



**Opus Shariah Income Fund
(OPUS SIF)**

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.

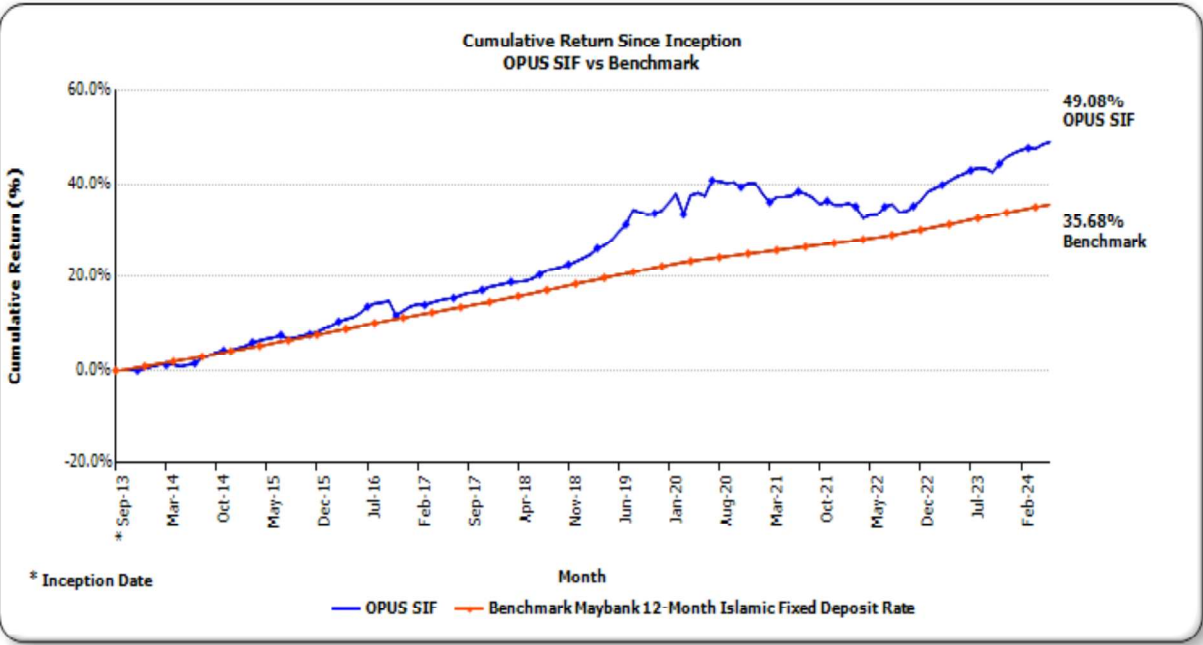
Despite the debatable timing and quantum of rate cuts in 2024, the narrative of rate cuts commencing is supportive of the local sukuk market and the MYR as the yield differentials will narrow. We also expect increased demand from local institutions, especially pension funds and government-linked investment 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 13.40% since inception

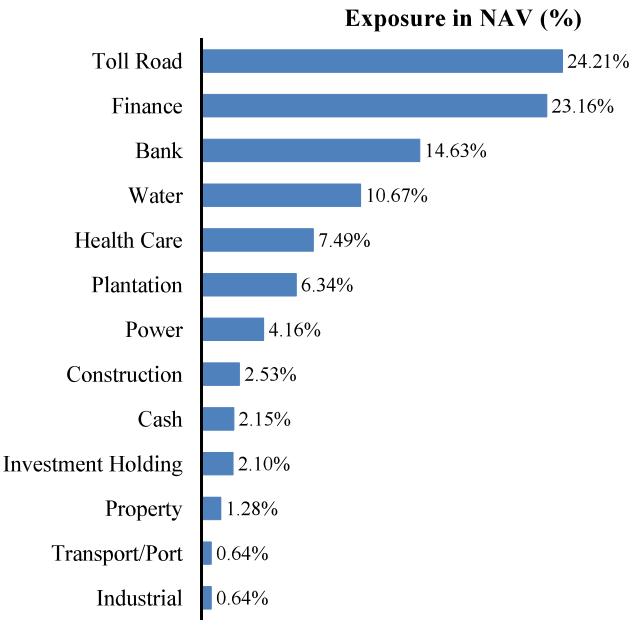
As at 30 June 2024, the Fund was 97.85% invested while 2.15% was held in cash. The Fund's TWRR since inception was 49.08% compared to the benchmark of 35.68%, which is the accreted value since inception of the Maybank 12-Month Islamic Fixed Deposit Rate. Hence, the Fund outperformed the benchmark by 13.40%. For the calendar year-to-date period, TWRR for the fund was 2.18% against the benchmark TWRR of 1.33%. The Fund had a duration of 5.20 years. The average rating of the portfolio was AA1.

