

Phillip Treasury Fund

ANNUAL REPORT

Year ended 31 March 2025



Phillip Capital Management

(A member of PhillipCapital)

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Phillip Treasury Fund

Directory

Manager

Phillip Capital Management (S) Ltd
250 North Bridge Road #06-00
Raffles City Tower
Singapore 179101
(Company Registration No. 199905233W)

Directors of the Manager

Lim Hua Min
Jeffrey Lee Chay Khiong
Linus Lim Wen Sheong
Lim Wah Sai
Louis Wong Wai Kit

Trustee & Registrar

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay
#01-01
Singapore 049319
(Company Registration No. 200800851W)

Custodian and Fund Administrator

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay
#01-01
Singapore 049319
(Company Registration No. S71FC2142G)

Auditors

KPMG LLP
12 Marina View #15-01
Asia Square Tower 2
Singapore 018961

Solicitors to the Manager

Chan & Goh LLP
8 Eu Tong Sen St
#24-93 The Central
Singapore 059818

Solicitors to the Trustee

Dentons Rodyk & Davidson LLP
80 Raffles Place
#33-00 UOB Plaza 1
Singapore 048624

Phillip Treasury Fund

Manager's Investment Report

Phillip USD Money Market Fund

The US Dollar Money Market Fund returned 4.65%, after fees and expenses, over the full year ended 31 March 2025, as an elevated interest rate environment continued over much of this period. In comparison, the average Federal Funds Target Rate – Lower Bound benchmark return was about 4.8% over the same period.

As at 31 March 2025, the overall portfolio's Weighted Average Maturity ("WAM") stood at 84 days. The portfolio remains well diversified across countries, sectors and issuers. Overall, exposure to counterparties (comprising fixed deposits and fixed income securities) in the financial services sector continued to form the largest allocation.

The fund saw a dynamic 12-month period marked by shifting interest rate expectations, persistent inflation pressures, and evolving economic data. With the aggressive rate hike cycle coming to an end in mid-2023, the US Federal Reserve maintained an extended pause through the period till mid to late 2024, keeping the federal funds rate above 5% amid sticky core inflation and a resilient labour market. However, amidst signs of cooling inflation and softening economic indicators beginning to take hold (such as slowing job growth and moderating wage gains), the US central bank embarked on its rate cutting cycle in its September 2024 meeting, starting with a sizeable 50 basis point cut and then two more quarter-point cuts in subsequent months.

However, things changed in November 2024, when Donald Trump secured a second term in the White House. Fixed income markets reacted swiftly, pricing in expectations for a return to pro-growth, deregulatory policies, and potential fiscal expansion. The prospect of increased deficit spending and tax cuts led to anticipation of higher future inflation and debt issuance. This led to the US Federal Reserve taking another pause in its rate cutting cycle as it waited for data to indicate that inflation was not about to return.

After the end of the fund period (ending March 2025), things took another turn as Trump announced a broad-based 10% tariff on US imports as well as "reciprocal" tariffs depending on individual countries' own import tariffs on exports from the US, fuelling renewed volatility in risk markets as expectations varied wildly on whether this would have recessionary or inflationary impact, or worse, both.

While risk markets continue to navigate policy and market volatility going forward, money market funds remain a useful investment instrument to manage cash, especially as US dollar interest rates remain elevated. Our strategy remains to buy and hold high-quality securities to maturity, and to manage interest rate risk by buying papers and placing deposits across a range of maturities (subject to the two-year maturity limit). Given the emphasis on strong investment grade papers for our Fund, we expect our exposures to adverse credit conditions would be limited. We will continue with prudent management of concentration and liquidity risks with a wide diversification of issuers and banks for the portfolio.

Phillip Treasury Fund

Report to Unitholders Year ended 31 March 2025

The following contains additional information relating to the Sub-Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 17 - 19.

2. Schedule of investments by asset class

Phillip USD Money Market Fund

Asset Class	Fair value at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders at 31 March 2025 %
Fixed income securities	76,522,870	11.74
Term deposits	481,333,796	73.87
Cash and cash equivalents	94,138,234	14.45
Other net assets	(386,390)	(0.06)
	<u>651,608,510</u>	<u>100.00</u>

Types of Money Market Instruments and Debt Securities

Asset Class	Fair value at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders at 31 March 2025 %
Fixed rate notes	38,372,513	5.89
Floating rate notes	37,666,280	5.78
Accrued interest on fixed income securities	484,077	0.07
	<u>76,522,870</u>	<u>11.74</u>

