

PHILLIP MASTER MONEY MARKET FUND

SEMI-ANNUAL REPORT

FOR THE FINANCIAL PERIOD
ENDED 31 DECEMBER 2025

Manager:

PHILLIP MUTUAL BERHAD

(200201002746)(570409-K)

Trustee:

CIMB COMMERCE TRUSTEE BERHAD

(199401027349)(313031-A)

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FUND INFORMATION
As At 31 December 2025

Name Of Fund	:	Phillip Master Money Market Fund
Manager Of Fund	:	Phillip Mutual Berhad 200201002746 (570409-K)
Investment Manager	:	Phillip Capital Management Sdn Bhd 199501004372 (333567-D)
Launch Date	:	18 June 2003
Category Of Fund	:	Money Market
Type Of Fund	:	Income
Investment Objective	:	The objective of Phillip Master Money Market Fund (PMMMMF) is to provide investors with returns higher than Ringgit Malaysia savings deposits while maintaining the principal value and a high degree of liquidity.
Performance Benchmark	:	Maybank Kawanku Savings Rate. <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 Phillip Master Money Market Fund will be on a 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	:	848.68 million units

FUND PERFORMANCE

Category	As at	As at	As at	As at
	31.12.2025	30.06.2025	30.06.2024	30.6.2023
	%	%	%	%
Deposits with Licensed Financial Institutions	99.99	99.99	99.98	99.98
Cash And Liquid Assets	0.01	0.01	0.02	0.02
Total	100.00	100.00	100.00	100.00
Net Asset Value (RM'000)	424,339	469,880	441,509	487,010
Number Of Units In Circulation (Units '000)	848,678	939,760	883,017	974,019
Net Asset Value Per Unit (RM)*	0.500	0.5000	0.5000	0.5000
Total Expense Ratio ("TER")	0.16%	0.31%	0.30%	0.33%
Portfolio Turnover Ratio (times)	25.16	57.04	73.19	59.68

* Price quoted is ex-distribution

Performance Data

	Phillip Master Money Market Fund		Maybank Kawanku Savings Rate	
	Total Return	Average Annual Return	Total Return	Average Annual Return
6 Months' Period Ended 31.12.2025	1.59%	3.18%	0.08%	0.16%
1 Year's Period Ended 30.6.2025	3.31%	3.31%	0.18%	0.18%
3 Years' Period Ended 30.6.2025	10.44%	3.48%	0.58%	0.19%
5 Years' Period Ended 30.6.2025	14.65%	2.93%	0.98%	0.20%

	6 Months to		Financial Year Ended			
	31.12.2025	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
- Capital Return	-	-	-	-	-	-
- Income Return	1.59%	3.42%	3.37%	2.90%	1.73%	1.83%
- Total Return (%)	1.59%	3.42%	3.37%	2.90%	1.73%	1.83%

	6 Months to		Financial Year Ended	
	31.12.2025	30.06.2025	30.06.2024	30.06.2023
Unit Prices				
Highest NAV(RM)	0.5000	0.5000	0.5000	0.5000
Lowest NAV (RM)	0.5000	0.5000	0.5000	0.5000
Distributions		2025	2024	2023
Gross/Net Distribution (%)				
- 31 July		3.20%	3.29%	3.30%
- 31 August		3.20%	3.30%	3.30%
- 30 September		3.10%	3.33%	3.34%
- 31 October		3.10%	3.33%	3.34%
- 30 November		3.10%	3.33%	3.30%
- 31 December		3.10%	3.40%	3.35%

Disclaimer

Past performance is not necessarily indicative of future performance.

Unit prices and investment returns may go down, as well as up.

MANAGER’S REPORT

Performance Review

The Fund aims for return higher than Ringgit Malaysia savings deposits while maintaining the principal value and liquidity. For the purpose of benchmark comparison, we are using Maybank Kawanku Savings Rate as both provide similar liquidity.

From July 2025 to December 2025, the Fund has distributed income on a monthly basis. The Fund’s average monthly return was at 3.13% p.a while the returns offered by Maybank Kawanku Savings Rate were at 0.15% p.a. Thus, the Fund’s average monthly return was better than the returns offered by Maybank Kawanku Savings Rate. Beneath is the comparison table.

