

# PHILLIP DANA DIVIDEN

SEMI-ANNUAL REPORT

FOR THE FINANCIAL PERIOD  
ENDED 31 DECEMBER 2025

Manager:

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

Trustee:

**CIMB ISLAMIC TRUSTEE BERHAD**  
(198801000556)(167913-M)

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

Name Of Fund :	Phillip Dana Dividen
Manager Of Fund :	Phillip Mutual Berhad 200201002746 (570409-K)
Investment Manager :	Phillip Capital Management Sdn Bhd 199501004372 (333567-D)
Launch Date :	26 July 2007
Category Of Fund Cate :	Equity (Islamic)
Type Of Fund :	Growth and income
Investment Objective :	Phillip Dana Dividen aims to provide capital growth and steady and attractive income <sup>□</sup> in the medium* to long term* by investing in a portfolio of equities that are paying or have the potential to pay attractive dividends and that comply with Shariah requirements.  <sup>□</sup> <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units.</i>  * <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>
Performance Benchmark :	Composite benchmark: Since inception until 31 October 2007 50% Syariah Index (KLSI) 50% Dow Jones Islamic Market World Index (DJIM)  From 1 November 2007 onwards 50% FTSE Bursa Malaysia EMAS Shariah Index (FBMS) 50% MSCI World Islamic Index
Distribution Policy :	Investors will receive income distributions once a year subject to the availability of income.
Fund Size :	5.81 million units

**FUND PERFORMANCE****Financial Highlights**

<b>Category</b>	<b>As at 31.12.2025</b>	<b>As at 30.6.2025</b>	<b>As at 30.6.2024</b>	<b>As at 30.6.2023</b>
<b>Local Shariah-compliant Equity Securities:</b>	%	%	%	%
Automobiles & Components	-	-	-	-
Banks	1.49	1.23	-	-
Capital Goods	4.76	4.30	2.26	0.85
Consumer Services	-	1.29	-	-
Diversified Financials	1.54	-	2.05	1.99
Energy	2.67	1.77	3.16	-
Food, Beverage & Tobacco	9.23	1.30	-	1.81
Health Care Equipment & Services	-	2.10	1.24	2.03
Household & Personal Products	-	-	1.94	3.00
Industrials	-	-	2.26	6.34
Materials	3.45	-	4.72	1.67
Plantation	4.68	4.37	-	-
Properties	-	1.33	1.78	-
Real Estate	8.48	6.49	4.43	3.94
Retailing	1.52	7.16	7.61	6.00
Semiconductors & Semi. Equipment	-	-	3.34	5.42
Technology Hardware & Equipment	-	-	4.23	2.27
Telecommunication Services	3.30	4.37	2.81	3.17
Transportation	2.60	3.20	2.91	1.71
Utilities	1.45	3.10	2.19	6.78
<b>Foreign Shariah-compliant Equity Securities:</b>				
- Hong Kong	9.69	12.07	6.32	5.84
- Indonesia	8.83	-	-	-
- Singapore	2.60	2.77	1.42	3.67
- Thailand	-	-	-	-
- United States of America	25.62	21.15	29.14	28.34
	<u>91.91</u>	<u>80.59</u>	<u>83.81</u>	<u>84.83</u>
<b>Quoted Shariah-compliant Warrant</b>	0.24	0.38	-	-
<b>Quoted Shariah-compliant Loan Stocks</b>	-	-	1.24	0.95
<b>Cash And Islamic Money Market Instruments</b>	7.85	19.03	14.95	14.22
<b>Total</b>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
Net Asset Value (RM'000)	3,067	2,920	3,403	3,358
Number Of Units In Circulation (Units '000)	5,805	5,912	6,406	7,238
Net Asset Value Per Unit (RM)	0.5286	0.4939	0.5312	0.4639
Total Expense Ratio ("TER") <sup>1</sup>	1.37%	2.89%	2.70%	2.60%
Portfolio Turnover Ratio (times)	1.94	3.01	1.03	0.55

The Total Expense Ratio for the current financial period is higher due to increase in expenses as compared with decrease in average net asset value attributable to unitholders. (31 December 2024: 1.31%)

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

The Portfolio Turnover Ratio for the current financial period is higher due to higher in investing activities. (31 December 2024: 1.66 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**

	<b>Phillip Dana Dividen Average Annual Return</b>	<b>Composite Benchmark# Average Annual Return</b>
6 Months' Period Ended 31.12.2025	7.03%	-
1 Year's Period Ended 30.6.2025	3.40%	4.19%
3 Years' Period Ended 30.6.2025	32.95%	11.10%
5 Years' Period Ended 30.6.2025	21.71%	7.56%

	<b>6 Months to 31.12.2025</b>	<b>30.6.2025</b>	<b>Financial Year Ended</b>			
			<b>30.6.2024</b>	<b>30.6.2023</b>	<b>30.6.2022</b>	<b>30.6.2021</b>
Phillip Dana Dividen						
- Capital Return	7.03%	-7.02%	14.29%	12.16%	-12.57%	9.70%
- Income Return	0.00%	0.00%	3.77%	2.15%	0.00%	2.11%
- Total Return	7.03%	-7.02%	18.91%	14.81%	-12.57%	12.01%
Composite Benchmark#	7.06%	-4.14%	19.10%	15.39%	-6.92%	16.71%

	<b>6 Months to 31.12.2025</b>	<b>30.6.2025</b>	<b>30.6.2024</b>	<b>30.6.2023</b>
<b>Unit Prices</b>				
Highest NAV(RM)	0.5431	0.5451	0.5412	0.4714
Lowest NAV (RM)	0.4954	0.4508	0.4559	0.3999

**Distributions**

Gross Distribution Per Unit (sen)	- (31.12.2025)	- (30.6.2025)	1.00 (31.7.2023)	1.00 (29.7.2022)
			1.00 (28.6.2024)	
Net Distribution Per Unit (sen)	- (31.12.2025)	- (30.6.2025)	1.00 (31.7.2023)	1.00 (29.7.2022)
			1.00 (28.6.2024)	