Opus Shariah Income Fund

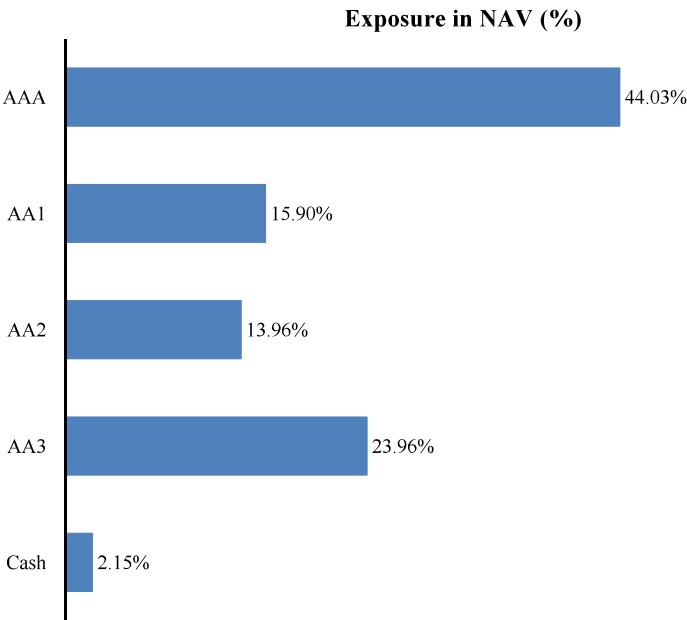
MANAGER'S REPORT - FOR FINANCIAL YEAR ENDED 30 JUNE 2024



Distribution By Sector as at 30 June 2024



Distribution By Rating as at 30 June 2024



INFORMATION ON THE OPUS SHARIAH INCOME FUND (OPUS SIF or “the Fund”)

Fund Name : Opus Shariah Income Fund

Fund's Launch Date : 18 September 2013

Financial Year End : 30 June

Benchmark : Maybank, 12-Month Islamic Fixed Deposit Rate

Investment Objective

The Fund aims to achieve higher returns than the benchmark over the medium to long term*, while preserving capital** and providing an opportunity for income.

Note:

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

*** OPUS SIF 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 only in Ringgit Malaysia Sukuk.

Distribution policy

The Fund will distribute income 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 at such date and within such time as may be determined by the Manager at its absolute discretion. There is no sales charge imposed for such reinvestment of Units.

Opus Shariah Income Fund

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

OPUS SIF	30 June 2024	30 June 2023
Net Asset Value (RM)	79,996,687.21	55,094,230.96
Net Asset Value Per unit (RM)	1.0532	1.0394
Total Units in Circulation (units)	75,956,319.9789	53,007,330.8719
Selling / Repurchase price (RM)	1.0532	1.0394

OPUS SIF	1 July 2023 - 30 June 2024	1 July 2022 - 30 June 2023
Portfolio Turnover Ratio (PTR) for the financial year	0.54 times	0.35 times
Net distribution per unit for the financial year (RM)*	0.0355	0.0050
Daily Return Volatility for the financial year **	0.04%	0.06%

* Distributions were made on 24 July 2023, 23 August 2023, 25 September 2023, 24 October 2023, 22 November 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 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 61 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 INCOME FUND ("Fund")

We have acted as Trustee of 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 year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the deed; and
3. 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 distributions of income by the Fund are appropriate and reflect the investment objective of the Fund.

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza Binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
27 August 2024

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of OPUS SHARIAH INCOME FUND (“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 material accounting policy information, as set out on pages 15 to 61.

In our opinion, the accompanying financial statements 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.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Information Other than the Financial Statements and Auditors' Report Thereon

The Manager of the Fund is responsible for the other information. The other information comprises the information included in the annual report, 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.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF OPUS SHARIAH INCOME FUND (CONTINUED)

Information Other than the Financial Statements and Auditors' Report Thereon (Continued)

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 Manager and Trustee for the Financial Statements

The Manager of the Fund is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards 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. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable fair presentation of these financial statements.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF OPUS SHARIAH INCOME FUND (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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:-

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager'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.
- 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.

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
OPUS SHARIAH INCOME FUND (CONTINUED)**

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur
27 August 2024

Lean Wei Ee
03827/05/2026 J
Chartered Accountant

OPUS SHARIAH INCOME FUND

SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF OPUS SHARIAH 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 INCOME FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Financial assets at fair value through profit or loss (“FVTPL”)	4	78,273,465	44,286,792
Cash and cash equivalents	5	<u>1,792,262</u>	<u>10,856,846</u>
TOTAL ASSETS		<u>80,065,727</u>	<u>55,143,638</u>
LIABILITIES			
Amount due to Manager		52,192	35,722
Amount due to Trustee		6,581	4,021
Other payables and accruals	6	<u>10,267</u>	<u>9,664</u>
TOTAL LIABILITIES		<u>69,040</u>	<u>49,407</u>
NET ASSET VALUE		<u>79,996,687</u>	<u>55,094,231</u>
UNITHOLDERS’ FUNDS			
Unitholders’ capital		79,258,176	55,258,788
Retained earnings/(Accumulated losses)		<u>738,511</u>	<u>(164,557)</u>
NET ASSET ATTRIBUTABLE TO UNITHOLDERS		<u>79,996,687</u>	<u>55,094,231</u>
UNITS IN CIRCULATION	7	<u>75,956,320</u>	<u>53,007,331</u>
NET ASSET VALUE PER UNIT		<u>1.0532</u>	<u>1.0394</u>

