#### **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 year 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.

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, and sukuk for which market were or have been inactive during the financial year. 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, Islamic 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 SHARIAH DYNAMIC INCOME FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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 SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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
<b><u>2024</u></b>				
Financial assets at FVTPL				
- Unquoted sukuk	-	168,848,307	-	168,848,307
<b><u>2023</u></b>				
Financial assets at FVTPL				
- Unquoted sukuk	-	146,414,244	-	146,414,244

Financial instruments that trade in markets that are not 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 sukuk. 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

	<b><u>2024</u></b> RM	<b><u>2023</u></b> RM
Financial assets designated as FVTPL:		
- Unquoted sukuk	168,848,307	146,414,244
	<b><u>2024</u></b> RM	<b><u>2023</u></b> RM
Net gain on financial assets at FVTPL comprised:		
- net realised loss on sale of financial assets at FVTPL	(341,448)	(699,964)
- net unrealised gain on changes in fair value	1,143,549	4,516,992
	<b><u>802,101</u></b>	<b><u>3,817,028</u></b>

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2024 are as follows:

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2024 RM</b>	<b>Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK</b>				
<b>BANK</b>				
3.60% BANK ISLAM MALAYSIA BERHAD 21/10/2025 A1	12,000,000	12,000,749	12,024,409	6.45
4.40% CIMB GROUP HOLDINGS BERHAD 08/09/2027 AA2	5,250,000	5,318,956	5,405,626	2.90
4.08% MALAYAN BANKING BERHAD 25/09/2024 AA3	5,000,000	5,191,773	5,056,973	2.71
4.71% MALAYAN BANKING BERHAD 30/01/2026 AA1	5,000,000	5,311,298	5,170,771	2.77
		<u>27,822,776</u>	<u>27,657,779</u>	<u>14.83</u>

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2024 RM</b>	<b>Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>CONSTRUCTION</b>				
6.01% UNITAPAH SDN BHD 12/06/2029 AAA	5,000,000	5,512,942	5,464,242	2.93
<b>DIVERSIFIED</b>				
4.45% JOHOR CORPORATION 05/07/2030 AAA	4,500,000	4,596,010	4,735,060	2.54
<b>FINANCE</b>				
4.26% AEON CREDIT SERVICE (M) BERHAD 20/04/2029 AA3	2,500,000	2,529,424	2,553,674	1.37
3.25% BANK PEMBANGUNAN MALAYSIA BERHAD 08/06/2026 AAA	2,000,000	2,003,740	1,984,860	1.07



# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>FINANCE (CONTINUED)</b>				
4.98% BANK PEMBANGUNAN MALAYSIA BERHAD 02/03/2032 AAA	5,000,000	5,423,904	5,406,504	2.90
4.85% SABAH CREDIT CORPORATION 22/12/2026 AA1	7,500,000	7,620,226	7,674,901	4.12
4.60% ZAMARAD ASSETS BERHAD 24/07/2026 AAA	4,000,000	4,055,995	4,126,065	2.21
5.72% ZAMARAD ASSETS BERHAD 23/11/2029 AA2	750,000	754,114	792,709	0.43
		<u>22,387,403</u>	<u>22,538,713</u>	<u>12.10</u>
<b>GOVERNMENT</b>				
4.12% GOVERNMENT OF MALAYSIA 30/11/2034 NR-GOVT	7,500,000	<u>8,351,849</u>	<u>7,693,941</u>	<u>4.13</u>

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2024 RM</b>	<b>Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>HEALTH CARE</b>				
4.58% POINT ZONE (M) SDN BHD 07/03/2029 AA-	3,000,000	3,033,617	3,131,087	1.68
4.00% SUNWAY HEALTHCARE TREASURY SDN BHD 27/04/2029 AA	450,000	453,107	455,519	0.24
		<u>3,486,724</u>	<u>3,586,606</u>	<u>1.92</u>
<b>INDUSTRIAL</b>				
4.69% PRESS METAL ALUMINIUM HOLDINGS BERHAD 07/12/2027 AA2	1,500,000	<u>1,509,276</u>	<u>1,540,941</u>	<u>0.83</u>
<b>INSURANCE</b>				
4.46% MNRB HOLDINGS BERHAD 22/03/2029 A1	3,000,000	<u>3,037,024</u>	<u>3,080,734</u>	<u>1.65</u>