Source Of Distribution	RM'000	RM'000	RM'000	RM'000
- Net realised income	-	-	135	78
- Capital (distribution equalisation)	-	-	-	-
Total distributions	-	-	135	78
	%	%	%	%
- Net realised income	100.00	100.00	100.00	100.00
- Capital (distribution equalisation)	-	-	-	-
Total distributions	100.00	100.00	100.00	100.00
<b>Unit Splits</b>	-	-	-	-

# The benchmark returns are adjusted for the movement of Ringgit Malaysia against foreign currencies.

**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.

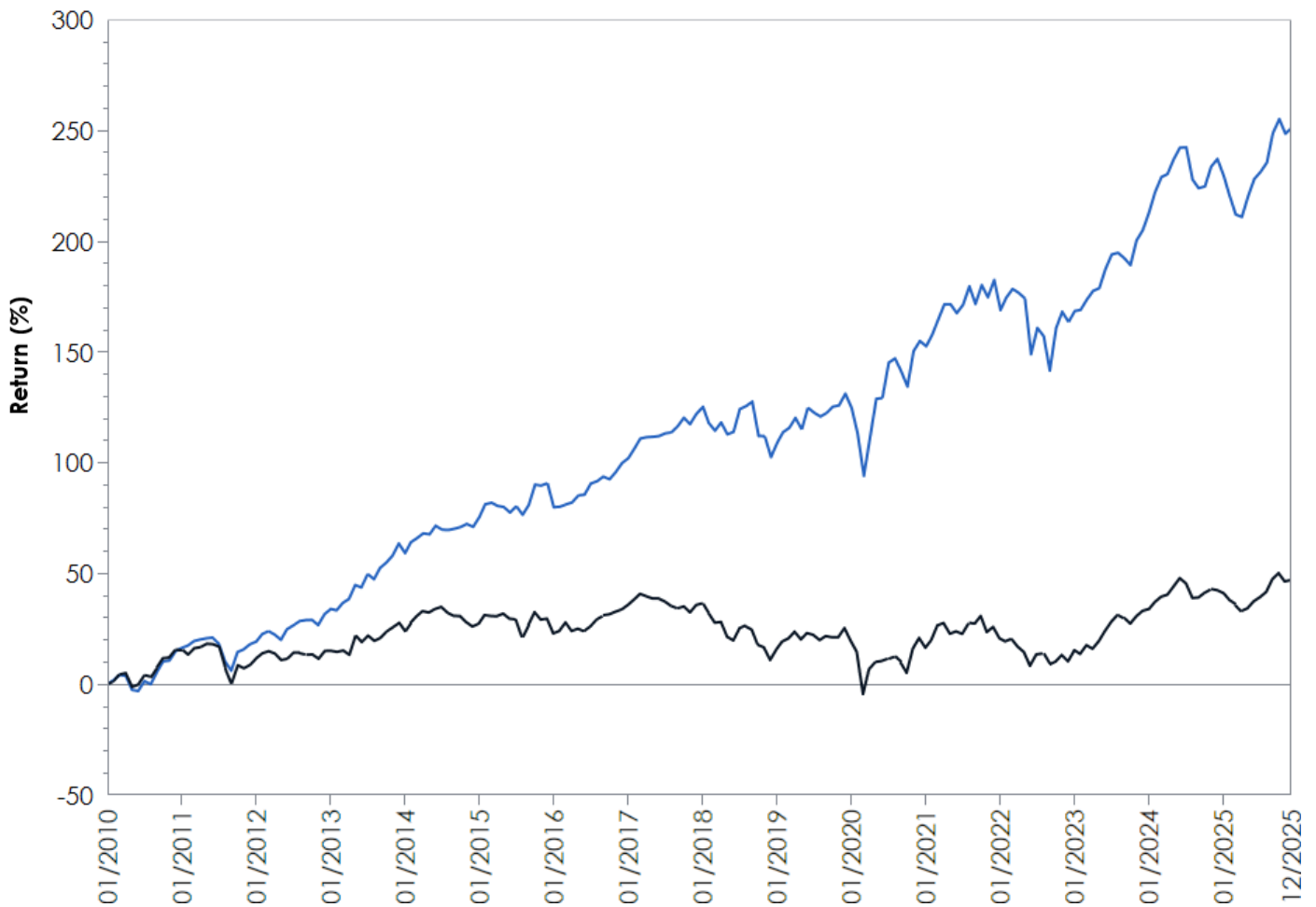
**MANAGER’S REPORT**  
**31 December 2025**

**Performance Review**

From 14 August 2007 (date of launch: 26 July 2007) to 31 December 2025, the Phillip Dana Dividen registered a total return of 47.22%, while its composite benchmark (50% FTSE Bursa Malaysia EMAS Shariah Index [FBMS] and 50% MSCI World Islamic Index), rose 251.03%.

For the financial period under review (1 July 2025 to 31 December 2025), the Fund registered a total return of 7.03%. In comparison, its benchmark gained 7.06%.

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



Phillip Dana Dividen	+47.22%
Composite Benchmark (50% FBMS & 50% MSCI World Islamic Index)	+251.03%

Source: Lipper

Notes:  
 The benchmark returns are adjusted for the movement of Ringgit Malaysia against foreign currencies.

**Investment Strategy Review**

**Equity Strategy Review**

During the financial period under review, the fund performance in line with the benchmark index (7.03% vs 7.06%).

