



## **PHILLIP GLOBAL STARS FUND ("the Fund")**

### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet ("PHS") has been reviewed and approved by the directors or authorized committee or persons approved by the Board of Phillip Mutual Berhad and they 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, there are no false or misleading statements, or omission of other facts which would make any statement in the PHS false or misleading.

### **STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia ("SC") has authorised the issuance of the Phillip Global Stars Fund and a copy of this PHS has been lodged with the SC.

The authorisation of the Fund and lodgement of this PHS should not be taken to indicate that the Securities Commission of Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

The SC is not liable for any non-disclosure on the part of Phillip Mutual Berhad responsible for the Fund and takes no responsibility for the contents of this PHS. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this PHS, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

This Product Highlights Sheet only highlights the key features and risks of the Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

## PRODUCT HIGHLIGHTS SHEET

### PHILLIP GLOBAL STARS FUND

#### BRIEF INFORMATION OF THE PRODUCT

##### 1. What is this product about?

The Fund is a retail equity fund managed by PMB and aims to provide capital growth and some income\* in the medium to long term by investing in a portfolio of global securities.

*\*Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to the Master Prospectus for further details on distribution policy and reinvestment policy.*

#### PRODUCT SUITABILITY

##### 2. Who is this product suitable for?

The Fund is suitable for investor who is seeking capital growth and some income over the medium to long term by investing in a globally diversified portfolio.

#### KEY PRODUCT FEATURES

##### 3. What am I investing in?

|                               |  |   |
|-------------------------------|--|---|
| Category of Fund              | Equity   |   |
| Type of Fund                  | Growth and income  |   |
| Launch Date                   | 20 July 2006   |   |
| Financial Year End            | 30 <sup>th</sup> September   |   |
| Minimum Initial Investment    | <b>Cash Plan</b>   | <b>Regular Savings Plan</b>   |
|                               | <b>Lump Sum Cash</b><br>RM500 minimum investment.  | You may fix your own time frame for saving, starting with a minimum of five years. Your initial investment must be two times the monthly investment amount subject to a minimum of RM200. |
| Minimum Additional Investment | <b>Cash Plan</b>   | <b>Regular Savings Plan</b>   |
|                               | <b>Lump Sum Cash</b><br>RM100 minimum investment.  | Monthly investment amount: Minimum RM100 via a standing instruction with our appointed bank or financial process exchange (FPX) direct debit service.                                     |
| Asset Allocation              | <p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in equities and equity-related securities listed on any major global stock exchange but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>In the event of exceptional circumstances where equities markets are forecast to have protracted or extreme retracements, the Fund may, as a defensive posture, breach its minimum limit in equity holdings to protect the Fund's investments.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments, and potentially in collective investment schemes, ETF, REITs and structured products.</p> <p><i>Please refer to section 3.12 of the Master Prospectus for further details on the Fund's asset allocation.</i></p> |   |

|                                |  |
|--------------------------------|--|
| Investment Policy and Strategy | <p>The Fund will invest in a portfolio of global securities that have good growth potential. From an equities universe that may meet the Fund's objective, we will undertake a broad-based analysis and classify them into the following before undertaking further analysis:</p> <ul style="list-style-type: none"> <li>• Strongly outperform: Total return of the equities is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.</li> <li>• Outperform: Total return of the equities is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.</li> <li>• Neutral: Total return of the equities is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.</li> <li>• Underperform: Total return of the equities is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price is not anticipated to show a gain.</li> <li>• Strongly underperform: Total return of the equities is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.</li> </ul> <p>Equities that we consider as 'strongly outperform' and 'outperform' have historically provided favourable performance compared to market returns as measured by the relevant benchmarks for US, Europe and Asia.</p> <p>Hence, the Manager believes the Fund's investment objectives may be met by investing in such equities. However, no assurance can be given that this will be the case or that the Fund's investment objective will be met.</p> <p>The Manager will place strong emphasis on bottom-up investing strategy, focusing on selecting equities with good growth potential that are available at a reasonable price and adding an overlay of tactical asset allocation. Broad economic issues, geographic exposures and sector and industry weightings will be considered in the construction of the Fund's portfolio, as a secondary emphasis.</p> <p>The Fund may invest in equities and equity-related securities such as preference shares, rights issues, warrants or covered warrants, convertible loan stocks, equity options or futures and listed structured products. Please also refer to the general risks section in the Master Prospectus and the section on the Fund's permitted investment section in the Master Prospectus.</p> <p>While the Fund invests 70% to 100% of its NAV in equity and equity-related securities, the Fund may invest the balance of its NAV that is not invested in equity and equity-related securities in the following securities/instruments:</p> <ul style="list-style-type: none"> <li>• Fixed income.</li> <li>• Collective investment scheme, exchange traded fund (ETF) and real estate investment trusts (REITs).</li> <li>• Structured products such as bond linked notes, currency linked notes, interest rate linked notes, commodity (contracts) linked notes and credit linked notes.</li> <li>• Money market/liquid assets.</li> </ul> <p>Investment in structured product will be in accordance with the limits set out in the master prospectus and shall only be made in the listed structured product that carries features of capital protected and/or capital guaranteed by the structured product issuer. Please refer to section 4.2 of this Master Prospectus. The Fund is actively managed by the Manager to optimise returns and minimise risk to investors.</p> |
| Performance Benchmark          | <p>The benchmark for the Fund is a composite of 65% S&amp;P 500 Index (SPX), 25% S&amp;P Europe 350 Index (SPE) and 10% S&amp;P Asia 50 Index (SPA50) and these data are derived, calculated and maintained by the Manager using publicly available S&amp;P indices namely S&amp;P 500 Index, S&amp;P Europe 350 Index and S&amp;P Asia 50 Index. The composite benchmark is reflective of the longer term focus of the Fund in the respective regions – it is also reflective of the relative equity market capitalisation of the respective regions. These composite benchmark are available from Bloomberg's website, <a href="http://www.bloomberg.com">www.bloomberg.com</a>, and supporting information services and will be published by the Manager as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.</p>  |