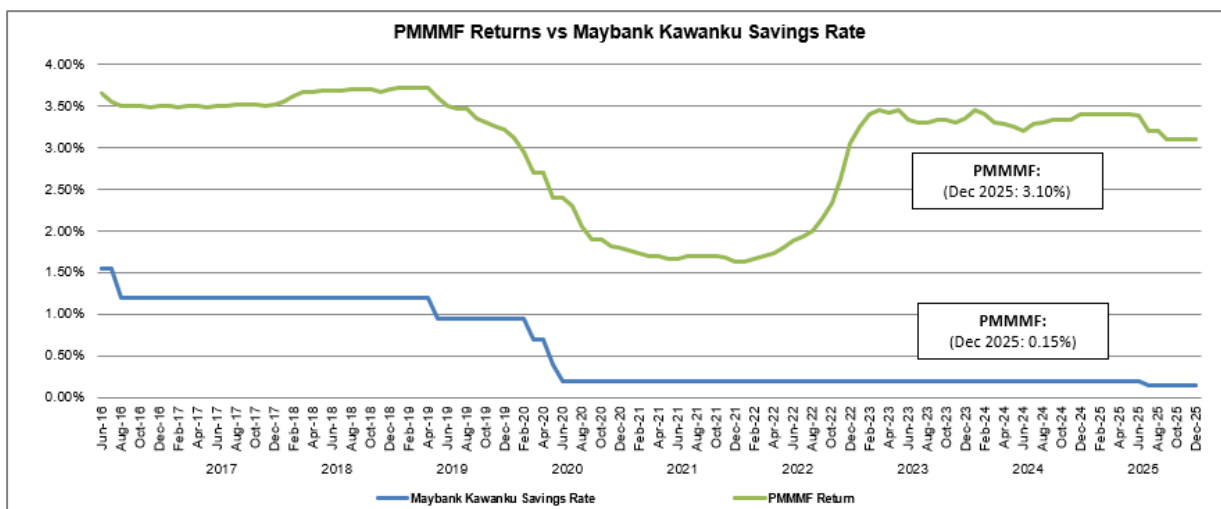
PMMMF vs Maybank Kawanku Savings Account Deposit Rates from July 2025 to December 2025

BALANCE	PMMMF* (% p.a.)	MAYBANK** (% p.a.)	Difference (% p.a.)
Up to RM10,000	3.13	0.15	2.98
Up to RM25,000	3.13	0.15	2.98
Up to RM50,000	3.13	0.15	2.98
Up to RM100,000	3.13	0.15	2.98
Up to RM200,000	3.13	0.15	2.98
Up to RM500,000	3.13	0.15	2.98
Above RM500,000	3.13	0.15	2.98

Source: *PMMMF average monthly distribution rate from July 2025 to December 2025
 **Maybank2u website (rates with effect from July 2025 to December 2025)

The line chart below shows the comparison between the performances of PMMMF and its benchmark, the Maybank Kawanku Savings Rate for the financial period ended 31 December 2025.

PERFORMANCE COMPARISON OF PMMMF VS MAYBANK KAWANKU SAVINGS



Source: Audited Financial Statement and Maybank2u website

The Fund has distributed income on a monthly basis, averaging at 3.13% p.a. during the period under review. The Fund has convincingly out-performed the benchmark as illustrated in the chart above. As such, the Fund has achieved its objective to provide investors with higher than Ringgit Malaysia savings deposits while maintaining the principal value and high degree of liquidity.

DETAILS OF DISTRIBUTION AND UNIT SPLIT

3.20% p.a. for the period from 01.07.2025 to 31.07.2025
 3.20% p.a. for the period from 01.08.2025 to 31.08.2025
 3.10% p.a. for the period from 01.09.2025 to 30.09.2025
 3.10% p.a. for the period from 01.10.2025 to 31.10.2025
 3.10% p.a. for the period from 01.11.2025 to 30.11.2025
 3.10% p.a. for the period from 01.12.2025 to 31.12.2025

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

MARKET REVIEW

The Department of Statistics (DoSM) reported an advanced estimate of 5.7% year-on-year (YoY) growth for 4Q25F as of 16 January 2026, being 0.8% stronger than 4Q24 (4.9%) and 0.5% and 1.5% stronger than 3Q24 (5.2%), 2Q24 (4.4%) and 1Q24 (4.4%) respectively, beating out Bank Negara Malaysia's (BNM) estimates of between 4 and 4.8%. Overall, this signifies an energized economy, outpacing headwinds with momentum from the Services, Manufacturing, and Agricultural sectors. Services, being the main contributor at 59 to 60% of the total GDP, is estimated to further grow by 5.5%, moderating from 2025's 5.5% estimate; while the fastest growing sector, Construction, is expected to also stabilize to 11.9% in growth, relatively -8.8% down from the same period of 2025. However, the strengthening Ringgit during the quarter has arisen the Import Duty (+20.9%) due to stronger expected outward volume, up 16.2% from the previous year (4Q24: 4.7%).