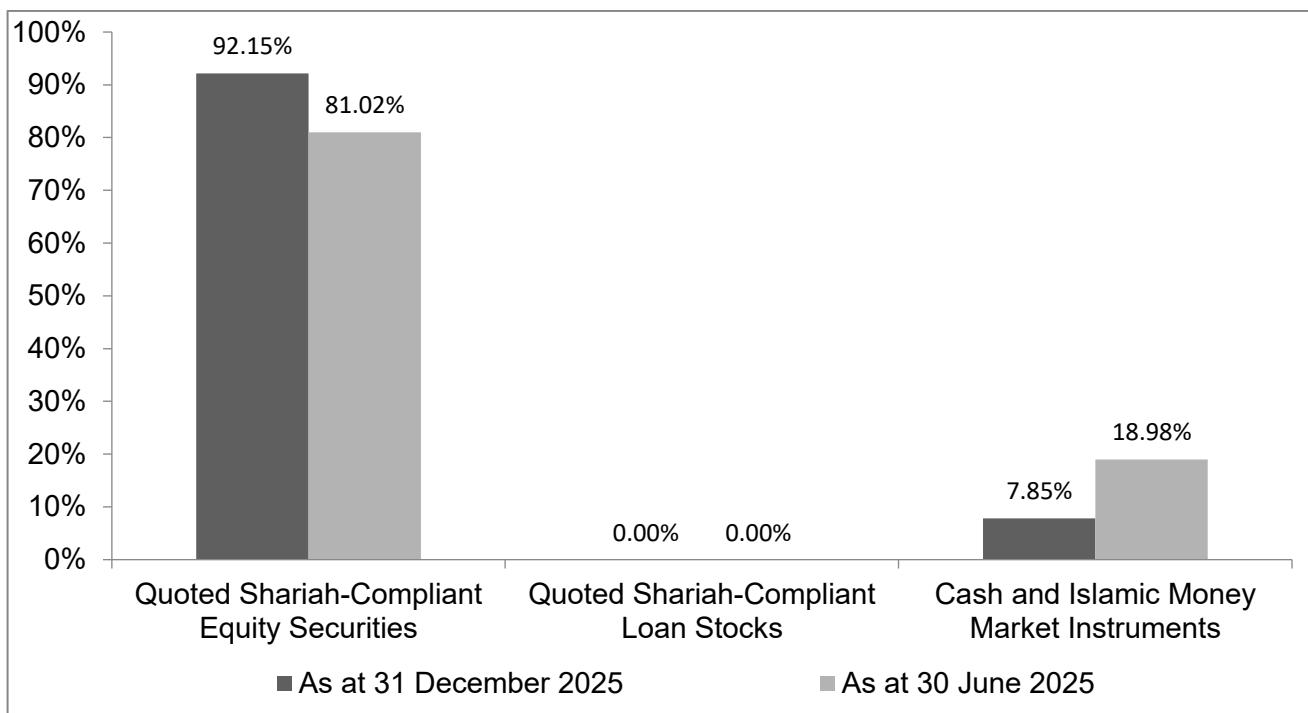
During the period under review, the Fund continued to apply its value-centric, fundamentally driven investment approach, focusing on bottom-up stock selection of companies with sustainable earnings, strong balance sheets, and attractive dividend profiles. The portfolio remained evenly allocated between Malaysian and US equities, consistent with the Fund’s objective of balancing income stability with long-term capital appreciation.

The Fund underperformed its benchmark during the period, mainly due to weakness in selected technology and energy-related holdings. In the US market, valuation compression in certain technology stocks and heightened volatility following policy uncertainty under the new Trump administration weighed on sector performance. Energy stocks were also impacted by fluctuating oil prices and concerns over global demand growth. In addition, the Malaysian Ringgit strengthened by nearly 6% against the US Dollar during the period, which negatively affected the Ringgit-translated returns of the Fund’s US equity exposure.

Despite near-term challenges, the Fund remained disciplined in its investment process and selectively added to high-quality companies on price weakness, particularly those with resilient cash flows and the ability to sustain dividends through market cycles. In Malaysia, the portfolio-maintained exposure to defensive and income-generating sectors such as financials, utilities, and consumer staples, while in the US, emphasis remained on companies with strong pricing power and recurring revenue models.

Looking ahead, we continue to see opportunities to accumulate fundamentally strong companies at more attractive valuations amid ongoing market volatility. For the Malaysian market, improving currency stability and relatively attractive valuations may support renewed foreign investor interest. Globally, while policy uncertainty persists, disciplined stock selection and prudent portfolio positioning should enable the Fund to navigate volatility and capture selective opportunities over the medium term.

**Asset Allocation**



The quoted Shariah-compliant equity securities allocation (inclusive of warrant and loan stock) of Phillip Dana Dividen increased to 92.15% as at 31 December 2025 from 81.02% recorded at the beginning of the financial period under review due to net buying of equity.

### **Analysis Of Net Asset Value**

The net asset value (NAV) per unit of Phillip Dana Dividen increase from RM0.4393 to RM0.5286 during the financial period under review. Meanwhile, total NAV of the Fund increased marginally from RM2,919,927 to RM3,068,593 on the back of improved performance.

### **Market Review**

Global equity markets experienced heightened volatility in the second half of 2025, shaped by shifting monetary policy expectations, geopolitical developments, and policy uncertainty following the return of President Trump. In the US, equity markets traded in a choppy manner during the third quarter as investors reassessed the Federal Reserve's policy trajectory amid persistent inflationary pressures. While economic growth remained resilient, inflation readings stayed above target, prompting the Federal Reserve to maintain a cautious stance and delay expectations of aggressive rate cuts. As a result, bond yields remained elevated, weighing on interest-rate-sensitive and dividend-oriented sectors. The S&P 500 recorded mixed performance during the quarter, with technology stocks consolidating after strong earlier gains.

Market sentiment improved in the fourth quarter as inflation data showed clearer signs of moderation and the Federal Reserve adopted a more accommodative tone heading into 2026. US equities rallied toward year-end, supported by improved earnings visibility and renewed optimism surrounding artificial intelligence, cloud computing, and productivity-enhancing technologies. However, the announcement of potential tariff adjustments and a tougher US trade stance under the new administration reintroduced volatility, particularly among globally exposed sectors.

In Asia ex-Japan, equity performance remained uneven. China's market continued to lag, weighed down by weak property sector conditions and lingering concerns over structural growth challenges, despite incremental policy support. Hong Kong equities remained subdued, reflecting cautious investor sentiment toward China-related assets. Conversely, Taiwan and South Korea rebounded in the latter part of the year, supported by sustained AI-driven semiconductor demand. India continued to outperform, underpinned by robust domestic growth and strong corporate earnings momentum.