Phillip Treasury Fund

Report to Unitholders Year ended 31 March 2025

3. Credit rating

i) Debt securities

Phillip USD Money Market Fund

	Fair value at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders at 31 March 2025 %
Aa2	29,182,895	4.48
A1	43,659,828	6.70
A3	3,196,070	0.49
Accrued interest on debt securities	484,077	0.07
Total	76,522,870	11.74

Source of credit rating is from Moody's.

ii) Fixed deposits

Phillip USD Money Market Fund

	Fair value at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders at 31 March 2025 %
P-1	346,979,046	53.25
P-2	95,626,703	14.67
P-1u	35,302,947	5.42
Accrued interest on fixed deposits	3,425,100	0.53
Total	481,333,796	73.87

Source of credit rating is from Moody's.

Phillip Treasury Fund

Report to Unitholders Year ended 31 March 2025

4. Top 10 holdings

Phillip USD Money Market Fund

10 largest holdings at 31 March 2025	Fair value at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders at 31 March 2025 %
Bank of China Limited/Macau 5.10256% due 28/04/2025	17,605,280	2.70
Korea Development Bank/The 3.375% due 16/09/2025	14,920,500	2.29
Sumitomo Mitsui Trust Bank Limited 5.483145% due 09/03/2026	10,058,000	1.54
Agricultural Bank of China Limited/Hong Kong 4.972764% due 24/11/2025	10,003,000	1.54
Korea National Oil Corporation 0.875% due 05/10/2025	7,849,600	1.21
Sinopec Group Overseas Development 2015 Limited 3.25% due 28/04/2025	5,993,548	0.92
Australia & New Zealand Banking Group Limited/New York NY 5.088% due 08/12/2025	3,513,895	0.54
Baidu Incorporation 4.125% due 30/06/2025	3,196,070	0.49
Incheon International Airport Corporation 1.25% due 04/05/2026	2,898,900	0.44

10 largest holdings at 31 March 2024	Fair value at 31 March 2024 US\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
ADCB Finance Cayman Limited 6.80662% due 20/06/2024	11,997,480	2.57
Woori Bank 6.34563% due 21/05/2024	10,390,110	2.22
Hana Bank 6.32659% due 13/06/2024	10,009,000	2.14
DBS Group Holdings Limited 1.169% due 22/11/2024	9,727,000	2.08
China Construction Bank Corporation/Hong Kong 0.86% due 22/04/2024	7,973,600	1.71
Korea National Oil Corporation 0.875% due 05/10/2025	7,485,120	1.60
MUFG Bank Limited 3.25% due 08/09/2024	4,947,500	1.06
Kookmin Bank/Singapore 5.46% due 10/03/2025	3,397,682	0.73
Kookmin Bank/Singapore 5.4% due 28/05/2024	3,393,538	0.73
Baidu Incorporation 4.125% due 30/06/2025	3,142,880	0.67

Phillip Treasury Fund

Report to Unitholders Year ended 31 March 2025

5. Maturity profile of investments

Phillip USD Money Market Fund

Maturity profile of underlying investments	Percentage of total net assets attributable to unitholders at 31 March 2025	
	Fair value at 31 March 2025 US\$	%
Up to 30 days	71,362,234	10.95
31 - 90 days	76,211,685	11.70
91 - 180 days	176,923,575	27.15
181 - 365 days	226,551,095	34.77
366 - 732 days	2,898,900	0.44
Non-interest bearing	3,909,177	0.60
	<u>557,856,666</u>	<u>85.61</u>

6. (i) Exposure to derivatives as at 31 March 2025

Nil.

(ii) Gain/loss on derivative contracts realised for the year ended 31 March 2025

Nil.

(iii) Net gain/loss on outstanding derivative contracts marked to market as at 31 March 2025

Nil.

7. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

- a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangement;
- b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c. the sum of the values of cash collateral received pursuant to:
 - i. the reduction of exposure to counterparties of OTC financial derivatives; and
 - ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

8. Collateral

Nil

9. Securities lending or repurchase transactions

Nil.

Phillip Treasury Fund

Report to Unitholders Year ended 31 March 2025

10. Amount and percentage of total fund size invested in other unit trusts, mutual funds and collective investment schemes

Nil.

11. Amount and percentage of borrowings of total fund size as at 31 March 2025

Nil.

12. Amount of units created and cancelled for the financial year ended 31 March 2025

Phillip USD Money Market Fund

US\$

Total amount of subscriptions	1,008,250,892
Total amount of redemptions	(850,165,129)

13. Turnover ratio

Please refer to Note 10 of Notes to Financial Statements.

