

Prepared on: 20/09/22

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of the Phillip SGD Money Market ETF (the “Sub-Fund”), a sub-fund of the Phillip Legacy Funds (the “Fund”), and complements the Prospectus<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the Sub-Fund (“Units”). If you do not have a copy, please contact us to ask for one.
- You should not invest in the Sub-Fund if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the Units, you will need to make an application in the manner set out in the Prospectus.

**PHILLIP SGD MONEY MARKET ETF  
PHILLIP LEGACY FUNDS**

SGX-ST counter name (SGX-ST stock code)	Primary Currency: PHILLIP MM S\$ (MMS) Secondary Currency: PHILLIP MM US\$ (MMT)	SGX-ST Listing Date	5 October 2020
Product Type	Exchange Traded Fund The Units are Excluded Investment Products and Prescribed Capital Markets Products	Designated Market Maker	Phillip Securities Pte Ltd
Manager	Phillip Capital Management (S) Ltd	Underlying Reference Asset	FTSE SGD 3-month SOR Index (the “Index”)
Investment Manager	N/A	Traded Currency	Singapore dollars (S\$) US dollars (US\$)
Expense ratio (for the financial year ended 31 December 2021)	0.24% (excluding preliminary expenses) 0.32% (including preliminary expenses)	Board Lot Size	1 Unit

**PRODUCT SUITABILITY**

**WHO IS THE PRODUCT SUITABLE FOR?**

- The Sub-Fund is only suitable for investors who:
  - seek a flexible investment tool for cash management;
  - seek to preserve principal value; and
  - seek to maintain a high degree of liquidity while obtaining returns comparable to savings deposits.

Further Information  
Refer to Section A of Appendix II to the Prospectus for further information on product suitability.

**KEY PRODUCT FEATURES**

**WHAT ARE YOU INVESTING IN?**

- You are investing in a Sub-Fund that provides investment results that closely correspond, before fees and expenses, to the performance of the Index or any replacement index which references the SORA and provides for the same or substantially similar exposure as the Index.

Refer to <https://www.yieldbook.com/m/indices/single.shtml?ticker=FFIIS>

<sup>1</sup> The Prospectus is available for collection at the Manager’s registered office at 250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101, from Monday to Friday during normal business hours, or accessible at [www.phillipfunds.com](http://www.phillipfunds.com).

<ul style="list-style-type: none"> <li>The Sub-Fund will invest all or substantially all of its assets in high quality debt and money market instruments, and deposits with eligible financial institutions. This may include government and corporate bonds, commercial bills and deposits with financial institutions.</li> <li>The Manager will not be declaring any distributions to investors in respect of the Sub-Fund.</li> </ul>	<p><a href="#">DSOR</a> for information on the value of the Index and the Index's construction methodology.</p>
<b>Investment Strategy</b>	
<ul style="list-style-type: none"> <li>The Manager will construct the Sub-Fund's portfolio using the Optimisation Strategy.</li> <li>The Manager will undergo a disciplined asset allocation process which focuses on the quality and maturity of the investments of the Sub-Fund.</li> <li>In terms of quality, the Manager will only place the deposited property of the Sub-Fund into high quality debt securities or high quality money market instruments which comply with Appendix 2 of the Code.</li> <li>Out of investments that fulfil the above criteria on quality, the Manager will construct the Sub-Fund's portfolio such that it has an overall weighted portfolio maturity at or below 3 months.</li> <li>Through this process, the Manager seeks to manage the liquidity, credit and interest rate risks of the Sub-Fund while at the same time provide diversification to the Sub-Fund. The Sub-Fund should hold a portfolio of investments that display generally the same risk and return characteristics of the Index.</li> <li>In the event that the SOR is discontinued, the Sub-Fund will hold a portfolio of investments that display generally the same risk and return characteristics of the replacement index which references the SORA and provides for the same or substantially similar exposure as the Index.</li> </ul>	<p>Refer to Section B of Appendix II to the Prospectus setting out the description of the investment objective, approach and strategy of the Sub-Fund.</p>
<b>Parties Involved</b>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>The Manager is Phillip Capital Management (S) Ltd.</li> <li>The Trustee and Registrar is HSBC Institutional Trust Services (Singapore) Limited.</li> <li>The Custodian is The Hongkong and Shanghai Banking Corporation Limited.</li> </ul>	<p>Refer to Paragraphs 8.1, 8.2, 8.5, 8.6 and 8.8 of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.</p>
<b>KEY RISKS</b>	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></p> <p><b>The price of Units and any income earned on the Units may go down as well as up, and you may not get back the amount you have invested in the Sub-Fund. The risk factors below may cause you to lose some or all of your investment. However, these risk factors identified are not exhaustive and you should refer to the Prospectus for a fuller description of the risk factors.</b></p>	<p>Refer to Paragraphs 6 and 7 of, and Section D of Appendix II to, the Prospectus for further information on the risks of the Sub-Fund.</p>
<b>Market and Credit Risks</b>	
<ul style="list-style-type: none"> <li>You are exposed to market risk.</li> </ul>	

