

# **PHILLIP MASTER MONEY MARKET FUND**

**AUDITED  
ANNUAL REPORT**

**FOR THE FINANCIAL YEAR  
ENDED 30 JUNE 2025**

Manager:

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

Trustee:

**CIMB COMMERCE TRUSTEE BERHAD**  
(199401027349)(313031-A)

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**FUND INFORMATION**  
**As At 30 June 2025**

Name Of Fund	:	Phillip Master Money Market Fund
Manager Of Fund	:	Phillip Mutual Berhad 200201002746 (570409-K)
Launch Date	:	18 June 2003
Category Of Fund	:	Money Market
Type Of Fund	:	Income
Investment Objective	:	The objective of Phillip Master Money Market Fund (hereinafter referred to as “PMMMMF” or “the Fund”) is to provide investors with returns higher than Ringgit Malaysia savings deposits while maintaining the principal value and a high degree of liquidity.  Any changes in the investment objective of this Fund would require the approval of the unit holders of this Fund.
Performance Benchmark	:	Maybank Kawanku Savings Rate obtainable from <a href="http://www.maybank2u.com.my">www.maybank2u.com.my</a> .  <i>*The benchmarking against the Maybank Kawanku Savings Rate is only for comparison purposes and does not construe to indicate that the Fund will outperform the Maybank Kawanku Savings Rate at all times. However, unitholders should be aware that investment in the Fund is not the same as placement in a deposit with a financial institution as the Fund carries a higher risk than the benchmark.</i>
Distribution Policy	:	The distribution of income for the Fund will be on monthly basis whenever possible. Distribution amount will be automatically reinvested into the Fund. The amount available for distribution is subject to interest rate movements, market conditions and performance of the Fund.
Fund Size	:	939.76 million units

**FUND PERFORMANCE**

**Financial Highlights**

<b>Category</b>	<b>As At 30.6.2025</b>	<b>As At 30.6.2024</b>	<b>As At 30.6.2023</b>
	%	%	%
Deposits with licensed financial institutions	99.99	99.98	99.98
Cash and other liquid assets	0.01	0.02	0.02
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Net Asset Value ("NAV") (RM'000)	469,880	441,509	487,010
Number Of Units In Circulation (Units'000)	939,760	883,017	974,019
Net Asset Value Per Unit (RM)*	0.5000	0.5000	0.5000
Total Expense Ratio ("TER")	0.31%	0.30%	0.33%
Portfolio Turnover Ratio (times)	57.04	73.19	59.68

\* Price quoted is ex-distribution.

Note:

Past performance is not necessarily indicative of future performance.  
Unit prices and investment returns may go up or down.

Performance Data

	Phillip Master Money Market Fund*		Maybank Kawanku Savings Rate***		
	Total Return	Average Annual Return	Total Return	Average Annual Return	
1 Year's Period to 30.6.2025	3.42%	3.42%	0.35%	0.35%	
3 Years' Period to 30.6.2025	10.00%	3.33%	0.75%	0.25%	
5 Years' Period to 30.6.2025	13.97%	2.79%	1.16%	0.23%	
	<b>1.7.2024 to 30.6.2025*</b>	<b>1.7.2023 to 30.6.2024*</b>	<b>1.7.2022 to 30.6.2023*</b>	<b>1.7.2021 to 30.6.2022*</b>	<b>1.7.2020 to 30.6.2021**</b>
Phillip Master Money Market Fund					
- Capital Return	-	-	-	-	-
- Income Return	3.42%	3.37%	2.90%	1.73%	1.83%
- Total Return	3.42%	3.37%	2.90%	1.73%	1.83%
	<b>1.7.2024 to 30.6.2025</b>	<b>1.7.2023 to 30.6.2024</b>	<b>1.7.2022 to 30.6.2023</b>		
<b>Unit Prices</b>					
Highest NAV (RM)	0.5000	0.5000	0.5000		
Lowest NAV (RM)	0.5000	0.5000	0.5000		
<b>Distributions</b>					
Gross/Net Distribution Per Unit (%)					
- 31 July	3.29%	3.30%	1.94%		
- 31 August	3.30%	3.30%	2.00%		
- 30 September	3.33%	3.34%	2.15%		
- 31 October	3.33%	3.34%	2.34%		
- 30 November	3.33%	3.30%	2.62%		
- 31 December	3.40%	3.35%	3.05%		
- 31 January	3.40%	3.45%	3.25%		
- 28/29 February	3.40%	3.40%	3.40%		
- 31 March	3.40%	3.30%	3.45%		
- 30 April	3.40%	3.29%	3.43%		
- 31 May	3.40%	3.26%	3.45%		
- 30 June	3.39%	3.20%	3.33%		
<b>Unit Splits</b>	-	-	-		

Source:

\* For current financial year, the returns for the Fund are extracted from Lipper.

