

# TA EUROPEAN EQUITY FUND

Date of Issuance: 25 August 2022

## RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of TA Investment Management Berhad and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

## STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of **TA European Equity Fund** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the **TA European Equity Fund** and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission of Malaysia recommends the **TA European Equity Fund** or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the TA Investment Management Berhad responsible for the **TA European Equity Fund** and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

This Product Highlights Sheet only highlights the key features and risks of this Fund.  
Investors are advised to request, read and understand the disclosure documents before deciding to invest.

## PRODUCT HIGHLIGHTS SHEET

# TA EUROPEAN EQUITY FUND

### BRIEF INFORMATION OF THE PRODUCT

#### 1. What is this product about?

**TA European Equity Fund** (the “Fund”) aims to seek steady income and capital growth over medium to long-term through investments in a diversified portfolio of local and/or foreign equity funds, REITs and ETFs that invest in Europe.

### PRODUCT SUITABILITY

#### 2. Who is this product suitable for?

The Fund is suitable for investor who:

- seeks above market yield or medium to long-term capital appreciation through investments in European equity markets; and
- seeks high yields over the long-term and are prepared to accept fluctuations in capital values.

### KEY PRODUCT FEATURES

#### 3. What am I investing in?

<b>Fund Category</b>	Fund-of-Funds (European Equity)
<b>Launch Date</b>	20 March 2007
<b>Asset Allocation</b>	<ul style="list-style-type: none"> <li>• The Fund shall maintain a minimum of 90% of its NAV in collective investment schemes at all times with the balance in liquid assets;</li> <li>• The Fund however, will be invested in a minimum of five (5) collective investment schemes in its portfolio at all times with a maximum exposure of 30% in one (1) single collective investment scheme.</li> </ul>
<b>Performance Benchmark</b>	<p>MSCI Europe CR Index.</p> <p>Note: The performance benchmark of the Fund will be changed from FTSE World Europe Index to MSCI Europe CR Index effective 1 September 2022 due to the standardization of the use of benchmark for the funds managed by us.</p>
<b>Investment Policy &amp; Strategy</b>	<p>The Fund will be invested in a portfolio of reputable domestic and global funds that are liquid and registered with recognised exchanges and/or authorities including, but not limited to, the following countries: Malaysia, United Kingdom, Hong Kong, Singapore and Luxembourg.</p> <p>The Manager will decide on the Fund’s allocation to build a well-diversified portfolio of funds that complement and is able to manage risk exposure by allocating into the best equity investment strategies that suits the market. The Fund will invest in a broad range of European equity funds and focuses into different investment strategy at different cycle of the market, e.g. large capitalization, small capitalization, dividend paying stock and property related equities. The Fund may invest up to 15% of its NAV into bond funds when the equity markets are anticipated to be weak. The investment in bond funds is generally raised at the expense of equity funds allocation when the equity markets are anticipated to be weak and vice-versa.</p> <p>The equity funds will be actively selected and combined by the Manager to produce an optimal diversified portfolio. In determining the appropriate allocation, the Manager will take into consideration the risk of the investment strategy by the underlying fund.</p> <p>The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund’s investment objective.</p> <p>Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.19 – section 3.22 of this Master Prospectus.</p>

<b>Minimum Initial Investment</b>	RM1,000.
<b>Minimum Additional Investment</b>	RM100.
<b>Minimum Holdings</b>	500 Units.
<b>Distribution Policy</b>	Annual/ interim distribution (if any).

*Note:*

Please refer to Section 3 and Section 5 of the replacement master prospectus dated 23 November 2021 and the First Supplementary Master Prospectus dated 25 August 2022 ("Master Prospectus") for further information.

#### 4. Who am I investing with?

<b>Manager</b>	TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))
<b>Trustee</b>	Maybank Trustees Berhad (Registration Number: 196301000109 (5004-P))

#### 5. What are the possible outcomes of my investment?

The investors may gain from the appreciation of Unit price as a result of the increase in value of the underlying and/or accrual of profit earned. However, investment involves risk. The value of the Fund and its distribution (if any) may rise or fall. These risk factors, among others, may cause you to lose part or all of your investment.

