

# PHILLIP SELECT BALANCE FUND

SEMI-ANNUAL REPORT

FOR THE FINANCIAL PERIOD  
ENDED 31 DECEMBER 2025

Manager:

**PHILLIP MUTUAL BERHAD**  
(200201002746)(570409-K)

Trustee:

**MTRUSTEE BERHAD**  
(198701004362)(163032-V)

**CONTENTS**

|   |         |
|---|---------|
| <b>Fund Information</b>   | 2       |
| <b>Fund Performance</b>   | 3 - 5   |
| <b>Manager's Report</b>   | 6       |
| Performance Review  | 6       |
| Investment Strategy Review  | 7       |
| Asset Allocation  | 8       |
| Analysis Of Net Asset Value   | 8       |
| Market Review   | 9       |
| Securities Financing Transactions   | 9       |
| Income Distribution   | 9       |
| Unit Split  | 9       |
| Significant Changes In The State Of Affairs Of The Fund<br>Circumstances That Materially Affect Interest Of Unitholders | 10      |
| Cross Trade   | 10      |
| Soft Commissions  | 10      |
| <b>Trustee's Report</b>   | 11      |
| <b>Statement By The Manager</b>   | 12      |
| <b>Statement Of Financial Position</b>  | 13      |
| <b>Statement Of Comprehensive Income</b>  | 14      |
| <b>Statement Of Changes In Net Asset Value</b>  | 15      |
| <b>Statement Of Cash Flows</b>  | 16      |
| <b>Notes To The Financial Statements</b>  | 17 - 32 |
| <b>Corporate Information</b>  | 33 - 34 |

**FUND INFORMATION**  
**As At 31 December 2025**

|                       |   |
|-----------------------|---|
| Name Of Fund          | : Phillip SELECT Balance Fund   |
| Manager Of Fund       | : Phillip Mutual Berhad<br>200201002746 (570409-K)  |
| Investment Manager    | : Phillip Capital Management Sdn Bhd<br>199501004372 (333567-D)   |
| Launch Date           | : 11 August 2003  |
| Category Of Fund      | : Balanced  |
| Type Of Fund          | : Growth and income   |
| Investment Objective  | : Phillip SELECT Balance Fund aims to provide medium* to long-term* capital growth and some income <sup>□</sup> by actively allocating its assets among a diversified portfolio of equity and fixed income securities according to market conditions.<br><br><i>* Medium term is defined as a period of one to three years, and long term is a period of more than three years.</i><br><sup>□</sup> Income is in reference to the Fund's distribution, which could be in the form of cash or units. |
| Performance Benchmark | : Composite benchmark:<br>Since inception until 5 July 2009<br>60% Kuala Lumpur Composite Index (KLCI)<br>40% 3-Month Kuala Lumpur Interbank Offer Rate (KLIBOR)<br><br>From 6 July 2009 onwards<br>60% FTSE Bursa Malaysia Top 100 Index (FBM 100)<br>40% 3-Month Kuala Lumpur Interbank Offer Rate (KLIBOR)   |
| Distribution Policy:  | : Income, if any, will be distributed annually.   |
| Fund Size             | : 47.69 million units   |

**FUND PERFORMANCE**

**Financial Highlights**

| <b>Category</b>                             | <b>As at<br/>31.12.2025</b> | <b>As at<br/>30.6.2025</b> | <b>As at<br/>30.6.2024</b> | <b>As at<br/>30.6.2023</b> |
|---|-----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Quoted Equity Securities</b>             | %                           | %                          | %                          | %                          |
| Banks                                       | 6.50                        | 4.08                       | 7.45                       | 6.52                       |
| Capital Goods                               | 6.77                        | 8.17                       | 6.50                       | 6.92                       |
| Chemicals, Plastics & Papers                | -                           | -                          | 0.68                       | -                          |
| Commercial & Professional Services          | 2.61                        | 1.47                       | -                          | -                          |
| Construction & Engineering                  | 2.98                        | 2.08                       | 0.84                       | 0.66                       |
| Consumer Services                           | 1.82                        | 1.61                       | 3.79                       | -                          |
| Diversified Financials                      | -                           | 1.19                       | -                          | -                          |
| Energy                                      | 5.18                        | 4.29                       | 2.79                       | 1.04                       |
| Financial Services                          | -                           | 1.15                       | 3.23                       | -                          |
| Food, Beverage & Tobacco                    | -                           | 0.40                       | -                          | 0.90                       |
| Health Care Equipment & Services            | -                           | 0.15                       | 0.98                       | 2.68                       |
| Industrials                                 | 2.38                        | 1.52                       | 2.77                       | 6.23                       |
| Plantation                                  | 1.86                        |                            |                            |                            |
| Manufacturing                               | -                           | -                          | 1.02                       | -                          |
| Insurance                                   | -                           | 0.63                       | -                          | -                          |
| Media & Entertainment                       | -                           | -                          | -                          | -                          |
| Real Estate                                 | 2.14                        | 3.66                       | 1.19                       | -                          |
| Retailing                                   | 4.80                        | 2.77                       | -                          | 3.35                       |
| Semiconductors & Semi. Equipment            | -                           | 1.23                       | 4.18                       | 9.15                       |
| Software & Services                         | 0.99                        | 2.79                       | 4.15                       | 2.90                       |
| Technology Hardware & Equipment             | -                           | -                          | 1.35                       | 0.63                       |
| Telecommunication Services                  | 3.69                        | 1.22                       | 4.50                       | 3.74                       |
| Transportation                              | 0.84                        | 0.85                       | 4.63                       | 1.65                       |
| Utilities                                   | 9.30                        | 12.45                      | 2.74                       | 2.24                       |
|   | 51.86                       | 51.71                      | 52.79                      | 48.61                      |
| <b>Fixed Income Securities</b>              | 27.97                       | 30.60                      | 30.05                      | 33.16                      |
| <b>Collective Investment Scheme</b>         | 14.30                       | 12.57                      | 10.75                      | 11.32                      |
| <b>Cash And Liquid Assets</b>               | 5.96                        | 5.12                       | 6.41                       | 6.91                       |
| <b>Total</b>                                | 100.00                      | 100.00                     | 100.00                     | 100.00                     |
| Net Asset Value (RM'000)                    | 24,007                      | 26,867                     | 30,246                     | 25,333                     |
| Number Of Units In Circulation (Units '000) | 47,685                      | 55,602                     | 58,270                     | 57,608                     |
| Net Asset Value Per Unit (RM)               | 0.5035                      | 0.4833                     | 0.5191                     | 0.4398                     |
| Total Expense Ratio ("TER") <sup>1</sup>    | 0.78%                       | 1.53%                      | 1.53%                      | 1.54%                      |
| Portfolio Turnover Ratio (times)            | 0.45                        | 1.16                       | 0.92                       | 0.66                       |

The Total Expense Ratio for the current financial period is higher due to higher percentage of decrease in expenses compared with average net asset value attributable to unitholders. (31 December 2024: 0.75%)

<sup>1</sup> The TER does not include brokerage and other transaction fees.

The Portfolio Turnover Ratio for the current financial period is lower due to decrease in investing activities. (31 December 2024: 0.75 times)

**Notes:**

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

\* Price quoted is ex-distribution.