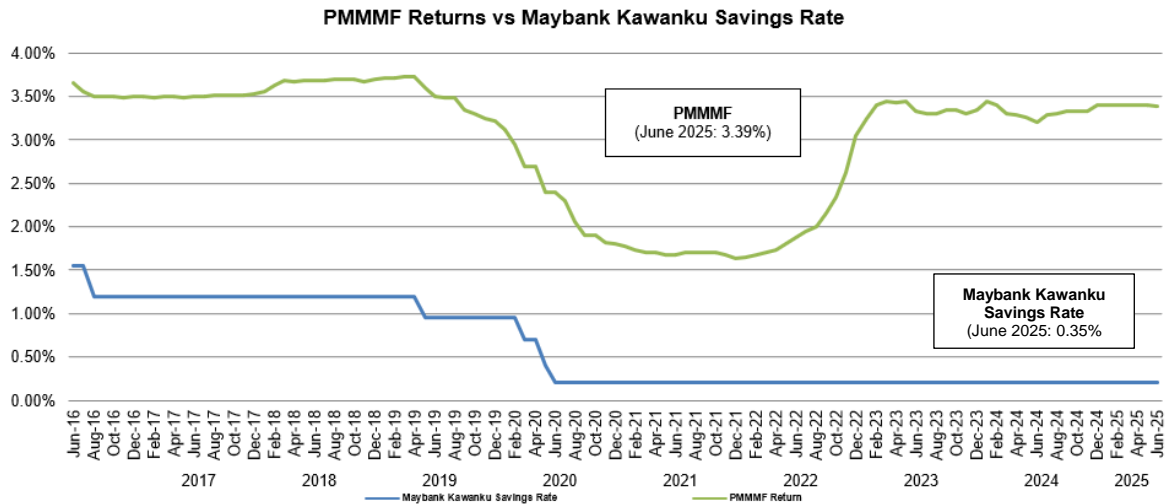
\*\* Phillip Master Money Market Fund's average monthly distribution rate for the period July 2019 to June 2021.

\*\*\* Maybank2u website (The average return rate for the period July 2019 to June 2025.)

**MANAGER’S REPORT  
PERFORMANCE REVIEW**

For the purpose of benchmark comparison, we have used Maybank Kawanku Savings Rate as both provide similar liquidity.

Performance of PMMMF vs. Maybank Kawanku Savings Account (from 30 June 2016 to 30 June 2025). We used rates for the RM500,000 deposit as the benchmark for comparison purposes.



Source: Maybank2u Website & Bloomberg.

Since inception, the Fund has distributed dividend on a monthly basis. The Fund’s return was better than the returns offered by Maybank Kawanku Savings Account. Beneath is the comparison table.

**PMMMF vs Maybank Kawanku Savings Account Deposit Rates (as at 30 June 2025)**

Balance	PMMMF * (% p.a.)	Maybank ** (% p.a.)	Difference (% p.a.)
Up to RM10,000	3.39	0.20	3.19
Up to RM25,000	3.39	0.20	3.19
Up to RM50,000	3.39	0.20	3.19
Up to RM100,000	3.39	0.20	3.19
Up to RM200,000	3.39	0.30	3.09
Up to RM500,000	3.39	0.35	3.04
Above RM500,000	3.39	0.35	3.04

Source:

\* Total return for PMMMF for the period from July 2024 to June 2025 extracted from Lipper

\*\*Maybank2u website

Since inception, the Fund has distributed dividend on a monthly basis, with total return of 3.42% p.a. during the year under review. The Fund has out-performed the benchmark as illustrated in the comparison table above.

**Fund performance from July 2024 - June 2025**

	30.06.2025	30.06.2024	% Change
	RM	RM	
Total Net Asset Value (“NAV”)	469,880,097	441,508,700	+6.43%
NAV/unit	0.50	0.50	-

(Source: Financial Statements Audited by Deloitte PLT for the financial year 30 June 2024 and 30 June 2025.)

**DETAILS OF DISTRIBUTION AND UNIT SPLIT**

For the year under review, the distribution record is as follows:

- 3.29% p.a. for the period 01.07.2024 to 31.07.2024
- 3.30% p.a. for the period 01.08.2024 to 31.08.2024
- 3.33% p.a. for the period 01.09.2024 to 30.09.2024
- 3.33% p.a. for the period 01.10.2024 to 31.10.2024
- 3.33% p.a. for the period 01.11.2024 to 30.11.2024
- 3.40% p.a. for the period 01.12.2024 to 31.12.2024
- 3.40% p.a. for the period 01.01.2025 to 31.01.2025
- 3.40% p.a. for the period 01.02.2025 to 28.02.2025
- 3.40% p.a. for the period 01.03.2025 to 31.03.2025
- 3.40% p.a. for the period 01.04.2025 to 30.04.2025
- 3.40% p.a. for the period 01.05.2025 to 31.05.2025
- 3.39% p.a. for the period 01.06.2025 to 30.06.2025

The NAV per unit before and after distribution remains at RM0.50. No unit split was made by the Fund during the year under review.

**MARKET REVIEW**

Malaysia’s economy recorded a robust GDP growth of 5.1% year-on-year (yoy) in 2024, accelerating from 3.6% yoy in 2023, underpinned by resilient domestic demand, which expanded by 6.5% yoy (2023: +4.6%). Notably, total investments surged by 12.0% yoy, more than doubling the previous year’s growth of 5.5%, reflecting improved business confidence and capital formation. On the external front, exports rebounded strongly, growing 8.5% yoy in 2024 (2023: -8.1%), while imports rose by 8.9% yoy (2023: -7.4%), signaling a recovery in trade activity and domestic consumption. From a supply-side perspective, manufacturing output grew 4.2% yoy, a marked improvement from the modest 0.7% in 2023, while the construction sector posted significant growth of 17.5% yoy (2023: +6.1%), driven by ongoing infrastructure and property development. The services sector, which comprises 59.6% of GDP, remained a key growth engine, expanding by 5.4% yoy (2023: +5.1%).

Heading into 1Q25, Malaysia’s GDP expanded by 4.4% yoy and 0.7% quarter-on-quarter seasonally adjusted (qoq sa) (4Q24: -0.2% qoq sa), supported by resilient domestic and external demand. Growth was notably driven by March’s 6.0% yoy GDP increase and a 6.8% yoy rebound in exports, likely due to front-loading ahead of anticipated U.S. tariff announcements. On the supply side, most major sectors recorded positive qoq sa growth, except for mining, which contracted by 1.9% qoq sa due to weaker crude oil and natural gas output. All key expenditure components increased on a qoq basis, except for imports. The central bank expects Malaysia’s economic growth in 2025 to fall slightly below its earlier forecast of 4.5%–5.5%, amid escalating trade tensions and heightened policy uncertainty.