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>PLANTATION</b>				
4.55% KUALA LUMPUR KEPONG BERHAD 16/03/2037 AA1	2,400,000	2,549,974	2,549,854	1.37
<b>POWER</b>				
5.04% SPR ENERGY (M) SDN BHD 17/07/2025 B1	5,000,000	5,157,108	4,613,408	2.48
5.22% SPR ENERGY (M) SDN BHD 16/07/2027 B1	1,500,000	1,562,160	1,148,175	0.62
5.60% TADAU ENERGY SDN BHD 27/07/2027 AA3	2,500,000	2,764,818	2,653,193	1.42
3.92% TENAGA NASIONAL BERHAD 24/11/2028 AAA	5,000,000	5,018,794	5,040,944	2.71

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>POWER (CONTINUED)</b>				
4.08% TENAGA NASIONAL BERHAD 25/11/2031 AAA	5,000,000	4,976,762	5,067,512	2.72
4.58% TNB POWER GENERATION SDN BHD 29/03/2033 AAA	1,000,000	1,044,995	1,054,325	0.57
5.20% TNB POWER GENERATION SDN BHD 02/06/2042 AAA	1,000,000	1,069,197	1,135,907	0.61
		<u>21,593,834</u>	<u>20,713,464</u>	<u>11.13</u>
<b>PROPERTY</b>				
4.14% SIME DARBY PROPERTY BERHAD 21/08/2028 AA+	1,000,000	<u>1,014,859</u>	<u>1,022,849</u>	<u>0.55</u>
<b>TELECOMMUNICATION</b>				
3.60% BGSM MANAGEMENT SDN BHD 16/06/2028 AA3	5,000,000	<u>4,944,411</u>	<u>4,933,261</u>	<u>2.65</u>

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>TOLL ROAD</b>				
5.29% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	3,500,000	3,539,059	3,883,529	2.08
5.59% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	6,500,000	6,706,052	7,137,082	3.83
5.58% ANIH BERHAD 28/11/2025 AA-	3,000,000	3,176,835	3,066,345	1.65
5.70% ANIH BERHAD 27/11/2026 AA-	3,750,000	4,047,034	3,881,113	2.08
5.36% BESRAYA (M) SDN BHD 28/07/2028 AA2	4,250,000	4,592,677	4,566,145	2.45
5.44% LEBUHRAYA DUKE FASA 3 SDN BHD 23/08/2029 AA-	5,500,000	5,825,395	5,803,525	3.11

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>TOLL ROAD (CONTINUED)</b>				
5.55% EKVE SDN BHD 29/01/2029 AAA	1,250,000	1,348,671	1,355,358	0.73
4.75% KONSORTIUM LEBUHRAYA UTARA- TIMUR (KL) SDN BERHAD 02/12/2026 AA-	2,000,000	2,032,427	2,032,167	1.09
4.75% KONSORTIUM LEBUHRAYA UTARA- TIMUR (KL) SDN BERHAD 02/12/2027 AA-	3,300,000	3,361,425	3,361,491	1.80
0.00% MEX II SDN BHD 29/04/2026 D	4,700,000	4,911,030	-	-
0.00% MEX II SDN BHD 27/04/2029 D	5,000,000	5,328,000	-	-

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>TOLL ROAD (CONTINUED)</b>				
4.96% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2029 AAA	2,075,000	2,336,112	2,213,127	1.19
5.75% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2037 AAA	1,000,000	1,131,238	1,192,918	0.64
		<u>48,335,955</u>	<u>38,492,800</u>	<u>20.65</u>
<b>TRANSPORT/PORT</b>				
5.01% MTT SHIPPING SDN BHD 30/08/2024 AA3	500,000	<u>508,442</u>	<u>508,692</u>	<u>0.27</u>

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2024 RM	Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>WATER</b>				
4.10% PENGURUSAN AIR SELANGOR SDN BHD 27/10/2028 AAA	2,750,000	2,769,461	2,793,743	1.50
4.22% PENGURUSAN AIR SELANGOR SDN BHD 29/10/2031 AAA	2,500,000	2,500,660	2,557,960	1.37
4.73% PENGURUSAN AIR SELANGOR SDN BHD 26/07/2029 AAA	1,500,000	1,578,118	1,587,458	0.85
4.74% PENGURUSAN AIR SELANGOR SDN BHD 29/10/2036 AAA	8,000,000	8,103,251	8,598,171	4.62
5.28% PENGURUSAN AIR SELANGOR SDN BHD 24/07/2037 AAA	2,000,000	2,287,022	2,290,862	1.23