The full-year CPI of Malaysia stood at 1.6% for 2025, with core CPI standing at 2.3%, being 1.7% and 1.6% in 2024 respectively. Prominent sectors of note include Housing and Gas – being down -2.3% from 3.2% to 0.9%, IT & Communication up 6.5% from -5.4% to 0.9%, Insurance & Finances up 4.1% from 0.5% to 5.6%, and Personal Care Goods, up 3.0% from 2.7% to 5.7%.

Malaysia's labour market in 2025 further strengthened – with the unemployment rate being among the lowest in a decade at 2.90% as of November 2025. Year-to-date, the annual unemployment rate stood at 3.0%, significantly dropping from 2024's 3.3%; as indicated by lowered unemployed persons (-4.3%), and stronger labour force participation (70.9%) and employment-to-population rates (68.8%).

2025 marks a significant milestone in Malaysia's total trade, having breached the RM3 trillion value with a 6.3% YoY increase; driven by an offense by both exports at 6.5% YoY and imports at 6.2% YoY. For 2024, total trade saw a rebound to 6.2% from the previous year's red with exports having arisen by 5.7% and imports by 13.2%. Malaysia's trade balance was robust with a 9.1% increase to RM151.8 billion (bn), a significant improvement from 2024's RM131.0 bn. Strong performances by the E&E, Opticals, Machinery, and Iron & Steel sectors allowed for exports to thrive, particularly during the December period.

In terms of quantitative policies, BNM implemented a 25 basis points (bps) rate cut from 3.00 to 2.75 as of July 2025 – with the move being a pre-emptive measure to preserve domestic growth amid inflation prospects. Global trade headwinds from major international players could hinder the nation's economic from rebounding and having steady growth, hence BNM's need

to allow for domestic consumption to take more center stage during this period of uncertainty. Lastly, Malaysian Government Securities (MGS) as of December 2025 saw no changes for 3-year, 5-year, a decrease of 8bps for 7-year, and an increase of 6bps for 10-year from the previous month, closing at 3.11%, 3.31%, 3.49%, and 3.51% respectively.

Market Outlook

The MADANI government has continued to advance structural reforms in line with the MADANI Economy framework, with policy execution gaining traction throughout 2025. Ongoing initiatives such as the New Industrial Master Plan 2030, the National Energy Transition Roadmap, and 2026 Budget remain centered on accelerating high-value growth, and promoting inclusive development. These efforts supported steady domestic demand in 2025 amid a more moderate global growth environment. Income-supportive measures, including phased civil servant salary adjustments, expanded upskilling and reskilling programmes, and higher minimum wage implementation, underpinned household consumption. Tourism remained a key growth driver, with Visit Malaysia 2026 and infrastructure readiness having increased tourist arrivals to exceed 42 million, reinforcing services-led consumption. Investment momentum was further supported by large-scale infrastructure projects such as the East Coast Rail Link, Johor–Singapore Special Economic Zone initiatives, and continued progress on the Pan Borneo Highway. Nevertheless, near-term risks persist from subsidy rationalisation, electricity tariff adjustments, and indirect tax expansion, weighed on cost pressures and sentiment.

Ringgit Government Bonds are expected to yield between to ~3% to ~5% for 2026, with a steady OPR, continually growing domestic purchase power, and indirect fiscal consolidation – but nonetheless, MGS yields do fall short in relative value for overall returns. Conversely, inflation rates for 2026 are expected to grow with SARA 100, RON95, among other subsidies, along with higher labour costs and stronger EPF contributions. As such, the OPR is likely remain stagnant for 2026 to ensure stable growth both on the consumer and business fronts throughout the nation.