|                     |   |
|---------------------|---|
|                     | <i>*Please note that the risk profile of the Fund does not reflect that of the performance benchmark.</i> |
| Distribution Policy | Investors will receive income distributions once a year subject to the availability of income.            |

#### 4. Who am I investing with?

|                                  |                                    |
|----------------------------------|------------------------------------|
| Manager                          | Phillip Mutual Berhad              |
| Investment Manager               | Phillip Capital Management Sdn Bhd |
| Trustee                          | CIMB Commerce Trustee Berhad       |
| Auditors & Reporting Accountants | Deloitte PLT                       |
| Tax Adviser                      | Deloitte Tax Services Sdn Bhd      |

#### 5. What are the possible outcomes of my investment?

- The quantum of potential returns of the Fund would depend on the Fund's asset allocation decisions and performance of the underlying investments of the Fund.
- This is a non-guaranteed Fund and the investor may not get back the full amount invested and the principal amount invested may be at risk. Returns are also not fixed or guaranteed.

### KEY RISKS

#### 6. What are the key risks associated with this product?

General Risks of investing in unit trust:

|  |   |
|--|---|
| Stock Specific Risk                    | This risk refers to prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock in a fund will adversely affect the fund's NAV.  |
| Country and/or Foreign Securities Risk | This risk refers to the risks of investing in foreign markets. Emerging markets may have relatively underdeveloped capital markets, less stringent regulatory and disclosure standards, concentration in only a few industries, greater adverse political, social and economic risks and general lack of liquidity of securities. The risk of expropriation, nationalisation, exchange control restrictions, confiscatory taxation and limitations on the use or removal of funds also exist in emerging markets. Emerging markets may also have less developed procedures for custody, settlement, clearing and registration of securities transactions. Developed markets while not possessing similar levels of risks as emerging markets, may experience risks such as: changes in economic fundamentals, social and political stability; monetary policy and currency fluctuations. This risk may be mitigated by conducting thorough research on the respective markets, their regulatory framework, economics, companies, politics and social conditions as well as minimising or omitting investments in markets that are economically or politically unstable or lack a regulatory financial framework and adequate investor protection legislation. |
| Liquidity Risk                         | This risk occurs in thinly traded or illiquid securities. If the Fund needs to sell a relatively large amount of such securities, the act itself may significantly depress the selling price resulting in a decrease in the value of the Fund's assets. As such, the Fund is managed in such a way that a portion of the investments is in equity securities and money market instruments that are highly liquid and this allows the Fund to meet sizeable redemptions without jeopardising potential returns.  |
| Market Risk                            | This risk refers to developments in the equity market environment which typically includes changes in regulations, politics, technology and the economy of the country. Market developments can result in equity market fluctuations which in turn affect the Fund's underlying investments and hence its unit price. In terms of the Fund's concentration in a single equity market*, this risk is reduced by undertaking active* asset allocation, where in periods of heightened risk, there will be greater allocation in fixed income securities and money market instruments and cash.<br><br>* This refers to the Fund having the mandate to invest in only one country (i.e. Malaysian market). For example – in the event of a fall in Malaysian equities, the Fund cannot diversify into equities of other countries to mitigate equity market risk but can shift (asset allocate) its investments to local fixed income securities and money market instruments. The term 'active' refers to the fund manager periodically adjusting equity allocations (and by default fixed income securities and money market allocations) depending on market  |

|  |   |
|--|---|
|  | <i>situations rather than passively leaving allocations to fluctuate based solely on market prices.</i> |
|--|---|