**Performance Data**

|                                   | Phillip SELECT Balance Fund |                       | Composite Benchmark |                       |
|-----------------------------------|-----------------------------|-----------------------|---------------------|-----------------------|
|                                   | Total Return                | Average Annual Return | Total Return        | Average Annual Return |
| 6 Months' Period Ended 31.12.2025 | 4.18%                       | -                     | 5.54%               | -                     |
| 1 Year's Period Ended 30.6.2025   | -6.90%                      | -6.90%                | -1.54%              | -1.54%                |
| 3 Years' Period Ended 30.6.2025   | 18.93%                      | 6.31%                 | 11.47%              | 3.82%                 |
| 5 Years' Period Ended 30.6.2025   | 18.77%                      | 3.75%                 | 10.84%              | 2.17%                 |

|                             | 6 Months to |            | Financial Year Ended |            |            |            |
|-----------------------------|-------------|------------|----------------------|------------|------------|------------|
|                             | 31.12.2025  | 30.06.2025 | 30.06.2024           | 30.06.2023 | 30.06.2022 | 30.06.2021 |
| Phillip SELECT Balance Fund |             |            |                      |            |            |            |
| - Capital Return            | 4.18%       | -6.90%     | 18.03%               | 5.19%      | -9.80%     | 8.37%      |
| - Income Return             | 0.00%       | 0.00%      | 2.89%                | 0.00%      | 0.00%      | 2.16%      |
| - Total Return              | 4.18%       | -6.90%     | 21.44%               | 5.19%      | -9.80%     | 10.71%     |
| Composite Benchmark         | 5.54%       | -1.86%     | 13.64%               | -0.03%     | -4.26%     | 3.57%      |

|                    | 6 Months to |            | Financial Year Ended |            |
|--------------------|-------------|------------|----------------------|------------|
|                    | 31.12.2025  | 30.06.2025 | 30.06.2024           | 30.06.2023 |
| <b>Unit Prices</b> |             |            |                      |            |
| Highest NAV(RM)    | 0.5159      | 0.5315     | 0.5341               | 0.4599     |
| Lowest NAV (RM)    | 0.4844      | 0.4489     | 0.4271               | 0.4106     |

| <b>Distributions</b>              |              |              |              |             |
|-----------------------------------|--------------|--------------|--------------|-------------|
| Gross Distribution Per Unit (sen) | -            | -            | 1.50         | -           |
|                                   | (31.12.2025) | (30.06.2025) | (28.06.2024) | (30.6.2023) |
| Net Distribution Per Unit (sen)   | -            | -            | 1.50         | -           |
|                                   | (31.12.2025) | (30.06.2025) | (28.06.2024) | (30.6.2023) |

| <b>Source Of Distribution</b>         | <b>RM'000</b> |        |        |        |
|---------------------------------------|---------------|--------|--------|--------|
|                                       | RM'000        | RM'000 | RM'000 | RM'000 |
| - Net realised income                 | -             | -      | 853    | -      |
| - Capital (distribution equalisation) | -             | -      | (1)    | -      |
| Total distributions                   | -             | -      | 852    | -      |
|                                       | %             | %      | %      | %      |
| - Net realised income                 | -             | -      | 100.03 | -      |
| - Capital (distribution equalisation) | -             | -      | (0.03) | -      |
| Total distributions                   | -             | -      | 100.00 | -      |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Unit Splits</b> | - | - | - | - |
|--------------------|---|---|---|---|

*\* Price quoted is ex-distribution.*

**Notes:**

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

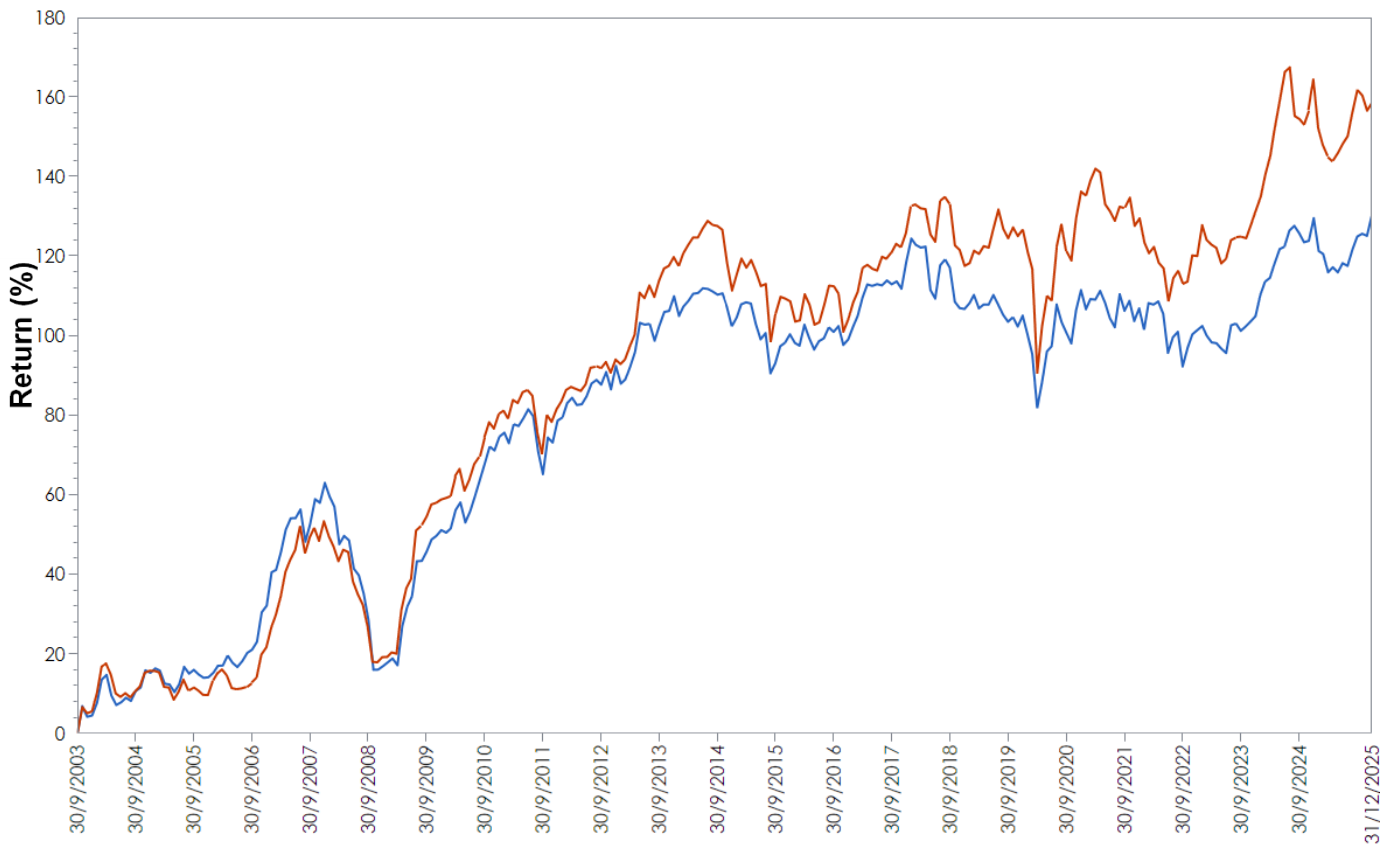
**MANAGER'S REPORT**  
**31 December 2025**

**Performance Review**

From 2 September 2003 (date of launch: 11 August 2003) to 31 December 2025, Phillip SELECT Balance Fund registered a total return of 158.34%, while its composite benchmark (60% FTSE Bursa Malaysia Top 100 Index [FBM 100] and 40% 3-Month Kuala Lumpur Interbank Offer Rate [KLIBOR]), rose 130.36%.

For the financial period under review (1 July 2025 to 31 December 2025), the Fund registered a total return of 4.18%. In comparison, its benchmark rose 5.54%.

**Comparison Between Fund's Performance And Benchmark Since Inception**



|   |          |
|---|----------|
| Phillip Select Balance Fund                       | +158.34% |
| Composite Benchmark (60% FBM100 & 40% 3-M KLIBOR) | +130.36% |

Source: Lipper

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## Investment Strategy Review

### Equity Strategy Review

During the period under review, the Fund recorded a total return of 4.18%, underperforming its benchmark, which gained 5.54%. The Fund maintained a higher allocation to equities relative to fixed income throughout the period, reflecting our constructive view on Malaysia's domestic economic growth trajectory and earnings resilience in 2025.