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

OPUS SHARIAH 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
INVESTMENT INCOME			
Profit income from unquoted sukuk at fair value through profit or loss		2,600,578	1,960,575
Profit income from Islamic deposits with licensed financial institutions at amortised cost		184,966	89,462
Net gain on financial assets at FVTPL	4	<u>778,573</u>	<u>1,275,017</u>
		<u>3,564,117</u>	<u>3,325,054</u>
EXPENSES			
Management fee	8	(517,017)	(373,501)
Trustee's fee	9	(32,314)	(23,218)
Audit fee		(3,600)	(3,600)
Tax agent's fee		(4,351)	(3,000)
Other expenses		<u>(2,514)</u>	<u>(2,277)</u>
		<u>(559,796)</u>	<u>(405,596)</u>
PROFIT BEFORE TAXATION		3,004,321	2,919,458
TAXATION	10	<u>-</u>	<u>-</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>3,004,321</u>	<u>2,919,458</u>
Profit after taxation is made up of the following:			
Realised amount		2,436,500	1,089,746
Unrealised amount		<u>567,821</u>	<u>1,829,712</u>
		<u>3,004,321</u>	<u>2,919,458</u>

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

OPUS SHARIAH 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	11	<u>2,101,253</u>	<u>253,047</u>
Gross distributions per unit (sen)	11	<u>3.55</u>	<u>0.50</u>
Net distributions per unit (sen)	11	<u>3.55</u>	<u>0.50</u>

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

OPUS SHARIAH INCOME FUND

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

	Unitholders' capital RM	Retained earnings/ (Accumulated losses) RM	<u>Total</u> RM
Balance as at 1 July 2022	49,045,319	(2,830,968)	46,214,351
Movement in net asset value:			
Total comprehensive income for the financial year	-	2,919,458	2,919,458
Creation of units from applications	15,177,453	-	15,177,453
Creation of units from distributions	248,869	-	248,869
Cancellation of units	(9,212,853)	-	(9,212,853)
Distributions (Note 11)	-	(253,047)	(253,047)
Balance as at 30 June 2023	<u>55,258,788</u>	<u>(164,557)</u>	<u>55,094,231</u>
Balance as at 1 July 2023	55,258,788	(164,557)	55,094,231
Movement in net asset value:			
Total comprehensive income for the financial year	-	3,004,321	3,004,321
Creation of units from applications	37,320,910	-	37,320,910
Creation of units from distributions	1,759,456	-	1,759,456
Cancellation of units	(15,080,978)	-	(15,080,978)
Distributions (Note 11)	-	(2,101,253)	(2,101,253)
Balance as at 30 June 2024	<u>79,258,176</u>	<u>738,511</u>	<u>79,996,687</u>

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

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

	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FOR OPERATING ACTIVITIES		
Proceeds from sale of investments	18,745,734	15,310,552
Proceeds of redemption from unquoted sukuk	-	-
Purchase of investments	(51,476,687)	(17,320,983)
Profit income received from unquoted sukuk	2,123,431	1,925,323
Profit income received from islamic deposits with licensed financial institutions	184,966	89,462
Management fee paid	(500,547)	(367,726)
Trustee's fee paid	(29,754)	(24,901)
Payment for other fees and expenses	(9,862)	(8,110)
Net cash used in operating activities	<u>(30,962,719)</u>	<u>(396,383)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	39,080,366	15,426,322
Payments for cancellation of units	(15,080,978)	(9,212,853)
Payment for distributions	(2,101,253)	(253,047)
Net cash generated from financing activities	<u>21,898,135</u>	<u>5,960,422</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(9,064,584)	5,564,039
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	10,856,846	5,292,807
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u><u>1,792,262</u></u>	<u><u>10,856,846</u></u>
Cash and cash equivalents comprise:		
Islamic deposits with licensed financial institutions	1,761,468	10,818,204
Bank balance	30,794	38,642
	<u><u>1,792,262</u></u>	<u><u>10,856,846</u></u>

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

OPUS SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION 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 of the Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, 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 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 judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J.

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

Amendments to MFRSs (Including The Consequential Amendments)
MFRS 17: Insurance Contracts
Amendments to MFRS 17: Insurance Contracts
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101: Disclosure of Accounting Policies
Amendments to MFRS 108: Definition of Accounting Estimates
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

The adoption of the above amendments accounting standards (including the consequential amendments, if any) did not have any material impact of the Fund's financial statements.

OPUS SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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 year :-

MFRSs (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability Disclosure	1 January 2027
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 SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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 year 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 SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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 profit. Profit income is recognised by applying the effective profit rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the profit income is recognised by applying the effective profit rate to the amortised cost of the financial asset.