### KEY RISKS

#### 6. What are the key risks associated with this product?

##### Specific risks related to the Fund:

<b>Currency Risk</b>	The NAV of the Fund may be affected favorably or unfavorably by exchange control regulations or changes in exchange rates between RM and the relevant foreign currencies if the Fund invests in foreign currencies or assets denominated in foreign currencies, the Fund is exposed to foreign currencies risks. Fluctuations in exchange rates will affect the value of the Fund's foreign investments when converted into the local currency and subsequently the value of Unit Holders' investments.
<b>Country Risk</b>	The value of the assets of the Fund may be affected by uncertainties such as currency repatriation restrictions, other developments in the law or regulations, and the political and economic conditions of the countries in which the Fund is invested in. Careful consideration shall be given to risk factors such as liquidity risk, political and economic environment of the countries before any investments are made.
<b>Emerging Market Risk</b>	The Fund may be invested in certain smaller and emerging markets, which exhibits lower levels of economic and/or capital market development, limitations due to foreign investment restrictions, wide dealing spreads, restricted opening hours of stock exchanges and a narrow range of investors. Trading volume and market capitalisation may be lower than in more developed stock markets. This may result in a lower degree of liquidity for the Fund's investments.  This risk however may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within the Fund.
<b>Credit / Default Risk</b>	This risk is a concern for investments in fixed income securities and refers to the ability of the issuer or counterpart to honour its obligations to make timely payments of principal and interest. In the event that the issuer is faced with financial difficulties, its credit worthiness may also decrease. This in turn may lead to default in the payments thus would affect the value of the Fund's investment. This risk is managed by the internal policy of setting a ceiling or limit to the exposure and also the constant process of credit evaluation to mitigate such risk to an acceptable level.
<b>Interest Rate Risk</b>	This risk refers to the effect of interest rate changes on the market value of a bond portfolio. In the event of rising interest rates, prices of fixed income securities will decrease and vice versa. Meanwhile, debt securities with longer maturity and lower coupon rate are more sensitive to interest rate changes. This will be mitigated via the management of the duration structure of the fixed income portfolio.

<b>Risks Associated With Underlying Funds</b>	<p>As the collective investment schemes invest in equities, fixed income instruments, property related securities and commodity related securities, prices of the schemes may rise and fall. The schemes invest in various currencies, USD, Euro, Sterling, Yen and Australian Dollar. Hence the values of these currencies fluctuate over time and can affect the value of the Fund.</p> <p>To mitigate these currencies fluctuation, the investment manager may from time to time employ currency hedging techniques to manage the impact of the exchange rate fluctuations on the Fund and/or for purpose of efficient portfolio management. While risk associated to the Fund can be reduced by diversifying the investment into more funds of different asset classes that fits into the Fund's objectives.</p>
---	--

*Note:*

Please refer to Section 3.20 of the Master Prospectus for further information.

Please be advised that if an investor invests in Units through an IUTA which adopts the nominee system of ownership, the investor would not be considered to be a Unit Holder under the Deed and the investor may consequently not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holder's meeting and to vote thereat and the right to have the Unit Holder's particulars appearing in the register of Unit Holders of the Fund).

## FEE & CHARGES

### 7. What are the fees and charges involved?

Fees and charges<sup>1</sup> related to the Fund:

<b>Sales Charge</b>	A maximum of 7.00% of the NAV per Unit of / amount invested in the Fund (rounded to the nearest RM0.01) is imposed either by IUTAs, unit trust consultants or by the Manager.
<b>Repurchase Charge</b>	The Manager has no intention to impose any repurchase charge.
<b>Switching Fee</b>	The Manager does not impose any switching fee, however, if the amount of sales charge of the fund that the Unit Holder intends to switch into is more than the sales charge imposed by the fund being switched from, then the difference in the sales charge between the two (2) funds shall be borne by the Unit Holder.
<b>Transfer Fee</b>	An administrative charge of RM5.00 or any other amount as the Manager may deem appropriate.
<b>Annual Management Fee</b>	Up to 1.80% per annum of the NAV of the Fund.
<b>Annual Trustee Fee<sup>2</sup></b>	0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum RM12,000 per annum).

*Notes:*

- We may for any reason and at any time, waive or reduce: (A) any fees (except the trustee fee); (B) other charges payable by you in respect of the Fund; and/or (C) transactional values including but not limited to the Units or amounts, for any Unit Holder and/or investments made via any distribution channels or platform.
- Actual rate excluding foreign custodian fee and charges.

Please refer to Section 4 of the Master Prospectus for further information.

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

### 8. How often are valuations available?

Valuations are valued daily at the end of each Business Day and you may refer to the Manager's website at [www.tainvest.com.my](http://www.tainvest.com.my) for the Unit price.

### 9. How can I exit from this investment and what are the risks and costs involved?

<b>Cooling-off period</b>	<ul style="list-style-type: none"> <li>A cooling off right is only given to an individual investor who is investing in any of the unit trust funds managed by TAIM for the first time but shall not include the following person: <ul style="list-style-type: none"> <li>➤ a staff of TAIM; and</li> </ul> </li> </ul>
---------------------------	--

	<ul style="list-style-type: none"> <li>➤ a person registered with a body approved by the SC to deal in unit trusts.</li> <li>• There is a cooling-off period of six (6) Business Days from the day your application is accepted or deemed to be accepted by the Manager.</li> </ul>
<b>Redemption</b>	<ul style="list-style-type: none"> <li>• Redemption requests must be submitted by completing the transaction form.</li> <li>• Redemption proceed will be paid within ten (10) days, (or it may subject to the change/revised policy by regulator), from the day the redemption request is received by us based on the selected payment method stated in the transaction form received by our head office or business centres.</li> </ul>

Note:

Please refer to Section 5 of the Master Prospectus for detailed information.