Malaysia’s full-year Consumer Price Index (CPI) for 2024 stood at 1.8%, with core CPI also at 1.8%, compared to 2.5% and 3.0% respectively in 2023. Inflation in Food and Non-Alcoholic Beverages eased from 4.8% to 2.0%, while Housing, Water, Electricity, Gas, and Other Fuels rose from 1.7% to 3.0%, driven by the partial removal of the electricity tariff rebate. Transport inflation eased from 1.1% to 0.9%, reflecting lower average prices of RON97 compared to 2023.

As of the first four months of 2025 (Jan–Apr), Malaysia’s headline CPI rose by 1.5% yoy, while core CPI increased by 1.9% yoy. The central bank projects headline inflation in 2025 to remain within a moderate range of 2.0%–3.5%, supported by easing global cost pressures and the absence of excessive demand. Lower global commodity prices are expected to exert additional downward pressure, while recently introduced wage-related policies may support demand, although their impact on inflation is expected to be limited. Overall, the effect of domestic policy measures is anticipated to remain contained.

Malaysia’s labour market remained healthy throughout 2024, with low unemployment and steady job creation. The unemployment rate held at 3.3% from December 2023 through August 2024, then edged down to 3.2% between September and November, and further to 3.1% in December 2024, reflecting continued labour market improvement. As of March 2025, the unemployment rate was stable at 3.1% for the fourth consecutive month, supported by sustained employment growth across key sectors and a resilient domestic economy.

Throughout the financial year under review, the Overnight Policy Rate (OPR) was maintained at 3.0% following the last 0.25% hike in May 2023. Both headline and core inflation rates have remained under control, below 2% since July 2023, posing no threat to the central bank’s inflation target. As of June 30, Malaysia’s international reserves stood at US\$120.6 billion. According to the central bank, the reserves are sufficient to finance 5.0 months of imports of goods and services and cover 0.9 times the total short-term external debt. The main components of the reserves were: foreign currency reserves (US\$106.9 billion), the IMF reserve position (US\$1.3 billion), Special Drawing Rights (SDRs) (US\$5.9 billion), gold (US\$4.1 billion), and other reserve assets (US\$2.3 billion).

## **MARKET OUTLOOK**

Malaysia’s GDP is expected to grow near the lower end of the 4%–5% range in 2025, with the outlook heavily influenced by developments in trade and U.S. tariff policy. We anticipate that front-loading of exports in 2Q25 may provide short-term momentum, though uncertainties are likely to persist into the second half of the year. Nevertheless, domestic policy support is expected to continue underpinning the economy. This includes a revised tourism arrival target of 45 million for 2025 (up from 31.3 million), fiscal support for exporters through SME loan guarantees, and a possible delay in subsidy rationalisation to sustain domestic consumption. The central bank’s dovish stance also signals its readiness to support growth should external headwinds intensify.

Inflation is expected to rise in 2025, partly due to the rationalisation of RON95 fuel subsidies. However, these inflationary pressures are likely to be contained, as the government has indicated the policy will likely target only the top 15% of income earners (“T15”), helping to keep broader inflation in check. With the OPR remaining accommodative, a rate cut in 2025 appears unlikely unless trade-related uncertainties lead to a significant economic downturn or labour market deterioration, which could prompt the central bank to reconsider its policy stance.

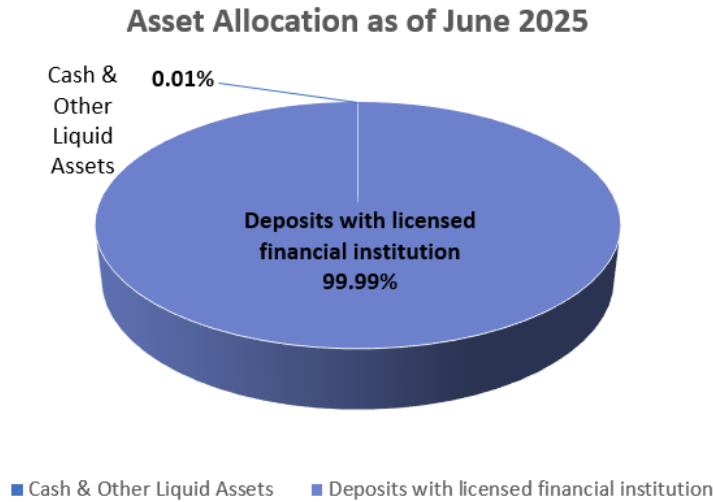
## **STRATEGY GOING FORWARD**

Throughout the review period, the Fund allocated its entire portfolio to short-term deposits and money market instruments maturing within one year. The Fund will continue to pursue its investment objective by focusing primarily on deposits, and money market instruments in accordance with its mandate.

Looking ahead, our defensive approach remains unchanged, our strategy will continue to include short-term money market instruments with maturities not exceeding 365 days, aimed at generating better returns for the Fund. To manage liquidity risk and facilitate regular redemptions, a portion of the Fund’s assets will be held in deposits with maturities of one month or less.

**ASSET ALLOCATION OF THE FUND**

The asset allocation of the Fund is as follows:



**Comparative table covering last 3 financial years:**

Sector	June 2025 %	June 2024 %	June 2023 %
Deposits with licensed financial institutions	99.99	99.98	99.98
Cash & Other Liquid Assets	0.01	0.02	0.02
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

The portfolio composition was maintained at shorter duration (< 1 year) and more liquid instruments to meet regular redemptions and to avoid liquidity risk.