OPUS SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

F Financial instruments (continued)

Financial assets (continued)

Debt instruments (continued)

(i) Amortised cost (continued)

The effective profit method is a method of calculating the amortised cost of a financial asset and of allocating profit income over the relevant period. The effective profit 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 profit 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 profit. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, profit income and foreign exchange difference which are recognised directly in profit or loss. Profit income is calculated using the effective profit 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 year in which they arise.

OPUS SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

F Financial instruments (continued)

Financial assets (continued)

Debt instruments (continued)

(iii) Fair value through profit or loss (continued)

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”). 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 sukuk 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 profit method.

OPUS SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

F Financial instruments (continued)

Financial liabilities (continued)

(ii) Other financial liabilities (continued)

The effective profit method is a method of calculating the amortised cost of a financial liability and of allocating profit expense over the relevant period. The effective profit 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 profit 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 SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

F Financial instruments (continued)

Impairment of financial assets

The Fund recognises a loss allowance for expected credit losses on investments in sukuk that are measured at amortised cost or at fair value through other comprehensive income, Islamic deposit with a licensed 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 profit 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 sukuk 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.

G Cash and cash equivalents

Cash and cash equivalents comprise bank balances, Islamic deposit with licensed financial institutions, 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.

OPUS SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (CONTINUED)

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 SHARIAH INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 (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 year 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 SHARIAH INCOME FUND

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

1 INFORMATION ON THE FUND

OPUS SHARIAH INCOME FUND (hereinafter referred to as ‘the Fund’) was constituted pursuant to the execution of a Deed dated 5 August 2013 as amended by a First Supplemental Deed dated 29 November 2013, a Second Supplemental Deed dated 30 March 2015 and a Third Supplemental Deed dated 05 February 2024 (collectively referred to as “the Deeds”) between Opus Asset Management Sdn. Bhd. as the Manager and CIMB Commerce Trustee Berhad as the Trustee. The Fund was launched on 18 September 2013 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 principal activity of the Fund is to invest in a portfolio of shariah compliant fixed income, islamic money market instruments and islamic placement of deposits.

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 profit 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

OPUS SHARIAH 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 profit or loss RM	Amortised cost RM	Total RM
<u>2024</u>			
Unquoted sukuk	78,273,465	-	78,273,465
Cash and cash equivalents	-	1,792,262	1,792,262
	<u>78,273,465</u>	<u>1,792,262</u>	<u>80,065,727</u>
<u>2023</u>			
Unquoted sukuk	44,286,792	-	44,286,792
Cash and cash equivalents	-	10,856,846	10,856,846
	<u>44,286,792</u>	<u>10,856,846</u>	<u>55,143,638</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	77,367,761	43,859,468
Profit receivables	905,704	427,324
	<u>78,273,465</u>	<u>44,286,792</u>

OPUS SHARIAH 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.

	Change in price of investments %	Market value RM	Impact on profit after tax and net asset value RM
<u>2024</u>	-5	73,499,373	(3,868,388)
	0	77,367,761	-
	+5	81,236,149	3,868,388
<u>2023</u>	-5	41,666,495	(2,192,973)
	0	43,859,468	-
	+5	46,052,441	2,192,973

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 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 rates 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 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 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>	Impact on profit after tax/ net asset value	
	<u>2024</u> RM	<u>2023</u> RM
+1%	(169,386)	(106,129)
-1%	170,449	107,242

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 Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework.

OPUS SHARIAH 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 consider these banks and financial institutions 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:

	Unquoted sukuk RM	Cash and cash equivalents RM	Total RM
<u>2024</u>			
AAA	35,222,386	1,792,262	37,014,648
AA1	11,699,147	-	11,699,147
AA2	8,330,662	-	8,330,662
AA3	8,693,737	-	8,693,737
AA+	1,022,849	-	1,022,849
AA	2,834,339	-	2,834,339
AA-	10,470,345	-	10,470,345
	<u>78,273,465</u>	<u>1,792,262</u>	<u>80,065,727</u>
<u>2023</u>			
AAA	19,680,234	10,818,204	30,498,438
AA1	4,071,982	38,642	4,110,624
AA2	5,678,236	-	5,678,236
AA3	3,034,743	-	3,034,743
AA	631,118	-	631,118
AA-	8,712,710	-	8,712,710
NR-GG	2,477,769	-	2,477,769
	<u>44,286,792</u>	<u>10,856,846</u>	<u>55,143,638</u>

NR-GG - Unrated (Government guaranteed)

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

OPUS SHARIAH 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

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
<u>2024</u>			
Amount due to Manager	52,192	-	52,192
Amount due to Trustee	6,581	-	6,581
Other payables and accruals	-	10,267	10,267
	<u>58,773</u>	<u>10,267</u>	<u>69,040</u>
<u>2023</u>			
Amount due to Manager	35,722	-	35,722
Amount due to Trustee	4,021	-	4,021
Other payables and accruals	-	9,664	9,664
	<u>39,743</u>	<u>9,664</u>	<u>49,407</u>

OPUS SHARIAH 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>	<u>2023</u>
	RM	RM
The capital of the Fund is represented by equity consisting of :-		
Unitholders' capital	79,258,176	55,258,788
Retained earnings/(Accumulated losses)	<u>738,511</u>	<u>(164,557)</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.