The Fund's relative underperformance was largely attributable to weakness in selected technology and energy holdings. Technology stocks were weighed down by renewed uncertainty surrounding trade and tariff policies following the transition to a new Trump administration, which led to heightened market volatility and valuation de-rating across the sector. Meanwhile, energy-related holdings underperformed amid fluctuations in crude oil prices and lingering concerns over global demand growth, particularly from major developed economies.

Despite these near-term challenges, portfolio construction remained disciplined, with a continued emphasis on fundamentally strong companies supported by solid balance sheets and sustainable earnings profiles. Market volatility during the period also presented selective opportunities to accumulate quality names at more attractive valuations. Going forward, the Fund remains focused on bottom-up stock selection while closely monitoring macroeconomic and policy-related developments that could influence market conditions.

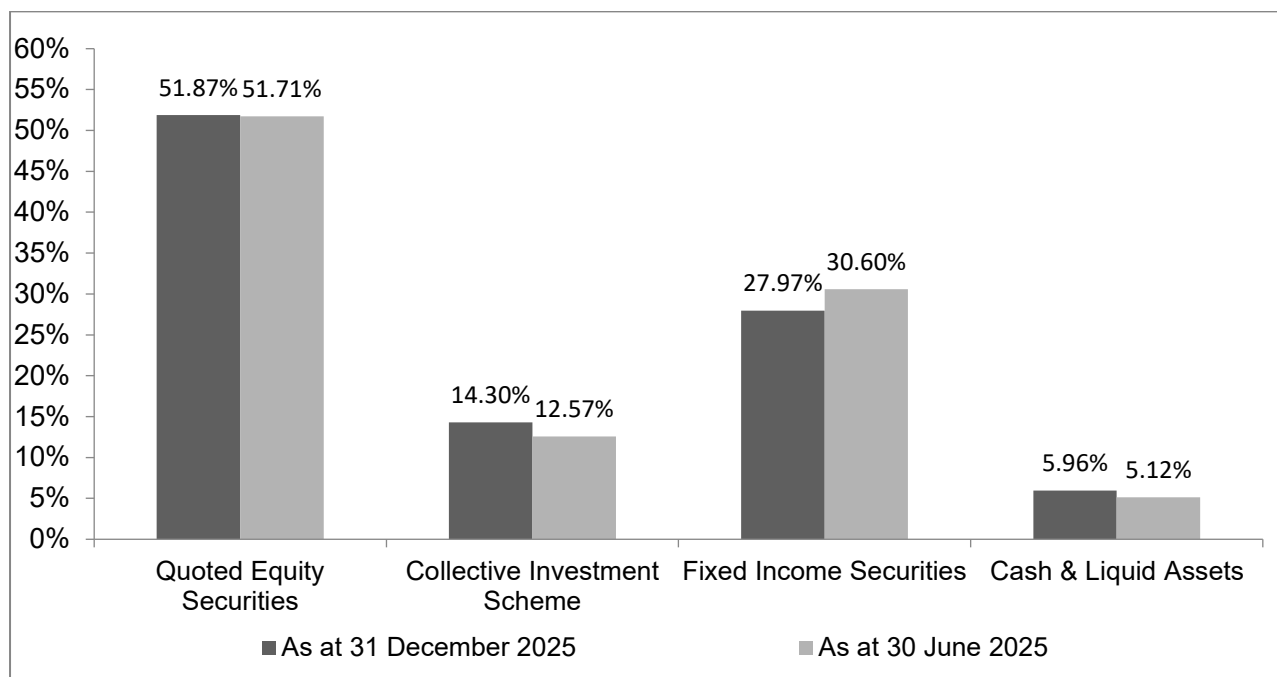
### Fixed Income Strategy Review

Fixed income allocation of the portfolio was kept within the range of 38-41% for most of the period, while portfolio rebalancing activities were largely focused on liquidity management and maintaining fixed income weightings within its long-term target allocation range.

Bank Negara Malaysia reduced its OPR by 25 basis points to 2.75% in 2H2025. The Monetary Policy Committee decided to reduce the Overnight Policy Rate to support Malaysia's economic growth. The adjustment reflects the Committee's assessment that inflationary pressures remain manageable, while downside risks to growth warrant continued monetary accommodation.

The domestic bond yield moved in tandem with the global bond market in 2H2025. The Fund sold longer-dated bonds in December 2025 to realize some gains. We will participate in the new issuance to take advantage of the credit spread. We are overweight corporate bonds over MGS/GII for better yield pick-up.

**Asset Allocation**



The quoted equity securities allocation of Phillip SELECT Balance Fund slightly increased to 51.87% as of 31 December 2025 from 51.71% recorded at the beginning of the financial period under review.

The fixed-income securities allocation (inclusive of the collective investment scheme) decreased to 42.27% as at 31 December 2025 from 43.17% recorded at the beginning of the financial period under review.

The 14.30% in the collective investment scheme was an investment in Phillip Dana Murni, a sukuk fund managed by the Manager. Such investment is in line with the objective of Phillip SELECT Balance Fund and is an efficient way to manage the exposure of the Fund in fixed-income securities. Management fee on the collective investment scheme managed by the Manager is rebated to the Fund.

**Analysis Of Net Asset Value**

The net asset value (NAV) per unit of Phillip SELECT Balance Fund increase from RM0.4833 to RM0.5035 during the financial period under review. Meanwhile, total NAV of the Fund decreased from RM2 to RM 24,006,726 due to net fund redemptions and unfavourable market movements.

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## Market Review

### Equity Market Review

2025 can be characterised as a year of transition, ultimately concluding on a firmer footing than initially anticipated. Despite early-year volatility and renewed policy uncertainty following Donald Trump's return to office, the global economy demonstrated notable resilience, with growth holding close to 3%, supported by steady consumer spending and robust investment in artificial intelligence-related technologies. Against this improving global backdrop, Malaysian equities strengthened into year-end, with the FBM KLCI returning to positive territory by December and outperforming other domestic indices, led primarily by large-cap stocks.

During the period under review, KLCI performance was supported by strength in the industrial, plantation, financial, and consumer sectors. Industrial stocks benefited from resilient domestic demand, sustained infrastructure activity, and steady order flows. The plantation sector performed well on the back of firmer CPO prices, improved cost efficiencies, and better earnings visibility. The financial sector contributed positively, underpinned by stable asset quality, healthy loan growth, and resilient net interest margins. Consumer stocks also delivered solid performance, supported by steady household spending and a relatively stable labour market.

Conversely, KLCI performance was weighed down by underperformance in the healthcare, telecommunications, and utilities sectors. The healthcare sector continued to face margin pressures from higher operating costs and slower demand recovery, which weighed on earnings performance. Telecommunications names lagged amid heightened competitive pressures and elevated capital expenditure requirements, while utilities underperformed due to regulatory uncertainties and a lack of near-term catalysts, despite their defensive earnings profiles.

### Fixed Income Market Review

Fixed income markets in 2H2025 were shaped by the interplay of monetary easing amid economic resilience across both advanced and emerging market contexts. In the U.S., the Federal Reserve implemented three rate cuts in 2025, concluding with a 25-basis point reduction in December to 3.50%–3.75%, the lowest policy rate since 2022. The easing cycle was designed to cushion labour-market risks while retaining a sufficiently restrictive stance to contain inflation. Fed Chair Jerome Powell emphasised a data-dependent framework, with policy calibrated to support employment and guide inflation toward the 2% target as tariff effects dissipate. In the Fed's December SEP, forecasts were revised to show 1.7% GDP growth in 2025 and 2.3% in 2026, alongside a projected 4.4% unemployment rate and PCE inflation easing to 2.4%. The IMF's forecasts – 2.0% U.S. growth in 2025 and 2.1% in 2026 – further reinforced expectations of stabilisation. Against this backdrop, U.S. Treasury yields traded with volatility but remained range-bound, as markets balanced easing expectations with persistent growth momentum and elevated term premia.

