

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF (THE “FUND”)

SGX counter name (SGX stock code)	PHLP AP DIV REIT US\$ (primary currency) (stock code: BYI) PHLP AP DIV REIT S\$D (secondary currency) (stock code: BYJ)	SGX-ST Listing Date	20 October 2016
Product Type	Exchange-Traded Fund (The Units are Excluded Investment Products)	Designated Market Makers	Phillip Securities Pte Ltd
Manager	Phillip Capital Management (S) Ltd	Underlying Reference Asset	iEdge APAC ex Japan Dividend Leaders REIT Index (the “Index”)
Expense Ratio for Financial Year ended 30 September 2024	1.86%	Traded Currency	US dollars (US\$) and Singapore dollars (S\$)
		Board Lot Size	1 Unit

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Fund is only suitable for investors who:
 - want capital growth and regular income in the form of dividends²;
 - seek an ‘index-based’ approach to investing in a diversified basket of REITs in a cost effective and easy to access manner; and
 - believe that the Index will increase in value.

Further Information
Refer to the “Key Information” section of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in an Exchange Traded Fund constituted as a unit trust in Singapore that seeks to provide a high level of income and moderate long-term capital appreciation by tracking, as closely as possible, before expenses, the performance of the Index. The Index is designed to track the performance of 30 highest total dividend-paying REITs in the Asia Pacific Ex-Japan region subject to size, free-float market capitalisation and liquidity constraints. The Index will be reviewed semi-annually in March and September. The Index Provider is SGX Index Edge.

As the Fund invests into REITs, which typically pay most or all of their income as distributions to investors, the Manager expects the Fund to receive regular distributions from the REITs invested into and the Manager will in turn endeavour to declare semi-annual distributions in June and December each year. Payment of distributions, if any, will be made within 2 months of any declaration of distributions. However, investors should note that such distribution is not guaranteed and is subject to all times to the discretion of the Manager.

The declaration and/or payment of distributions (whether out of income and/or capital) may have the effect of lowering the Net Asset Value of the Fund. Moreover, distributions out of capital may amount to a reduction of a Unitholder’s original investment.

Notwithstanding the foregoing provisions, in the event that the Fund is accorded tax transparency treatment by IRAS in respect of distributions received by the Fund from S-REITs out of specified income derived by the S-REITs, the Manager shall comply with the Tax Guide and distribute all distributions from S-REITs (net of expenses)

Refer to the “Phillip SGX APAC Dividend Leaders REIT ETF” section and Appendices I and II of the Prospectus for further information on the features of the product.

¹ The Prospectus is available for collection at the Manager’s office at 250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101, from Monday to Friday during usual business hours, or accessible at www.phillipfunds.com.

² There is currently no income reinvestment service for the Fund.

derived by the Fund for any distribution period (not exceeding 6 months) to Unitholders by the next distribution period. The Units of the Fund are Excluded Investment Products (as defined under the Notice on the Sale of Investment Products, the Notice on Recommendations on Investment Products or the Securities and Futures (Capital Markets Products) Regulations 2018, as may be amended from time to time).	
Investment Strategy	
The Manager employs a “passive management” or indexing investment approach designed to track the performance of the Index. The Index is a fundamentally weighted index that comprises the 30 highest total dividend-paying REITs in the Asia Pacific Ex-Japan region subject to size, free-float market capitalisation and liquidity constraints. Index Securities are ranked and weighted in the Index based on total dividends, where total dividends refer to each Index Security’s trailing 12-month dividends per share (in US\$) multiplied by the free-float number of outstanding shares. The Manager will seek to achieve the Fund’s investment objective by investing all or substantially all of the Fund’s assets in Index Securities in substantially the same weightings as reflected in the Index and aims to deliver an investment performance which closely corresponds to the performance of the Index. However, various circumstances may make it impossible or impracticable to purchase each component Index Security in such weightings. In those circumstances, the Manager may employ, alone or in combination with, other investment techniques in seeking to closely track the performance of the Index. In managing the Fund, the Manager may adopt either a Replication Strategy or a Representative Sampling Strategy. <u>Replication Strategy</u> Using a Replication Strategy, the Fund will invest in substantially all the Index Securities in substantially the same weightings (i.e. proportions) as the Index. 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. <u>Representative Sampling Strategy</u> Using a Representative Sampling Strategy, the 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 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. The Manager will seek to construct the portfolio of the Fund such that, in the aggregate, its capitalisation, industry and fundamental investment characteristics perform like those of the Index.	Refer to the “Investment Policy of the Fund” section of the Prospectus for further information on the investment policy of the Fund.
Parties Involved	
WHO ARE YOU INVESTING WITH? • The Manager is Phillip Capital Management (S) Ltd. • The Trustee is DBS Trustee Limited. • The Custodian is DBS Bank Limited. • The Fund Administration Agent is DBS Bank Limited. • The Registrar is DBS Trustee Limited. Investors may purchase or sell Units either through Participating Dealers or through the SGX-ST. All purchases or sales of Units through the Participating Dealers are subject to such terms and conditions as may be imposed by the relevant Participating Dealer. Investors may approach the Manager or refer to the Manager’s website at www.phillipfunds.com for the current list of Participating Dealers of the Fund.	Refer to the “Key Information”, “Management and Administration” and “Miscellaneous Information” sections of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.
KEY RISKS	
WHAT ARE THE KEY RISKS OF THIS INVESTMENT? The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment:	Refer to the “Risk Factors” section of the Prospectus for further information on risks of the product.