14. Expense ratio

Please refer to Note 10 of Notes to Financial Statements.

15. Performance of the Sub-Fund as at 31 March 2025

Phillip USD Money Market Fund

	Class A	Class I	Benchmark performance
	US\$	US\$	US\$
Cumulative (%)*			
3 months	0.97	1.02	0.91
6 months	2.08	2.17	1.89
1 year	4.65	4.81	4.22
3 years	12.04	12.60	12.21
5 years	12.48	-	12.21
10 years	19.26	-	17.94
Since inception **	24.29	13.16	17.94
Annualised (%)			
1 year	4.65	4.81	4.22
3 years	3.86	4.03	3.91
5 years	2.38	-	2.33
10 years	1.78	-	1.66
Since inception **	1.38	2.68	1.04

Note *Cumulative returns are in US dollars calculated on a bid to bid basis, with net dividends reinvested Benchmark: 1-week US\$ Libor (Source: Bloomberg)

**Class A and Class I inception date was 6 May 2009 and 27 July 2020 respectively.

**Report to Unitholders
Year ended 31 March 2025**

16. Related party transactions

Please refer to Note 9 of Notes to Financial Statements.

17. Any other material information that will adversely impact the valuation of the Sub-Fund.

Nil.

18. For schemes which invest more than 30% of their deposited property in another scheme, the following key information on the second-mentioned scheme ('the underlying scheme') should be disclosed as well.

(i) Top 10 holdings at market value and as percentage of NAV as at 31 March 2025 and 31 March 2024.

Not applicable.

(ii) Expense ratios for the period 31 March 2025 and 31 March 2024.

Not applicable.

(iii) Turnover ratios for the period 31 March 2025 and 31 March 2024.

Not applicable.

19. Soft dollar commissions

The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis and custodial service in relation to the investments managed for clients. The soft dollar credits utilised are not allocated on a specific client basis. The brokers also execute trades for other funds managed by the Manager.

The Manager will not accept or enter into soft dollar commissions or arrangements unless such soft-dollar commissions or arrangements would, in the opinion of the Manager, assist the Manager in its management of clients' funds, provided that the Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Manager does not, and is not entitled to, retain cash rebates for its own account in respect of rebates earned when transacting in securities for account of clients' funds.

The Manager did not receive any soft dollar commissions during the year.

Report of the Trustee

The Trustee is under a duty to take into custody and hold the assets of Phillip Treasury Fund in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed Phillip Treasury Fund during the period covered by these financial statements, set out on pages 14 to 29, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
BNP Paribas Trust Services Singapore Limited

Authorised signatory

Date

Statement by the Manager

In the opinion of the directors of Phillip Capital Management (S) Ltd, the accompanying financial statements set out on pages 14 to 29, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Phillip Treasury Fund as at 31 March 2025, and the financial performance and movements in unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that Phillip Treasury Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of directors of the Manager
Phillip Capital Management (S) Ltd

Jeffrey Lee Chay Khiong
Director

Date

Independent auditors' report

Unitholders

Phillip Treasury Fund

(Constituted under a Trust Deed in the Republic of Singapore)

Opinion

We have audited the financial statements of Phillip Treasury Fund (the "Fund"), which comprise the Statement of Financial Position and Statement of Portfolio as at 31 March 2025, the Statement of Total Return and Statement of Movements of Unitholders' Funds for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 14 to 29.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued by the Institute of Singapore Chartered Accountants so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 March 2025 and the financial performance and movements in unitholders' funds for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the audit of the financial statements section of our report*. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Phillip Capital Management (S) Ltd, the Manager of the Fund ("the Manager"), is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 SSAs, 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, 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 controls.

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- Obtain an understanding of internal controls 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 controls.
- 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 auditor's report to the related disclosures in the financial statements 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 auditor's 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, including the disclosures, and whether the financial statements 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 controls that we identify during our audit.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
Date:

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statement of Total Return
Year ended 31 March 2025

	Note	Phillip USD Money Market Fund	
		2025 US\$	2024 US\$
Income			
Interest income		25,347,854	16,441,599
		<u>25,347,854</u>	<u>16,441,599</u>
Less:			
Expenses			
Management fee		2,285,262	1,606,808
Transfer agent fee		12,720	8,107
Trustee fee		145,375	101,338
Custody fee		29,075	20,268
Audit fee		10,329	9,450
Administration fee		191,895	133,766
Other expenses		129,062	43,097
		<u>2,803,718</u>	<u>1,922,834</u>
Net income		<u>22,544,136</u>	<u>14,518,765</u>
Net gains or losses on value of investments and foreign exchange			
Net gains on investments		3,657,600	5,414,290
Net gains/(losses) on foreign exchange		164	(7,888)
		<u>3,657,764</u>	<u>5,406,402</u>
Total return for the year before income tax		26,201,900	19,925,167
Less: Income tax	7	-	-
Total return for the year after income tax before distribution		<u>26,201,900</u>	<u>19,925,167</u>

