

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of the Phillip SING Income 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 SING INCOME ETF  
PHILLIP LEGACY FUNDS**

SGX-ST counter name (SGX-ST stock code)	PHIL SING INC (OVQ)	SGX-ST Listing Date	29 October 2018
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	Morningstar® Singapore Yield Focus Index <sup>SM</sup> (the “Index”)
Investment Manager	N/A	Traded Currency	Singapore dollars (S\$)
Expense ratio (for the financial year ended 31 December 2021)	0.73%	Board Lot Size	1 Unit

**PRODUCT SUITABILITY**

**WHO IS THE PRODUCT SUITABLE FOR?**

- The Sub-Fund is only suitable for investors who:
  - want capital growth and regular income in the form of dividends;
  - seek an index-based approach to investing in a diversified basket of stocks listed on the SGX-ST in a cost effective and easy to access manner; and
  - believe that the Index will increase in value over time.

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

**KEY PRODUCT FEATURES**

**WHAT ARE YOU INVESTING IN?**

- You are investing in an exchange traded fund that aims to replicate as closely as possible, before fees and expenses, the performance of the Index.
- The Index is compiled and maintained by Morningstar Research Pte. Ltd. and is designed to screen for high yielding stocks listed on the SGX-ST with superior quality and financial health. The Index Securities and their respective weightings within the Index will be reviewed and rebalanced semi-annually on the third Friday of June and December each year.
- Distributions, if any, will be determined by the Manager. To the extent that any distributions will be determined by the Manager, such distributions will be declared semi-annually in June and December of each year or at such other times as the Manager may determine. Investors should note that the declaration of semi-annual distributions is

Refer to <https://indexes.morningstar.com/our-indexes/equity/E000010YGW> for information on the value of the Index and the Index’s construction methodology.

<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).

<p>not guaranteed and the Manager may review the distribution policy in the future depending on prevailing market conditions.</p> <ul style="list-style-type: none"> <li>The Manager may make distributions out of distributable income and/or the capital of the Sub-Fund. Distributions (whether out of income and/or capital) may have the effect of lowering the Net Asset Value of the Sub-Fund and this will be reflected in the Redemption Value of the Units. Moreover, distributions out of capital may amount to a reduction of an investor's original investment. Investors redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to investors.</li> </ul>	
<b>Investment Strategy</b>	
<ul style="list-style-type: none"> <li>The Manager employs a "passive management" or indexing investment approach designed to track the performance of the Index.</li> <li>The Manager intends to carry out its investment strategy via a replication strategy as described below.</li> <li>Using a replication strategy, the Sub-Fund will invest in substantially all the Index Securities in substantially the same weightings (i.e. proportions) as the Index and the Application Basket may comprise odd lots of the Index Securities. For purposes of tracking the Index closely, the Manager may, from time to time, adjust the number of odd lots of Index Securities in each Application Basket.</li> <li>However, if the Manager believes that a replication strategy is not the most efficient means to track the Index, the Manager may decide to adopt a representative sampling strategy instead.</li> <li>Using a representative sampling strategy, the Sub-Fund will hold a representative sample of a portfolio of securities selected by the Manager using quantitative analytical models in a technique known as "portfolio sampling". Where a representative sampling strategy is employed, securities that are not constituents of the Index may be held by the Sub-Fund. Such securities will be expected to have a high level of correlation or a similar valuation or market capitalisation as the relevant Index Securities.</li> <li>The Manager will seek to construct the portfolio of the Sub-Fund such that, in the aggregate, its capitalisation, industry and fundamental investment characteristics perform like those of the Index.</li> <li>The Manager may use or invest in financial derivative instruments in accordance with the Securities and Futures (Capital Markets Products) Regulations 2018 and Appendix 1 of the Code on Collective Investment Schemes.</li> </ul>	<p>Refer to Section B of Appendix I 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</b></p>	<p>Refer to Paragraphs 6 and 7 of, and Section C of Appendix I to, the</p>

<p>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.</p>	<p>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>• <b>You are exposed to market risk.</b> <ul style="list-style-type: none"> <li>○ The Net Asset Value of the Units will fluctuate with changes in the market value of the Index 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> </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 50,000 Units (or such higher number of Units in multiples of 1,000 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>You are exposed to concentration risk.</b> <ul style="list-style-type: none"> <li>○ The Index Securities are comprised of stocks listed on SGX-ST and may be less diversified compared to a broad-based fund, such as a global or regional equity fund. Hence, it is more susceptible to fluctuations in value resulting from adverse conditions in the relevant region.</li> </ul> </li> <li>• <b>You are exposed to passive investment risk.</b> <ul style="list-style-type: none"> <li>○ The Manager does not attempt to select securities individually or to take defensive positions when the Index moves in an unfavourable direction. The Sub-Fund invests (either directly or indirectly) in the Index Securities regardless of their investment merit, except to the extent of any representative sampling strategy. The lack of discretion on the part of the Manager to adapt to market changes due to the passive investment nature of the Sub-Fund will mean that falls in the Index are expected to result in corresponding falls in the value of the Sub-Fund, and investors may lose substantially all of their investment.</li> </ul> </li> <li>• <b>You are exposed to tracking error risk.</b> <ul style="list-style-type: none"> <li>○ Factors such as fees and expenses of the Sub-Fund, imperfect correlation between the Sub-Fund's assets and the Index Securities constituting the Index, changes to the Index and regulatory policies may affect the Manager's ability to achieve close correlation with the performance of the Index. The Sub-Fund's returns may therefore deviate from the Index and there is no assurance that the Sub-Fund will be able to fully track the performance of the Index.</li> </ul> </li> </ul>									
<b>FEES AND CHARGES</b>									
<p><b>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</b></p> <p><u>Payable directly by Participating Dealers</u></p> <table border="1" data-bbox="225 1839 1131 2024"> <tr> <td colspan="2" data-bbox="225 1839 1131 1872">Creation of Units</td> </tr> <tr> <td data-bbox="225 1872 485 1933">Transaction Fee</td> <td data-bbox="485 1872 1131 1933">S\$450 per Application (in cash). S\$2,500 per Application (in-kind).</td> </tr> <tr> <td data-bbox="225 1933 485 1993">Application Cancellation Fee</td> <td data-bbox="485 1933 1131 1993">S\$2,500 per Application.</td> </tr> <tr> <td data-bbox="225 1993 485 2024">Extension Fee</td> <td data-bbox="485 1993 1131 2024">S\$2,500 per Application.</td> </tr> </table>	Creation of Units		Transaction Fee	S\$450 per Application (in cash). S\$2,500 per Application (in-kind).	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 I to the Prospectus for further information on fees and charges.</p>
Creation of Units									
Transaction Fee	S\$450 per Application (in cash). S\$2,500 per Application (in-kind).								
Application Cancellation Fee	S\$2,500 per Application.								
Extension Fee	S\$2,500 per Application.								