In Malaysia, fixed-income markets also responded to monetary policy shifts and resilient macro fundamentals. Bank Negara Malaysia implemented OPR cuts on 9 July 2025, reducing the rate cumulatively to 2.75%, which helped cushion domestic demand and support risk assets without derailing inflation expectations. These OPR adjustments provided liquidity support and yield cushion, particularly in the front and belly of the curve. While expectations for further cuts were occasionally tempered by resilient inflation and growth data, markets factored in a supportive policy trajectory that underpinned demand for MGS and GII securities. Domestic yields remained comparatively stable in 2H2025 as external rate pressures were offset by a firmer ringgit, contained inflation, and Fitch's reaffirmation of Malaysia's BBB+ sovereign rating with a stable outlook. Investor preference skewed toward carry and selective duration positions, with limited sustained upward repricing of yields in the absence of a material macro shock. Overall, the Malaysian fixed income landscape benefited from

policy accommodation, healthy institutional demand, and the endurance of core macro fundamentals, anchoring yields even as global markets digested diverging monetary impulses. By December, the 3-year MGS decreased 13 basis points to 3.00%, and the 7-year MGS decreased 2 basis points to close at 3.38%. Meanwhile, the 10-year and 20-year MGS increased 2 and 8 basis points to close at 3.50% and 3.86% respectively.

### **Securities Financing Transactions**

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

### **Income Distribution Nil**

### **Unit Split Nil**

### **Significant Changes In The State Of Affairs Of The Fund**

For the financial period under review, there were no significant changes in the state of affairs of the Fund not otherwise as disclosed in the financial statements.

### **Circumstances That Materially Affect Interest Of Unitholders**

For the financial period under review, there were no circumstances that materially affect any interest of the unitholders.

### **Cross Trade**

No cross trade transactions have been carried out during the financial period.

### **Soft Commissions**

During the financial period under review, the Investment Manager has received soft commissions from brokers in compliance with applicable legal, regulatory and industry standards. The brokers from whom the soft commission are received had also executed trades for other funds or investment managed by the Investment Manager. Examples of goods and services under such soft commission arrangement include research and advisory services, computer software or any other information facilities to the extent that they are used to support the investment decision making process, data and quotation and there was no churning of trades.

**TRUSTEE'S REPORT  
TO THE UNITHOLDERS OF PHILLIP SELECT BALANCE FUND ("Fund")**

We have acted as Trustee of the Fund for the financial period ended 31 December 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **Phillip Mutual Berhad** ("Management Company") has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirements.

**MTRUSTEE BERHAD**

**NURIZAN JALIL**

Chief Executive Officer

Selangor, Malaysia

27 February 2026

**STATEMENT BY THE MANAGER**

We, **Datin Hajjah Nona Binti Salleh** and **Mohd Fadzli Bin Mohd Anas**, being two of the directors of **Phillip Mutual Berhad**, do hereby declare that, in the opinion of the Manager, the accompanying unaudited financial statements are prepared in accordance with the requirements of the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and the relevant Securities Commission Malaysia guidelines so as to give a true and fair view of the financial position of **Phillip SELECT Balance Fund** as at 31 December 2025 and of its financial performance, changes in net asset value and cash flows for the financial period then ended.

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

**DATIN HAJJAH NONA BINTI SALLEH**  
Chairperson

**MOHD FADZLI BIN MOHD ANAS**  
Chief Executive Officer/ Executive Director

Kuala Lumpur, Malaysia  
27 February 2026

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2025**

|   | Note | 31.12.2025<br>RM  | 31.12.2024<br>RM  |
|---|------|-------------------|-------------------|
| <b>Assets</b>                                 |      |                   |                   |
| Investments                                   | 3    | 22,606,272        | 28,170,355        |
| Tax recoverable                               |      | 63,718            | 17,138            |
| Dividend receivable                           |      | 11,100            | 3,501             |
| Interest receivable                           |      | 55,743            | 65,949            |
| Other receivable                              |      | -                 | -                 |
| Amount due from Manager                       | 6    | -                 | 10,280            |
| Amount due from brokers/dealers               | 7    | -                 | 680,504           |
| Cash and cash equivalents                     | 5    | 1,381,257         | 2,114,655         |
| <b>Total assets</b>                           |      | <u>24,118,090</u> | <u>31,062,382</u> |
| <b>Liabilities</b>                            |      |                   |                   |
| Amount due to Manager                         | 6    | 54,646            | 62,939            |
| Amount due to brokers/dealers                 | 7    | -                 | 950,994           |
| Other payables                                |      | 56,717            | 10,315            |
| <b>Total liabilities</b>                      |      | <u>111,363</u>    | <u>1,024,248</u>  |
| <b>Net Asset Value (“NAV”) of the fund</b>    |      | <u>24,006,727</u> | <u>30,038,134</u> |
| <b>Equity</b>                                 |      |                   |                   |
| Unitholders' capital                          |      | 22,124,885        | 27,402,820        |
| Accumulated loss                              |      | 1,881,842         | 2,635,314         |
| <b>NAV attributable to unitholders</b>        | 13   | <u>24,006,727</u> | <u>30,038,134</u> |
| <b>Total equity and liabilities</b>           |      | <u>24,118,090</u> | <u>31,062,382</u> |
| <b>Number of units in circulation (Units)</b> | 14   | <u>47,685,182</u> | <u>58,293,581</u> |
| <b>NAV per unit</b>                           |      | <u>0.5035</u>     | <u>0.5153</u>     |

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

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**For the financial period ended 31 December 2025**

|  |             | <b>1.7.2025</b>   | <b>1.7.2024</b>    |
|--|-------------|-------------------|--------------------|
|  |             | <b>to</b>         | <b>to</b>          |
|  | <b>Note</b> | <b>31.12.2025</b> | <b>31.12.2024</b>  |
|  |             | <b>RM</b>         | <b>RM</b>          |
| <b>Investment income</b>   |             |                   |                    |
| Gross dividends from financial assets at fair value through profit or loss ("FVTPL") |             | 223,581           | 205,443            |
| Interest income  |             | 187,646           | 228,228            |
| Net (loss)/gain from sale of financial assets at FVTPL                               |             | (389,393)         | 1,571,925          |
| Net unrealised gain/(loss) on changes in value of financial assets at FVTPL          |             | <u>1,373,604</u>  | <u>(1,866,044)</u> |
|  |             | <u>1,395,438</u>  | <u>139,552</u>     |
| <b>Expenses</b>  |             |                   |                    |
| Audit fee  |             | 4,436             | 4,585              |
| Tax agent's fee  |             | 1,715             | 1,715              |
| Manager's fee  | <b>8</b>    | 176,164           | 204,497            |
| Trustee's fee  | <b>9</b>    | 4,537             | 4,537              |
| Custodian's fee  |             | 462.79            | 543                |
| Brokerage and other transaction fees   |             | 90,426            | 161,835            |
| Administration expenses  |             | <u>19,065</u>     | <u>4,350</u>       |
|  |             | <u>296,805</u>    | <u>382,062</u>     |
| <b>Net income/(loss) before taxation</b>   |             | 1,098,633         | (242,510)          |
| <b>Taxation</b>  | <b>12</b>   | -                 | -                  |
| <b>Net income/(loss) after taxation</b>  |             | <u>1,098,633</u>  | <u>(242,510)</u>   |
| <b>Total comprehensive income/(loss)</b>   |             | <u>1,098,633</u>  | <u>(242,510)</u>   |
| <b>Total comprehensive income/(loss) comprises the following:</b>                    |             |                   |                    |
| Realised (loss)/gain   |             | (274,886)         | 1,623,533          |
| Unrealised gain/(loss)   |             | <u>1,373,519</u>  | <u>(1,866,043)</u> |
|  |             | <u>1,098,633</u>  | <u>(242,510)</u>   |