The accompanying notes form an integral part of these financial statements

Statement of Financial Position
As at 31 March 2025

		Phillip USD Money Market Fund	
	Note	2025 US\$	2024 US\$
Assets			
Portfolio of investments		557,856,666	441,104,422
Receivables	3	234,432	102,959
Cash and cash equivalents	4	94,138,234	26,678,781
Total assets		<u>652,229,332</u>	<u>467,886,162</u>
Liability			
Payables	5	620,822	565,315
Total liability		<u>620,822</u>	<u>565,315</u>
Equity			
Net assets attributable to unitholders	6	<u>651,608,510</u>	<u>467,320,847</u>

The accompanying notes form an integral part of these financial statements

Statement of Movements of Unitholders' Funds
Year ended 31 March 2025

		Phillip USD Money Market Fund	
	Note	2025 US\$	2024 US\$
Net assets attributable to unitholders at the beginning of the year		<u>467,320,847</u>	<u>355,433,760</u>
Operations			
Change in net assets attributable to unitholders resulting from operations		26,201,900	19,925,167
Unitholders' contributions/(withdrawals)			
Creation of units		1,008,250,892	591,876,222
Cancellation of units		(850,165,129)	(499,914,302)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<u>158,085,763</u>	<u>91,961,920</u>
Total increases in net assets attributable to unitholders		<u>184,287,663</u>	<u>111,887,087</u>
Net assets attributable to unitholders at the end of the year	6	<u>651,608,510</u>	<u>467,320,847</u>

The accompanying notes form an integral part of these financial statements

Statement of Portfolio
As at 31 March 2025

	Holdings as at 31 March 2025	Fair value as at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2025 %
Phillip USD Money Market Fund			
By Geography (Primary)			
Quoted Debt Securities			
Australia			
Australia & New Zealand Banking Group Limited/New York NY 5.088% due 08/12/2025	3,500,000	3,513,895	0.54
		3,513,895	0.54
British Virgin Islands			
Sinopec Group Overseas Development 2015 Limited 3.25% due 28/04/2025	6,000,000	5,993,548	0.92
		5,993,548	0.92
Cayman Islands			
Baidu Incorporation 4.125% due 30/06/2025	3,200,000	3,196,070	0.49
		3,196,070	0.49
China			
Agricultural Bank of China Limited/Hong Kong 4.972764% due 24/11/2025	10,000,000	10,003,000	1.54
Bank Of China Limited/Macau 5.10256% due 28/04/2025	17,600,000	17,605,280	2.70
		27,608,280	4.24
Japan			
Sumitomo Mitsui Trust Bank Limited 5.483145% due 09/03/2026	10,000,000	10,058,000	1.54
		10,058,000	1.54
South Korea			
Incheon International Airport Corporation 1.25% due 04/05/2026	3,000,000	2,898,900	0.44
Korea Development Bank/The 3.375% due 16/09/2025	15,000,000	14,920,500	2.29
Korea National Oil Corporation 0.875% due 05/10/2025	8,000,000	7,849,600	1.21
		25,669,000	3.94
Accrued interest on debt securities		484,077	0.07
Total Quoted Debt Securities		76,522,870	11.74

The accompanying notes form an integral part of these financial statements

Statement of Portfolio (cont'd)
As at 31 March 2025

	Fair value as at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2025 %	Percentage of total net assets attributable to unitholders as at 31 March 2024 %
Phillip USD Money Market Fund			
By Geography (Primary) (continued)			
Fixed Deposits			
Singapore			
Commerce Intl Merchant Bankers Bhd	39,533,482	6.07	6.42
Hana Bank	10,000,000	1.53	-
ICBC	30,624,752	4.70	11.10
Landesbank Baden - Wuerttemberg St	-	-	6.45
Malayan Banking Bhd	56,093,221	8.61	7.79
Bank Julius Baer & Co AG Singapore	56,212,212	8.63	-
MUFG Bank	10,161,602	1.56	-
National Bank of Kuwait	60,176,954	9.23	8.03
Qatar National Bank	53,391,349	8.19	9.30
Saudi National Bank	35,302,947	5.42	8.39
Scotiabank Hong Kong	47,763,406	7.33	9.72
Sumitomo Mitsui Banking Corp	50,731,556	7.79	3.90
Sumitomo Mitsui Trust Bank Ltd	27,917,215	4.28	5.67
	<u>477,908,696</u>	<u>73.34</u>	<u>76.77</u>
Accrued interest on fixed deposits	3,425,100	0.53	0.39
	<u>481,333,796</u>	<u>73.87</u>	<u>77.16</u>
Total Fixed Deposits			
Portfolio of investments	557,856,666	85.61	94.39
Other net assets	93,751,844	14.39	5.61
Net assets attributable to unit holders	<u>651,608,510</u>	<u>100.00</u>	<u>100.00</u>