Market and Credit Risks	
• You are exposed to Market Risk. ○ The price of Units and the income from them may go down as well as up. Investment in the Fund involves risks similar to those inherent in investing in REITs traded on an exchange, such as market fluctuations caused by factors like economic and political developments, changes in interest rates and foreign exchange. A significant decline in the value of the Index can therefore be expected to result in a similar decline in the Net Asset Value of the Units. • You are exposed to Foreign Exchange Risk. ○ As the Fund's investments are generally invested in securities in the Asia Pacific, a substantial portion of the revenue and income of the Fund may be received in a currency other than the Fund's base currency of US dollars, hence any fluctuation in the exchange rate of the US dollar relative to the relevant foreign currency will affect the Net Asset Value of the Fund.	
Liquidity Risks	
• The secondary market may be illiquid. ○ 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. While the Fund intends to appoint at least one market maker to assist in creating liquidity for investors, liquidity is not guaranteed and trading of Units on the SGX-ST may be suspended in certain situations. ○ If the Units are delisted from the SGX-ST or if the CDP is no longer able to act as the depository for the Units listed on the SGX-ST, the Fund may be terminated and Units will be redeemed in accordance with the termination provisions in the Trust Deed. • Redemption through Participating Dealers. ○ 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). Investors who do not hold an application unit size may only be able to realise the value of their Units by selling their Units on the SGX-ST.	
Product-Specific Risks	
• You are exposed to risks of investing in REITs. ○ Investments in REITs are subject to risks similar to investing directly in real estate. For example, real estate values may fluctuate as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, etc. ○ REITs may also be subject to financial covenants and/or borrowing/gearing ratios and their ability to comply with such ratios could be adversely affected if the REITs are unable to obtain funds from investors or loans or re-finance existing debt. ○ Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties. • You are exposed to Concentration Risk. ○ The Index Securities is comprised of REITs in the Asia Pacific ex-Japan region and may be less diversified compared to a fund investing in REITs globally. To the extent that a property sector or a geographical region in which the Index Securities are concentrated in falls out of favour, the Fund's performance may be negatively affected. • You are exposed to Tracking Error Risk. ○ Factors such as fees and expenses of the Fund, imperfect correlation between the Fund's assets and the Index Securities constituting the Index, rounding of REIT prices, changes to the Index and regulatory policies may affect the Manager's ability to achieve close correlation with the performance of the Index. The Fund's returns may therefore deviate from the Index and there is no assurance that the Fund will be able to fully track the performance of the Index.	