<b>Redemption of Units</b>															
Transaction Fee	S\$450 per Application (in cash). S\$2,500 per Application (in-kind).														
Application Cancellation Fee	S\$2,500 per Application.														
Extension Fee	S\$2,500 per Application.														
<p>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.</p> <p><u>Payable directly by Investors Dealing in Units on the SGX-ST</u></p> <table border="1"> <tr> <td>Subscription/ Redemption Fee</td> <td>Nil.</td> </tr> <tr> <td>Brokerage</td> <td>Market rates. Investors will have to bear brokerage fees charged by their stockbrokers.</td> </tr> <tr> <td>Clearing fee and SGX access fee</td> <td>Currently the clearing fee and SGX access fee for trading Units on the SGX-ST are 0.0325% and 0.0075% of the transaction value respectively and subject to the prevailing goods and services tax. These fees are subject to change at SGX-ST's discretion.</td> </tr> </table> <p><u>Payable by the Sub-Fund from invested proceeds</u></p> <table border="1"> <tr> <td>Manager's Fee</td> <td>0.40% per annum of the Net Asset Value of the Sub-Fund.</td> </tr> <tr> <td>Trustee's Fee</td> <td>Up to 0.04% per annum of the Net Asset Value of the Sub-Fund, subject always to a minimum of S\$15,000 per annum.</td> </tr> <tr> <td>Custodian Fee</td> <td>The Custodian Fee may exceed 0.10% per annum of the Net Asset Value of the Sub-Fund depending on, amongst others, the size of the Sub-Fund and the number of transactions carried out.</td> </tr> <tr> <td>Other fees and charges</td> <td>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 of the Sub-Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Sub-Fund.</td> </tr> </table>		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 on the SGX-ST are 0.0325% and 0.0075% of the transaction value respectively and subject to the prevailing goods and services tax. These fees are subject to change at SGX-ST's discretion.	Manager's Fee	0.40% per annum of the Net Asset Value of the Sub-Fund.	Trustee's Fee	Up to 0.04% per annum of the Net Asset Value of the Sub-Fund, subject always to a minimum of S\$15,000 per annum.	Custodian Fee	The Custodian Fee may exceed 0.10% per annum of the Net Asset Value of the Sub-Fund 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 of the Sub-Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Sub-Fund.
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 on the SGX-ST are 0.0325% and 0.0075% of the transaction value respectively and subject to the prevailing goods and services tax. These fees are subject to change at SGX-ST's discretion.														
Manager's Fee	0.40% per annum of the Net Asset Value of the Sub-Fund.														
Trustee's Fee	Up to 0.04% per annum of the Net Asset Value of the Sub-Fund, subject always to a minimum of S\$15,000 per annum.														
Custodian Fee	The Custodian Fee may exceed 0.10% per annum of the Net Asset Value of the Sub-Fund 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 of the Sub-Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Sub-Fund.														
<b>CONTACT INFORMATION</b>															
<b>HOW DO YOU CONTACT US?</b>															
If you have questions concerning the Sub-Fund, you may call the Manager at telephone number (65) 6230 8133.															
<b>APPENDIX: GLOSSARY OF TERMS</b>															
"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.														

“Application Basket”		means a portfolio of Index Securities fixed by the Manager at the start of business on the relevant Dealing Day and/or the cash equivalent of the Index Securities where applicable, and/or such other Securities (as defined under the Trust Deed) as may be approved by the Manager, for the purpose of the creation and redemption of Units in an application unit size, notified on the relevant date by the Manager in accordance with the Operating Guidelines for Applications.
“CDP”		means The Central Depository (Pte) Limited or any successor thereof established by the SGX-ST as a depository company which operates a central depository system for the holding and transfer of book-entry securities.
“Dealing Day”		means each business day during the continuance of the Sub-Fund, and/or such other day or days as the Manager may from time to time determine with the prior approval of the Trustee.
“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).
“Index Securities”		means securities of those companies which are at the relevant time the constituent companies of the Index, any securities used to track the performance of such securities constituting the Index at the relevant time or such other securities designated by the Manager.
“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.
“Participation Agreement”		means an agreement entered into between the Trustee, the Manager and a Participating Dealer setting out, amongst other things, the arrangements in respect of the Applications.
“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.
“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.