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

**UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE**  
**For the financial period ended 31 December 2025**

|                            | Note | Unitholders'<br>capital<br>RM | Accumulated<br>loss<br>RM | NAV<br>attributable to<br>unitholders<br>RM |
|----------------------------|------|-------------------------------|---------------------------|---|
| <b>At 1 July 2024</b>      |      | 27,368,251                    | 2,877,824                 | 30,246,075                                  |
| Net loss after taxation    |      | -                             | (242,510)                 | (242,510)                                   |
| Creation of units          | 14   | 1,886,596                     | -                         | 1,886,596                                   |
| Cancellation of units      | 14   | (1,852,027)                   | -                         | (1,852,027)                                 |
| <b>At 31 December 2024</b> |      | <u>27,402,820</u>             | <u>2,635,314</u>          | <u>30,038,134</u>                           |
| <b>At 1 July 2025</b>      |      | 26,083,920                    | 783,209                   | 26,867,129                                  |
| Net income after taxation  |      | -                             | 1,098,633                 | 1,098,633                                   |
| Creation of units          | 14   | 562,388                       | -                         | 562,388                                     |
| Cancellation of units      | 14   | (4,521,423)                   | -                         | (4,521,423)                                 |
| <b>At 31 December 2025</b> |      | <u>22,124,885</u>             | <u>1,881,842</u>          | <u>24,006,727</u>                           |

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

**UNAUDITED STATEMENT OF CASH FLOWS**  
**For the financial period ended 31 December 2025**

|   | <b>1.7.2025<br/>to<br/>31.12.2025<br/>RM</b> | <b>1.7.2024<br/>to<br/>31.12.2024<br/>RM</b> |
|---|--|--|
| <b>Cash flows from/(used in) operating and investing activities</b> |  |  |
| Proceeds from sale of investments                                   | 14,611,312                                   | 20,984,448                                   |
| Purchase of investments   | (10,565,407)                                 | (21,015,267)                                 |
| Dividends received  | 260,843                                      | 195,888                                      |
| Interest received   | 208,202                                      | 265,528                                      |
| Manager's fee paid  | (176,744)                                    | (204,649)                                    |
| Trustee's fee paid  | (4,451)                                      | (4,511)                                      |
| Custodian's fee paid  | (462.79)                                     | (543)  |
| Payment for other fees and expenses                                 | (29,201)                                     | (15,346)                                     |
| Net cash from operating and investing activities                    | <u>4,304,092</u>                             | <u>205,548</u>                               |
| <b>Cash flows from/(used in) financing activities</b>               |  |  |
| Cash proceeds from units created                                    | 563,613                                      | 1,879,649                                    |
| Cash paid on units cancelled  | (4,506,197)                                  | (1,831,817)                                  |
| Distributions paid  | -  | (98,711)                                     |
| Net cash used in financing activities                               | <u>(3,942,585)</u>                           | <u>(50,879)</u>                              |
| <b>Net increase in cash and cash equivalents</b>                    | 361,507                                      | 154,669                                      |
| <b>Cash and cash equivalents at beginning of financial period</b>   | 1,019,750                                    | 1,959,986                                    |
| <b>Cash and cash equivalents at end of financial period</b>         | <u>1,381,257</u>                             | <u>2,114,655</u>                             |
| <b>Cash and cash equivalents comprise:</b>                          |  |  |
| Cash at banks   | 5,257  | 11,655                                       |
| Deposits with financial institutions                                | 1,376,000                                    | 2,103,000                                    |
|   | <u>1,381,257</u>                             | <u>2,114,655</u>                             |

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

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
**For the financial period ended 31 December 2025****1. The Fund, the Manager and their principal activities**

Phillip SELECT Balance Fund, formerly known as Pacific SELECT Balance Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Master Deed dated 4 August 2003 as amended by the First Supplemental Deed dated 23 September 2005, Second Supplemental Deed dated 28 June 2007, Supplemental Master Deed dated 22 May 2009, Second Supplemental Master Deed dated 14 December 2009, Third Supplemental Master Deed dated 26 April 2010, Fourth Supplemental Master Deed dated 8 January 2014, Fifth Supplemental Master Deed dated 7 July 2017, Sixth Supplemental Master Deed dated 22 November 2018, Seventh Supplemental Master Deed dated 22 January 2019, Eighth Supplemental Master Deed dated 17 June 2020 made between the Manager, BOS Wealth Management Malaysia Berhad (the Manager prior to 1 December 2020) and the Trustee of the Fund, MTrustee Berhad, Ninth Supplemental Master Deed dated 6 November 2020, Tenth Supplemental Master Deed dated 25 November 2020, made between the Managers, BOS Wealth Management Malaysia Berhad (the Manager prior to 1 December 2020) and Phillip Mutual Berhad (the new Manager with effect from 1 December 2020) and the Trustee of the Fund, MTrustee Berhad, Eleventh Supplemental Master Deed dated 6 July 2021 made between the Manager, Phillip Mutual Berhad and the Trustee, MTrustee Berhad and Twelfth Supplemental Master Deed dated 11 January 2023 made between the Manager, Phillip Mutual Berhad and the Trustee, MTrustee Berhad (the Deed and all its supplemental hereinafter referred to as the “Deeds”). The Fund was launched on 11 August 2003.

The principal activity of the Fund is to invest in “Permitted Investments” as defined in the Deeds, which include stocks and shares of companies quoted on Bursa Malaysia Securities Berhad, fixed income securities and money market instruments as approved by the Securities Commission Malaysia.

The Manager, Phillip Mutual Berhad, is a company incorporated in Malaysia. Phillip Mutual Berhad is licensed by the Securities Commission Malaysia to carry on the regulated activities of dealing in securities restricted to unit trust schemes and dealing in private retirement schemes under the Capital Markets and Services Act 2007 and is a registered Institutional Unit Trust Adviser (“IUTA”) with the Federation of Investment Managers Malaysia (“FIMM”) that authorised to market and distribute unit trust schemes of another party. The Company is engaged in the business of establishing and managing unit trust schemes, and marketing and distributing unit trust schemes of another party.

**2. Material accounting policy information****(a) Basis of preparation**

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”), International Financial Reporting Standards and the relevant Securities Commission Malaysia guidelines.

The financial statements of the Fund have been prepared under the historical cost convention, unless otherwise stated in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

**(b) Changes in accounting policies**

Adoption of Amendments to MFRSs

The accounting policies adopted are consistent with those of the previous financial year except for the Amendments to MFRSs issued by the MASB that are relevant to the Fund’s operation and effective for annual periods beginning on or after 1 July 2024, as follows:

Amendments to MFS 121 *Lack of Exchangeability*

The adoption of the Amendments to MFRSs did not result in significant changes in the accounting policies of the Fund and has no significant effect on the financial performance or position of the Fund.

New Standard and Amendments to MFRSs in issue but not yet effective

As at the date of authorisation of these financial statements, the New Standard and Amendments to MFRSs that are relevant to the Fund’s operation which were in issue but not yet effective and not early adopted by the Fund are as listed below:

| <b>Description</b>   | <b>Effective for annual periods beginning on or after</b> |
|--|---|
| MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>                                      | 1 January 2027  |
| Amendments to MFRS 9: <i>Financial Instruments</i> and MFRS 7: <i>Financial Instruments: Disclosures</i> | 1 January 2026  |

The Manager of the Fund anticipates that abovementioned New Standard and Amendments to MFRSs will be adopted in the annual financial statements of the Fund when they become effective and that the adoption of these New Standard and Amendments to MFRSs will have no material impact on the financial statements of the Fund in the period of initial application, except for the presentation and disclosure required by MFRS 18 which introduces new categories and subtotals in the Statement of Comprehensive Income. It also requires the disclosure of management-defined performance measures and include new requirements for the location, aggregation and disaggregation of financial information, all of which the Manager of the Fund is currently assessing.

