

**Phillip International Funds
- Phillip Global Rising Yield Innovators Fund**

Semi-Annual Report

Period ended 31 December 2025 (Unaudited)



Phillip Capital Management

(A member of PhillipCapital)

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**PHILLIP INTERNATIONAL FUNDS
- PHILLIP GLOBAL RISING YIELD INNOVATORS FUND**

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Manager's Investment Report

The Phillip Global Rising Yield Innovators Fund delivered a positive calendar year performance as at end December 2025. Over this period, both class "A" and "B" class gained more than 14% and 14.3% respectively. Industrials sector led by Korean Hanwha Aerospace Co. Ltd took centre stage as the leading attribute to the fund.

2025 marks the year where The Rule of Law is being replaced by the Law of the Jungle. Somehow, the world has transcended into a multipolar chaotic environment as Globalization became fragmented and self-interest overtook collective norms. This reflected a broader collapse of respect for the rules that underpin global security. Countries with sheer economic size and military might have taken advantage of this leverage and coercively implemented harsh trading policies across their global peers and allies were not spared either in this case. Sovereignty of smaller nations has been challenged with sheer brute military forces of larger nations in the name of uprooting illegal activities. Inevitably, geo-political tension continues to escalate globally, resulting in heightened business uncertainties. In anticipation of this new world order, leaders of top global corporates came to a consensus that their timely way of managing inventories prove too costly should their flows are caught in between of tariffs crossfire . "Just in case" became their narrative for building up stockholdings in various geographical locations with proximity to their clients' market.

Unknowingly, the exceptionalism of US seems to be fading, and this has been escalated when President Donald Trump took office for the second term. The once sought-after, US 10 years treasury continues to face downward pressure as prices in US remain resilient over the past 2 years. The muted Quantitative Tightening Program since early December 2025, should moderate the rise in long end yield but other factors counteract and offset this, especially central banks across the globe have started the de-dollarization initiative of their balance sheet. All these underpins the structural weakness in the USD over the years. Its current massive fiscal debt amounting to more than US\$37 trillion and consistent current account deficit will foretell the trend of further USD weakness.

While the world avoided a full-scale recession in the first half of 2025, growth remains subdued as the temporary "front-loading" effects of trade policy begins to fade. Global GDP growth for 2025 stood at 3.2%, a slight deceleration from prior year. However, this headline number masks a growing gap between regions; the United States growing at roughly 1.5% - 2.0%, China's growth has slowed to around 4.5%- 4.8% and Eurozone is still struggling with anemic growth of 0.9% - 1.3%. The US remains a relative anchor of strength, supported by consumer spending and the "One Big Beautiful Bill Act" though high tariffs and immigration restrictions are creating structural drags. Stimulus measures have helped stabilize the Chinese property sector, but the economy continue to face headwinds from external trade barriers and long-term deflationary pressures.

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Report to unitholders¹

a) **I Investments classified by geography**

By Geography (Summary)	Fair Value at 31/12/2025 S\$	Percentage of Net Assets Attributable to Unitholders at 31/12/2025 %
China	4,002,835	15.57
Germany	471,529	1.84
Hong Kong	693,930	2.70
Japan	9,024,523	35.13
Korea	4,406,902	17.16
Singapore	3,048,570	11.87
Taiwan	1,111,611	4.33
United States of America	869,784	3.39
Portfolio of investments	23,629,684	91.99
Other net assets	2,056,914	8.01
Net assets attributable to unitholders	25,686,598	100.00

¹ As required by the Code on Collective Investment Schemes

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a) **II Investments classified by industry**

	Fair Value at 31/12/2025 S\$	Percentage of Net Assets Attributable to Unitholders at 31/12/2025 %
By Industry (Summary)		
Basic Materials	2,721,805	10.59
Communications	2,479,205	9.65
Consumer, Cyclical	1,118,866	4.36
Consumer, Non-cyclical	2,922,253	11.38
Financial	227,787	0.89
Industrial	5,094,921	19.83
Money Market Funds	3,048,570	11.87
Technology	6,016,277	23.42
Portfolio of investments	23,629,684	91.99
Other net assets	2,056,914	8.01
Net assets attributable to unitholders	25,686,598	100.00

a) **III Investments classified by asset class**

	Fair Value at 31/12/2025 S\$	Percentage of Net Assets Attributable to Unitholders at 31/12/2025 %
Equities	20,581,114	80.12
Money Market Funds	3,048,570	11.87
Portfolio of investments	23,629,684	91.99
Other net assets	2,056,914	8.01
Net assets attributable to unitholders	25,686,598	100.00