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.

OPUS SHARIAH INCOME FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

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 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.

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>2024</u>				
Financial assets at FVTPL				
- Unquoted sukuk	-	78,273,465	-	78,273,465
<u>2023</u>				
Financial assets at FVTPL				
- Unquoted sukuk	-	44,286,792	-	44,286,792

OPUS SHARIAH INCOME FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

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

	<u>2024</u> RM	<u>2023</u> RM
Financial assets designated as FVTPL:		
- Unquoted sukuk	<u>78,273,465</u>	<u>44,286,792</u>
	<u>2024</u> RM	<u>2023</u> RM
Net gain on financial assets at FVTPL comprised:		
- net realised gain/(loss) on sale of financial assets at FVTPL	210,752	(554,695)
- net unrealised gain on changes in fair value	<u>567,821</u>	<u>1,829,712</u>
	<u>778,573</u>	<u>1,275,017</u>

OPUS SHARIAH 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:

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 %
UNQUOTED SUKUK				
BANK				
4.40% CIMB GROUP HOLDINGS BERHAD 08/09/2027 AA2	1,500,000	1,520,795	1,544,464	1.93
4.03% CIMB ISLAMIC BANK BERHAD 27/03/2031 AAA	2,000,000	2,021,199	2,032,139	2.54
4.13% CIMB ISLAMIC BANK BERHAD 27/03/2034 AAA	2,000,000	2,021,725	2,042,745	2.55
4.08% MALAYAN BANKING BERHAD 25/09/2024 AA3	3,000,000	3,115,064	3,034,184	3.79
4.01% UNITED OVERSEAS BANK (MALAYSIA) BERHAD 08/02/2029 AA1	3,000,000	3,047,461	3,049,861	3.82
		<u>11,726,244</u>	<u>11,703,393</u>	<u>14.63</u>

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
CONSTRUCTION				
4.05% GAMUDA BERHAD 27/03/2031 AA3	2,000,000	2,021,304	2,025,644	2.53
FINANCE				
4.26% AEON CREDIT SERVICE (M) BERHAD 20/04/2029 AA3	3,000,000	3,035,310	3,064,410	3.83
3.25% BANK PEMBANGUNAN MALAYSIA BERHAD 08/06/2026 AAA	1,500,000	1,482,555	1,488,645	1.86
3.91% SABAH CREDIT CORPORATION 25/01/2027 AA1	1,000,000	1,017,018	1,017,018	1.27
4.85% SABAH CREDIT CORPORATION 22/12/2026 AA1	2,500,000	2,540,075	2,558,300	3.20
4.30% TOYOTA CAPITAL MALAYSIA SDN BHD 26/02/2030 AAA	2,000,000	2,040,288	2,057,868	2.57

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
FINANCE (CONTINUED)				
5.00% ZAMARAD ASSETS BERHAD 27/03/2026 AAA	2,000,000	2,052,901	2,067,541	2.58
4.98% ZAMARAD ASSETS BERHAD 28/03/2029 AA2	1,000,000	1,035,725	1,037,255	1.30
5.72% ZAMARAD ASSETS BERHAD 23/11/2029 AA2	2,500,000	2,513,712	2,642,362	3.30
5.30% ZAMARAD ASSETS BERHAD 09/08/2030 AA2	2,500,000	2,550,459	2,592,934	3.25
		<u>18,268,043</u>	<u>18,526,333</u>	<u>23.16</u>

HEALTH CARE

4.58% POINT ZONE (M) SDN BHD 07/03/2029 AA-	1,000,000	1,014,556	1,043,696	1.30
4.66% POINT ZONE (M) SDN BHD 05/03/2032 AA-	2,000,000	1,939,820	2,111,600	2.64

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
HEALTH CARE (CONTINUED)				
4.00% SUNWAY HEALTHCARE TREASURY SDN BHD 27/04/2029 AA	2,800,000	2,819,331	2,834,339	3.55
		<u>5,773,707</u>	<u>5,989,635</u>	<u>7.49</u>
INDUSTRIAL				
4.69% PRESS METAL ALUMINIUM HOLDINGS BERHAD 07/12/2027 AA2	500,000	<u>503,092</u>	<u>513,647</u>	<u>0.64</u>
INVESTMENT HOLDING				
3.42% DANUM CAPITAL BERHAD 21/02/2035 AAA	1,750,000	<u>1,749,605</u>	<u>1,682,843</u>	<u>2.10</u>