ASEAN markets delivered mixed but generally stable performance. Malaysia and Singapore saw modest gains, supported by domestic liquidity and selective foreign inflows, while Indonesia and Thailand lagged amid currency pressures and slower growth momentum.

Overall, the second half of 2025 was characterized by shifting policy expectations, regional divergence, and heightened sensitivity to macro headlines. Looking ahead, equity markets are expected to remain driven by interest rate trajectories, earnings delivery, and policy clarity in an increasingly complex global environment.

### **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 UNIT HOLDERS OF PHILLIP DANA DIVIDEN ("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** 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 requirement.

For and on behalf of  
**CIMB Islamic Trustee Berhad**

**Tok Puan Datin Ezreen Eliza binti Zulkiplee**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
27 February 2026

**Shariah Adviser's Report**

**To The Unitholders of Phillip Dana Dividen ("Fund")  
For the financial period ended 31 December 2025**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Phillip Mutual Berhad has operated and managed the Fund during the financial period covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia ("SC") pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant by either the Shariah Advisory Council ("SAC") of the SC or the SAC of Bank Negara Malaysia ("BNM").

For **Amanie Advisors Sdn Bhd**

**Ahmad Anas Fadzil**

Registered Shariah Officer

Kuala Lumpur, 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 Dana Dividen** as at 31 December 2025 and of its results, 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 RM	31.12.2024 RM
<b>Assets</b>			
Shariah-compliant investments	3	2,827,617	2,737,656
Dividend receivable		2,642	5,006
Profit receivable		9	13
Amount due from Manager		-	5,000
Tax Recoverable		1,741	1,394
Cash and cash equivalents	5	245,476	360,543
<b>Total assets</b>		<u>3,077,485</u>	<u>3,109,612</u>
<b>Liabilities</b>			
Amount due to Manager	7	4,223	44,905
Amount due to Stockbroker		-	-
Other payables		4,669	9,717
<b>Total liabilities</b>		<u>8,892</u>	<u>54,622</u>
<b>Net Asset Value (“NAV”) of the fund</b>		<u>3,068,593</u>	<u>3,054,990</u>
<b>Equity</b>			
Unitholders' capital		6,828,514	6,915,579
Accumulated losses		(3,759,921)	(3,860,589)
<b>NAV attributable to unitholders</b>	15	<u>3,068,593</u>	<u>3,054,990</u>
<b>Total equity and liabilities</b>		<u>3,077,485</u>	<u>3,109,612</u>
<b>Number of units in circulation (Units)</b>	16	<u>5,805,704</u>	<u>5,976,884</u>
<b>NAV per unit</b>		<u>0.5286</u>	<u>0.5112</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

		1.7.2025 to 31.12.2025 RM	1.7.2024 to 31.12.2024 RM
<b>Shariah-compliant investment income</b>			
Gross dividends from financial assets at fair value through profit or loss ("FVTPL")		37,047	45,297
Profit from Islamic money market instruments		1,924	2,958
Net gain/(loss) on Shariah-compliant investments:			
- Financial assets at FVTPL		130,105	(171,912)
- Foreign exchange		(49,651)	(28,565)
Net unrealised gain on foreign exchange		191,979	2,390
Net unrealised gain/(loss) on changes in value of financial assets at FVTPL		(14,289)	110,277
		<u>297,115</u>	<u>(39,555)</u>
<b>Expenses</b>			
Audit fee		4,436	4,585
Tax agent's fee		1,715	1,715
Manager's fee	8	23,075	24,079
Trustee's fee	9	4,234	4,234
Custodian's fee	10	123	92
Brokerage and other transaction fees		128,530	44,934
Administration expenses		(69,232)	7,694
		<u>92,881</u>	<u>87,333</u>
<b>Net income/(loss) before taxation</b>		204,234	(126,888)
<b>Taxation</b>	13	-	566
<b>Net income/(loss) after taxation</b>		<u>204,234</u>	<u>(126,322)</u>
<b>Total comprehensive income/(loss)</b>		<u>204,234</u>	<u>(126,322)</u>
<b>Total comprehensive income/(loss)</b>			
<b>Is made up as following:</b>			
Realised gain/(loss)		26,544	(238,988)
Unrealised gain		177,690	112,666
		<u>204,234</u>	<u>(126,322)</u>
<b>Distribution for the year</b>			
Gross/net distribution (RM)	14	-	-
Gross/net distribution per unit (RM)	14	-	-