The accompanying notes form an integral part of these financial statements

Statement of Portfolio (cont'd)
As at 31 March 2025

	Fair value as at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2025 %	Percentage of total net assets attributable to unitholders as at 31 March 2024 %
Phillip USD Money Market Fund By Geography (Summary)			
Australia	3,513,895	0.54	-
British Virgin Islands	5,993,548	0.92	-
Canda	-	-	0.28
Cayman Islands	3,196,070	0.49	3.67
China	27,608,280	4.24	2.19
Japan	10,058,000	1.54	1.48
Singapore	477,908,696	73.34	78.85
South Korea	25,669,000	3.94	7.42
	<u>553,947,489</u>	<u>85.01</u>	<u>93.89</u>
Accrued interest on debt securities	484,077	0.07	0.11
Accrued interest on fixed deposit	<u>3,425,100</u>	<u>0.53</u>	<u>0.39</u>
Portfolio of investments	557,856,666	85.61	94.39
Other net assets	<u>93,751,844</u>	<u>14.39</u>	<u>5.61</u>
Net assets attributable to unit holders	<u><u>651,608,510</u></u>	<u><u>100.00</u></u>	<u><u>100.00</u></u>

	Fair value as at 31 March 2025 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2025 %	Percentage of total net assets attributable to unitholders as at 31 March 2024 %
Phillip USD Money Market Fund By Industry (Secondary)			
Communications	3,196,070	0.49	1.10
Energy	13,843,148	2.13	1.88
Financial	534,009,371	81.95	90.91
Industrial	2,898,900	0.44	-
	<u>553,947,489</u>	<u>85.01</u>	<u>93.89</u>
Accrued interest on debt securities	484,077	0.07	0.11
Accrued interest on fixed deposit	<u>3,425,100</u>	<u>0.53</u>	<u>0.39</u>
Portfolio of investments	557,856,666	85.61	94.39
Other net assets	<u>93,751,844</u>	<u>14.39</u>	<u>5.61</u>
Net assets attributable to unitholders	<u><u>651,608,510</u></u>	<u><u>100.00</u></u>	<u><u>100.00</u></u>

The accompanying notes form an integral part of these financial statements

Notes to the Financial Statements

These notes form an integral part of the financial statements.

1 Domicile and activities

Phillip Treasury Fund (the "Fund") is an open ended umbrella unit trust constituted pursuant to a Trust Deed dated 17 February 2009 together with its Amended and Restated Deeds thereon (hereafter referred to as the "Trust Deed") between Phillip Capital Management (S) Ltd (the "Manager") and BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Trust Deed is governed by and construed in accordance with the laws of the Republic of Singapore.

The Fund currently comprises one sub-fund, Phillip USD Money Market Fund (the "Sub-Fund"), which was launched on 4 May 2009.

The investment objective of the Sub-Fund is to provide liquidity and manage risk while looking to provide a return which is comparable to that of USD short-term deposits.

The Sub-Fund invests in high quality short-term money market instruments and debt securities. Some of the investments may include government and corporate bonds, commercial bills and deposits with financial institutions.

2 Material accounting policies

Management reviewed the accounting policies and made updates to the information disclosed in Note 2 Material accounting policies in certain instances in line with the amendments.

2.1 Basis of financial statements preparation

The financial statements, expressed in United States Dollars, have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Accounting Practice 7 "*Reporting Framework for Investment Funds*" revised and issued by the Institute of Singapore Chartered Accountants.

The adoption of the Revised RAP 7 did not result in substantial changes to the accounting policies of the Fund and had no material effect on the amounts reported for current or prior years.

For the purposes of preparation of these financial statements, the basis used for calculating the expense ratio and turnover ratio are in accordance with the guidelines issued by the Investment Management Association of Singapore ("IMAS") and the Code on Collective Investment Schemes under the Securities and Futures Act (Cap 289) ("Code") respectively.