**SECURITIES FINANCING TRANSACTIONS**

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

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS OF THE FUND**

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

**DISCLOSURE OF CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF THE UNITHOLDERS**

For the year 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 year.

**SOFT COMMISSION RECEIVED FROM BROKERS**

During the year under review, we did not receive soft commission or rebates from any brokers by virtue of transaction conducted by the Fund.

**TRUSTEE'S REPORT  
TO THE UNIT HOLDERS OF PHILLIP MASTER MONEY MARKET FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 30 June 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 year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on 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.

We are of the opinion that the distributions of income by the Fund are appropriate and reflect the investment objective of the Fund.

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

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

Kuala Lumpur, Malaysia  
29 August 2025

**STATEMENT BY THE MANAGER**  
**For the financial year ended 30 June 2025**

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 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 Master Money Market Fund** as at 30 June 2025 and of its financial performance, changes in net asset value and cash flows for the financial year then ended.

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

**DATIN HAJJAH NONA BINTI SALLEH**  
Chairperson  
Director

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

Kuala Lumpur, Malaysia  
29 August 2025

**INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF PHILLIP MASTER MONEY MARKET FUND**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **Phillip Master Money Market Fund** ("the Fund"), which comprise the statement of financial position as at 30 June 2025, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 14 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

**Basis for Opinion**

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

*Independence and Other Ethical Responsibilities*

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

(Forward)

**Information Other than the Financial Statements and Auditors' Report Thereon**

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

Our opinion on the financial statements of the Fund does not cover the Fund Manager's Report and we do not express any form of assurance conclusion thereon.

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

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

**Responsibilities of the Manager and Trustee for the Financial Statements**

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

The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

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

**Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(Forward)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Other Matter**

This report is made solely to the unitholders of the Fund, as a body, in accordance with the relevant Securities Commission Malaysia guidelines and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**KOK PEI LOO**  
**Partner - 03524/08/2026 J**  
**Chartered Accountant**

29 August 2025

**STATEMENT OF FINANCIAL POSITION**

As at 30 June 2025

	Note	2025 RM	2024 RM
<b>Assets</b>			
Deposits with licensed financial institutions	3	467,895,597	439,480,365
Interest receivables		2,095,239	2,127,898
Cash at bank		60,734	87,833
<b>Total assets</b>		<u>470,051,570</u>	<u>441,696,096</u>
<b>Liabilities</b>			
Amount due to Manager		71,957	79,949
Amount due to Trustee		10,771	10,962
Distribution payables	4	279	289
Other payables	5	88,466	96,196
<b>Total liabilities</b>		<u>171,473</u>	<u>187,396</u>
<b>Unitholders' equity</b>			
Unitholders' capital	6	469,880,097	441,508,700
Retained earnings		-	-
<b>Total equity/Net asset value ("NAV") attributable to unitholders</b>		<u>469,880,097</u>	<u>441,508,700</u>
<b>Total equity and liabilities</b>		<u>470,051,570</u>	<u>441,696,096</u>
<b>Number of units in circulation</b>	6(a)	<u>939,760,193</u>	<u>883,017,399</u>
<b>NAV per unit</b>		<u>0.50</u>	<u>0.50</u>

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

**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 30 June 2025

	Note	2025 RM	2024 RM
<b>Income</b>			
Interest income		15,868,333	16,950,051
<b>Expenses</b>			
Manager's fee	7	1,160,732	1,222,514
Trustee's fee	8	129,787	140,542
Auditors' remuneration		15,600	15,000
Tax agent's fee		3,800	3,800
Administration fees and expenses		10,201	9,142
		<u>1,320,120</u>	<u>1,390,998</u>
<b>Net income before tax</b>		14,548,213	15,559,053
Taxation	9	<u>-</u>	<u>-</u>
<b>Net income after tax, representing total comprehensive income for the year</b>		<u>14,548,213</u>	<u>15,559,053</u>
Net income after tax is made up of the following:			
Net realised income		<u>14,548,213</u>	<u>15,559,053</u>
<b>Distribution for the year</b>			
Gross/Net distribution (RM)	4	<u>14,548,213</u>	<u>15,559,053</u>
Gross/Net distribution per unit (RM)	4	<u>0.0168</u>	<u>0.0168</u>

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

**STATEMENT OF CHANGES IN NET ASSET VALUE**

As at 30 June 2025

	Note	Unitholders' capital RM	Retained earnings RM	Total equity RM
<b>As at 1 July 2023</b>		487,009,539	-	487,009,539
Total comprehensive income for the year		-	15,559,053	15,559,053
Creation of units	6(a)	656,665,995	-	656,665,995
Cancellation of units	6(a)	(716,754,244)	-	(716,754,244)
Reinvestment of units	6(a)	14,587,410	-	14,587,410
Income distribution	4	-	(15,558,764)	(15,558,764)
Distribution payables	4	-	(289)	(289)
<b>As at 30 June 2024</b>		<b>441,508,700</b>	<b>-</b>	<b>441,508,700</b>
<b>As at 1 July 2024</b>		441,508,700	-	441,508,700
Total comprehensive income for the year		-	14,548,213	14,548,213
Creation of units	6(a)	753,894,949	-	753,894,949
Cancellation of units	6(a)	(739,244,324)	-	(739,244,324)
Reinvestment of units	6(a)	13,720,772	-	13,720,772
Income distribution	4	-	(14,547,934)	(14,547,934)
Distribution payables	4	-	(279)	(279)
<b>As at 30 June 2025</b>		<b>469,880,097</b>	<b>-</b>	<b>469,880,097</b>