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
PLANTATION				
4.12% BATU KAWAN BHD 09/02/2029 AA1	500,000	508,071	512,756	0.64
3.95% KUALA LUMPUR KEPONG BERHAD 27/09/2034 AA1	2,000,000	1,998,778	2,011,358	2.51
4.55% KUALA LUMPUR KEPONG BERHAD 16/03/2037 AA1	2,400,000	2,549,974	2,549,854	3.19
		<u>5,056,823</u>	<u>5,073,968</u>	<u>6.34</u>
POWER				
6.20% TADAU ENERGY SDN BHD 27/07/2033 AA3	500,000	566,579	569,499	0.71
4.58% TNB POWER GENERATION SDN BHD 29/03/2033 AAA	1,000,000	1,044,995	1,054,325	1.32

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
POWER (CONTINUED)				
5.20% TNB POWER GENERATION SDN BHD 02/06/2042 AAA	1,500,000	1,638,820	1,703,860	2.13
		<u>3,250,394</u>	<u>3,327,684</u>	<u>4.16</u>
PROPERTY				
4.14% SIME DARBY PROPERTY BERHAD 21/08/2028 AA+	1,000,000	<u>1,014,859</u>	<u>1,022,849</u>	<u>1.28</u>
TOLL ROAD				
5.09% AMANAT LEBUHRAYA RAKYAT BERHAD 11/10/2030 AAA	200,000	215,068	215,161	0.27
5.29% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	4,000,000	4,431,439	4,438,319	5.55

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
TOLL ROAD (CONTINUED)				
5.32% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	2,000,000	2,054,046	2,193,646	2.74
5.70% ANIH BERHAD 27/11/2026 AA-	600,000	630,632	620,978	0.78
5.44% LEBUHRAYA DUKE FASA 3 SDN BHD 23/08/2029 AA-	2,000,000	2,120,053	2,110,373	2.64
4.75% KONSORTIUM LEBUHRAYA UTARA- TIMUR (KL) SDN BERHAD 02/12/2026 AA-	1,000,000	1,017,746	1,016,084	1.27
4.75% KONSORTIUM LEBUHRAYA UTARA- TIMUR (KL) SDN BERHAD 02/12/2027 AA-	3,000,000	2,972,041	3,055,901	3.82
0.00% MEX II SDN BHD 31/12/2099 D	1,000,000	1,031,100	-	-

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
TOLL ROAD (CONTINUED)				
4.03% PROJEK LEBUHRAYA USAHASAMA BHD 10/01/2031 AAA	5,000,000	5,094,401	5,113,151	6.39
5.75% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2037 AAA	500,000	565,619	596,459	0.75
		20,132,145	19,360,072	24.21
TRANSPORT/PORT				
4.40% MMC PORT HOLDINGS SDN BHD 08/04/2027 AA-	500,000	497,413	511,713	0.64
WATER				
4.22% PENGURUSAN AIR SELANGOR SDN BHD 29/10/2031 AAA	2,250,000	2,257,514	2,302,164	2.88

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
WATER (CONTINUED)				
4.73% PENGURUSAN AIR SELANGOR SDN BHD 26/07/2029 AAA	2,000,000	2,072,041	2,116,611	2.65
5.28% PENGURUSAN AIR SELANGOR SDN BHD 24/07/2037 AAA	1,800,000	2,058,320	2,061,776	2.57
4.14% PENGURUSAN AIR SPV BERHAD 07/02/2034 AAA	2,000,000	2,032,893	2,055,133	2.57
		<u>8,420,768</u>	<u>8,535,684</u>	<u>10.67</u>
TOTAL UNQUOTED SUKUK		78,414,397	<u><u>78,273,465</u></u>	<u><u>97.85</u></u>
ACCUMULATED UNREALISED LOSS		<u>(140,932)</u>		
TOTAL FINANCIAL ASSETS AT FVTPL		<u><u>78,273,465</u></u>		

OPUS SHARIAH 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				
BANK				
4.40% CIMB GROUP HOLDINGS BERHAD 08/09/2027 AA2	1,500,000	1,520,795	1,532,045	2.78
4.08% MALAYAN BANKING BERHAD 25/09/2024 AA3	3,000,000	3,114,393	3,034,743	5.51
		<u>4,635,188</u>	<u>4,566,788</u>	<u>8.29</u>
FINANCE				
3.25% BANK PEMBANGUNAN MALAYSIA BERHAD 08/06/2026 AAA	1,500,000	1,482,822	1,473,882	2.68
3.91% SABAH CREDIT CORPORATION 25/01/2027 AA1	1,000,000	1,017,018	1,008,008	1.83
4.85% SABAH CREDIT CORPORATION 22/12/2026 AA1	2,500,000	2,540,740	2,557,115	4.64
3.30% SMALL MEDIUM ENTERPRISE DEVELOPMENT BANK MALAYSIA BHD 23/04/2027 NR-GG	2,500,000	2,596,144	2,477,769	4.50