<ul style="list-style-type: none"> <li>○ The Net Asset Value of the Units will fluctuate with changes in the market value of the securities held by the Sub-Fund. Investors in the Sub-Fund are exposed to the same risks that investors who invest directly in the underlying securities would face.</li> </ul>																	
<b>Liquidity Risks</b>																	
<ul style="list-style-type: none"> <li>● <b>The secondary market may be illiquid.</b> <ul style="list-style-type: none"> <li>○ You can sell your Units on the SGX-ST. However, you may not be able to find a buyer on the SGX-ST when you wish to sell your Units.</li> </ul> </li> <li>● <b>Redemption through Participating Dealers.</b> <ul style="list-style-type: none"> <li>○ Investors can only redeem Units through Participating Dealers if they are clients of the relevant Participating Dealer, subject to such terms and conditions as may be imposed. A redemption application shall only be made or accepted in respect of Units constituting an application unit size of 500 Units (or such higher number of Units in multiples of 10 Units).</li> </ul> </li> </ul>	<p>Refer to Paragraph 6.10 of the Prospectus for situations in which trading of Units may be suspended.</p>																
<b>Product-Specific Risks</b>																	
<ul style="list-style-type: none"> <li>● <b>The purchase of a Unit in the Sub-Fund is not the same as placing funds on deposit with a bank or deposit-taking company.</b> <ul style="list-style-type: none"> <li>○ The Sub-Fund does not guarantee principal and the Manager has no obligation to redeem the Units at the offer value. The Sub-Fund is also not protected by a deposit guarantee scheme.</li> </ul> </li> <li>● <b>Transition from SOR to SORA</b> <ul style="list-style-type: none"> <li>○ SORA has been identified as the alternative interest rate benchmark for SOR. This transition is necessary given the expected discontinuation of USD LIBOR. In the event that the Index is no longer available for use by the Sub-Fund as a result of SOR being discontinued, the Manager will source for a suitable replacement index. However, there is no guarantee that the Manager will be able to identify or agree with the Index provider or any other index provider terms for the use of a suitable replacement index. In such circumstances, the Sub-Fund may be terminated by the Manager.</li> </ul> </li> <li>● <b>Composition and Characteristics of SORA are not the same as those of SOR</b> <ul style="list-style-type: none"> <li>○ SORA has been identified as the alternative interest rate benchmark for SOR. However, the composition and characteristics of SORA are not the same as those of SOR. As a result, there can be no assurance that SORA will perform in the same way as SOR would have at any time.</li> </ul> </li> </ul>																	
<b>FEES AND CHARGES</b>																	
<p><b>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</b>  <u>Payable directly by Participating Dealers</u></p> <table border="1" data-bbox="225 1536 1139 1989"> <tr> <td colspan="2" data-bbox="225 1536 1139 1576">Creation of Units</td> </tr> <tr> <td data-bbox="225 1576 485 1648">Transaction Fee</td> <td data-bbox="485 1576 1139 1648">Waived by the Manager for all Participating Dealers in relation to the Sub-Fund</td> </tr> <tr> <td data-bbox="225 1648 485 1720">Application Cancellation Fee</td> <td data-bbox="485 1648 1139 1720">S\$2,500 per Application.</td> </tr> <tr> <td data-bbox="225 1720 485 1769">Extension Fee</td> <td data-bbox="485 1720 1139 1769">S\$2,500 per Application.</td> </tr> <tr> <td colspan="2" data-bbox="225 1769 1139 1809">Redemption of Units</td> </tr> <tr> <td data-bbox="225 1809 485 1881">Transaction Fee</td> <td data-bbox="485 1809 1139 1881">Waived by the Manager for all Participating Dealers in relation to the Sub-Fund</td> </tr> <tr> <td data-bbox="225 1881 485 1953">Application Cancellation Fee</td> <td data-bbox="485 1881 1139 1953">S\$2,500 per Application.</td> </tr> <tr> <td data-bbox="225 1953 485 1989">Extension Fee</td> <td data-bbox="485 1953 1139 1989">S\$2,500 per Application.</td> </tr> </table>	Creation of Units		Transaction Fee	Waived by the Manager for all Participating Dealers in relation to the Sub-Fund	Application Cancellation Fee	S\$2,500 per Application.	Extension Fee	S\$2,500 per Application.	Redemption of Units		Transaction Fee	Waived by the Manager for all Participating Dealers in relation to the Sub-Fund	Application Cancellation Fee	S\$2,500 per Application.	Extension Fee	S\$2,500 per Application.	<p>Refer to Paragraph 20 and Section A of Appendix II to the Prospectus for further information on fees and charges.</p>
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The above fees and charges payable by the Participating Dealers may be passed on to investors in full or in part, depending on the relevant Participating Dealer.