The accompanying notes form an integral part of the financial statements

**STATEMENT OF CASH FLOWS**

As at 30 June 2025

	<b>2025 RM</b>	<b>2024 RM</b>
<b>Cash flows from/(used in) operating and investing activities</b>		
Interest received	15,900,992	16,587,679
Net (placement)/withdrawal of deposits with licensed financial institutions	(28,415,232)	45,846,350
Manager's fee paid	(1,168,724)	(1,224,753)
Trustee's fee paid	(129,978)	(139,502)
Payment of other fees and expenses	(28,901)	(27,942)
Net (used in)/cash from operating and investing activities	<u>(13,841,843)</u>	<u>61,041,832</u>
<b>Cash flows from/(used in) financing activities</b>		
Proceeds from creation of units	753,894,949	656,665,995
Payments for cancellation of units	(739,244,324)	(716,754,244)
Payments for income distribution	(3,374)	(3,972)
Income tax paid on income distribution pursuant to section 109DA, Income Tax Act 1967	(832,507)	(942,389)
Net cash from/(used in) financing activities	<u>13,814,744</u>	<u>(61,034,610)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(27,099)	7,222
<b>Cash and cash equivalents at beginning of the year</b>	<u>87,833</u>	<u>80,611</u>
<b>Cash and cash equivalents at end of the year</b> (representing cash at bank)	<u>60,734</u>	<u>87,833</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2025****(1) The Fund, the Manager and their principal activities**

Phillip Master Money Market Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Master Trust Deed dated 18 March 2003 as supplemented by the Supplemental Deeds dated 19 May 2003, 6 June 2003, 3 August 2009, 1 July 2021 and 11 January 2023 made between the Manager, Phillip Mutual Berhad and the Trustee of the Fund, CIMB Commerce Trustee Berhad (the Deed and all its supplemental deeds hereinafter referred to as the “Deeds”). The Fund was launched on 18 June 2003.

The principal activity of the Fund is to invest in a portfolio of investments that provide investors with returns higher than Ringgit Malaysia savings deposits while maintaining principal value and a high degree of liquidity.

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 with the Federation of Investment Managers Malaysia that is authorised to market and distribute unit trust schemes of another party. The Manager is engaged in the business of establishing and managing unit trust schemes, and marketing and distributing unit trust schemes of another party.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the Directors on 29 August 2025.

**(2) Material accounting policy information****2.1 Basis of preparation**

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) 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.

## 2.2 Changes in accounting policies

### 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 MFRS 101 *Classification of Liabilities as Current and Non-current*

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 MFRS and Amendments to MFRSs in issue but not yet effective

As at the date of authorisation of these financial statements, the New MFRS 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 121: <i>Lack of Exchangeability</i>	1 January 2025
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 MFRS 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 MFRS and Amendments to MFRSs will have no material impact on the financial statements of the Fund in the period of initial application.

## 2.3 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.

**2.4 Financial assets and liabilities**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**i) Financial assets**Classification of financial assets

The Fund determines the classification of its financial assets at initial recognition, and the categories include:

Amortisation cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Deposits with licensed financial institutions, interest receivables and cash at bank are classified as financial assets measured at amortised cost.

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 (financial assets that are debt instruments). The impairment model does not apply to equity investments. ECL are a probability-weighted estimate of credit losses.

None of the financial assets at the end of the reporting period are credit-impaired as there is no evidence of:

- Significant financial difficulty of the issuer or counterparty;
- Significant downgrade in credit rating of the instrument by a rating agency;
- A breach of contract such as a default or past due event; or
- The disappearance of an active market for a security because of financial difficulties.

### Derecognition of financial assets

Financial assets are derecognised on the trade date when the rights to receive cash flows from the asset have expired or the Fund has transferred substantially all risks and rewards of ownership.

#### **ii) Classification of realised and unrealised gains and losses**

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior year's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the financial year.

#### **iii) Financial liabilities**

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

The Fund includes in this category amounts due to Manager and Trustee, distribution payables and other payables. A financial liability is derecognised when it is settled.

### **2.5 Unitholders' capital**

The unitholders' contributions to the Fund are classified as equity instruments.

### **2.6 Statement of cash flows**

The Fund adopts the direct method in the preparation of statement of cash flows.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

### **2.7 Income**

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.

Interest income is recognised using the effective interest method.

### **2.8 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.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Current tax expense is determined according to Malaysian tax laws at the current tax rate based upon the taxable profit earned during the financial year.

Pursuant to Schedule 6 of Income Tax Act 1967, interest income earned by the Fund is exempted from tax. Interest income generated by the Fund is not charged to tax as it is interest income derived from Malaysia and paid by financial institutions licensed under the Financial Services Act 2013.

Pursuant to Section 109DA, Income Tax Act 1967, all unitholders, except for individual unitholders who invest in Retail Money Market Fund (“RMMF”) unit trusts are subjected to income tax at a tax rate of 24% for interest income received from the RMMF unit trust income distribution.

No deferred tax is recognised as no temporary differences have been identified.

## 2.9 Distributions

Distributions are at the discretion of the Manager. A distribution to the Fund’s unitholders is accounted for as a deduction from realised reserves, either in the form of cash or units in the Fund. A proposed distribution is recognised as a liability in the year in which it is approved.