2.2 *Basis of valuation of investments*

Quoted investments are stated at fair value based on the last traded prices for debt securities at the reporting date. If there is no last bid price, the fair value is determined using valuation techniques that are commonly used by market participants. Unrealised gains/losses on investments are represented by the difference between the fair value and the carrying value of investments and are recognised in the Statement of Total Return. Realised gains and losses upon disposal of investments are computed on the basis of the difference between the carrying value and the selling price of investments on trade date and are taken to the Statement of Total Return.

Fixed deposits held within the Statements of Portfolio are stated at amortised cost. Due to the short-term nature of the fixed deposits, its amortised cost approximates its fair value.

2.3 *Recognition of income*

Interest income is recognised as it accrues in the Statement of Total Return using the effective interest method.

2.4 *Foreign currency translation*

Transactions in foreign currencies are translated at the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at exchange rates at the reporting date. All exchange differences are recognised in the Statement of Total Return.

2.5 *Income tax expense*

The Fund was approved for the Enhanced-Tier Fund Tax Incentive Scheme under Section 13U (formerly 13X) of the Income Tax Act by the Monetary Authority of Singapore ("MAS") with effect from 16 August 2010. The tax exemption status will be for the life of the Fund, provided the Fund continues to meet all the terms and conditions set out by MAS and the relevant Income Tax legislations.

2.6 *Cash and cash equivalents*

Cash and cash equivalents comprise bank balances and amount held with broker. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.7 *Net assets attributable to unitholders*

Net assets attributable to unitholders are classified as equity.

3 **Receivables**

	Phillip USD Money Market Fund	
	2025 US\$	2024 US\$
Receivable from unitholders for creation of units	-	35,000
Interest receivable	234,432	67,959
	<u>234,432</u>	<u>102,959</u>

4 Cash and cash equivalents

	Phillip USD Money Market Fund	
	2025	2024
	US\$	US\$
Cash and bank balances	94,138,234	26,678,781

5 Payables

	Phillip USD Money Market Fund	
	2025	2024
	US\$	US\$
Payable to unitholders for cancellation of units	-	202
Accrued expenses	620,822	565,113
	<u>620,822</u>	<u>565,315</u>

6 Units in issue

During the year the number of shares issued, redeemed and outstanding are as follows:

Phillip USD Money Market Fund

	Class A	2025 Class I	Total
Units at beginning of the year	383,784,277	10,365,616	394,149,893
Units created	731,283,772	106,355,296	837,639,068
Units cancelled	(628,836,067)	(75,271,414)	(704,107,481)
Units at end of the year	<u>486,231,982</u>	<u>41,449,498</u>	<u>527,681,480</u>
Net assets attributable to unitholders - US\$	<u>604,676,757</u>	<u>46,931,753</u>	<u>651,608,510</u>
Net asset value per unit - US\$	<u>1.2436</u>	<u>1.1323</u>	<u>1.2349</u>

	Class A	2024 Class I	Total
Units at beginning of the year	308,197,650	6,564,382	314,762,032
Units created	466,720,830	46,263,966	512,984,796
Units cancelled	(391,134,203)	(42,462,732)	(433,596,935)
Units at end of the year	<u>383,784,277</u>	<u>10,365,616</u>	<u>394,149,893</u>
Net assets attributable to unitholders - US\$	<u>456,121,693</u>	<u>11,199,154</u>	<u>467,320,847</u>
Net asset value per unit - US\$	<u>1.1884</u>	<u>1.0804</u>	<u>1.1856</u>

Currently, the Managers are offering 2 Classes of Units in the Sub-Fund, namely Class A Units and Class I Units. Class A Units are offered to investors who invest less than US\$100,000 and Class I Units are offered to investors who invest US\$100,000 and above. All classes constitute the Sub-Fund and are not separate sub-funds. Any expense, income and/or gain which is attributable to a particular class shall be deducted from or added to (as the case may be) the value of the Sub-Fund which is attributable to that class. A separate net asset value per unit is calculated for each class.

For subscriptions and redemptions and for various fee calculations, investments are stated at the last traded price/amortised cost on the valuation day for the purpose of determining net asset value per unit while for reporting purpose, the investments are valued at the relevant bid market prices as at the reporting date.

