

TA SOUTH EAST ASIA EQUITY FUND

Date of Issuance: 23 November 2021

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 South East Asia Equity Fund** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

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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 SOUTH EAST ASIA EQUITY FUND

BRIEF INFORMATION OF THE PRODUCT

1. What is this product about?

TA South East Asia Equity Fund (the "Fund") aims to provide steady income and long-term capital growth by investing primarily in quoted or listed equities and equity related instruments (including REITs) in South East Asia markets.

PRODUCT SUITABILITY

2. Who is this product suitable for?

The Fund is suitable for investor who:

- understand the risk associated with investing in the equities of a sub-regional fund;
- wants to invest in stocks and other approved instruments in South East Asia; and
- seeks medium to long-term capital growth from the investments.

KEY PRODUCT FEATURES

3. What am I investing in?

Fund Category	Equity
Launch Date	28 November 2005
Asset Allocation	The Fund will invest 70% to 100% of its NAV in foreign equity and equity related securities in the South East Asia markets while 0 to 5% of the total assets will be kept in liquid assets.
Performance Benchmark	MSCI ASEAN Index.
Investment Policy & Strategy	<p>The Fund will invest 70% to 100% of its NAV in foreign equity and equity related securities in the South East Asia markets while 0 to 5% of the total assets will be kept in liquid assets.</p> <p>The Fund will invest primarily in quoted or listed equities and equity related instruments (including REITs) in South East Asia, particularly in Indonesia, Malaysia, Singapore, Thailand, and the Philippines. The Fund may also invest in securities with significant business presence or risk exposure from South East Asia region. A portion of the Fund will also be invested in high dividend yielding stocks to provide a steady income stream to the Fund.</p> <p>There is no target industry or sector for the investments of the Fund. Investments by the Fund are not subject to any specific percentage or monetary limit on investment in a single industry or country. Lion Global Investors' focused, disciplined and research-oriented investment process will be used to manage the Fund. Lion Global Investors' investment philosophy is to buy stocks at a discount to its intrinsic value and to achieve long-term performance through high conviction idea. The portfolio will be constructed from investment ideas derived from rigorous bottom-up research overlaid by top-down analysis.</p> <p>Risk management with an emphasis on portfolio diversification forms an integral part of the External Investment Manager's investment strategy and process. The External Investment Manager intends to adopt an active management strategy in meeting the Fund's investment objective. As the Fund primarily invests in equities and equities-related instruments, the equity weighting may change as the External Investment Manager purchases and/or sell equities based on the prevailing market condition. The External Investment Manager may take temporary defensive positions in attempting to respond to adverse market conditions, economic, political or any other conditions. The External Investment Manager reserves the right to take defensive</p>

	<p>position by holding liquid assets and investing in money market instruments. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.</p> <p>Given that the Fund is invested in foreign markets, there is risk associated with currency volatility. The External Investment Manager usually does not hedge their foreign currency exposure on a daily basis unless it will assist in mitigating adverse currency movements.</p> <p>The External Investment Manager diversifies its investment across a range of securities in order to mitigate specific risk exposure to any particular company or a group of companies. The investments of the Fund are also diversified across markets / countries which will assist in mitigating country risk that may arise.</p> <p>The External Investment 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>
Minimum Initial Investment	RM1,000.
Minimum Additional Investment	RM100.
Minimum Holdings	500 Units.
Distribution Policy	Annual/ interim distribution (if any).

Note:

Please refer to Section 3 and Section 5 of the replacement master prospectus dated 23 November 2021 (“Master Prospectus”) for further information.

4. Who am I investing with?

Manager	TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))
Trustee	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A))
External Investment Manager	Lion Global Investors Limited (Registration Number: 198601745D)

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:

Economic Risk	Prospective investors should be aware that the price of Units and the income from their investments may go down or up in response to changes in interest rates, foreign exchange, economic and political condition and the earnings of corporations making up in the portfolio of the Fund. Economic risk is managed through portfolio diversification and asset allocation and monitoring of investment portfolio by professional fund manager and the investment committee, with the aim to minimise securities exposure in the event of anticipated market weaknesses.
Currency Risk	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.