## 2.10 Functional and Presentation Currency

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

### (3) Deposits with licensed financial institutions

	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Licensed investment banks	255,107,638	137,560,264
Licensed banks	212,787,959	301,920,101
	<u>467,895,597</u>	<u>439,480,365</u>

The weighted average interest rates and the average remaining maturity of deposits with licensed financial institutions at the end of the reporting period were as follows:

	<b>Weighted average interest rates</b>	
	<b>(per annum)</b>	
	<b>2025</b>	<b>2024</b>
	<b>%</b>	<b>%</b>
Licensed investment banks	3.49	3.27
Licensed banks	3.82	3.76
	<u>3.82</u>	<u>3.76</u>

(Forward)

	Average remaining maturity	
	2025 Days	2024 Days
Licensed investment banks	32	34
Licensed banks	53	66

**(4) Income distribution**

Distributions to unitholders were from the following sources:

	2025 RM	2024 RM
Interest income	15,868,333	16,950,051
Less: Expenses	(1,320,120)	(1,390,998)
	<u>14,548,213</u>	<u>15,559,053</u>
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Analysed as:</b>		
Units reinvested in the Fund	13,723,857	14,591,061
Income tax on income distribution pursuant to section 109DA, Income Tax Act 1967	824,077	967,703
Distribution payables	279	289
	<u>14,548,213</u>	<u>15,559,053</u>

The Fund operates on a monthly income distribution basis. Details of income distributions made by the Fund to the unitholders are as follows:

Month of accrual	Month-end units in circulation Units	Gross distribution		Net distribution		Average gross/net distribution per units in circulation RM
		RM	% <sup>[1]</sup>	RM	% <sup>[1]</sup>	
<b>2025</b>						
31.07.2024	426,703,092	1,282,253	3.29	1,184,277	3.29	0.0014
31.08.2024	430,700,185	1,186,727	3.30	1,106,753	3.30	0.0014
30.09.2024	426,458,073	1,175,790	3.33	1,098,946	3.33	0.0014
31.10.2024	467,897,855	1,309,207	3.33	1,230,296	3.33	0.0014
30.11.2024	443,440,237	1,226,238	3.33	1,153,484	3.33	0.0014
31.12.2024	398,430,577	1,200,886	3.40	1,143,531	3.40	0.0014
31.01.2025	422,540,727	1,174,777	3.40	1,119,717	3.40	0.0014
28.02.2025	448,294,797	1,136,583	3.40	1,083,129	3.40	0.0014
31.03.2025	418,112,075	1,281,125	3.40	1,218,776	3.40	0.0014
30.04.2025	422,760,167	1,164,942	3.40	1,104,978	3.40	0.0014
31.05.2025	417,765,022	1,194,165	3.40	1,132,567	3.40	0.0014
30.06.2025	469,880,096	1,215,520	3.39	1,147,682	3.39	0.0014
		<u>14,548,213</u>		<u>13,724,136</u>		<u>0.0168</u>

(Forward)

Month of accrual	Month-end units in circulation Units	Gross distribution		Net distribution		Average gross/net distribution per units in circulation
		RM	% <sup>[1]</sup>	RM	% <sup>[1]</sup>	RM
<b>2024</b>						
31.07.2023	463,589,859	1,361,185	3.30	1,287,818	3.30	0.0014
31.08.2023	456,180,408	1,282,576	3.30	1,210,249	3.30	0.0014
30.09.2023	449,340,574	1,233,812	3.34	1,163,782	3.34	0.0014
31.10.2023	443,222,470	1,267,310	3.34	1,194,325	3.34	0.0014
30.11.2023	484,470,998	1,248,397	3.30	1,174,605	3.30	0.0014
31.12.2023	469,280,581	1,356,770	3.35	1,267,154	3.35	0.0014
31.01.2024	481,489,153	1,394,991	3.45	1,303,102	3.45	0.0015
29.02.2024	494,913,512	1,312,468	3.40	1,227,596	3.40	0.0014
31.03.2024	496,118,757	1,373,780	3.30	1,286,265	3.30	0.0014
30.04.2024	505,211,230	1,257,749	3.29	1,172,052	3.29	0.0014
31.05.2024	456,240,384	1,299,198	3.26	1,209,853	3.26	0.0014
30.06.2024	441,521,490	1,170,817	3.20	1,094,549	3.20	0.0013
		<u>15,559,053</u>		<u>14,591,350</u>		<u>0.0168</u>

<sup>[1]</sup> Distribution is computed based on the annual rate stated above on unitholders' equity. Distribution is accrued on a daily basis and distributed on a monthly basis.

	2025 RM	2024 RM
NAV per unit cum distribution	0.50	0.50
NAV per unit ex-distribution	<u>0.50</u>	<u>0.50</u>

Distribution payables in the statement of financial position as at 30 June 2025 is RM279 (2024: RM289).

**(5) Other payables**

	2025 RM	2024 RM
Auditors' remuneration	15,300	15,000
Tax agent's fee	3,800	3,800
Sales and services tax	1,528	1,128
Income tax on income distribution pursuant to Section 109DA, Income Tax Act 1967	<u>67,838</u>	<u>76,268</u>
	<u>88,466</u>	<u>96,196</u>

Income tax payable of RM67,838 (2024: RM76,268) represents an amount payable to Inland Revenue Board of Malaysia, which was deducted from income distribution, to non-individual unitholders. Pursuant to Section 109DA, Income Tax Act 1967, all unitholders, except for individual unitholders who invest in Retail Money Market Fund ("RMMF") unit trusts are subjected to income tax at a tax rate of 24% for interest income received from the RMMF unit trust income distribution.

Section 109DA Income Tax Act 1967 shall only apply to income of RMMF unit trust which is exempted under paragraph 35A of Schedule 6 in respect of income distributed to a unitholder other than an individual.