**OPUS SHARIAH DYNAMIC INCOME FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

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

Financial assets designated as FVTPL as at 30 June 2024 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2024 RM</b>	<b>Fair value as at 30.06.2024 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>WATER (CONTINUED)</b>				
3.73% PENGURUSAN AIR SPV BERHAD 02/06/2028 AAA	1,500,000	1,503,014	1,494,914	0.80
3.75% PENGURUSAN AIR SPV BERHAD 28/04/2028 AAA	5,000,000	5,047,863	5,006,263	2.69
		<u>23,789,389</u>	<u>24,329,371</u>	<u>13.06</u>
<b>TOTAL UNQUOTED SUKUK</b>		179,440,868	<u>168,848,307</u>	<u>90.61</u>
<b>ACCUMULATED UNREALISED LOSS</b>		(10,592,561)		
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>		<u>168,848,307</u>		

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2023 are as follows:

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2023 RM	Fair value as at 30.06.2023 expressed as a percentage of value of the Fund
				%
UNQUOTED SUKUK				
AUTO				
4.81% APM AUTOMOTIVE HOLDINGS BERHAD 15/08/2025 AA2	5,000,000	5,091,436	5,100,161	3.21
BANK				
3.13% AMBANK ISLAMIC BERHAD 08/12/2025 A1	3,000,000	2,912,917	2,927,077	1.84
4.40% CIMB GROUP HOLDINGS BERHAD 08/09/2027 AA2	5,250,000	5,318,956	5,362,156	3.38
4.08% MALAYAN BANKING BERHAD 25/09/2024 AA3	5,000,000	5,190,655	5,057,905	3.18
4.71% MALAYAN BANKING BERHAD 30/01/2026 AA1	5,500,000	5,841,719	5,686,919	3.58
		19,264,247	19,034,057	11.98

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2023 RM</b>	<b>Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>CONSTRUCTION</b>				
6.01% UNITAPAH SDN BHD 12/06/2029 AAA	5,000,000	5,512,942	5,499,992	3.46
<b>FINANCE</b>				
6.35% AL-DZAHAB ASSETS BERHAD 29/03/2024 AAA	3,000,000	3,166,110	3,099,040	1.95
3.25% BANK PEMBANGUNAN MALAYSIA BERHAD 08/06/2026 AAA	2,000,000	2,004,096	1,965,176	1.24
4.98% BANK PEMBANGUNAN MALAYSIA BERHAD 02/03/2032 AAA	5,000,000	5,423,492	5,337,442	3.36
4.85% SABAH CREDIT CORPORATION 22/12/2026 AA1	7,500,000	7,622,219	7,671,344	4.83
4.60% ZAMARAD ASSETS BERHAD 24/07/2026 AAA	3,000,000	3,028,531	3,066,361	1.93

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2023 RM</b>	<b>Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>FINANCE (CONTINUED)</b>				
4.20% ZAMARAD ASSETS BERHAD 19/11/2024 AAA	5,000,000	5,206,290	5,026,040	3.16
5.72% ZAMARAD ASSETS BERHAD 23/11/2029 AA2	750,000	754,349	779,286	0.49
		<u>27,205,087</u>	<u>26,944,689</u>	<u>16.96</u>
<b>GOVERNMENT</b>				
4.12% GOVERNMENT OF MALAYSIA 30/11/2034 NR-GOVT	7,500,000	<u>8,351,849</u>	<u>7,629,516</u>	<u>4.80</u>
<b>HEALTH CARE</b>				
4.58% POINT ZONE (M) SDN BHD 07/03/2029 AA3	3,000,000	<u>3,033,617</u>	<u>3,092,057</u>	<u>1.95</u>

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2023 RM</b>	<b>Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>INDUSTRIAL</b>				
4.00% PRESS METAL ALUMINIUM HOLDINGS BERHAD 15/08/2025 AA2	2,500,000	2,520,212	2,531,837	1.59
4.69% PRESS METAL ALUMINIUM HOLDINGS BERHAD 07/12/2027 AA2	1,500,000	1,509,276	1,528,566	0.96
		<u>4,029,488</u>	<u>4,060,403</u>	<u>2.55</u>
<b>POWER</b>				
5.04% SPR ENERGY (M) SDN BHD 17/07/2025 BBB2	5,000,000	5,156,418	4,914,768	3.09
5.22% SPR ENERGY (M) SDN BHD 16/07/2027 BBB2	2,000,000	2,082,595	1,858,815	1.17
5.60% TADAU ENERGY SDN BHD 27/07/2027 AA3	2,500,000	2,765,202	2,653,077	1.67