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
FINANCE (CONTINUED)				
5.00% ZAMARAD ASSETS BERHAD 27/03/2026 AAA	2,000,000	2,052,901	2,065,341	3.75
4.60% ZAMARAD ASSETS BERHAD 24/07/2026 AAA	1,000,000	1,043,360	1,022,120	1.86
5.72% ZAMARAD ASSETS BERHAD 23/11/2029 AA2	3,500,000	3,520,294	3,636,669	6.60
		<u>14,253,279</u>	<u>14,240,904</u>	<u>25.86</u>
HEALTH CARE				
4.58% POINT ZONE (M) SDN BHD 07/03/2029 AA-	1,000,000	1,014,556	1,030,686	1.87
4.66% POINT ZONE (M) SDN BHD 05/03/2032 AA-	2,000,000	1,939,820	2,064,640	3.75
		<u>2,954,376</u>	<u>3,095,326</u>	<u>5.62</u>

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
INDUSTRIAL				
4.69% PRESS METAL ALUMINIUM HOLDINGS BERHAD 07/12/2027 AA2	500,000	503,092	509,522	0.92
INVESTMENT HOLDING				
3.42% DANUM CAPITAL BERHAD 21/02/2035 AAA	1,750,000	1,749,441	1,636,251	2.97
PLANTATION				
4.12% BATU KAWAN BHD 09/02/2029 AA1	500,000	508,014	506,859	0.92
POWER				
4.67% TENAGA NASIONAL BERHAD 25/11/2041 AAA	2,500,000	2,540,835	2,586,710	4.70
5.20% TNB POWER GENERATION SDN BHD 02/06/2042 AAA	1,500,000	1,639,247	1,661,987	3.02
		4,180,082	4,248,697	7.72

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
TOLL ROAD				
5.32% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	2,000,000	2,054,629	2,144,569	3.89
5.59% AMANAT LEBUHRAYA RAKYAT BERHAD 13/10/2033 AAA	2,000,000	2,024,198	2,148,278	3.90
5.70% ANIH BERHAD 27/11/2026 AA	600,000	630,632	631,118	1.15
5.44% LEBUHRAYA DUKE FASA 3 SDN BHD 23/08/2029 AA-	2,000,000	2,119,755	2,075,715	3.77
4.75% KONSORTIUM LEBUHRAYA UTARA- TIMUR (KL) SDN BERHAD 02/12/2026 AA-	1,000,000	1,022,604	1,011,064	1.84

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
TOLL ROAD (CONTINUED)				
4.75% KONSORTIUM LEBUHRAYA UTARA- TIMUR (KL) SDN BERHAD 02/12/2027 AA-	2,000,000	1,953,948	2,024,748	3.68
0.00% MEX II SDN BHD 29/04/2024 D	1,000,000	1,031,100	-	-
4.72% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2026 AAA	1,000,000	1,034,384	1,040,714	1.88
5.75% PROJEK LEBUHRAYA USAHASAMA BHD 12/01/2037 AAA	500,000	565,540	578,410	1.05
		<u>12,436,790</u>	<u>11,654,616</u>	<u>21.16</u>
TRANSPORT/PORT				
4.40% MMC PORT HOLDINGS SDN BHD 08/04/2027 AA-	500,000	<u>497,292</u>	<u>505,857</u>	<u>0.91</u>

OPUS SHARIAH 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 %
UNQUOTED SUKUK (CONTINUED)				
WATER				
4.22% PENGURUSAN AIR SELANGOR SDN BHD 29/10/2031 AAA	2,250,000	2,257,775	2,265,906	4.10
4.73% PENGURUSAN AIR SELANGOR SDN BHD 26/07/2029 AAA	1,000,000	1,020,216	1,056,066	1.91
		<u>3,277,991</u>	<u>3,321,972</u>	<u>6.01</u>
TOTAL UNQUOTED SUKUK		44,995,545	<u><u>44,286,792</u></u>	<u><u>80.38</u></u>
ACCUMULATED UNREALISED LOSS		<u>(708,753)</u>		
TOTAL FINANCIAL ASSETS AT FVTPL		<u><u>44,286,792</u></u>		

OPUS SHARIAH 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	1,761,468	10,818,204
Bank balance	30,794	38,642
	<u>1,792,262</u>	<u>10,856,846</u>
Islamic deposits with licensed financial institutions include profit receivable (RM)	427	882
Weighted average rate of return (%)	2.95	2.98
Average maturity (days)	3	3

6 OTHER PAYABLES AND ACCRUALS

	<u>2024</u> RM	<u>2023</u> RM
Audit fee payable	3,600	3,600
Tax agent's fee payable	3,000	3,000
Other payables and accruals	3,667	3,064
	<u>10,267</u>	<u>9,664</u>

7 UNITS IN CIRCULATION

	<u>2024</u> Units	<u>2023</u> Units
At the beginning of the financial year	53,007,331	47,154,190
Creation of units during the financial year		
Arising from distributions during the financial year	1,686,642	239,570
Arising from applications during the financial year	35,701,102	14,758,432
Cancellation of units during the financial year	(14,438,755)	(9,144,861)
At the end of the financial year	<u>75,956,320</u>	<u>53,007,331</u>

OPUS SHARIAH 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 0.10% (2023: 0.10%) 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 TAXATION