Emerging Market Risk	<p>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.</p> <p>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.</p>
External Fund Manager's Risk	<p>In the case that the investments of Fund are managed by another fund house, the Manager has no control over the fund house's investment technique, knowledge or management expertise. In the event of mismanagement of the investments by the fund house, the NAV of the Fund would be affected negatively. The Fund would also be affected should there be any unresolved dispute between the Manager and the fund house. Although the probability of such occurrences is minor, should the situation arise TAIM reserves the right to seek an alternative external fund manager that is consistent with the objective of the Fund.</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 IUTAs 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 charges¹ related to the Fund:

Sales Charge	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.
Repurchase Charge	The Manager has no intention to impose any repurchase charge.
Switching Fee	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.
Transfer Fee	An administrative charge of RM5.00 or any other amount as the Manager may deem appropriate.
Annual Management Fee	Up to 1.50% per annum of the NAV of the Fund.
Annual Trustee Fee²	0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum of RM15,000 per annum).

Notes:

1. 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.
2. 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 for the Unit price.

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

Cooling-off period	<ul style="list-style-type: none"> • 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"> ➢ a staff of TAIM; and ➢ a person registered with a body approved by the SC to deal in unit trusts. • 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.
Redemption	<ul style="list-style-type: none"> • Redemption requests must be submitted by completing the transaction form. • 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.

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>N¹ = NAV on the end of the period N² = NAV on the beginning of the period</p> <p>* $\text{Average Total Return} = \frac{\text{Total Sub Period Returns}}{\text{Number of Sub Periods}}$</p> <p>** $\text{Annual Total Return} = (1 + \text{Cumulative Return})^{N^3/N^4} - 1$</p> <p>N³ = Number of periods per year N⁴ = 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 November 2020

	1 Year	3 Years	5 Years	10 Years
Fund (%)	-12.77	-4.70	2.35	3.63
Benchmark MYR (%)	-9.13	-2.33	3.23	2.97
Benchmark USD (%)	-6.84	-2.21	4.17	0.42

The benchmark used by the investment manager for the Fund is the FTSE/ASEAN 40 Index (since inception until 31 January 2018) & MSCI ASEAN Index (effective 1 February 2018).

Source: Lipper for Investment Management

Annual Total Return for the Financial Year Ended 30 November

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Fund (%)	-12.77	3.19	-3.86	15.85	12.07	-1.81	12.61	7.72	9.38	-2.39
Benchmark MYR (%)	-9.13	4.58	-1.48	15.45	9.01	-4.52	9.51	3.88	9.04	-3.43
Benchmark USD (%)	-6.84	4.78	-3.71	26.07	4.08	-24.26	4.34	-2.02	14.02	-3.77

Source: Lipper for Investment Management

Distribution of Income for the Financial Year Ended 30 November

	2020	2019	2018
Unit Split	Nil	Nil	Nil
Gross distribution per Unit (sen) - Final	Nil	2.00	1.50
Gross distribution per Unit (sen) - Interim	Nil	Nil	0.80
Net distribution per Unit (sen) – Final	Nil	2.00	1.50

Net distribution per Unit (sen) – Interim	Nil	Nil	0.80
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(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 objective but did not meet its objective to provide capital growth for the annual twelve-month period under review. For the annual twelve-month period ended November 2020, the Fund posted a return of -12.77% in MYR terms and underperformed the benchmark's return of -9.13% in MYR terms.

The Fund was largely impacted by the fallout from the pandemic in the first six-month period although it recovered in the next six months. Our stock selection in Singapore and Thailand contributed to performance while our stock selection in Indonesia, Malaysia and Philippines detracted from performance. We will continue to seek under-valued companies in the South East Asia markets through our bottom-up in depth stock research and selection investment approach.

Portfolio Turnover Ratio ("PTR") for the Financial Year Ended 30 November

	2020	2019	2018
PTR (times)	0.73	0.38	0.49

The PTR for current financial year has registered an increase as compared to the previous year's result. This is due to increase in average transaction value of the Fund.

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 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

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
- (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
- (d) via online complaint form available at : 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
- (d) via online complaint form available at : www.fimm.com.my

(e) via letter to

: Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th 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.
IUTA	A corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
Lion Global Investors	Lion Global Investors Limited.
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.
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)).