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2023 RM	Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>POWER (CONTINUED)</b>				
3.92% TENAGA NASIONAL BERHAD 24/11/2028 AAA	5,000,000	5,019,868	4,988,218	3.14
4.08% TENAGA NASIONAL BERHAD 25/11/2031 AAA	5,000,000	4,977,879	4,973,129	3.13
5.20% TNB POWER GENERATION SDN BHD 02/06/2042 AAA	1,000,000	1,069,482	1,107,992	0.70
		<u>21,071,444</u>	<u>20,495,999</u>	<u>12.90</u>
<b>TELECOMMUNICATION</b>				
3.60% BGSM MANAGEMENT SDN BHD 16/06/2028 AA3	5,000,000	<u>4,945,397</u>	<u>4,880,497</u>	<u>3.07</u>
<b>TOLL ROAD</b>				
5.29% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	3,500,000	3,540,074	3,798,444	2.40

**OPUS SHARIAH DYNAMIC INCOME FUND****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)****4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2023 RM</b>	<b>Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>TOLL ROAD (CONTINUED)</b>				
5.59% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	4,500,000	4,554,445	4,833,625	3.04
5.58% ANIH BERHAD 28/11/2025 AA2	3,000,000	3,176,835	3,113,745	1.96
5.70% ANIH BERHAD 27/11/2026 AA2	3,750,000	4,047,034	3,944,488	2.48
5.36% BESRAYA (M) SDN BHD 28/07/2028 AA2	3,250,000	3,521,562	3,488,477	2.20
5.44% LEBUHRAYA DUKE FASA 3 SDN BHD 23/08/2029 AA3	5,500,000	5,824,575	5,708,215	3.60
5.55% EKVE SDN BHD 29/01/2029 AAA	1,250,000	1,348,290	1,358,753	0.86
0.00% MEX II SDN BHD 29/04/2026 D	4,700,000	4,911,030	-	-
0.00% MEX II SDN BHD 27/04/2029 D	5,000,000	5,328,000	-	-

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

Name of Counter	Nominal value	Cost RM	Fair value as at 30.06.2023 RM	Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>TOLL ROAD (CONTINUED)</b>				
4.96% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2029 AAA	2,075,000	2,335,830	2,214,215	1.40
5.75% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2037 AAA	1,000,000	1,131,081	1,156,821	0.74
		<u>39,718,756</u>	<u>29,616,783</u>	<u>18.68</u>
<b>WATER</b>				
4.10% PENGURUSAN AIR SELANGOR SDN BHD 27/10/2028 AAA	2,750,000	2,769,770	2,768,065	1.74
4.22% PENGURUSAN AIR SELANGOR SDN BHD 29/10/2031 AAA	2,500,000	2,500,949	2,517,673	1.59
4.74% PENGURUSAN AIR SELANGOR SDN BHD 29/10/2036 AAA	8,000,000	8,104,290	8,333,130	5.25



**OPUS SHARIAH DYNAMIC INCOME FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)**

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

Financial assets designated as FVTPL as at 30 June 2023 are as follows: (continued)

<b>Name of Counter</b>	<b>Nominal value</b>	<b>Cost RM</b>	<b>Fair value as at 30.06.2023 RM</b>	<b>Fair value as at 30.06.2023 expressed as a percentage of value of the Fund %</b>
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>WATER (CONTINUED)</b>				
3.73% PENGURUSAN AIR SPV BERHAD 02/06/2028 AAA	1,500,000	1,502,706	1,480,296	0.94
3.75% PENGURUSAN AIR SPV BERHAD 28/04/2028 AAA	5,000,000	5,048,376	4,960,926	3.12
		<u>19,926,091</u>	<u>20,060,090</u>	<u>12.64</u>
<b>TOTAL UNQUOTED SUKUK</b>		158,150,354	<u><u>146,414,244</u></u>	<u><u>92.20</u></u>
<b>ACCUMULATED UNREALISED LOSS</b>		(11,736,110)		
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>		<u><u>146,414,244</u></u>		

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 5 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Islamic deposits with licensed financial institutions	1,610,197	9,783,521
Bank balance	30,751	34,834
	<u>1,640,948</u>	<u>9,818,355</u>
Islamic deposits with licensed financial institutions include profit receivable (RM)	390	804
Weighted average rate of return (%)	2.95	3.00
Average maturity (days)	1	3