Payable directly by Investors Dealing in Units on the SGX-ST

Subscription/Redemption Fee	Nil.
Brokerage	Market rates. Investors will have to bear brokerage fees charged by their stockbrokers.
Clearing fee and SGX access fee	Currently the clearing fee and SGX access fee for trading Units of the Sub-Fund on the SGX-ST are 0.0001% and 0.0001% of the transaction value respectively and subject to GST. These fees are subject to change at SGX-ST's discretion.

Payable by the Sub-Fund from invested proceeds

Manager's Fee	0.10% per annum of the Net Asset Value, which shall be subject to a quarterly reset and capped at a maximum of 0.30% per annum of the Net Asset Value.
Trustee's Fee	0.025% per annum of the Net Asset Value, subject always to a minimum of S\$24,000 per annum.
Custodian Fee	The Custodian Fee may exceed 0.10% per annum of the Net Asset Value depending on, amongst others, the size of the Sub-Fund and the number of transactions carried out.
Other fees and charges	Other fees and charges include fund administration and valuation fees, legal fees, audit fees, transaction fees, accounting fees, licensing fees, transaction processing and cash processing fees. Such fees and charges are subject to agreement with the relevant parties and may amount to or exceed 0.10% per annum of the Net Asset Value, depending on the proportion each fee or charge bears to the Net Asset Value.

**CONTACT INFORMATION**

**HOW DO YOU CONTACT US?**

If you have questions concerning the Sub-Fund, you may call the Manager at telephone number (65) 6230 8133.

**APPENDIX: GLOSSARY OF TERMS**

"Application"	means an application by a Participating Dealer for the creation or redemption of Units, in accordance with the procedures for creation and redemption of Units set out in the Operating Guidelines (as defined under the Trust Deed), the relevant Participation Agreement and the terms of the Trust Deed.
"Code"	means the Code on Collective Investment Schemes issued by the MAS (as may be amended from time to time).

“Excluded Investment Product”		means any capital markets product that belongs to a class of capital markets products listed in the Schedule to the Securities and Futures (Capital Markets Products) Regulations 2018, issued by the MAS (as may be amended from time to time).
“MAS”		means the Monetary Authority of Singapore or its successors.
“Net Asset Value”		means the net asset value of the Sub-Fund or, as the context may require, the net asset value of a Unit of a Sub-Fund calculated pursuant to the Trust Deed.
“Participating Dealer”		means a broker or dealer who has entered into a Participation Agreement in form and substance acceptable to the Manager and the Trustee.
“Prescribed Capital Markets Product”		means any capital markets product that belongs to a class of capital markets products listed in the Schedule to the Securities and Futures (Capital Markets Products) Regulations 2018.
“Redemption Value”		means, in respect of a Unit of a Sub-Fund, the price per Unit at which such Unit is redeemed, calculated in accordance with the Trust Deed.
“SOR”		means the Singapore Swap Offer Rate.
“SORA”		means the Singapore Overnight Rate Average.
“SGX-ST”		means the Singapore Exchange Securities Trading Limited or its successors.
“Trust Deed”		means the trust deed constituting the Fund dated 24 September 2018 between the Manager and the Trustee, as amended, supplemented or restated from time to time.