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' capital RM	Accumulated losses RM	Total RM
<b>At 1 July 2024</b>		7,136,812	(3,734,267)	3,402,545
Net loss after taxation		-	(126,322)	(126,322)
Creation of units	<b>16</b>	5,000	-	5,000
Cancellation of units	<b>16</b>	(226,233)	-	(226,233)
<b>At 31 December 2024</b>		<u>6,915,579</u>	<u>(3,860,589)</u>	<u>3,054,990</u>
<b>At 1 July 2025</b>		6,884,082	(3,964,155)	2,919,927
Net gain after taxation		-	204,234	204,234
Creation of units	<b>16</b>	3,000	-	3,000
Cancellation of units	<b>16</b>	(58,568)	-	(58,568)
<b>At 31 December 2025</b>		<u>6,828,514</u>	<u>(3,759,921)</u>	<u>3,068,593</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 to 31.12.2025 RM</b>	<b>1.7.2024 to 31.12.2024 RM</b>
<b>Cash flows from/(used in) operating and investing activities</b>		
Proceeds from sale of Shariah-compliant investments	5,564,274	5,317,538
Purchase of Shariah-compliant investments	(6,274,485)	(5,264,865)
Dividends received	40,405	53,304
Profit from Islamic money market instruments	7,616	3,782
Manager's fee paid	(69,537)	(23,838)
Trustee's fee paid	(12,713)	(4,258)
Custodian's fee paid	(290)	(92)
Payment for other fees and expenses	28,158	(22,978)
Tax paid	(4,190)	(1,118)
Net cash (used in)/from operating and investing activities	<u>(720,761)</u>	<u>57,475</u>
<b>Cash flows from/(used in) financing activities</b>		
Cash proceeds from units created	3,000	-
Cash paid on units cancelled	(58,567)	(185,291)
Distributions paid	-	(9,463)
Net cash used in financing activities	<u>(55,567)</u>	<u>(194,754)</u>
<b>Net decrease in cash and cash equivalents</b>	(776,328)	(137,279)
<b>Effect of exchange rate changes</b>	(7,779)	(23,065)
<b>Cash and cash equivalents at beginning of financial period</b>	1,029,583	520,887
<b>Cash and cash equivalents at end of financial period</b>	<u>245,476</u>	<u>360,543</u>
<b>Cash and cash equivalents comprise:</b>		
Cash at banks	119,476	202,543
Islamic money market instruments	126,000	158,000
	<u>245,476</u>	<u>360,543</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 Dana Dividen, formerly known as Pacific Dana Dividen (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Master Deed dated 22 May 2007 as amended by the Supplemental Master Deed dated 22 May 2009, Second Supplemental Master Deed dated 25 June 2010, Third Supplemental Master Deed and its Fourth Supplemental Master Deed dated 12 July 2017 made between the Manager, BOS Wealth Management Malaysia Berhad (the Manager prior to 1 December 2020), the Trustees, HSBC (Malaysia) Trustee Berhad (the Trustee prior to 1 October 2017), CIMB Islamic Trustee Berhad (the new Trustee with effect from 1 October 2017), Fifth Supplemental Master Deed dated 5 October 2020, Sixth Supplemental Master Deed dated 5 October 2020 made between the previous Manager, BOS Wealth Management Malaysia Berhad and the Trustee, CIMB Islamic Trustee Berhad, Seventh Supplemental Master Deed dated 6 November 2020, Eighth 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, CIMB Islamic Trustee Berhad, Ninth Supplemental Master Deed dated 1 July 2021 made between the Manager, Phillip Mutual Berhad and the Trustee, CIMB Islamic Trustee Berhad and Tenth Supplemental Master Deed dated 11 January 2023 made between the Manager, Phillip Mutual Berhad and the Trustee, CIMB Islamic Trustee Berhad (the Deed and all its supplemental hereinafter referred to as the “Deeds”). The Fund was launched on 26 July 2007.

The principal activity of the Fund is to invest in “Permitted Investments” as defined in the Deeds, which include Shariah-compliant securities listed on Bursa Malaysia Securities Berhad and foreign Shariah-compliant securities 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 101	<i>Disclosure of Accounting Policies</i>
Amendments to MFS 108	<i>Definition of Accounting Estimates</i>
Amendments to MFRS 112	<i>International Tax Reform - Pillar Two Model Rules</i>

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, except as discussed below:

Amendments to MFRS 101 *Disclosure of Accounting Policies*

The Fund has adopted Amendments to MFRS 101 effective from 1 July 2024. The Amendments require the disclosure of 'material', rather than 'significant', accounting policies. The Amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the Amendments did not result in any changes to the accounting policies of the Fund, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in Notes 2(c) to 2(n).

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 the 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.

**(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.

The Fund’s investors are mainly in Malaysia, with the subscriptions and redemptions of the redeemable shares denominated in RM. The primary activity of the Fund is to invest in a diversified portfolio of Shariah-compliant securities. The fund’s performance is measured and reported to the investors in RM. The Investment Committee considers the RM as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

**(d) Foreign currency translation**

Assets and liabilities denominated in foreign currencies are translated into RM at rates of exchange prevailing at the end of the reporting period.

Transactions in foreign currencies are translated into RM at the rates of exchange ruling on the dates of transactions. Exchange differences arising are included in profit or loss.

**(e) Financial instruments**

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

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

**Financial assets**

The Fund classifies its financial assets as subsequently measured at amortised cost 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 profit (“SPPP”) on the principal amount outstanding. Receivables are classified as financial assets at amortised cost. They are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These include dividend receivable, profit receivable, amount due from Manager 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 profit (“SPPP”) on the principal amount outstanding; or
- (b) It is held within a business model whose objective is to sell; or

- (c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

#### Financial liabilities

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

#### **(f) 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.

#### **(g) 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, profit receivable and amount due from Manager), full impairment will be recognised on uncollected balances after the grace period is exceeded.

#### **(h) Income recognition**

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

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

Profit income is recognised using the effective profit method on an accrual basis.

**(i) Unrealised reserves/(deficits)**

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

**(j) Cash and cash equivalents**

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

**(k) 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.

**(l) 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.

**(m) 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.

**(n) Significant accounting estimates and judgments**

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. Shariah-compliant investments

	31.12.2025 RM	31.12.2024 RM
<b>Financial assets at FVTPL</b>		
Quoted Shariah-compliant investments		
- Shariah-compliant equity securities	2,827,617	2,737,656
	<u>2,827,617</u>	<u>2,737,656</u>

**Quoted Shariah-compliant investments**

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

Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV %
<b>31.12.2025</b>				
<b><u>Indonesia</u></b>				
<b>Automobiles &amp; Components</b>				
111,300	Astra Otoparts TBK PT	75,337	72,783	2.37
<b>Capital Goods</b>				
10,600	PT United Tractors Tbk (ID)	72,608	76,017	2.48
<b>Energy</b>				
33,200	Adaro Andalan Indonesia Pt	69,326	56,295	1.83
<b>Materials</b>				
240,500	Trimegah Bangun Persada TBK	65,680	65,774	2.14
<b>Total Shariah-compliant equity securities – Indonesia</b>		<b><u>282,951</u></b>	<b><u>270,869</u></b>	<b><u>8.83</u></b>
<b><u>Hong Kong</u></b>				
<b>Consumer Services</b>				
45,000	China Education Group Holding	70,742	72,721	2.37
<b>Energy</b>				
18,000	China Oilfield Services Limited (HK)	75,378	65,590	2.14
7,000	CNOOC Limited (HK)	81,099	77,726	2.53
		156,478	143,316	4.67
<b>Manufacturing</b>				
18,000	Sany Heavy Equipment Intl	70,678	81,260	2.65
<b>Total Shariah-compliant equity securities – Hong Kong</b>		<b><u>297,898</u></b>	<b><u>297,297</u></b>	<b><u>9.69</u></b>