The effect of amortised cost in the net assets attributable to unitholders is as follows:

Phillip USD Money Market Fund

	2025	
	Class A US\$	Class I US\$
Net assets attributable to unitholders per unit per financial statements	1.2436	1.1323
Effect of adopting amortised cost per unit	(0.0001)	(0.0001)
Net assets attributable to unitholders per unit for issuing/redeeming	<u>1.2435</u>	<u>1.1322</u>
	2024	
	Class A US\$	Class I US\$
Net assets attributable to unitholders per unit per financial statements	1.1884	1.0804
Effect of adopting amortised cost per unit	0.0001	0.0001
Net assets attributable to unitholders per unit for issuing/redeeming	<u>1.1885</u>	<u>1.0805</u>

7 Income Tax

The Fund was approved for the Enhanced Tier Fund Tax Incentive Scheme under Section 13U (formerly 13X) of the Income Tax Act by the Monetary Authority of Singapore ("MAS") with effect from 16 August 2010. The tax exemption status will be for the life of the Fund, provided the Fund continues to meet all the terms and conditions set out by MAS and the relevant Income Tax legislations.

8 Financial risk management

The Sub-Fund's activities expose it to a variety of market risks (including price risk, interest rate risk and currency risk), liquidity risk and credit risk. The Sub-Fund's overall risk management programme seeks to minimise potential adverse effects on the Sub-Fund's financial performance. The Sub-Fund may use financial derivative instruments, subject to the terms of the Trust Deed, to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Sub-Fund at any time as part of the overall financial risk management to reduce the Sub-Fund's risk exposures.

a) **Market risk**

Market risk is the risk of potential adverse change to the value of financial instruments because of changes in market conditions such as interest rate movements and volatility in securities' prices. The Manager manages the Sub-Fund's exposure to market risk through the use of risk management strategies and various analytical monitoring techniques.

i. **Price risk**

Price risk is the risk that the fair values of equities or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The investments of the Sub-Fund are subject to normal market fluctuations and the risks inherent in investing in securities markets and there can be no assurance that appreciation will occur. It is the policy of the Manager to maintain a diversified portfolio of investments so as to minimise the risk.

ii. **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The tables below summarise the Sub-Fund's exposure to interest rate risks. They include the Sub-Fund's assets and trading liabilities at fair value, categorised by interest rate types.

	← Fixed rate →				
	Floating rate US\$	Up to 1 year US\$	1-5 years US\$	Non-interest bearing US\$	Total US\$
2025					
Assets					
Portfolio of investments	37,666,280	513,382,309	2,898,900	3,909,177	557,856,666
Receivables	-	-	-	234,432	234,432
Cash and cash equivalents	94,138,234	-	-	-	94,138,234
	<u>131,804,514</u>	<u>513,382,309</u>	<u>2,898,900</u>	<u>4,143,609</u>	<u>652,229,332</u>
Liability					
Payables	-	-	-	620,822	620,822

	← Fixed rate →				
	Floating rate US\$	Up to 1 year US\$	1-5 years US\$	Non-interest bearing US\$	Total US\$
2024					
Assets					
Portfolio of investments	34,646,208	393,493,121	10,628,000	2,337,093	441,104,422
Receivables	-	-	-	102,959	102,959
Cash and cash equivalents	26,678,781	-	-	-	26,678,781
	61,324,989	393,493,121	10,628,000	2,440,052	467,886,162
Liability					
Payables	-	-	-	565,315	565,315

The duration, a measure of the sensitivity of the price of a fixed income security to a change in interest for the 12-month period is as disclosed below. As of 31 March 2025, should interest rates rise or lower by 1% (2024: 1%) with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders would be as follows:

	Interest rates rise/lower by 1%	
	(Decrease)/Increase in net assets attributable to unitholders	
	2025 US\$	2024 US\$
Phillip USD Money Market Fund	172,629	310,374

iii. *Currency risk*

The Sub-Fund's assets and liabilities are held in United States Dollars, which is also its functional currency, therefore no sensitivity analysis and currency exposure table are presented. In addition, the Sub-Fund invests in underlying securities and fixed deposits which are denominated in its functional currency where the fluctuations in the relevant exchange rates would not have an impact on the income and value of the Sub-Fund.

b) Liquidity risk

The Sub-Fund is exposed to daily redemption of units in the Sub-Fund. Therefore, the majority of its assets are invested in investments that are traded in an active market and can be readily disposed of.

c) Credit risk

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

The main credit risk to which the Sub-Fund is exposed arises from the Sub-Fund's investments in debt securities. The Sub-Fund is also exposed to counterparty credit risk on cash and bank balances and other receivable balances.

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the Sub-Fund has received payment. Payment is made on a purchase once the securities have been received by the Sub-Fund. The trade will fail if either party fails to meet its obligation.

The Sub-Fund may also enter into derivative contracts to manage exposures to currency risk and price risk. Hence, the Sub-Fund is also exposed to the risk that amounts held with counterparties for derivative contracts may not be recoverable in the event of any default by the parties concerned.