(a) Tax charge for the financial year

	<u>2024</u>	<u>2023</u>
	RM	RM
Current taxation	-	-

OPUS SHARIAH INCOME FUND

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

10 TAXATION (CONTINUED)

(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	3,004,321	2,919,458
Tax calculated at a tax rate of 24% (2023: 24%)	721,037	700,670
Tax effects of:		
Investment income not subject to tax	(855,388)	(798,013)
Expenses not deductible for tax purposes	9,403	6,839
Restriction on tax deductible expenses for fund	124,948	90,504
	<u>-</u>	<u>-</u>

11 DISTRIBUTIONS

	<u>2024</u> RM	<u>2023</u> RM
Distributions to unitholders are from the following sources:		
Profit income from unquoted sukuk	2,132,132	465,453
Profit income from Islamic deposits with licensed financial institutions at amortised cost	177,964	19,990
Realised gain/(loss) on sale of investments	204,033	(135,950)
Prior years' realised income	119,988	-
Gross realised income	2,634,117	349,493
Less: Expenses	(532,864)	(96,446)
Gross distribution amount	2,101,253	253,047
Less: Taxation	-	-
Net distribution amount	<u>2,101,253</u>	<u>253,047</u>

OPUS SHARIAH INCOME FUND

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

11 DISTRIBUTIONS (CONTINUED)

	Entitlement date	Payment date	Gross distribution per unit (sen)	Net distribution per unit (sen)
<u>2024</u>	24-Jul-2023	25-Jul-2023	0.25	0.25
	23-Aug-2023	24-Aug-2023	0.25	0.25
	25-Sep-2023	26-Sep-2023	0.50	0.50
	24-Oct-2023	25-Oct-2023	0.30	0.30
	22-Nov-2023	23-Nov-2023	0.25	0.25
	20-Dec-2023	21-Dec-2023	0.55	0.55
	23-Jan-2024	24-Jan-2024	0.20	0.20
	26-Feb-2024	27-Feb-2024	0.25	0.25
	25-Mar-2024	26-Mar-2024	0.20	0.20
	23-Apr-2024	24-Apr-2024	0.30	0.30
	27-May-2024	28-May-2024	0.25	0.25
	25-Jun-2024	26-Jun-2024	0.25	0.25
			<u>3.55</u>	<u>3.55</u>
<u>2023</u>	23-May-2023	24-May-2023	0.10	0.10
	21-Jun-2023	22-Jun-2023	0.40	0.40
			<u>0.50</u>	<u>0.50</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.

	<u>2024</u> RM	<u>2023</u> RM
Unrealised gain incurred during the financial year	<u>567,821</u>	<u>1,829,712</u>

OPUS SHARIAH INCOME FUND

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

12 TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u> %	<u>2023</u> %
TER	<u>0.87</u>	<u>0.87</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

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

	<u>2024</u> RM	<u>2023</u> RM
The average net asset value of the Fund calculated on a daily basis	<u>64,552,238</u>	<u>46,683,605</u>

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>0.54</u>	<u>0.35</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>51,476,687</u>	<u>17,320,983</u>
Total disposals for the financial year	<u>18,745,734</u>	<u>15,310,552</u>

OPUS SHARIAH INCOME FUND

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

14 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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
Cope Private Equity Sdn Bhd	Employees and related parties to 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	<u>14</u>	<u>15</u>	<u>14</u>	<u>14</u>

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

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 INCOME FUND

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

15 TRANSACTIONS WITH BROKERS

Broker/ financial institution	Value of trades[^] RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
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Details of transactions by the Fund for the financial year ended 30 June 2024 are as follows:

Malayan Banking Berhad*	19,642,147	27.97	-	-
CIMB Bank Berhad	18,128,989	25.82	-	-
RHB Investment Bank Berhad*	14,339,596	20.42	-	-
Hong Leong Investment Bank Berhad	5,510,800	7.85	-	-
CIMB Islamic Bank Berhad	4,435,497	6.32	-	-
Affin Hwang Investment Bank Bhd	3,094,601	4.41	-	-
Hong Leong Bank Berhad	3,070,791	4.36	-	-
AmBank (M) Berhad	2,000,000	2.85	-	-
	<u>70,222,421</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

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

Hong Leong Bank Bhd	6,070,378	18.60	-	-
Hong Leong Investment Bank Bhd	5,500,000	16.85	-	-
Deutsche Bank (Malaysia) Berhad*	4,932,218	15.11	-	-
RHB Investment Bank Bhd*	3,994,051	12.24	-	-
Standard Chartered Bank Malaysia Bhd	2,546,719	7.80	-	-
United Overseas Bank (Malaysia) Bhd	2,049,382	6.28	-	-
Malayan Banking Bhd*	1,991,599	6.10	-	-
CIMB Bank Bhd	1,500,000	4.60	-	-
Bank Islam Malaysia Bhd	1,000,000	3.06	-	-
Affin Hwang Investment Bank Bhd*	778,604	2.39	-	-
Others*	2,268,584	6.97	-	-
	<u>32,631,535</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

[^] 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 INCOME FUND

CORPORATE INFORMATION

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