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Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV %
<b>Malaysia</b>				
<b>Banks</b>				
20,000	BIMB Holdings Berhad	46,000	45,800	1.49
<b>Capital Goods</b>				
20,600	Kerjaya Prospek Group Berhad	46,427	54,796	1.79
21,900	Sime Darby Berhad	44,867	47,085	1.53
7,800	Sunway Construction Group Berhad	46,488	44,148	1.44
		137,781	146,029	4.76
<b>Diversified Financials</b>				
5,600	Bursa Malaysia Berhad	46,990	47,152	1.54
<b>Energy</b>				
25,000	Dialog Group Berhad	44,298	42,000	1.37
2,000	Petronas Dagangan Berhad	42,992	39,920	1.30
		87,290	81,920	2.67
<b>Food, Beverage &amp; Tobacco</b>				
1,300	Fraser & Neave Holdings Berhad	45,484	46,150	1.50
9,200	Genting Plantations Berhad	45,725	46,920	1.53
11,900	IOI Corporation Berhad	48,314	47,600	1.55
2,300	Kuala Lumpur Kepong Berhad	45,938	46,000	1.50
400	Nestle (Malaysia) Berhad	45,320	45,600	1.49
4,600	PPB Group Berhad	50,484	50,876	1.66
		281,265	283,146	9.23
<b>Materials</b>				
7,900	Malayan Cement Berhad	46,159	60,514	1.97
13,000	Scientex Berhad	46,348	45,500	1.48
		92,507	106,014	3.45
<b>Plantation</b>				
29,500	Johor Plantations Group Berhad	45,949	46,905	1.53
12,000	Sarawak Oil Palms Berhad	47,254	45,120	1.47
9,000	SD Guthrie Berhad	47,610	51,570	1.68
		140,813	143,595	4.68
<b>Real Estate</b>				
22,500	Axis Real Estate Investment Trust	43,727	43,200	1.41
20,900	Eco World Development Group Berhad	43,384	43,681	1.42
17,800	IOI Properties Group Berhad	46,447	46,992	1.53
33,100	Sime Darby Property Berhad	47,002	46,009	1.50
56,900	SP Setia Berhad	46,089	41,537	1.35
21,000	UOA Development BHD	37,615	38,850	1.27
		264,264	260,269	8.48

<b>Retailing</b>				
30,500	MR D.I.Y. Group (M) Bhd.	45,082	46,665	1.52
<b>Telecommunication Services</b>				
12,500	Maxis Berhad	48,750	47,375	1.54
6,700	Telekom Malaysia Berhad	47,235	53,935	1.76
		95,985	101,310	3.30
<b>Transportation</b>				
26,000	Lingkar Trans Kota Holdings Berhad	123,240	-	-
5,200	MISC Berhad	38,636	40,560	1.32
6,900	Westports Holdings Berhad	36,708	39,123	1.27
		198,584	79,683	2.60
<i>Notes:</i>				
<i>* Lingkar Trans Kota Holdings Berhad has been delisted from Main Market of Bursa Malaysia on 12 September 2023.</i>				
<b>Utilities</b>				
10,200	Gas Malaysia Berhad	44,412	44,574	1.45
<b>Total Shariah-compliant equity securities – Malaysia</b>		<b>1,480,972</b>	<b>1,393,602</b>	<b>45,41</b>
<b><u>Singapore</u></b>				
<b>Consumer Durables &amp; Apparel</b>				
2,043,000	China Hongxing Sports Ltd. *	-	-	-
<b>Food, Beverage &amp; Tobacco</b>				
12,100	First Resources Limited (SG)	67,339	79,797	2.60
<b>Total Shariah-compliant equity securities – Singapore</b>		<b>67,339</b>	<b>79,797</b>	<b>2.60</b>
<b><u>United States of America</u></b>				
<b>Manufacturing</b>				
123	Amphenol Corp-CL A	70,652	67,451	2.20
50	Celestica Inc	71,642	59,978	1.95
		142,294	127,429	4.15
<b>Materials</b>				
195	Anglogold Ashanti PLC	55,447	67,481	2.20
<b>Media &amp; Entertainment</b>				
52	Alphabet Inc-CL A.	67,282	66,046	2.15
<b>Semiconductors &amp; Semi. Equipment</b>				
71	Micron Technology Inc.	36,209	82,230	2.68
94	Nvidia Corp. (US)	67,303	71,139	2.32
		103,512	153,369	5.00
<b>Software &amp; Services</b>				
26	Meta Platforms, Inc.	72,011	69,643	2.27

(forward)

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Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV %
<b>Technology Hardware &amp; Equipment</b>				
86	Sandisk Corp	74,774	82,841	2.70
65	Seagate Technology Holdings	78,553	72,638	2.37
110	Western Digital Corp	77,738	76,896	2.51
		<u>231,065</u>	<u>232,375</u>	<u>7.57</u>
<b>Telecommunication Services</b>				
964	Viavi Solutions Inc	70,865	69,709	2.27
	<b>Total Shariah-compliant equity securities – United States of America</b>	<u>742,474</u>	<u>786,052</u>	<u>25.62</u>
	<b>Total quoted Shariah-compliant investments as at 31 December 2025</b>	<u>2,871,634</u>	<u>2,827,617</u>	<u>92.15</u>

**Total Shariah-compliant quoted investments**

Total quoted investments comprised investments in Shariah-compliant equity securities and loan stock.

	Cost RM	Fair value RM	Fair value as a % of NAV %
<b>31.12.2025</b>			
<b>Total quoted Shariah-compliant investments</b>	<u>2,871,634</u>	<u>2,827,617</u>	<u>92.15</u>
<b>Unrealised loss from quoted Shariah-compliant investments as at 31 December 2025</b>		<u>(44,017)</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).

	Level 1 RM	Total RM
<b>31.12.2025</b>		
<b>Financial assets at FVTPL</b>		
Quoted Shariah-compliant investments	<u>2,827,617</u>	<u>2,827,617</u>

31.12.2024

**Financial assets at FVTPL**

Quoted Shariah-compliant investments	<u>2,737,656</u>	<u>2,737,656</u>
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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 placements in Islamic money market instruments.

