

TA EUROPEAN EQUITY FUND

Date of Issuance: 1st October 2017

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 omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENTS 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.

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This Product Highlights Sheet only highlights the key features and risks of this unlisted capital market product. 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, Real Estate Investment Trusts (REITs) and Exchange Traded Funds (ETFs) that invest in Europe

PRODUCT SUITABILITY

2. Who is this product suitable for?

The Fund is suitable for investors who:

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

KEY PRODUCT FEATURES

3. What am I investing in?

Fund Category	Fund of Funds (European Equity)
Launch Date	20 March 2007
Asset Allocation	<ul style="list-style-type: none">• 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• may invest up to 15% of its Net Asset Value (NAV) into bond funds when the equity markets are anticipated to be weak
Performance Benchmark	<ul style="list-style-type: none">• FTSE World Europe Index
Investment Policy & Strategy	<ul style="list-style-type: none">• The Manager will decide on the Funds 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 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

Note:

Please refer to Section 3 of the Master Prospectus dated 1 October 2016 ("Master Prospectus") for further details.

4. Who am I investing with?

Manager / Investment Manager	TA Investment Management Berhad (Company No. 340588-T)
Trustee	Maybank Trustees Berhad (Company No. 5004-P)

5. What are the possible outcomes of my investment?

The investor 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:

Market Risk	This is the risk when the value/ demand of a stock/ share, bonds or any other security may be reduced due to market activity. The volatility of the market activity can be caused by factors such as inflation, changes in government policies, interest rates and exchange rates. This is a basic risk associated with all securities. Such volatility of the market activity will cause the NAV or performance of units to fall as well as rise, and income produced by the Funds may also fluctuate.
Currency Risk	The NAV of the Fund may be affected favorably or unfavorably by exchange control regulations or changes in exchange rates between Ringgit and the relevant foreign currencies if the Fund invests in foreign currencies or assets denominated in a foreign currencies, the Fund is exposed to foreign currencies risks.
Country Risk	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.
Emerging Market Risk	Some of the Funds 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.
Credit/Default Risk	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/profit. 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.
Interest Rate Risk	This risk refers to the effect of interest rate changes on the market value of a bond portfolio and demand for a portfolio. In the event of rising interest rates, prices of fixed income securities will decrease and vice versa.
Risk associated with underlying funds Risk	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.

Note:

Please refer to "Specific Risks" of Master Prospectus for further information.

Please be advised that if a unit holder invests in units through an institutional unit trust advisers which adopts the nominee system of ownership, the unit holder would not be considered to be a unit holder under the deed and the unit holder may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right to call for a unit holders' 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 related to the fund:

Sales Charge¹	A maximum of 7.00% ² of the NAV per unit is imposed either by IUTAs, unit trust consultants or by the Manager
Repurchase Charge	Nil
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 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
Management Fee	1.80% per annum of the NAV of the Fund

Trustee Fee	0.08% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily(excluding foreign custodian fees and charges)
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Notes:

1. All sales charge is to be rounded up to two (2) decimal points. The Manager reserves the right to waive and/ or reduce the sales charge from time to time at its absolute discretion.
2. Investors may negotiate for a lower sales charge through the sales and promotional campaigns from time to time or alternatively, investors may negotiate with their preferred distribution channel for a lower sales charge. Investment through the distribution channel shall be subjected their respective terms and conditions.

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.

VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

Valuations are valued daily at the end of a business day and you may refer to the Manager's website, 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 the Manager for the first time but shall not include the following person: <ul style="list-style-type: none"> ➢ our staff; and ➢ 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 of application is accepted or deemed to be accepted by the Manager.
Redemption	<ul style="list-style-type: none"> • Redemption must be submitted by completing the transaction form to the respective servicing agent or direct to Manager's office. The transaction form is available at any Manager's head office, branches or at authorised collection centres • Redemption proceed will be paid within ten (10) days, provided the completed documents is received by Manager's head office.