The tables below analyses the Sub-Fund's debt securities and fixed deposits by credit ratings.

Debt securities by rating category	Percentage of total net assets attributable to unitholders as at 31 March 2025	Percentage of total net assets attributable to unitholders as at 31 March 2024
	%	%
Aa2	4.48	3.97
Aa3	-	0.73
A1	6.70	3.66
A3	0.49	1.10
A+ *	-	5.09
A *	-	2.57
	11.67	17.12

Source of credit rating is from Moody's except for the following:

*Credit rating is from Standard & Poor's

Fixed deposits by rating category	Percentage of total net assets attributable to unitholders	Percentage of total net assets attributable to unitholders
	2025 %	2024 %
P-1	53.25	62.56
P-2	14.67	14.21
P-1u	5.42	-
	<u>73.34</u>	<u>76.77</u>

Source of credit rating is from Moody's.

(d) Capital management

The Sub-Fund's capital is represented by the net assets attributable to unitholders. The Sub-Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Sub-Fund's objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

(e) Fair value estimation

Except for investments which are measured at fair value, at 31 March 2025 and 2024, the fair values of assets and liabilities approximate their carrying values on the Statement of Financial Position due to the short period to maturity.

The fair value of financial assets and liabilities traded in active markets (such as publicly traded securities) are based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Sub-Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. The carrying amounts of the financial assets and liabilities with maturity less than one year are assumed to approximate the fair value because they are short term in nature or the effect of discounting is immaterial.

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2). The fair value of financial instruments that are not traded in an active market is determined from information provided by financial institutions and issuers using valuation techniques with observable inputs that are based on market information existing at each reporting date.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at 31 March 2025 and 2024:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
2025				
Assets				
Debt securities	52,683,847	23,839,023	-	76,522,870
2024				
Assets				
Debt securities	-	80,538,529	-	80,538,529

9 Related party transactions

In the normal course of the business of the Sub-Fund, management fees and trustee fees have been paid or are payable to the Manager and the Trustee respectively as noted in the Statement of Total Return.

In addition, the bank holding company and related parties of the Trustee have also provided custodian, banking, foreign exchange, fund administration, transfer agent and brokerage services to the Sub-Fund in the normal course of business at terms agreed between the parties and within the provisions of the Trust Deed.

The Manager also uses the services of related parties to carry out transactions involving the purchase and sale of securities.

Other than as disclosed elsewhere in the financial statements, the following significant transactions took place between the Sub-Fund and its related parties during the year:

	Phillip USD Money Market Fund	
	2025 US\$	2024 US\$
Cash and cash equivalents held with a related party of the Trustee	26,661,699	16,110,066

10 Financial ratios

		Phillip USD Money Market Fund	
		2025	2024
		US\$	US\$
Expense ratio			
Class A Units			
Total operating expenses	US\$	2,697,310	1,890,581
Average daily net asset value	US\$	549,745,956	394,252,553
Total expense ratio ^{Note 1}	%	0.49	0.48
Class I Units			
Total operating expenses	US\$	106,408	32,248
Average daily net asset value	US\$	32,672,183	10,296,461
Total expense ratio ^{Note 1}	%	0.33	0.31
Turnover ratio			
Lower of total value of purchases or sales	US\$	-	-
Average daily net asset value	US\$	582,418,139	404,549,014
Total turnover ratio ^{Note 2}	%	-	-

Note 1 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at financial year end is based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Fund does not pay any performance fee. The average net asset value is based on the daily balances.

Note 2 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code. The calculation of the portfolio turnover ratio is based on the total value of purchases (or sales) of the underlying investments divided by the weighted average daily net asset value. Total value of purchases (or sales) does not include brokerage and other transaction costs. The total value of bonds matured during the year is not included in the computation of portfolio turnover ratio.

Important Information

Phillip USD Money Market Fund (the "Sub-Fund") is sub-fund of Phillip Treasury Fund (the "Fund"), an open-ended umbrella unit trust authorised under the Securities and Futures Act, Chapter 289, by the Monetary Authority of Singapore.

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Given the economic and market risks, there can be no assurance that the Sub-Fund will achieve their investment objectives. Investments in the Sub-Fund is not deposits or other obligations of, or guaranteed, or insured by the Manager or the distributors or their affiliates and are subject to investment risks, including the possible loss of the full principal amount invested. Returns may be affected by, among other things, the investment strategies or objectives of the Sub-Fund and material market and economic conditions. The value of the units and the income from them can fall as well as rise. Past performance is not necessarily indicative of the future performance of the Sub-Fund.

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