	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Cash at banks		
- Malaysia	3,842	4,787
- Outside Malaysia	<u>115,634</u>	<u>197,756</u>
	<u>119,476</u>	<u>202,543</u>
Islamic money market instruments with licensed financial institutions		
- Commercial banks	<u>126,000</u>	<u>158,000</u>
Cash and cash equivalents	<u>126,000</u>	<u>360,543</u>

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

	<b>Weighted average effective profit rate</b>		<b>Weighted average remaining maturity</b>	
	<b>(% per annum)</b>		<b>(Days)</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
Islamic money market instruments with licensed financial institutions:				
- Commercial bank	<u>2.70</u>	<u>2.90</u>	<u>2</u>	<u>2</u>

**6. Shariah information of the Fund**

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the Shariah Advisory Council (“SAC”) of the Securities Commission Malaysia (“SC”);
- (b) Securities listed on foreign markets that have been classified as Shariah-compliant which have been reviewed and verified by the Shariah Adviser;

- (c) Cash placements and liquid assets in local market that are placed in Shariah-compliant investments and/or instruments; and
- (d) A portion of the cash placed outside Malaysia that is meant to facilitate the purchase and selling of foreign securities. The cash is placed in a non-interest bearing account.

**7. Amount due to Manager**

The 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 (2024: 7) business days of the transaction dates.

**8. Manager’s fee**

The Manager’s fee provided in the financial statements is computed at 1.50% (2024: 1.50%) per annum of the net asset value attributable to unitholders of the Fund, calculated on a daily basis.

**9. Trustee’s fee**

The Trustee's fee provided in the financial statements is computed at 0.05% (2024: 0.05%) per annum of the NAV attributable to unitholders of the Fund, calculated on a daily basis, subject to a minimum fee of RM8,400 per annum.

**10. Custodian’s fee**

The Custodian's fee provided in the financial statements ranges from 0.01% to 0.30% (2024: 0.01% to 0.30%) per annum, computed based on the net asset value attributable to unitholders of the Fund of the respective foreign portfolio at the end of the month.

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

	<b>1.7.2025</b>	<b>1.7.2024</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
Portfolio turnover ratio ("PTR")	<u>1.37 times</u>	<u>1.66 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 lower due to decrease in investing activities.

**12. Total expense ratio ("TER")**

	<b>1.7.2025 to 31.12.2025</b>	<b>1.7.2024 to 31.12.2024</b>
Total expense ratio ("TER") <sup>1</sup>	<u>1.94%</u>	<u>1.31%</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 higher due to a higher percentage of increase in expenses compared with the average net asset value attributable to unitholders.

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

**13. Taxation**

	<b>1.7.2025 to 31.12.2025 RM</b>	<b>1.7.2024 to 31.12.2024 RM</b>
Estimated Malaysian income tax:		
Current period's provision	-	-
Over-provision for the prior year	-	(566)
	<u>-</u>	<u>(566)</u>

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

The foreign-sourced income received by the Fund in Malaysia from 1 January 2022 to 30 June 2022 was subjected to the tax rate of 3% on gross foreign-sourced income. Foreign-sourced income received in Malaysia from 1 July 2022 to 31 December 2023 is taxed based on the prevailing income tax rate applicable to the Fund, i.e. 24%. Foreign-sourced income received in Malaysia from 1 January 2024 to 31 December 2026 is exempted from income tax per Exemption Order 2024 [PU(A)250/2024].

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:

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	<b>1.7.2025 to 31.12.2025 RM</b>	<b>1.7.2024 to 31.12.2024 RM</b>
Net income/(loss) before taxation	<u>204,234</u>	<u>(126,888)</u>
Taxation at Malaysian statutory rate of 24% (2024: 24%)	49,016	(30,453)
Tax effects of:		
Income not subject to tax	(70,470)	(38,621)
Losses not subject to tax	13,880	48,115
Expenses not deductible for tax purpose	42,590	14,080
Restriction on tax deductible expenses for unit trust funds	19,709	6,879
Foreign-sourced income	-	-
Over-provision for the prior year	<u>3,875</u>	<u>(566)</u>
Tax expense for the period	<u>58,600</u>	<u>(566)</u>

**14. Income Distribution**

No distribution made during the financial period.

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

	<b>31.12.2025 RM</b>	<b>31.12.2024 RM</b>
Unitholders' capital	6,828,515	6,915,579
Accumulated losses		
- Realised deficits	(3,704,448)	(3,800,319)
- Unrealised deficits	<u>(55,473)</u>	<u>(60,270)</u>
NAV attributable to unitholders	<u>3,068,594</u>	<u>3,054,990</u>

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

**16. Number of units in circulation**

	<b>31.12.2025</b>		<b>31.12.2024</b>	
	<b>No. of units</b>	<b>RM</b>	<b>No. of units</b>	<b>RM</b>
As the beginning of financial period	5,912,088	6,884,082	6,405,535	7,136,812
Creation of units	5,603	3,000	9,781	5,000
Cancellation of units	<u>(111,987)</u>	<u>(58,567)</u>	<u>(438,432)</u>	<u>(226,233)</u>
As the end of financial period	<u>5,805,704</u>	<u>6,828,515</u>	<u>5,976,884</u>	<u>6,915,579</u>

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

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

## 18. 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# RM</b>	<b>% of total trades</b>	<b>Brokerage fee* RM</b>	<b>% of total brokerage fees</b>
Affin Hwang Investment Bank Bhd	5,015,986	42.75	9,726	33.59
CCB International (Singapore) Pte Ltd	164,355	0.20	540	1.87
CIMB Investment Bank Bhd	239,356	0.29	718	2.48
Kenanga Investment Bank Bhd	83,430	0.10	263	0.91
Maybank Investment Bank Bhd	5,536,941	56.25	16,777	57.95
Public Investment Bank	154,926	0.19	465	1.61
Shenwan Honyuan Securities (H.K.) Limited	184,433	0.22	461	1.59
	<u>11,379,426</u>	<u>100.00</u>	<u>28,951</u>	<u>100.00</u>

# Excludes brokerage and other transaction fees.

\* Only applicable to equity securities.