**(c) Functional and presentation currency**

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

**(d) Financial instruments**

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

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

Financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss (“FVTPL”) on the basis of both the Fund’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

## (i) Financial assets at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Receivables are classified as financial assets at amortised cost. They are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These include dividend receivable, interest receivable, amount due from Manager, amount due from brokers/dealers and cash and cash equivalents.

## (ii) Financial assets at FVTPL

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

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

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

Financial liabilities

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

**(e) Derecognition of financial assets and liabilities**Financial assets

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

### Financial liabilities

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

#### **(f) Impairment of financial assets**

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

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

#### **(g) Income recognition**

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

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

Interest income is recognised using the effective interest rate method on an accrual basis.

#### **(h) Unrealised reserves/(deficits)**

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

#### **(i) Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and deposits with financial institutions with original maturities of 3 months or less which have an insignificant risk of change in value.

#### **(j) Taxation**

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

#### **(k) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **(l) Unitholders’ capital**

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

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

**(m) Significant accounting estimates and judgements**

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements made in applying accounting policies

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

Key sources of estimation uncertainty

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

3. Investments

|                                  | 31.12.2025<br>RM | 31.12.2024<br>RM |
|----------------------------------|------------------|------------------|
| <b>Financial assets at FVTPL</b> |                  |                  |
| Fixed income securities          | 6,716,625        | 8,211,722        |
| Quoted investments               |                  |                  |
| - Equity securities              | 12,456,592       | 16,655,530       |
| - Collective investment scheme   | 3,433,055        | 3,303,103        |
|                                  | 15,889,647       | 19,958,633       |
| <b>Total Investments</b>         | 22,606,272       | 28,170,355       |

**Fixed income securities**

The composition of fixed income securities at the reporting date is as detailed below:

| Name Of Counter                            | Credit rating | Nominal value RM | Cost RM   | Fair value RM | Fair value as a % of NAV % |
|--|---------------|------------------|-----------|---------------|----------------------------|
| <b>31.12.2025</b>                          |               |                  |           |               |                            |
| Alpha Circle Sdn Bhd 5.60%<br>31/05/2023   |               | 88,900           | -         | -             | -                          |
| AMBANK MTN 3653D<br>12.10.2032             |               | 250,000          | 255,010   | 256,230       | 1.07                       |
| AME IMTN 4.02%                             |               | 3,000,000        | 3,000,000 | 3,017,100     | 12.57                      |
| Cenergi Sea Berhad 5.30%<br>23/12/2026     |               | 1,500,000        | 1,501,398 | 1,517,385     | 6.32                       |
| PULAU INDAH IMTN 4.330%<br>27.11.2035      |               | 500,000          | 503,207   | 507,920       | 2.12                       |
| TBE IMTN 5.650% 15.09.2026<br>(Tranche 11) |               | 1,400,000        | 1,404,675 | 1,417,990     | 5.91                       |
|  |               | 6,738,900        | 6,664,290 | 6,716,625     | 27.98                      |

**Unrealised gain from fixed income securities as at 31 December 2025**

52,335

**Equity securities**

The composition of quoted investments at the reporting date is as detailed below.

| Quantity                                      | Name of counter            | Cost<br>RM       | Fair value<br>RM | Fair value<br>as a % of<br>NAV<br>% |
|---|----------------------------|------------------|------------------|-------------------------------------|
| <b>31.12.2025</b>                             |                            |                  |                  |                                     |
| <b>Banks</b>                                  |                            |                  |                  |                                     |
| 115,000                                       | CIMB Group Holdings Berhad | 914,001          | 948,750          | 3.95                                |
| 50,000  | Malayan Banking Berhad     | 220,365          | 227,000          | 0.95                                |
| 50,000  | RHB Bank Bhd               | 376,790          | 385,500          | 1.61                                |
|   |                            | <u>1,511,156</u> | <u>1,561,250</u> | <u>6.50</u>                         |
| <b>Capital Goods</b>                          |                            |                  |                  |                                     |
| 164,726                                       | Gamuda Berhad              | 723,053          | 820,335          | 3.42                                |
| 355,000                                       | IJM Corporation Berhad     | 993,162          | 805,850          | 3.36                                |
|   |                            | <u>1,716,215</u> | <u>1,626,185</u> | <u>6.77</u>                         |
| <b>Banks</b>                                  |                            |                  |                  |                                     |
| 115,000                                       | CIMB Group Holdings Berhad | 914,001          | 948,750          | 3.95                                |
| 50,000  | Malayan Banking Berhad     | 220,365          | 227,000          | 0.95                                |
| 50,000  | RHB Bank Bhd               | 376,790          | 385,500          | 1.61                                |
|   |                            | <u>1,511,156</u> | <u>1,561,250</u> | <u>6.50</u>                         |
| <b>Capital Goods</b>                          |                            |                  |                  |                                     |
| 164,726                                       | Gamuda Berhad              | 723,053          | 820,335          | 3.42                                |
| 355,000                                       | IJM Corporation Berhad     | 993,162          | 805,850          | 3.36                                |
|   |                            | <u>1,716,215</u> | <u>1,626,185</u> | <u>6.78</u>                         |
| <b>Construction &amp; Engineering</b>         |                            |                  |                  |                                     |
| 73,100  | Cheeding Holdings Berhad   | 58,984           | 59,942           | 0.25                                |
| 825,000                                       | Gagasan Nadi Cergas Berhad | 342,275          | 338,250          | 1.41                                |
| 192,900                                       | Mn Holdings Berhad         | 240,352          | 318,285          | 1.33                                |
|   |                            | <u>641,612</u>   | <u>716,477</u>   | <u>2.98</u>                         |
| <b>Commercial &amp; Professional Services</b> |                            |                  |                  |                                     |
| 150,000                                       | Frontken Corporation Bhd.  | 622,490          | 627,000          | 2.61                                |
| <b>Consumer Services</b>                      |                            |                  |                  |                                     |
| 300,000                                       | Eco-Shop Marketing Berhad  | 422,580          | 438,000          | 1.82                                |

(Forward)

PHILLIP SELECT BALANCE FUND

| Quantity                          | Name of counter                       | Cost<br>RM       | Fair value<br>RM | Fair value<br>as a % of<br>NAV<br>% |
|-----------------------------------|---------------------------------------|------------------|------------------|-------------------------------------|
| <b>Energy</b>                     |                                       |                  |                  |                                     |
| 456,600                           | Dialog Group Berhad                   | 935,803          | 767,088          | 3.20                                |
| 116,600                           | Keyfield International Berhad         | 194,406          | 177,232          | 0.74                                |
| 15,000                            | Petronas Dagangan Berhad              | 333,917          | 299,400          | 1.25                                |
|                                   |                                       | <u>1,464,126</u> | <u>1,243,720</u> | <u>5.18</u>                         |
| <b>Industrials</b>                |                                       |                  |                  |                                     |
| 110,000                           | Kelington Group Bhd                   | 400,997          | 572,000          | 2.38                                |
| <b>Plantation</b>                 |                                       |                  |                  |                                     |
| 100,000                           | Johor Plantations Group Berhad        | 155,900          | 159,000          | 0.66                                |
| 50,000                            | Sd Guthrie Berhad                     | 270,000          | 286,500          | 1.19                                |
|                                   |                                       | <u>425,900</u>   | <u>445,500</u>   | <u>1.86</u>                         |
| <b>Real Estate</b>                |                                       |                  |                  |                                     |
| 100,000                           | Pavilion Real Estate Investment Trust | 171,770          | 181,000          | 0.75                                |
| 240,000                           | Sime Darby Property Berhad            | 342,844          | 333,600          | 1.39                                |
|                                   |                                       | <u>514,614</u>   | <u>514,600</u>   | <u>2.14</u>                         |
| <b>Retailing</b>                  |                                       |                  |                  |                                     |
| 77,200                            | 99 Speed Mart Retail Holding          | 173,700          | 294,132          | 1.23                                |
| 164,600                           | MBM Resources Berhad                  | 911,240          | 857,566          | 3.57                                |
|                                   |                                       | <u>1,084,940</u> | <u>1,151,698</u> | <u>4.80</u>                         |
| <b>Software &amp; Services</b>    |                                       |                  |                  |                                     |
| 50,000                            | ITMax System Bhd                      | 227,405          | 238,500          | 0.99                                |
| <b>Telecommunication Services</b> |                                       |                  |                  |                                     |
| 110,000                           | Telekom Malaysia Berhad               | 754,635          | 885,500          | 3.69                                |
| <b>Transportation</b>             |                                       |                  |                  |                                     |
| 200,000                           | Orkim Berhad                          | 187,000          | 202,000          | 0.84                                |