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b) **Top Ten Holdings**

<u>10 Largest Holdings at 31 December 2025</u>	Fair Value at 31/12/2025 S\$	Percentage of Net Assets Attributable to Unitholders at 31/12/2025 %
Phillip SGD Money Market ETF	3,031,230	11.80
Hanwha Aerospace Co Ltd	1,893,462	7.37
Tential Inc	1,722,926	6.71
Celsys Inc	1,505,345	5.86
Timee Inc	1,454,150	5.66
Caulis Inc	1,446,027	5.63
Shandong Bailong Chuangyuan Bio-Tech Co Ltd	1,193,279	4.64
Universal Microwave Technology Inc	1,111,611	4.33
Jiangxi Guoke Military Industry Group Co Ltd	1,097,850	4.27
PharmaResearch Co Ltd	1,079,293	4.20

<u>10 Largest Holdings at 31 December 2024</u>	Fair Value at 31/12/2024 S\$	Percentage of Net Assets Attributable to Unitholders at 31/12/2024 %
Phillip SGD Money Market ETF	5,089,625	15.46
Phillip Money Market Fund	4,907,585	14.91
Park Systems Corp	1,959,916	5.95
PharmaResearch Co Ltd	1,946,016	5.91
Hanwha Aerospace Co Ltd	1,543,657	4.69
MIPS AB	1,393,877	4.23
Eckert & Ziegler Strahlen- und Medizintechnik AG	1,257,240	3.82
MPI Corp	1,155,949	3.51
E Ink Holdings Inc	1,135,976	3.45
SUESS MicroTec SE	1,030,867	3.13

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c) (i) Exposure to Derivatives as at 31 December 2025.
Nil

c) (ii) Gain on derivative contracts realised for the financial period ended 31 December 2025.
Nil

c) (iii) Gain on outstanding derivative contracts marked to market as at 31 December 2025.
Nil

d) Description of the method used to calculate the global exposure of financial derivatives

The global exposure relating to derivative instruments is calculated using the commitment approach. The global exposure of the sub-fund is calculated as the sum of:

(i) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;

(ii) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and

(iii) the sum of the values of cash collateral received pursuant to:

(a) the reduction of exposure to counterparties of OTC financial derivatives; and

(b) efficient portfolio management techniques relating to securities lending and repurchase transactions, and that are reinvested.

e) Amount and percentage of total fund size invested in other unit trusts, mutual funds and collective investment schemes as at 31 December 2025.

Please refer to Statement of Portfolio on pages 13 to 16.

f) Amount and percentage of borrowings of total fund size as at 31 December 2025.
Nil

g) Amount of redemptions and subscriptions for the period from 1 July 2025 to 31 December 2025.
Total amount of redemptions S\$ 6,182,817
Total amount of subscriptions S\$ 5,429,578

h) Amount of related party transactions for the period from 1 July 2025 to 31 December 2025.

Bank balances held with a related party of the Trustee S\$ 2,130,493

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i) **Performance of the Fund as at 31 December 2025**

	Class A	Class B	Benchmark
	SGD	SGD	
Cumulative (%)*			
3 months	-16.28	-16.22	7.94
6 months	-8.29	-8.16	14.65
1 year	14.04	14.34	44.22
3 years	21.51	22.43	65.36
5 years	-28.59	-27.11	85.20
Since inception	-21.30	-18.41	125.23
Annualised (%)			
1 year	14.04	14.34	44.22
3 years	6.71	6.98	18.25
5 years	-6.51	-6.13	13.12
Since inception	-4.38	-3.73	16.40

*Returns are in Singapore dollar calculated on a bid-to-bid basis, with net dividends reinvested.
Source: Bloomberg

Inception dates for Class A and Class B were 1 September 2020 and 28 August 2020 respectively.

j) **Expense Ratio**

		2025	2024
Class A SGD			
Total operating expenses	S\$	12,912	6,079
Average daily net asset value	S\$	577,495	284,795
Expense ratio (annualised) ^(Note 1)	%	<u>2.24</u>	<u>2.13</u>
Class B SGD			
Total operating expenses	S\$	530,529	662,589
Average daily net asset value	S\$	26,828,330	35,090,994
Expense ratio (annualised) ^(Note 1)	%	<u>1.98</u>	<u>1.89</u>

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 is based on total operating expenses divided by 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 average net asset value is based on the daily balances.