The transactions above are with non related parties.

## 19. Financial risk management objectives and policies

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

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

### (i) Market risk

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments. The Fund seeks to diversify some of these risks by investing into 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 Shariah-compliant investments.

The table below summarises the effect on 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 NAV attributable to unitholders	
	Increase/(Decrease)	
	31.12.2025	31.12.2024
	RM	RM
+5	141,381	136,883
(5)	(141,381)	(136,883)

(b) Profit rate risk

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

The Fund's exposure to profit rate risk with respect to placements in Islamic money market instruments is not considered to be significant at the end of the reporting period and consequently no sensitivity analysis on profit rate risk has been presented.

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

(c) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund invests in Shariah-compliant equity securities that are denominated in currencies other than the functional currency. Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore subject to foreign exchange risks.

The table below indicates the currencies to which the Fund had significant exposure at the end of the reporting period on its NAV. The analysis shows the currency risk concentration and calculates the effect on NAV attributable to unitholders due to fluctuations in currency rates against the functional currency, with all other variables held constant.

	Currency risk RM	Concentration as a % of NAV	Changes in currency rates %	Effect on net income before tax and NAV attributable to unitholders RM
<b>2025</b>				
USD	786,052	25.62	+5	39,303
HKD	297,297	9.69	+5	14,865
SGD	79,797	2.60	+5	3,990
IDR	270,869	8.83	+5	13,543

<b>2024</b>				
USD	1,242,745	40.68	+5	62,137
HKD	72,949	2.39	+5	3,647
SGD	111,744	3.66	+5	5,587
THB	35,410	1.16	+5	1,771

An equivalent decrease in the currency rates shown above would have resulted in an equivalent, but opposite impact.

(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 Shariah-compliant 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 Islamic licensed financial institutions with strong credit ratings. The Investment Committee of the Fund will invest in a diversified portfolio of Shariah-compliant securities that have a track record of consistent and attractive dividend payout policy.

(iii) Liquidity risk

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

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

(iv) Specific risk

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

(v) Single issuer risk

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

(vi) Shariah status reclassification risk

This risk refers to the risk that the currently held Shariah-compliant equity securities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council (“SAC”) of the Securities Commission Malaysia (“SC”), the Shariah

Adviser or the Shariah Boards of the relevant Islamic Indices. If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:

- (a) to dispose such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of Reclassification of the List of Shariah-compliant securities ("Reclassification") by the SAC of the SC or the Shariah Adviser. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification should be channelled to baitulmal and/or approved charitable bodies;
- (b) to hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, capital gains (if any) from the disposal of the securities should be channelled to baitulmal and/or approved charitable bodies; or
- (c) to dispose such securities at a price lower than the investment cost which will result in a decrease in the Fund's value.

## **20. 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.

## **21. 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' redemption.

## **CORPORATE INFORMATION**

### **THE MANAGER**

Phillip Mutual Berhad (Registration No: 200201002746)(570409-K)

#### **Registered Office**

Lot 25-4-12, 4th Floor, Plaza Prima, Batu 4 ½, Jalan Kelang Lama, 58200 Kuala Lumpur.  
Tel : 603-7983 0277

#### **Business Office**

B-18-6, Block B Level 18 Unit 6, Megan Avenue II, 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur.  
Tel : 603-2783 0300  
Fax : 603-2166 6417  
Website : <https://www.phillipmutual.com>

### **TRUSTEE**

CIMB Islamic Trustee Berhad (Registration No: 198801000556)(167913-M)

#### **Registered Office**

Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.  
Tel: 603-2261 8888  
Fax: 603-2261 0099  
Website: <http://www.cimb.com>

#### **Business Office**

Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.  
Tel: 603-2261 8888  
Fax: 603-2261 9889

### **BOARD OF DIRECTORS**

Datuk Ir. Hamzah Bin Hasan  
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**

Christine Lum Yuet Meng (MAICSA No. 7006162)  
Compac Sdn Bhd, Lot 25-4-12, 4th Floor, Plaza Prima, Batu 4 ½, Jalan Kelang Lama, 58200 Kuala Lumpur.  
Tel: 603-7983 0277  
Email: [compac.cosec@gmail.com](mailto:compac.cosec@gmail.com)

### **AUDITOR**

Deloitte Malaysia PLT (formerly known as Deloitte PLT) ( (LLP0010145-LCA)(AF0080)  
Level 16, Menara LGB, 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.  
Tel: 603-7610 8888  
Fax: 603-7726 8986  
Website: [www.deloitte.com/my](http://www.deloitte.com/my)

**TAX ADVISER**

Deloitte Malaysia Tax Services Sdn Bhd (formerly known as Deloitte Tax Services Sdn Bhd) (Registration No: 197701005407)(36421-T)  
Level 16, Menara LGB, 1 Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.  
Tel: 603-7610 8888  
Fax: 603-7725 7768

**SHARIAH ADVISER**

Amanie Advisors Sdn Bhd (Registration No: 200501007003)(684050-H)

**Registered Office / Head Office**

Unit 11-3A, 3rd Mile Square, No.151, Jalan Klang Lama Batu 3 ½, 58100 Kuala Lumpur.

**Business Office**

Level 13A-2, Menara Tokio Marine Life, 189, Jalan Tun Razak, 50400 Kuala Lumpur.  
Tel: 603-2161 0260  
Fax: 603-2161 0262

**ENQUIRIES**

Customer Service Hotline Tel: 603-2783 0300  
Email: [phillipmutual@poems.com.my](mailto:phillipmutual@poems.com.my)



## **PHILLIP MUTUAL BERHAD**

(200201002746)(570409-K)

B-18-6, Block B Level 18 Unit 6, Megan Avenue II,  
No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur

Tel: (603) 2783 0300 | Fax: (603) 2166 6417

website:

<https://www.phillipmutual.com> | <https://www.eunittrust.com.my> | <https://www.fame.com.my>  
email: [phillipmutual@poems.com.my](mailto:phillipmutual@poems.com.my)