Note:

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

FUND PERFORMANCE

Average Total Return as at 30 June 2017

	1 Year	3 Years	5 Years	10 Years
Fund (%)	19.26	10.45	15.24	2.28
Benchmark in MYR (%)	25.56	7.01	12.45	-0.14
Benchmark in EURO (%)	14.86	3.24	8.16	-0.63

Annual Total Return for the Financial Year Ended 30 June

	Fund (%)	Benchmark in MYR (%)	Benchmark in EURO (%)
2016	19.26	25.56	14.86
2015	2.20	-7.72	-13.38
2014	10.58	5.78	10.62
2014	26.52	27.53	19.13
2013	19.23	15.09	12.93
2012	-13.03	-15.90	-8.63
2011	21.45	23.77	12.11
2010	-4.77	-5.32	17.71
2009	-23.46	-31.91	-28.91

2008	-19.95	-18.34	-26.03
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Source: Lipper for Investment Management (based on NAV to NAV with distributions reinvested)

Distribution of Income for the Financial Year Ended 30 June

	2017	2016	2015
(i) Unit split	1:10	1:10	1:10

Performance and Investment Strategies Employed

The Fund met its objectives for the financial year under review by providing positive return. For the financial year ending 30 June 2017, the Fund posted a positive return of 19.26% and outperformed its benchmark FTSE World Europe Index (in Euro) at 14.86% however the Fund underperformed the FTSE World Europe Index (in Ringgit) of 25.56%. During the financial year, TA European Equity Fund ("TAEURO") invested in 6 collective investment schemes managed by Henderson Global Investors Limited and 1 collective investment scheme managed by BNP Paribas Investment Partners. We will continue our strategy of investing in a broad segment of European companies that will benefit from the improving macro environment and provide resilience in the long run. The tactical asset allocation of the Fund is determined through a set of structured decisions revolving around managerial style, sector and regional selection and asset class allocation. Any changes to the Fund's allocation will mainly be driven by changes to the set of factors that influence these variables.

Portfolio Turnover Ratio for the Financial Year Ended 30 June

	2017	2016	2015
Portfolio Turnover (times)	0.71	0.42	1.08

The PTR for the current financial year has increased as compared to the previous year's result due to an increase in the average transactional value.

Asset Allocation for the Financial Year Ended 30 June

The Fund's asset allocation for the last three financial years is as follows:

	2017	2016	2015
Collective investment scheme (%)	58.88	75.19	91.53
Cash (%)	41.12	24.81	8.47

The Fund mainly invests in collective investment schemes and liquid asset.

Management Expense Ratio (MER) for the Financial Year Ended 30 June

	2017	2016	2015
MER (%)	1.98	1.99	1.96

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

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

FUND HIGHLIGHTS

Audited Statement of Comprehensive Income/ Income Statement for the Financial Years ended 30 June:

	2017	2016	2015
	RM	RM	RM
Total Investment Income/(Loss)	32,519,558	(5,321,683)	7,643,346
Total Expenses	1,526,271	2,315,508	587,521
Net Income/(Loss) Before Taxation	30,993,287	(7,637,191)	7,055,825
Net Income/(Loss) After Taxation	30,993,287	(7,637,191)	7,055,825

Audited Statement of Financial Position/ Balance Sheet as at 30 June:

	2017	2015	2014
	RM	RM	RM
Total Investments	64,404,573	246,979,292	131,291,487
Total Other Assets	2,997,823	2,583,483	5,626,324

Total Assets	67,402,396	249,562,775	136,917,811
Total Liabilities	845,489	7,148,542	1,457,919
Net Asset Value/Total Equity	66,556,907	242,414,233	135,459,892

**THE AUDITED FINANCIAL STATEMENTS OF THE FUND ARE DISCLOSED IN THE FUND'S ANNUAL REPORT.
THE ANNUAL REPORT OF THE FUND IS AVAILABLE UPON REQUEST.
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 Corporation (SIDREC):

- (a) via phone to : 03-2282 2280
- (b) via fax to : 02-2282 3855
- (c) via email 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 Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:

- (a) via phone to the Aduan Hotline at : 03-6204 8999
- (b) via fax to : 03-6204 8991
- (c) via email to : aduan@seccom.com.my
- (d) via online complaint form available at : www.sc.com.my
- (e) via letter to : Investors Affairs & Complaints Department
Securities Commission Malaysia
No. 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 email 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