#### 6 OTHER PAYABLES AND ACCRUALS

	<u>2024</u> RM	<u>2023</u> RM
Audit fee payable	7,049	7,052
Tax agent's fee payable	6,399	3,201
Other payables and accruals	4,633	4,717
	<u>18,081</u>	<u>14,970</u>

#### 7 UNITS IN CIRCULATION

	<u>2024</u> Units	<u>2023</u> Units
At the beginning of the financial year	163,328,445	166,110,934
Creation of units during the financial year		
Arising from distributions during the financial year	6,031,611	4,149,797
Arising from applications during the financial year	25,451,366	2,266,794
Cancellation of units during the financial year	(4,190,993)	(9,199,080)
At the end of the financial year	<u>190,620,429</u>	<u>163,328,445</u>

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 8 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 1.50% (2023: 1.50%) per annum of the net asset value of the Fund, calculated on a daily basis.

The management fee provided in the financial statements is 0.80% (2023: 0.80%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

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

#### 9 TRUSTEE'S FEE

In accordance with the Deed, the Trustee is entitled to a trustee fee at a rate not exceeding 0.05% (2023: 0.05%) 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 0.05% (2023: 0.05%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

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

#### 10 OTHER EXPENSES

	<u>2024</u> RM	<u>2023</u> RM
Bank charges	480	428
Other expenses	<u>2,228</u>	<u>2,630</u>
	<u>2,708</u>	<u>3,058</u>

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 11 TAXATION

(a) Tax charge for the financial year

	<u>2024</u> RM	<u>2023</u> 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:

	<u>2024</u> RM	<u>2023</u> RM
Profit before taxation	6,891,726	9,379,773
Tax calculated at a tax rate of 24% (2023: 24%)	1,654,014	2,251,146
Tax effects of:		
Investment income not subject to tax	(1,998,155)	(2,568,606)
Expenses not deductible for tax purposes	21,478	19,988
Restriction on tax deductible expenses for fund	322,663	297,472
	-	-

#### 12 DISTRIBUTIONS

	<u>2024</u> RM	<u>2023</u> RM
Distributions to unitholders are from the following sources:		
Profit income from unquoted sukuk	7,360,342	5,564,101
Profit income from Islamic deposits with licensed financial institutions at amortised cost	163,204	220,097
Realised loss on sale of investments	(162,181)	(674,052)
Prior years' realised income	119,454	184,505
Gross realised income	7,480,819	5,294,651
Less: Expenses	(1,433,921)	(1,140,072)
Gross distribution amount	6,046,898	4,154,579
Less: Taxation	-	-
Net distribution amount	6,046,898	4,154,579

# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

### 12 DISTRIBUTIONS (CONTINUED)

	<b>Entitlement date</b>	<b>Payment date</b>	<b>Gross distribution per unit (sen)</b>	<b>Net distribution per unit (sen)</b>
<b><u>2024</u></b>	25-Sep-2023	28-Sep-2023	0.90	0.90
	20-Dec-2023	24-Dec-2023	0.95	0.95
	23-Jan-2024	24-Jan-2024	0.30	0.30
	26-Feb-2024	27-Feb-2024	0.30	0.30
	25-Mar-2024	26-Mar-2024	0.25	0.25
	23-Apr-2024	24-Apr-2024	0.20	0.20
	27-May-2024	28-May-2024	0.30	0.30
	25-Jun-2024	26-Jun-2024	0.30	0.30
			<u>3.50</u>	<u>3.50</u>
<b><u>2023</u></b>	23-Sep-2022	26-Sep-2022	0.30	0.30
	23-Dec-2022	24-Dec-2022	0.80	0.80
	22-Mar-2023	23-Mar-2023	0.60	0.60
	21-Jun-2023	22-Jun-2023	0.90	0.90
			<u>2.60</u>	<u>2.60</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.

Included in the distributions for the financial year is an amount of RM 119,454 (2023: RM 184,505) derived from previous financial years' realised income.