BNM is expected to hold 37 government bond auctions, with a larger issuance size of RM 5.0 bn. Aggregate MGS+GII supplies are forecasted to grow circa RM185.0 bn (2025: 168.5 bn), with 21 MGS auctions and 16 GII auctions being held back-to-back, alternating between either issuance. Auctions for 2026 are focused on shorter-dated issuances, implying flattening pressures within government bond yield curves. The focus on 3-year and 15-year issuances give way for more demand of shorter-dated government papers for the year; as such, the weighted average tenor is shortened to ~13 years. Conclusively, MGS and GII issuances for 2026 are likely to be well absorbed, with removed volatility from uncertain auction sizes.

Investment Strategy

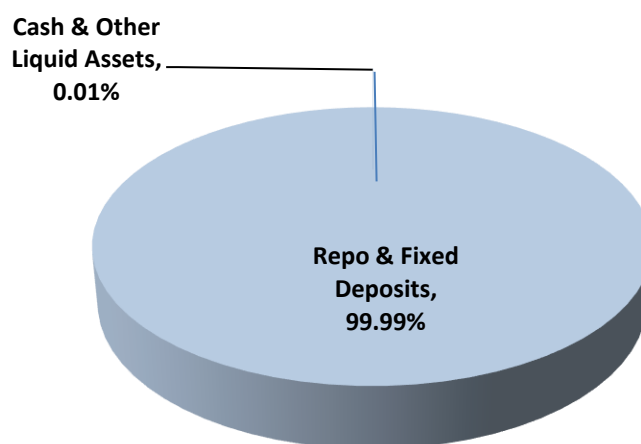
As at end of December 2025, the Fund had the following exposure:

- 100% in cash, fixed and short-term deposits & repurchase agreements (repos) with maturity of not more than 12 months;

The Fund will maintain its investment in short-term money market instruments with a maturity period of no more than 365 days, aligning with the Fund's mandate. With expected headwinds to have the OPR maintain at 2.75% for at least the first half of 2026, we plan to maintain this investment strategy throughout the mentioned period to maximize returns. As a precautionary measure, the Fund will allocate a portion to short-term deposits of one month or less, as the allocation will allow for routine redemptions to be made by Unitholders to mitigate liquidity risks.

ASSET ALLOCATION OF THE FUND

Asset Allocation as at 31.12.2025



Sector	December 2025 (%)	December 2024 (%)	December 2023 (%)
Repo & Fixed Deposits	99.99	99.99	99.98
Cash & Other Liquid Assets	0.01	0.01	0.02
	100.00	100.00	100.00

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 period under review, the Fund has not undertaken any securities lending or repurchase transactions.

Significant Changes in the State of Affairs of the Fund

For the period 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 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 period.

Soft Commission Received From Brokers

During the period under review, we neither received soft commission nor 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 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.

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

Tok Puan Datin Ezreen Eliza binti Zulkiplee
Chief Executive 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 Securities Commission Malaysia Guidelines on Unit Trust Funds in Malaysia so as to give a true and fair view of the financial position of **Phillip Master Money Market Fund** as at 31 December 2025 and of its financial performance, changes in net asset value and cash flows for the period then ended.

For and 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

FINANCIAL STATEMENT

UNAUDITED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	2025 RM	2024 RM
Assets			
Deposits with licensed financial institutions	3	421,901,268	396,389,825
Interest receivable		2,547,278	2,159,208
Cash at bank		62,903	59,038
Total assets		424,511,449	398,608,071
Liabilities			
Amount due to Manager		103,551	93,389
Amount due to Trustee		10,898	10,608
Distributions payable		263	289
Other payables		57,247	73,208
Total liabilities		171,959	177,494
Net Asset Value (“NAV”) of the Fund		424,339,490	398,430,577
Unitholders’ equity			
Unitholders’ capital/attributable to Unitholders	4	424,339,490	398,430,577
Total equity and liabilities		424,511,449	398,608,071
Number of units in circulation (Units)		848,678,980	796,861,154
NAV per unit		0.5000	0.5000

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 31 December 2025

	Note	1.7.2025 - 31.12.2025 RM	1.7.2024 - 31.12.2024 RM
Income			
Interest income		8,128,413	8,074,212
		8,128,413	8,074,212
Expenses			
Manager's fee	5	616,435	609,146
Trustee's fee	6	70,661	66,545
Auditors' remuneration			
- current year		7,713	7,562
- underprovision in previous year		-	300
Tax agent's fee		1,915	3,316
Administrative fee & other expenses		29,620	6,242
		726,344	693,111
Net income before tax		7,402,069	7,381,101
Income tax expense		-	-
Net income after tax, representing total comprehensive income for the period		7,402,069	7,381,101
Net income after tax is made up of the following :			
Net realised income		7,402,069	7,381,101
		7,402,069	7,381,101
Distribution for the period			
Gross/Net Distribution (RM)		7,402,069	7,381,101
Gross/Net Distribution per unit (sen)		0.0080	0.0084