(Forward)

PHILLIP SELECT BALANCE FUND

| Quantity  | Name of counter        | Cost<br>RM        | Fair value<br>RM  | Fair value<br>as a % of<br>NAV<br>% |
|---|------------------------|-------------------|-------------------|-------------------------------------|
| <b>Utilities</b>  |                        |                   |                   |                                     |
| 175,000   | Gas Malaysia Berhad    | 727,865           | 764,750           | 3.19                                |
| 107,100   | Tenaga Nasional Berhad | 1,412,247         | 1,469,412         | 6.12                                |
|   |                        | <u>2,140,112</u>  | <u>2,234,162</u>  | <u>9.31</u>                         |
| <b>Total equity securities<br/>as at 31 December 2025</b> |                        | <u>12,113,780</u> | <u>12,456,592</u> | <u>52.00</u>                        |

**Collective investment scheme**

| Quantity  | Name of counter     | Cost<br>RM       | Fair value<br>RM | Fair value<br>as a % of<br>NAV<br>% |
|-----------|---------------------|------------------|------------------|-------------------------------------|
| 6,324,714 | Phillip Dana Murni* | <u>3,425,310</u> | <u>3,433,055</u> | <u>14.30</u>                        |

\* Managed by the Manager

**Total quoted investments**

Total quoted investments comprised investments in equity securities and collective investment scheme.

|   | Cost<br>RM        | Fair value<br>RM  | Fair value<br>as a % of<br>NAV<br>% |
|---|-------------------|-------------------|-------------------------------------|
| <b>31.12.2025</b>   |                   |                   |                                     |
| <b>Total quoted investments</b>   | <u>22,203,380</u> | <u>22,606,272</u> | <u>94.17</u>                        |
| <b>Unrealised gain from quoted investments as at<br/>31 December 2025</b> |                   | <u>402,892</u>    |                                     |

**4. Fair value hierarchy**

The Fund uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in active markets 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 (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

|                                  | <b>Level 1<br/>RM</b> | <b>Level 2<br/>RM</b> | <b>Total<br/>RM</b> |
|----------------------------------|-----------------------|-----------------------|---------------------|
| <b>31.12.2025</b>                |                       |                       |                     |
| <b>Financial assets at FVTPL</b> |                       |                       |                     |
| Fixed income securities          | -                     | 6,716,625             | 6,716,625           |
| Quoted investments               | <u>15,889,647</u>     | <u>-</u>              | <u>15,889,647</u>   |

|                                  |                   |           |                   |
|----------------------------------|-------------------|-----------|-------------------|
| <b>31.12.2024</b>                |                   |           |                   |
| <b>Financial assets at FVTPL</b> |                   |           |                   |
| Fixed income securities          | -                 | 8,211,722 | 8,211,722         |
| Quoted investments               | <u>19,958,633</u> | <u>-</u>  | <u>19,958,633</u> |

The carrying amounts of other financial assets and financial liabilities, approximate fair values due to the relatively short term maturities of these financial instruments.

**5. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and deposits with licensed financial institutions.

|  | <b>31.12.2025<br/>RM</b> | <b>31.12.2024<br/>RM</b> |
|--|--------------------------|--------------------------|
| Cash at banks                                  | 5,257                    | 11,655                   |
| Deposits with licensed financial institutions: |                          |                          |
| - Commercial bank                              | <u>1,376,000</u>         | <u>2,103,000</u>         |
| Cash and cash equivalents                      | <u>1,381,257</u>         | <u>2,114,655</u>         |

The weighted average effective interest rate and remaining maturity of deposits with licensed financial institutions at the reporting date were as follows:

|  | <b>Weighted average effective<br/>interest rate<br/>(% per annum)</b> |                   | <b>Weighted average<br/>remaining maturity<br/>(Days)</b> |                   |
|--|---|-------------------|---|-------------------|
|  | <b>31.12.2025</b>   | <b>31.12.2024</b> | <b>31.12.2025</b>   | <b>31.12.2024</b> |
| Deposits with licensed financial institutions: |   |                   |   |                   |
| - Commercial bank                              | <u>2.75</u>   | <u>3.00</u>       | <u>2</u>  | <u>2</u>          |

**6. Amount due from/to Manager**

Amount due from Manager represents amounts receivable for units created, while amount due to Manager represents amount payable for units cancelled and/or amount payable for management fee.

Management fee is payable on a monthly basis and amount payable for units cancelled is paid within 7 (2023: 7) business days of the transaction dates.

**7. Amount due from/to brokers/dealers**

The amount due from/to brokers/dealers relates to disposal/purchase of investments which remain outstanding at the end of the reporting period. These are normally paid within 2 (2023: 2) business days of the transaction dates.

**8. Manager’s fee**

The Manager’s fee provided in the financial statements is computed at 1.50% (2023: 1.50%) per annum of the net asset value attributable to unitholders of the Fund, calculated on a daily basis net of Manager’s fee rebate on the collective investment schemes as agreed by the Trustee and the Manager as follows:-

| Name of Fund       | Rate p.a. |
|--------------------|-----------|
| Phillip Dana Murni | 1.00%     |

**9. Trustee’s fee**

The Trustee’s fee provided in the financial statements is computed at 0.03% (2023: 0.03%) per annum of the net asset value attributable to unitholders of the Fund, calculated on a daily basis, subject to a minimum fee of RM9,000 per annum.

**10. Portfolio turnover ratio (“PTR”)**

|                                  | 1.7.2025<br>to<br>31.12.2025 | 1.7.2024<br>to<br>31.12.2024 |
|----------------------------------|------------------------------|------------------------------|
| Portfolio turnover ratio ("PTR") | <u>0.78 times</u>            | <u>0.75 times</u>            |

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period over the average net asset value attributable to unitholders of the Fund calculated on a daily basis. The PTR for the current financial period is higher due to increase in investing activities.

**11. Total expense ratio (“TER”)**

|  | 1.7.2025<br>to<br>31.12.2025 | 1.7.2024<br>to<br>31.12.2024 |
|--|------------------------------|------------------------------|
| Total expense ratio ("TER") <sup>1</sup> | <u>0.46%</u>                 | <u>0.75 %</u>                |

TER is the ratio of expenses of the Fund expressed as a percentage of the average net asset value attributable to unitholders of the Fund for the financial period calculated on a daily basis. The TER for the current financial period is lower due to higher percentage of increase in expenses compared with average net asset value attributable to unitholders.

<sup>1</sup> The TER does not include brokerage and other transaction fees

## 12. Taxation

|                                 | <b>1.7.2025<br/>to<br/>31.12.2025<br/>RM</b> | <b>1.7.2024<br/>to<br/>31.12.2024<br/>RM</b> |
|---------------------------------|--|--|
| Estimated Malaysian income tax: |  |  |
| Current period's provision      | -  | -  |

Income tax is calculated at the Malaysian statutory rate of taxation of 24% (2024: 24%) of the estimated assessable income for the financial period.