	<b><u>2024</u> RM</b>	<b><u>2023</u> RM</b>
Unrealised gain incurred during the financial year	<u>1,143,549</u>	<u>4,516,992</u>

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 12 DISTRIBUTIONS (CONTINUED)

Composition of distribution payment source and payment mode during the financial year are as follows:-

	<b><u>Composition</u></b> <b>%</b>	<b><u>2024</u></b> <b>RM</b>
Composition of distribution source:		
Income distribution	100%	6,046,898
Capital distribution	0%	-
Total distribution	<u>100%</u>	<u>6,046,898</u>

	<b><u>Composition</u></b> <b>%</b>	<b><u>2023</u></b> <b>RM</b>
Composition of distribution source:		
Income distribution	100%	4,154,579
Capital distribution	0%	-
Total distribution	<u>100%</u>	<u>4,154,579</u>

#### 13 TOTAL EXPENSE RATIO (“TER”)

	<b><u>2024</u></b> <b>%</b>	<b><u>2023</u></b> <b>%</b>
TER	<u>0.86</u>	<u>0.86</u>

Total expense ratio includes management fee, Trustee’s fee, audit fee, tax agent’s fee and other expenses which is calculated as follows:

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

A = Management fee

B = Trustee’s fee

C = Audit fee

D = Tax agent’s fee

E = Other expenses, excluding write-off of unquoted sukuk

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

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 13 TOTAL EXPENSE RATIO (“TER”) (CONTINUED)

	<u>2024</u> RM	<u>2023</u> RM
The average net asset value of the Fund calculated on a daily basis	<u>167,169,001</u>	<u>154,050,465</u>

#### 14 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>0.19</u>	<u>0.36</u>

PTR is derived from the following calculation:

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

	<u>2024</u> RM	<u>2023</u> RM
where:		
Total acquisitions for the financial year	<u>43,622,451</u>	<u>57,369,217</u>
Total disposals for the financial year	<u>19,146,337</u>	<u>54,670,738</u>

## OPUS SHARIAH DYNAMIC INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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

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

<u>Related parties</u>	<u>Relationships</u>
Opus Asset Management Sdn. Bhd.	The Manager
Cope Private Equity Sdn. Bhd.	Entity with the same Director as the Manager

The number of units held by the Manager and party related to the Manager is as follows:

	<u>2024</u> Units	<u>2024</u> RM	<u>2023</u> Units	<u>2023</u> RM
The Manager	7	6	6	6
Entity with the same Director as the Manager	3,272,939	3,199,625	6,545,878	6,364,557

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 parties have been entered into agreed terms between the related parties.

Other than the related party disclosures mentioned elsewhere in the financial statements, there are no other significant related party transactions during the financial year or balances as at the end of the financial year.



# OPUS SHARIAH DYNAMIC INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

### 16 TRANSACTIONS WITH BROKERS

<b><u>Broker/ financial institution</u></b>	<b><u>Value of trades<sup>^</sup> RM</u></b>	<b><u>Percentage of total trades %</u></b>	<b><u>Brokerage fees RM</u></b>	<b><u>Percentage of total brokerage fees %</u></b>
Details of transactions by the Fund for the financial year ended 30 June 2024 are as follows:				
RHB Investment Bank Bhd*	17,616,719	28.07	-	-
Malayan Banking Bhd*	17,053,380	27.17	-	-
CIMB Bank Bhd	13,594,356	21.65	-	-
Affin Hwang Investment Bank Bhd*	8,591,392	13.69	-	-
Hong Leong Bank Bhd	3,403,941	5.42	-	-
Hong Leong Investment Bank Bhd	2,509,000	4.00	-	-
	<u>62,768,788</u>	<u>100</u>	<u>-</u>	<u>-</u>

Details of transactions by the Fund for the financial year ended 30 June 2023 are as follows:

Malayan Banking Bhd*	32,977,708	29.43	-	-
Hong Leong Bank Bhd	16,694,169	14.90	-	-
RHB Investment Bank Bhd*	13,976,816	12.47	-	-
Hong Leong Investment Bank Bhd	8,750,000	7.81	-	-
Standard Chartered Bank Malaysia Bhd	7,640,158	6.82	-	-
CIMB Bank Bhd	6,030,514	5.38	-	-
Affin Hwang Investment Bank Bhd*	5,451,971	4.87	-	-
United Overseas Bank (Malaysia) Bhd	5,166,714	4.61	-	-
Hong Leong Islamic Bank Bhd	2,699,727	2.41	-	-
CIMB Commerce Trustee Bhd*	1,485,618	1.33	-	-
Others *	11,166,560	9.97	-	-
	<u>112,039,955</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

<sup>^</sup> Includes purchase price plus accrued profit at acquisition.

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

## **OPUS SHARIAH DYNAMIC INCOME FUND**

### **CORPORATE INFORMATION**

#### **MANAGER**

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#### **TRUSTEE**

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