## FUND PERFORMANCE

### The basis of calculating and assumption made in calculating the returns:

$\text{Percentage Growth} = \frac{N^1 - N^2}{N^2} \times 100$ <p>N<sup>1</sup> = NAV on the end of the period N<sup>2</sup> = NAV on the beginning of the period</p> <p>* <math>\text{Average Total Return} = \frac{\text{Total Sub Period Returns}}{\text{Number of Sub Periods}}</math></p> <p>** <math>\text{Annual Total Return} = (1 + \text{Cumulative Return})^{N^3/N^4} - 1</math></p> <p>N<sup>3</sup> = Number of periods per year N<sup>4</sup> = Total number of periods</p> <p>Factor in for unit splits and distributions paid out (if any during the period)</p>
---

### Average Total Return as at 30 June 2021

	1 Year	3 Years	5 Years	10 Years
<b>Fund (%)</b>	25.54	8.39	8.00	8.09
<b>Benchmark MYR (%)</b>	28.49	7.14	8.27	6.01
<b>Benchmark EUR (%)</b>	25.61	5.62	6.24	4.77

Source: Lipper for Investment Management

### Annual Total Return for the Financial Year Ended 30 June

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Fund (%)</b>	25.54	1.62	-0.16	-3.24	19.26	2.20	10.58	26.52	19.23	-13.03
<b>Benchmark MYR (%)</b>	28.49	-5.18	0.95	-3.64	25.56	-7.72	5.78	27.53	15.09	-15.90
<b>Benchmark EUR (%)</b>	25.61	-7.28	1.17	0.03	14.86	-13.38	10.62	19.13	12.93	-8.63

Source: Lipper for Investment Management

### Distribution of Income for the Financial Year Ended 30 June

	2021	2020	2019
<b>Unit Split</b>	Nil	Nil	Nil
<b>Gross distribution per Unit (sen) - Final</b>	Nil	Nil	Nil
<b>Net distribution per Unit (sen) – Final</b>	Nil	Nil	Nil

(Distribution of income was made in the form of cash and reinvestment of units)

### Performance and Investment Strategies Employed

The Fund was managed within its investment objectives for the financial year under review and met its objective of capital growth. Over the financial year up to 30 June 2021, the Fund posted a return of 25.54%, underperforming the benchmark which returned 28.49%.

### Portfolio Turnover Ratio (“PTR”) for the Financial Year Ended 30 June

	2021	2020	2019
PTR (times)	0.30	0.33	0.22

The PTR for the current financial year has remained consistent with that of the previous year.

**PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**

### CONTACT INFORMATION

#### 10. Who should I contact for further information or to lodge a complaint?

1. For internal dispute resolution, you may contact:

Our authorised distributors or our customer service officers on toll free number at 1-800-38-7147 between 9.00 a.m. and 6.00 p.m. (Malaysia time), from Monday to Friday (except public holidays), or you can email us at [investor.taim@ta.com.my](mailto:investor.taim@ta.com.my)

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

- (a) via phone to : 03-2282 2280
- (b) via fax to : 03-2282 3855
- (c) via e-mail to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
- (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur

3. You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC’s Consumer & Investor Office:

- (a) via phone to the Aduan Hotline at : 03-6204 8999
- (b) via fax to : 03-6204 8991
- (c) via e-mail to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
- (d) via online complaint form available at : [www.sc.com.my](http://www.sc.com.my)
- (e) via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

4. Federation of Investment Managers Malaysia (FIMM)’s Complaints Bureau:

- (a) via phone to : 03-2092 3800
- (b) via fax to : 03-2093 2700
- (c) via e-mail to : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
- (d) via online complaint form available at : [www.fimm.com.my](http://www.fimm.com.my)
- (e) via letter to : Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6<sup>th</sup> Floor Wisma Tune  
No. 19 Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur

## APPENDIX: GLOSSARY

Business Day	In respect of a Fund means a day on which Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business. The Manager may declare certain Business Days to be a non-Business Day although Bursa Malaysia or the banks are open for business.
Deed	The deeds including any supplemental deeds made between TAIM, the Trustee and the Unit Holders of the Fund, agreeing to be bound by the provisions of the respective deeds.
ETF	Exchange-traded fund
IUTA	A corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
Net Asset Value or NAV	NAV of the Fund is the total value of all the Fund's assets less the total value of all its liabilities at a valuation point.
NAV per Unit	NAV of the Fund divided by the number of Units in circulation, at the same valuation point.
REITs	Real Estate Investment Trusts.
SC	Securities Commission Malaysia established under the Securities Commission Malaysia Act, 1993.
Unit or Units	An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund.
Unit Holder	A person for the time being who is registered pursuant to the Deed as a holder of Units of the Fund, including persons jointly so registered.
We / us / the Manager / TAIM	TA Investment Management Berhad (Registration Number: 199501011387 (340588-T)).