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k) **Turnover Ratio**

		2025	2024
Lower of total value of purchases or sales	S\$	15,231,070	7,690,668
Average daily net asset value	S\$	28,251,743	35,402,296
Turnover ratio ^(Note 2)	%	<u>53.91</u>	<u>21.72</u>

Note 2: The turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes under the Securities and Futures Act 2001. The calculation of the 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. The total value of purchase (or sales) do not include brokerage and other transaction costs.

l) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts.
Nil

m) 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 December 2025

Not applicable.

(ii) Expense ratios for the period ended 31 December 2025

Not applicable.

(iii) Turnover ratios for the period ended 31 December 2025

Not applicable.

n) **Soft dollar arrangements**

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 does 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.

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Statement of Total Return

Period ended 31 December 2025

	31/12/2025	31/12/2024
	S\$	S\$
Income		
Dividends	54,900	159,444
Interest	4	-
Other income	-	189
	<u>54,904</u>	<u>159,633</u>
Less:		
Expenses		
Management fees	179,001	222,563
Trustee fees	9,559	9,798
Custody fees	8,305	2,445
Administration fees	9,559	9,798
Transaction fees	54,803	25,822
Registrar fees	27,114	45,758
Audit fees	10,684	8,310
Interest expense	864	-
Other expenses	38,959	53,588
	<u>338,848</u>	<u>378,082</u>
Net loss	<u>(283,944)</u>	<u>(218,449)</u>
Net losses or gains on value of investments and foreign exchange		
Net (losses)/gains on investments	(1,778,650)	431,883
Net losses on foreign exchange	(14,118)	(7,057)
	<u>(1,792,768)</u>	<u>424,826</u>
Total (deficit)/return for the period before income tax	(2,076,712)	206,377
Income tax expense	(6,787)	(16,978)
Total (deficit)/return for the period after income tax before distribution	<u>(2,083,499)</u>	<u>189,399</u>

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Statement of Financial Position

As at 31 December 2025

	31/12/2025	30/06/2025
	S\$	S\$
Assets		
Portfolio of investments	23,629,684	26,968,263
Sales awaiting settlement	-	915,320
Receivables	51,918	1,507,265
Cash and cash equivalents	2,130,493	1,683,990
Total assets	<u>25,812,095</u>	<u>31,074,838</u>
Liabilities		
Purchase awaiting settlement	-	889,056
Payables	125,497	1,662,445
Total liabilities	<u>125,497</u>	<u>2,551,501</u>
Equity		
Net assets attributable to unitholders	<u>25,686,598</u>	<u>28,523,337</u>

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Statement of Movement in Unitholders' Funds

Period ended 31 December 2025

	31/12/2025	30/06/2025
	S\$	S\$
Net assets attributable to unitholders at the beginning of financial period	28,523,336	37,083,706
Operations		
Change in net assets attributable to unitholders resulting from operations	(2,083,499)	6,156,084
Unitholders' contributions/(withdrawals)		
Creation of units	5,429,578	4,828,178
Cancellation of units	(6,182,817)	(19,544,631)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(753,239)	(14,716,453)
Total decrease in net assets attributable to unitholders	<u>(2,836,738)</u>	<u>(8,560,369)</u>
Net assets attributable to unitholders at the end of financial period	<u>25,686,598</u>	<u>28,523,337</u>

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Statement of Portfolio
As at 31 December 2025

	Holdings as at 31/12/2025	Fair value as at 31/12/2025 S\$	Percentage of total net assets attributable to unitholders as at 31/12/2025 %
Global Rising Yield Innovators Fund			
By Geography (Primary)			
Quoted Equities			
China			
CoCreation Grass Co Ltd	140,000	920,587	3.58
Gambol Pet Group Co Ltd	10,000	120,034	0.47
Jiangxi Guoke Military Industry Group Co Ltd	96,000	1,097,850	4.27
Shandong Bailong Chuangyuan Bio-Tech Co Ltd	299,846	1,193,279	4.64
Zhejiang Crystal-Optech Co Ltd	145,000	671,085	2.61
		4,002,835	15.57
Germany			
Rheinmetall AG	200	471,529	1.84
		471,529	1.84
Hong Kong			
Meitu Inc	600,000	693,930	2.70
		693,930	2.70
Japan			
Asics Corp	15,000	462,113	1.80
Caulis Inc	150,000	1,446,027	5.63
Celsys Inc	110,000	1,505,345	5.86
Fujikura Ltd	4,000	572,340	2.23
Henнге KK	75,000	784,547	3.05
Kurashiru Inc	70,000	673,664	2.62
Sanrio Co Ltd	10,000	403,411	1.57
Tential Inc	50,000	1,722,926	6.71
Timee Inc	140,000	1,454,150	5.66
		9,024,523	35.13
Korea			
ATON Inc	150,000	826,208	3.22
Hanwha Aerospace Co Ltd	2,254	1,893,462	7.37
PharmaResearch Co Ltd	3,000	1,079,293	4.20
S&D Co Ltd	10,000	607,939	2.37
		4,406,902	17.16