**(6) Total equity/NAV attributable to unitholders**

	Note	2025 RM	2024 RM
Unitholders' capital	(a)	<u>469,880,097</u>	<u>441,508,700</u>

**(a) Unitholders' capital**

2025	No. of units	RM
<b>As at 1 July 2024</b>	883,017,399	441,508,700
Add: Creation of units	1,507,789,898	753,894,949
Add: Reinvestment of units	27,441,544	13,720,772
Less: Cancellation of units	<u>(1,478,488,648)</u>	<u>(739,244,324)</u>
<b>As at 30 June 2025</b>	<u>939,760,193</u>	<u>469,880,097</u>
2024	No. of units	RM
<b>As at 1 July 2023</b>	974,019,078	487,009,539
Add: Creation of units	1,313,331,990	656,665,995
Add: Reinvestment of units	29,174,819	14,587,410
Less: Cancellation of units	<u>(1,433,508,488)</u>	<u>(716,754,244)</u>
<b>As at 30 June 2024</b>	<u>883,017,399</u>	<u>441,508,700</u>

**(7) Manager's fee**

The Seventh Schedule of the Deed provides that the Manager's fee is computed on a daily basis, up to a maximum of 1.50% (2024: 1.50%) per annum of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for the particular day.

The Manager's fee charged for the year ended 30 June 2025 is 0.27% (2024: 0.26%) per annum of the NAV of the Fund.

**(8) Trustee's fee**

The Eighth Schedule of the Deed provides that the Trustee's fee is computed on a daily basis, up to a maximum of 0.10% (2024: 0.10%) per annum of the NAV of the Fund before deducting the Manager's fee and the Trustee's fee for that particular day, or subject to a minimum of RM10,000 per annum.

The Trustee's fee charged for the year ended 30 June 2025 is 0.03% (2024: 0.03%) per annum of the NAV of the Fund.

Trustee's fee is computed based on the rates detailed as below:

- (a) 0.03% per annum of the NAV of the Fund, below RM1 billion;
- (b) 0.02% per annum of the NAV of the Fund, between RM1 billion to RM3 billion;
- (c) 0.015% of the NAV of the Fund, RM3 billion and above.

**(9) Taxation**

Malaysian income tax is calculated at the Malaysian tax rate of 24% (2024: 24%) of the estimated assessable income for the financial year. In accordance with Schedule 6 of the Income Tax Act 1967, interest income earned by the Fund is exempted from tax.

A reconciliation of income tax expense applicable to net income before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	<b>2025 RM</b>	<b>2024 RM</b>
Net income before tax	<u>14,548,213</u>	<u>15,559,053</u>
Tax expense at Malaysian tax rate of 24% (2024: 24%)	3,491,571	3,734,173
Effect of income not subject to tax	(3,808,400)	(4,068,012)
Effect of expenses not deductible for tax purposes (under Section 63B of the Income Tax Act, 1967)	34,509	36,836
Restriction on tax deductible expenses for the Fund	<u>282,320</u>	<u>297,003</u>
Tax expense for the year	<u>-</u>	<u>-</u>

**(10) Units held by related parties**

There is no units held legally by related parties.

**(11) Transactions with financial institutions**

Details of transactions with financial institutions made during the financial year are as follows:

	<b>Transaction value</b>	
	<b>RM</b>	<b>%</b>
<b>Financial institutions</b>		
<b>2025</b>		
Hong Leong Investment Bank Bhd	16,942,185,000	68.60
KAF Investment Bank Bhd	5,642,159,017	22.85
Malayan Banking Bhd	1,023,443,000	4.14
Affin Hwang Investment Bank Bhd	208,575,617	0.84
Public Bank Bhd	192,000,000	0.78
AmBank Bhd	184,106,535	0.75
Kenanga Investment Bank Bhd	150,325,994	0.61
Public Islamic Bank Bhd	113,959,659	0.46
Kuwait Finance House (M) Bhd	108,141,345	0.44
CIMB Bank Bhd	98,746,023	0.40
MIDF Amanah Investment Berhad	27,000,000	0.11
MBSB Bank Bhd	4,000,000	0.02
	<u>24,694,642,190</u>	<u>100.00</u>
<b>2024</b>		
Hong Leong Investment Bank Bhd	17,295,000,000	50.58
KAF Investment Bank Bhd	11,842,849,790	34.64
Malayan Banking Bhd	2,928,681,000	8.57
CIMB Islamic Bank Bhd	854,040,455	2.50
Public Islamic Bank Bhd	260,333,320	0.76
CIMB Bank Bhd	222,774,053	0.65
Public Bank Bhd	194,021,401	0.57
AmBank Bhd	163,510,054	0.48
MIDF Amanah Investment Berhad	132,172,986	0.39
Bank Islam Malaysia Bhd	127,022,251	0.37
Kenanga Investment Bank Bhd	56,118,659	0.16
Affin Hwang Investment Bank Bhd	37,543,265	0.11
Alliance Islamic Bank Bhd	26,000,000	0.08
Al-Rajhi Bank Bhd	21,000,000	0.06
Kuwait Finance House (M) Bhd	20,000,000	0.06
MBSB Bank Bhd	8,000,000	0.02
	<u>34,189,067,234</u>	<u>100.00</u>

The above transactions are in respect of placements and renewal of short-term deposits. Transactions in these money market instruments do not involve any commission or brokerage.

**(12) Portfolio turnover ratio**

Portfolio turnover ratio is the ratio of the average placements and withdrawals of deposits of the Fund during the year to the average NAV of the Fund. The portfolio turnover ratio for the current financial year is 57.04 (2024: 73.19) times.

**(13) Total expense ratio**

Total expense ratio is the ratio of the total fees and recovered expenses of the Fund expressed as a percentage of the Fund's average NAV. The total expense ratio for the current financial year is 0.31% (2024: 0.30%).

**(14) Segmental reporting**

As all of the Fund's investments are in deposits with licensed financial institutions in Malaysia, the Fund does not report its results and investments by business or geographical segments.