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	Retained earnings RM	Total equity RM
As at 1 July 2024		441,508,700	-	441,508,700
Total comprehensive income for the period		-	7,381,101	7,381,101
Creation of units		363,492,234	-	363,492,234
Cancellation of units		(413,485,964)	-	(413,485,964)
Reinvestment of units		6,915,607	-	6,915,607
Income distribution	7	-	(7,381,101)	(7,381,101)
As at 31 December 2024		<u>398,430,577</u>	-	<u>398,430,577</u>
As at 1 July 2025		469,880,096	-	469,880,096
Total comprehensive income for the period		-	7,402,069	7,402,069
Creation of units		609,306,484	-	609,306,484
Cancellation of units		(661,873,375)	-	(661,873,375)
Reinvestment of units		7,026,285	-	7,026,285
Income distribution	7	-	(7,402,069)	(7,402,069)
As at 31 December 2025		<u>424,339,490</u>	-	<u>424,339,490</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

	1.7.2025 - 31.12.2025	1.7.2024 - 31.12.2024
	RM	RM
Cash flows from/(used in) operating and investing Activities		
Interest received	7,676,375	8,042,901
Placements of deposits with licensed financial institutions, net of withdrawals	45,994,329	43,090,540
Manager's fee paid	(584,842)	(595,706)
Trustee's fee paid	(70,534)	(66,899)
Payment of other fees and expenses	(36,219)	(21,495)
Payment Income Tax from deduction RMMMF	(408,454)	(482,727)
Net cash from operating and investing activities	<u>52,570,655</u>	<u>49,966,614</u>
Cash flows from/(used in) financing activities		
Proceeds from creation of units	609,306,484	363,492,234
Payments for cancellations of units	(661,873,375)	(413,485,964)
Payments for income distribution	(1,595)	(1,679)
Net cash used in financing activities	<u>(52,568,486)</u>	<u>(49,995,409)</u>
Net increase/(decrease) in cash and cash equivalents	2,169	(28,795)
Cash and cash equivalents at beginning of the period	60,734	87,833
Cash and cash equivalents at end of the period	<u>62,903</u>	<u>59,038</u>
Cash and cash equivalents comprise:		
Cash at bank	<u>62,903</u>	<u>59,038</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 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.

2. Summary of significant accounting policies

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 in Malaysia.

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	<i>Classification of Liabilities as Current and Non-current</i>
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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.

2. Summary of significant accounting policies (cont'd.)

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:

Description	Effective for annual periods beginning on or after
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 assetsClassification 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 period and from reversal of prior period’s unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the financial period.

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 the Manager and the 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

	2025	2024
	RM	RM
Licensed investment banks	145,083,391	176,268,043
Licensed banks	276,817,877	220,121,782
	421,901,268	396,389,825

The weighted average interest rates of deposits at the reporting date and the average remaining maturity of deposits as at the reporting date were as follows:

	Weighted average interest rates (per annum)		Average remaining maturity	
	2025	2024	2025	2024
	%	%	Days	Days
Licensed investment banks	3.28	3.45	34	15
Licensed banks	3.64	4.01	98	66

4. Unitholders' Capital

	Note	2025 RM	2024 RM
Unitholders' capital	(a)	<u>424,339,490</u>	<u>398,430,577</u>

	2025		2024	
	No. of units	RM	No. of units	RM
As at 1 July	939,760,193	469,880,096	883,017,399	441,508,700
Add : Creation of units	1,218,612,968	609,306,484	726,984,469	363,492,234
Add: Reinvestment of units	14,052,569	7,026,285	13,831,215	6,915,607
Less : Cancellation of units	(1,323,746,751)	(661,873,375)	(826,971,929)	(413,485,964)
As at 31 Dec	<u>848,678,980</u>	<u>424,339,490</u>	<u>796,861,154</u>	<u>398,430,577</u>

5. 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 gross 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 financial period ended 31 December 2025 is 0.26% (2024: is 0.28%) per annum of the NAV of the fund.

6. 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 gross 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 financial period ended 31 December 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.