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

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

|   | <b>1.7.2025<br/>to<br/>31.12.2025<br/>RM</b> | <b>1.7.2024<br/>to<br/>31.12.2024<br/>RM</b> |
|---|--|--|
| Net income/(loss) before taxation                           | <u>1,098,632</u>                             | <u>(242,510)</u>                             |
| Taxation at Malaysian statutory rate of 24% (2024: 24%)     | 263,672                                      | (58,202)                                     |
| Tax effects of:   |  |  |
| Income not subject to tax                                   | (5,261)                                      | (481,343)                                    |
| Losses not subject to tax                                   | (329,644)                                    | 447,850                                      |
| Expenses not deductible for tax purpose                     | 27,889                                       | 41,515                                       |
| Restriction on tax deductible expenses for unit trust funds | <u>43,344</u>                                | <u>42,779</u>                                |
| Tax expense for the period                                  | <u>-</u>                                     | <u>-</u>                                     |

**13. Net asset value (“NAV”) attributable to unitholders**

|                                 | <b>31.12.2025</b> | <b>31.12.2024</b> |
|---------------------------------|-------------------|-------------------|
|                                 | <b>RM</b>         | <b>RM</b>         |
| Unitholders' capital            | 22,124,885        | 27,402,820        |
| Retained earnings               |                   |                   |
| - Realised reserves             | 1,478,950         | 2,177,096         |
| - Unrealised reserves           | 402,892           | 458,218           |
| NAV attributable to unitholders | <u>24,006,727</u> | <u>30,038,134</u> |

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

**14. Number of units in circulation**

|                                      | <b>31.12.2025</b> |                   | <b>31.12.2024</b> |                   |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                      | No. of units      | RM                | No. of units      | RM                |
| At beginning of the financial period | 55,601,544        | 26,083,920        | 58,269,768        | 27,368,251        |
| Creation                             | 1,121,770         | 562,388           | 3,716,695         | 1,886,596         |
| Cancellation                         | (9,038,132)       | (4,521,423)       | (3,692,882)       | (1,852,027)       |
| At end of the financial period       | <u>47,685,182</u> | <u>22,124,885</u> | <u>58,293,581</u> | <u>27,402,820</u> |

**15. Units held by the Manager and its related parties**

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

**16. Transactions with brokers/dealers**

Details of transactions with the brokers/dealers for the financial period are as follows:

| <b>Brokers/dealers</b>                          | <b>Value of trade#</b> | <b>% of total trades</b> | <b>Brokerage fee*</b> | <b>% of total brokerage fees</b> |
|---|------------------------|--------------------------|-----------------------|----------------------------------|
|   | <b>RM</b>              |                          | <b>RM</b>             |                                  |
| CGS International Securities Malaysia Sdn. Bhd. | 6,724,755              | 31.89                    | 20,189                | 32.78                            |
| CIMB Investment Bank Bhd                        | 958,879                | 4.55                     | 1,169                 | 1.90                             |
| Kenanga Investment Bank Bhd                     | 6,174,153              | 29.28                    | 18,552                | 30.12                            |
| Maybank Investment Bank Bhd                     | 7,228,299              | 34.28                    | 21,684.90             | 35.21                            |
|   | <u>21,086,085</u>      | <u>100.00</u>            | <u>61,594</u>         | <u>100.00</u>                    |

# Excludes brokerage and other transaction fees.

\* Only applicable to equity securities.

Phillip Capital Sdn Bhd is a related company to the Manager, whereby the dealings have been transacted on an arm's length basis.

## 17. Financial risk management objectives and policies

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

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

### (i) Market risk

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments. The Fund seeks to diversify some of these risks by investing into different sectors to mitigate risk exposure to any single asset class.

The Fund's market risk is affected primarily by the following risks:

#### (a) Price risk

Price risk is the adverse changes in the fair value of securities as a result of changes in the levels of equity indices and the value of individual securities. The price risk exposure arises from the Fund's quoted investments.

The table below summarises the effect on the net income before tax and NAV attributable to the unitholders of the Fund at the end of the reporting period due to possible changes in prices, with all other variables held constant:

| Change in price (%) | Effect on net income before tax and<br>NAV attributable to unitholders |                  |
|---------------------|--|------------------|
|                     | Increase/(Decrease)  |                  |
|                     | 31.12.2025   | 31.12.2024       |
|                     | RM   | RM               |
| +5                  | 794,482  | 997,932          |
| (5)                 | <u>(794,482)</u>   | <u>(997,932)</u> |

#### (b) Interest rate risk

This risk refers to the effect of interest rate changes on the market value of fixed income securities and returns on deposits with licensed financial institutions. In the event of reduction in interest rates, the returns on deposits with licensed financial institutions will decrease which price of fixed income will increase, thus affecting the NAV of the Fund. This risk will be minimised via the management of the duration structure of the portfolio of fixed income securities and deposits with licensed financial institutions.

The Fund's exposure to interest rate risk with respect to fixed income securities and deposits with a licensed financial institution is not considered to be significant at the end of the reporting period and consequently no sensitivity analysis on interest rate risk has been presented.

(ii) Credit risk

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

Credit risk is generally arising from investments, cash and cash equivalents and other receivables. The maximum exposure to credit risk is presented in the statement of financial position. Cash and cash equivalents are placed in financial institutions with strong credit ratings. The Investment Committee of the Fund targeted in a diversified portfolio of equity and fixed income which could provide medium to long-term capital growth.

Fixed income securities are either government-guaranteed or rated by RAM Rating Services Berhad (“RAM”) or Malaysian Rating Corporation Berhad (“MARC”).

The following table analyses the Fund’s portfolio of fixed income securities by rating categories at the reporting date:

|                   | RAM Credit Rating | MARC Credit Rating | As a % of NAV |
|-------------------|-------------------|--------------------|---------------|
| <b>31.12.2025</b> |                   |                    |               |
|                   | AA3               | -                  | 25.86         |
|                   | -                 | AA+                | 2.12          |
|                   |                   |                    | <u>27.98</u>  |
| <b>31.12.2024</b> |                   |                    |               |
|                   | AA3               | -                  | 19.01         |
|                   | -                 | AA-                | 3.34          |
|                   | -                 | A                  | 4.99          |
|                   | -                 | C                  | -             |
|                   |                   |                    | <u>27.34</u>  |

(iii) Liquidity risk

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

The maturity of the Fund's financial liabilities fall due within three months while the NAV attributable to unitholders are repayable on demand.

(iv) Specific risk

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

(v) Single issuer risk

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

**18. Operating segment**

The Fund is organised into one main operating segment for investment management purposes. The Investment Department takes a team approach to the investment process of the Fund. The decision-making process involves input from the entire team, with each team member (inclusive of analysts) contributing their respective expertise and views to yield fully informed conclusions. The Investment Committee is responsible for ensuring adherence to investment guidelines, both internal and external, as well as to assess strategy and implementation effectiveness, and to oversee the entire investment function. Accordingly, significant operating decisions are based upon the analysis of the Fund as one operating segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

**19. Capital management**

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

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

## CORPORATE INFORMATION

### THE MANAGER

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Datin Hajjah Nona Binti Salleh  
En. Mohd Fadzli Bin Mohd Anas  
Mr. Lim Wen Sheong Linus  
Mr. Lee Chay Khiong (Alternate Director to Mr. Lim Wen Sheong Linus)  
Ms. Ma Jie  
Datuk Ir. Elias Bin Ismail

### INVESTMENT MANAGER

Phillip Capital Management Sdn Bhd (Registration No: 199501004372)(333567-D)

### COMPANY SECRETARY

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