**(15) Financial risk management**

The Fund is exposed to a variety of financial risks including market risk (which includes interest rate risk), credit risk and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instrument, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance.

**(a) Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and equity prices.

In the current and previous financial year, the Fund is not exposed to changes in foreign exchange rates and equity prices as the Fund's investments are wholly in deposits with licensed financial institutions in the local currency.

**(i) Interest rate risk**

Interest rate fluctuations affect the deposit returns of the Fund. Interest rates offered by licensed financial institutions will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia and this have a direct correlation with the Fund's investment in deposits with licensed financial institutions. The Fund will benefit from higher interest rates and in the event that the interest rate is low the Fund's returns will also be low.

The NAV of the Fund is affected by changes in interest rates from deposits with licensed financial institutions.

**Interest rate risk sensitivity**

The increase/(decrease) in the NAV attributable to unitholders as at the end of the reporting period, assuming interest rate changes by +/- 50 basis points with all other variables held constant, is +/- RM265,397 (2024: RM338,085). This is for illustration purpose only and is not an indication of future variances.

**(b) Credit risk**

Credit risk refers to the ability of an issuer or a counterparty to make timely payments of interest, principals and proceeds from realisation of investments.

The following table shows the credit rating of the licensed financial institutions which the Fund has made placements with:

Credit rating	2025		2024	
	RM	As a % of deposits	RM	As a % of deposits
AAA	217,739,852	47	270,920,101	62
AA2	41,458,883	9	26,500,000	6
AA3	85,612,295	18	94,500,000	21
AA-	57,456,330	12	18,997,361	4
A+	65,628,237	14	20,562,903	5
A-	-	-	-	-
A	-	-	-	-
A1	-	-	-	-
A2	-	-	8,000,000	2
	<u>467,895,597</u>	<u>100</u>	<u>439,480,365</u>	<u>100</u>

The Fund's financial assets that are subject to the ECL model includes deposits with licensed financial institutions and cash at bank. As at the end of the reporting period, none of the financial assets were credit-impaired and the impairment loss is insignificant.

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unit holders by the Manager are redeemable at the unit holders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed. The Manager monitors the Fund's liquidity position on a daily basis.

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unit holders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days. Any redemption by the unit holders beyond expected normal levels may result in early redemption of deposits placed by the Fund and could result in loss of interest accrued.

As at the current and previous financial year, all the financial liabilities of the Fund are due on demand or within one year from the end of the reporting period.

**(16) Fair value of financial instruments**

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The material accounting policy information in Note 2.4 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position as at the end of the reporting period by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

<b>2025</b>	<b>Financial assets at amortised cost RM</b>	<b>Financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>Assets</b>			
Deposits with licensed financial institutions	467,895,597	-	467,895,597
Interest receivables	2,095,239	-	2,095,239
Cash at bank	60,734	-	60,734
<b>Total financial assets</b>	<b>470,051,570</b>	<b>-</b>	<b>470,051,570</b>
<b>Liabilities</b>			
Amount due to Manager	-	71,957	71,957
Amount due to Trustee	-	10,771	10,771
Distribution payables	-	279	279
Other payables	-	19,100	19,100
<b>Total financial liabilities</b>	<b>-</b>	<b>102,107</b>	<b>102,107</b>
<b>2024</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Assets</b>			
Deposits with licensed financial institutions	439,480,365	-	439,480,365
Interest receivables	2,127,898	-	2,127,898
Cash at bank	87,833	-	87,833
<b>Total financial assets</b>	<b>441,696,096</b>	<b>-</b>	<b>441,696,096</b>
<b>Liabilities</b>			
Amount due to Manager	-	79,949	79,949
Amount due to Trustee	-	10,962	10,962
Distribution payables	-	289	289
Other payables	-	18,800	18,800
<b>Total financial liabilities</b>	<b>-</b>	<b>110,000</b>	<b>110,000</b>

The financial instruments of the Fund are not carried at fair value but their carrying amounts are reasonable approximations of fair values due to their short-term maturity.

**(17) Capital management**

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and expected return indicated in its prospectus;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size to make the operation of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial year.

**CORPORATE INFORMATION**

**THE MANAGER**

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

**Registered Office**

Lot 25-4-12, 4th Floor, Plaza Prima Batu 4 1/2, Jalan Kelang Lama, 58200 Kuala Lumpur.  
Tel : 603-7890 2863 / 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 : 603-2711 3036  
Website : <https://www.phillipmutual.com>

**TRUSTEE**

CIMB Commerce Trustee Berhad (Registration No: 199401027349)(313031-A)

**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**

Prof. Tan Sri Dato' (Dr) Ir. Jamilus Bin Md. Hussin (Demised on 28 June 2024)  
Datuk Ir. Hamzah Bin Hasan  
Datin Hajjah Nona Binti Salleh  
En. Mohd Fadzli Bin Mohd Anas  
Mr. Lim Wen Sheong  
Mr. Lee Chay Khiong (Alternate Director to Mr. Lim Wen Sheong)  
Ms. Ma Jie  
Datuk Ir. Elias Bin Ismail (Appointed on 20 December 2024)

**INVESTMENT MANAGER**

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

**COMPANY SECRETARY**

Christine Lum Yuet Meng (MAICSA 7006162)  
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Fax: 603-7981 9912  
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**AUDITOR**

Deloitte PLT (LLP0010145-LCA) (AF0080)

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Website: [www.deloitte.com/my](http://www.deloitte.com/my)

**TAX ADVISER**

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**ENQUIRIES**

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Email: [phillipmutual@phillipcapital.com.my](mailto:phillipmutual@phillipcapital.com.my)



## **PHILLIP MUTUAL BERHAD**

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