7. 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:

	2025 RM	2024 RM
Net income before tax	<u>7,402,069</u>	<u>7,381,101</u>
Tax expense at Malaysian tax rate of 24% (2024: 24%)	1,776,496	1,771,464
Effect of income not subject to tax	(1,950,819)	(1,937,811)
Effect of expenses not deductible for tax purposes (under Section 63B of the Income Tax Act, 1967)	24,527	18,337
Restriction on tax deductible expenses for the Fund	<u>149,796</u>	<u>148,010</u>
Tax expense for the period	<u>-</u>	<u>-</u>

8. Income distribution

Distributions to Unitholders were from the following sources:

	2025 RM	2024 RM
Interest income	8,128,413	8,074,212
Other Income	-	-
Less : Expenses	(726,344)	(693,111)
	<u>7,402,069</u>	<u>7,381,101</u>

	2025 RM	2024 RM
Analysed as:		
Units reinvested in the Fund	7,026,285	6,915,607
Distribution paid	1,316	1,390
Income tax on income distribution pursuant to section 109DA, Income Tax Act 1967	374,205	463,815
Distribution payables	263	289
	<u>7,402,069</u>	<u>7,381,101</u>

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

2025						
Month of accrual	Units in circulation	Gross distribution		Net distribution		Gross/net distribution per unit
		Units	RM	% [1]	RM	% [1]
31.07.2025	557,719,934	1,503,913	3.20	1,384,251	3.20	0.0014
31.08.2025	462,281,213	1,397,512	3.20	1,302,892	3.20	0.0014
30.09.2025	427,867,123	1,136,935	3.10	1,084,404	3.10	0.0013
31.10.2025	441,121,511	1,125,041	3.10	1,086,424	3.10	0.0013
30.11.2025	428,779,118	1,114,582	3.10	1,079,395	3.10	0.0013
31.12.2025	423,249,255	1,124,086	3.10	1,090,498	3.10	0.0013
		<u>7,402,069</u>		<u>7,027,864</u>		<u>0.0080</u>
2024						
Month of accrual	Units in circulation	Gross distribution		Net distribution		Gross/net distribution per unit
		Units	RM	% [1]	RM	% [1]
31.07.2024	425,519,096	1,282,253	3.29	1,184,276	3.29	0.0014
31.08.2024	429,593,712	1,186,727	3.30	1,106,753	3.30	0.0014
30.09.2024	425,359,401	1,175,790	3.33	1,098,946	3.33	0.0014
31.10.2024	466,667,842	1,309,206	3.33	1,230,296	3.33	0.0014
30.11.2024	442,287,026	1,226,238	3.33	1,153,484	3.33	0.0014
31.12.2024	397,287,335	1,200,887	3.40	1,143,531	3.40	0.0014
		<u>7,381,101</u>		<u>6,917,286</u>		<u>0.0084</u>

[1] Distribution is computed based on the annual rate stated above on Unitholders' Equity. Distribution is accrued on a daily basis and distributed on 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>

9. Units held by related parties

There is no units held legally by related parties.

10. Transaction with financial institutions

Details of transactions with financial institutions for the financial period ended 31 December 2025 are as follows:

<i>Financial institutions</i>	<i>Transaction value</i>	
	<i>RM</i>	<i>%</i>
Hong Leong Investment Bank Berhad	7,182,000,000	61.11
KAF Investment Bank Berhad	2,043,725,063	17.39
Malayan Banking Berhad	1,218,752,900	10.37
Al Rajhi Bank	701,173,632	5.97
AmBank Berhad	139,552,069	1.19
Public Bank Berhad	105,500,000	0.90
MBSB Investment Bank Berhad	80,617,847	0.69
Affin Hwang Investment Bank Berhad	73,798,210	0.63
Public Islamic Bank Berhad	64,122,281	0.55
Kenanga Investment Bank Berhad	54,172,369	0.46
CIMB Bank Berhad	35,638,127	0.30
Kuwait Finance House (M) Berhad	30,000,000	0.26
CIMB Islamic Bank Berhad	16,000,000	0.14
Bank Islam Malaysia Berhad	7,000,000	0.06
	<u>11,752,052,497</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.

11. 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 financial period ended 31 December 2025 is 25.16 times (2024: 28.15 times).

12. 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 financial period ended 31 December 2025 is 0.16% (2024: 0.16%).

13. 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.

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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

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

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