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Statement of Portfolio (continued)

As at 31 December 2025

	Holdings as at 31/12/2025	Fair value as at 31/12/2025 S\$	Percentage of total net assets attributable to unitholders as at 31/12/2025 %
Global Rising Yield Innovators Fund By Geography (Primary) (continued)			
Quoted Equities (continued)			
Taiwan			
Universal Microwave Technology Inc	40,000	1,111,611	4.33
		<u>1,111,611</u>	<u>4.33</u>
United States of America			
Atour Lifestyle Holdings Ltd	5,000	253,342	0.99
Byrna Technologies Inc	18,000	388,655	1.51
Dave Inc	800	227,787	0.89
		<u>869,784</u>	<u>3.39</u>
Total Equities		<u>20,581,114</u>	<u>80.12</u>
Quoted Money Market Funds			
Singapore			
Phillip Money Market Fund	15,156	17,340	0.07
Phillip SGD Money Market ETF	29,283	3,031,230	11.80
		<u>3,048,570</u>	<u>11.87</u>
Total Money Market Funds		<u>3,048,570</u>	<u>11.87</u>
Portfolio of investments		23,629,684	91.99
Other net assets		2,056,914	8.01
Net assets attributable to unitholders		<u>25,686,598</u>	<u>100.00</u>

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Statement of Portfolio (continued)

As at 31 December 2025

	Fair value as at 31/12/2025 S\$	Percentage of total net assets attributable to unitholders as at 31/12/2025 %	Percentage of total net assets attributable to unitholders as at 30/06/2025 %
Global Rising Yield Innovators Fund By Geography (Summary)			
Quoted Equities			
China	4,002,835	15.57	27.43
Germany	471,529	1.84	1.88
Hong Kong	693,930	2.70	14.11
Japan	9,024,523	35.13	8.91
Korea	4,406,902	17.16	15.08
Sweden	-	-	4.98
Taiwan	1,111,611	4.33	2.19
United States of America	869,784	3.39	6.40
Total Equities	20,581,114	80.12	80.98
Quoted Money Market Funds			
Singapore	3,048,570	11.87	13.49
Total Money Market Funds	3,048,570	11.87	13.49
Quoted Rights			
Korea	-	-	0.08
Total Rights	-	-	0.08
Portfolio of investments	23,629,684	91.99	94.55
Other net assets	2,056,914	8.01	5.45
Net assets attributable to unitholders	25,686,598	100.00	100.00

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Statement of Portfolio (continued)

As at 31 December 2025

	Fair value as at 31/12/2025 S\$	Percentage of total net assets attributable to unitholders as at 31/12/2025 %	Percentage of total net assets attributable to unitholders as at 30/06/2025 %
Global Rising Yield Innovators Fund			
By Industry (Secondary)			
Quoted Equities			
Basic Materials	2,721,805	10.59	2.65
Communications	2,479,205	9.65	18.06
Consumer, Cyclical	1,118,866	4.36	21.41
Consumer, Non-cyclical	2,922,253	11.38	12.08
Financials	227,787	0.89	0.96
Industrial	5,094,921	19.83	20.74
Technology	6,016,277	23.42	5.08
Total Equities	20,581,114	80.12	80.98
Quoted Money Market Funds			
Money Market Funds	3,048,570	11.87	13.49
Total Money Market Funds	3,048,570	11.87	13.49
Quoted Rights			
Industrial	-	-	0.08
Total Rights	-	-	0.08
Portfolio of investments	23,629,684	91.99	94.55
Other net assets	2,056,914	8.01	5.45
Net assets attributable to unitholders	25,686,598	100.00	100.00

Important Information

Phillip Global Rising Yield Innovators Fund (the “Sub-Fund”) is a sub-fund of Phillip International Funds (the “Fund”), an umbrella unit trust authorised under the Securities and Futures Act, Chapter 289, by the Monetary Authority of Singapore

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