- **The Fund is not actively managed.**

- The Fund invests in the Index Securities included in the Index and is not actively managed. The Manager does not attempt to select REITs or stocks individually or to take defensive positions in declining markets.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Fees and Charges Payable by Participating Dealers

Creation of Units:	
Transaction Fee	Up to US\$600.00 per application
Application Cancellation Fee [^]	US\$960.00 per application
Extension Fee [^]	US\$960.00 per application
Partial Delivery Request Fee [^]	US\$960.00 per application
Redemption of Units:	
Transaction Fee	Up to US\$960.00 per application
Application Cancellation Fee [^]	US\$960.00 per application
Extension Fee [^]	US\$960.00 per application

The above fees and charges paid by the Participating Dealers may be borne by investors in full or in part, depending on the relevant Participating Dealer.

[^] These fees only apply if the creation or redemption application is cancelled or settlement is extended or where subscription is partially in-kind (as the case may be).

Fees and Charges Payable 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 on the SGX-ST is at the rate of 0.0325% and 0.0075% of the traded value [#] and subject to the prevailing goods and services tax.

[#] Subject to change at SGX-ST's discretion.

Fees and Charges Payable by the Fund

Manager's fee	Currently up to 0.30% p.a of the Net Asset Value of the Fund. Maximum 0.80% p.a of the Net Asset Value of the Fund. The Manager's fee is retained by the Manager as the Manager does not pay any trailer fees with respect to the Fund.
Trustee's fee	Up to 0.10% per annum of the Net Asset Value of the Fund, subject to a monthly minimum of US\$1,000.
Custodian fee	The Custodian Fee payable is subject to agreement between the Manager and the Custodian and may exceed 0.10% of the Net Asset Value of the Fund depending on, amongst others, the size of the 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, 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% of the Net Asset Value of the Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Fund.

Refer to the "Fees, Charges and Expenses" section of the Prospectus for further information on fees and charges.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

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

APPENDIX: GLOSSARY OF TERMS

“Authority”	means the Monetary Authority of Singapore or its successors.
“Business Day”	means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which the Index is compiled and published, and on which banks in Singapore are open for general business (or such other day or days as may from time to time be determined by the Manager and Trustee). The Index will be calculated daily on each Business Day except on days when all exchanges, where the Index's constituents are listed, are officially closed or if the exchange rates are not published.
“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.
“Index Securities”	means units or interests in the REITs listed on the Relevant Exchanges that are included in the Index from time to time.
“IRAS”	means the Inland Revenue Authority of Singapore or its successors.
“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.
“Permissible Investment”	means such investment as may be permitted to be made by the Fund under the Code and (for so long as Units of the Fund are Excluded Investment Products and prescribed capital markets products) the Notice on the Sale of Investment Products, the Notice on Recommendations on Investment Products or the Securities and Futures (Capital Markets Products) Regulations 2018 issued, or as may be permitted to invest in, by the Authority.
“REITs”	means Real Estate Investment Trusts, classified as “Residential and Commercial REITs” under the Thomson Reuters Business Classification.
“Relevant Exchanges”	means the stock exchanges on which the Index Securities are traded and a “Relevant Exchange” means any one of them.
“Security”	means any unit or interest in a collective investment scheme or REIT, share, stock, debenture, loan stock, bond, security, commercial paper, acceptance, depository receipt, trade bill, treasury bill, instrument or note of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):- (A) any right, option or interest (howsoever described) in or in respect of any of the foregoing, including units in any unit trust; (B) any certificate of interest or participation in, or temporary or interim certificate for, receipt for or warrant to subscribe or purchase, any of the foregoing; (C) any instrument commonly known or recognised as a security; (D) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; and (E) any bill of exchange and any promissory note, provided that each of such Securities falling within paragraphs (A) to (E) of this definition shall be a Permissible Investment under the Code.
“SGX-ST”	means the Singapore Exchange Securities Trading Limited or its successors.
“S-REIT”	means a trust that is constituted as a collective investment scheme authorised under section 286 of the Securities and Futures Act 2001 and listed on the SGX-ST, and that invests or proposes to invest in immoveable property and immovable property related assets.

“Tax Guide”	means the e-Tax Guide on Income Tax Treatment of Real Estate Investment Trust Exchange-Traded Funds issued by IRAS (as may be amended from time to time).
“Unit”	means one undivided share in the Fund.
“Unitholder”	means a holder of Units.