Specific risk subject to the characteristics of the type of securities that the Fund invests in:

|               |  |
|---------------|--|
| Currency Risk | Investing globally means assets are denominated in currencies other than Malaysian Ringgit. Hence, fluctuations in the exchange rates of these foreign currencies may have an impact on the fund's income and asset valuations. Adverse fluctuations in exchange rates can result in a decrease in returns and loss of capital. This risk may be mitigated by hedging against foreign exchange rate movements. |
|---------------|--|

***The Investment Manager exercises diligence in minimising the above risks to the Fund. However, it is not always possible to cover all investment risks in spite of best efforts as financial markets can be highly unpredictable. Investors are encouraged to consult their advisers such as financial/tax consultants, lawyers or bankers for a further understanding of these risks.***

***The list of risk factors identified is by no means exhaustive. You should be aware that investing in the Fund may expose you to other risk factors from time to time. If in doubt, please consult professional advisers for better understanding of the risk factors.***

For further information, refer to the "General Risks" and "Specific Risks" sections in the Master Prospectus.

Note: If your investments are made through a distributor (i.e. the institutional unit trusts advisers via a nominee system of ownership), you would not be deemed to be a unitholder under the deed and as a result, your rights as an investor may be limited if you are investing through a distributor. Accordingly, the Manager will only recognize the distributor as a unitholder of the Fund and the said distributor shall be entitled to all the rights conferred to it under the deed.

## FEES AND CHARGES

### 7. What are the fees and charges involved?

This table describes the charges that you may **directly** incur when you buy or redeem units of the Fund.

|                                 |   |                                  |                                  |
|---------------------------------|---|----------------------------------|----------------------------------|
| Sales Charge                    | <b>Maximum Rate of Sales Charge to be Imposed by the Manager and Its Authorised Distributors</b>  |                                  |                                  |
|                                 | (Please refer to page 79 of the Master Prospectus)  |                                  |                                  |
|                                 | <b>The Manager</b>  | <b>Unit Trust Consultants</b>    | <b>IUTA</b>                      |
|                                 | 5.50% of the Fund's NAV per unit  | 5.50% of the Fund's NAV per unit | 5.50% of the Fund's NAV per unit |
| Redemption Charge               | Nil   |                                  |                                  |
| Switching Fees/ Policy          | <p>The Manager does not intend to charge any switching fee; however, under certain circumstances, unitholders performing a switching transaction will have to pay the applicable difference in sales charge between the Fund to be switched from and the fund to be switched into.</p> <p>Our IUTA may not carry the complete range of the Manager's funds. Investments made via our IUTA may be subject to different terms and conditions of the respective IUTA, including those for switching between funds.</p> <p>Please refer to pages 73 to 74 of the Master Prospectus for the terms and conditions of the switching facility of the Fund.</p> <p>The switching fee quoted is subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.</p> |                                  |                                  |
| Transfer Fees                   | Nil   |                                  |                                  |
| Other charges incurred directly | <p>Other expenses, which are directly related and necessary to the business of the Fund, may be charged to the Fund. These will include (but are not limited to) the following:</p> <ul style="list-style-type: none"> <li>• commission or fees paid to brokers or dealers;</li> <li>• fees and other expenses properly incurred by the auditor and tax agent;</li> <li>• custodian fees;</li> <li>• taxes and other duties charged on the Fund by the government and other authorities;</li> <li>• printing and postage expenses; and</li> <li>• any other legitimate administration expenses or relevant professional fees approved by the trustee.</li> </ul>  |                                  |                                  |

The sales charge and repurchase charge stated above is applicable when investments are made through IUTAs, tied agents (i.e. PMB's authorised agents) and the Manager. The above fees and charges are negotiable at the Manager's sole discretion only.

The table below describes the charges that may be incurred **indirectly** when investment is made in the Fund.

|                       |   |
|-----------------------|---|
| Annual Management Fee | Up to 1.70% per annum of the NAV of the Fund  |
| Annual Trustee Fee    | Up to 0.06% per annum of the NAV subject to a minimum of RM8,400 per annum (excluding foreign custodian fees and charges) |

All fees and charges quoted are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

**THERE ARE FEES AND CHARGES INVOLVED AND INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND. ALL FEES AND CHARGES PAYABLE TO THE MANAGER AND/OR THE TRUSTEE ARE SUBJECT TO ANY APPLICABLE TAXES AND/OR DUTIES AS MAY BE IMPOSED BY THE GOVERNMENT OR OTHER AUTHORITIES FROM TIME TO TIME.**

**INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL CONSULTANT WHEN PURCHASING UNITS OF A FUND.**

## VALUATIONS AND EXITING FROM INVESTMENT

### 8. How often are valuations available?

This is a Fund with foreign investment exposure. The valuation of NAV of the Fund will be conducted on each business day after the close of the respective foreign stock exchanges on the same calendar day. Due to the different time zone of the foreign stock exchanges, the valuation point will be extended to 5.00 p.m. on the following business day. The daily unit price of the Fund will be published on the Manager's website at [www.eunitrust.com.my](http://www.eunitrust.com.my) and [www.phillipmutual.com](http://www.phillipmutual.com) on the next business day after the valuation (T+2).

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

- Investors can exit from the investment by completing the transaction form. The duly completed and accepted original transaction form must reach PMB's head office by 4.00 p.m. on any business day. PMB will repurchase units at the Fund's NAV per unit calculated at the end of that business day.
- The investor will receive the prevailing price per unit.
- Transaction forms received after 4.00 p.m. will be treated as having been received on the next business day.
- Payments will be made to investors within 10 days (from the business day the redemption request is accepted).

#### Cooling-off Right

The cooling-off right refers to the right of the investor to obtain a refund if he should change his mind about an investment he has made in the Fund if he so requests within the cooling-off period i.e. within 6 business days of the date of his application.

The cooling-off right is only given to an individual investor, other than those listed below, who is investing in any Fund managed by us for the first time:

- a staff of the Manager; and
- persons registered with a body approved by the SC to deal in unit trusts.

Refunds for every unit held following a request for a reverse of an application would be based on:

- the NAV per unit on the day the units were purchased; and
- the sales charge per unit originally imposed on the day the units were purchased.

All such requests must be received or be deemed to have been received by us before 4.00 p.m. on a business day. Requests received or deemed to have been received after 4.00 p.m. will be treated as having been received the following business day. Withdrawal proceeds will only be paid when we have received cleared funds for the original investment.

## FUND PERFORMANCE

### Performance Data

#### Average Annual Return

|                               | 1 Year's Period<br>1.10.2019 to<br>30.9.2020 | 3 Years' Period<br>1.10.2017 to<br>30.9.2020 | 5 Years' Period<br>1.10.2015 to<br>30.9.2020 | 10 Years' Period<br>1.10.2010 to<br>30.9.2020 |
|-------------------------------|--|--|--|---|
| Phillip Global Stars Fund (%) | -7.39  | -4.69  | -0.94  | 1.76  |
| Benchmark^ (%)                | 9.48   | 6.52   | 9.85   | 21.01   |

^ 65% S&P 500 Index (SPX), 25% S&P Europe 350 Index (SPE) and 10% S&P Asia 50 Index (SPA50)

### Total Annual Return

| Financial Year Ended 30 September   | 2020  | 2019  | 2018  | 2017  | 2016 | 2015  | 2014  | 2013  | 2012  | 2011  |
|---|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|
| Phillip Global Stars Fund (%)   | -7.39 | -6.29 | -0.98 | 10.23 | 0.63 | 13.08 | 0.78  | 6.06  | 12.12 | -8.95 |
| Benchmark^ (%)  | 9.48  | 1.51  | 7.58  | 20.28 | 3.79 | 26.70 | 13.07 | 24.26 | 18.06 | -1.58 |
| ^ 65% S&P 500 Index (SPX), 25% S&P Europe 350 Index (SPE) and 10% S&P Asia 50 Index (SPA50) |       |       |       |       |      |       |       |       |       |       |

Basis of calculation and assumptions made in calculating the returns:

$$\text{*Percentage growth} = \frac{\text{NAV}_t - \text{NAV}_{t-1}}{\text{NAV}_{t-1}}$$

Where t = current year  
t-1 = previous year

For the period under review i.e. 1 October 2019 to 30 September 2020, the Fund registered a -7.39% return compared to the benchmark return of 9.48%.

### Portfolio Turnover Ratio (PTR)

|             | 2020  | 2019 | 2018 |
|-------------|---|------|------|
| PTR (times) | 2.33  | 3.01 | 1.29 |
| Remarks     | The PTR for the financial year ended 30 September 2020 was lower compared with the financial year ended 30 September 2019 due to decrease in investing activities.<br><br>The PTR for the financial year ended 30 September 2019 was higher compared with the financial year ended 30 September 2018 due to increase in investing activities. |      |      |

### Distribution

There were no distributions and/or unit splits declared by the Fund for its past three financial year ends.

**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?

- For internal dispute resolution, you may contact the Customer Service Hotline:
  - Tel : 03-2783 0300
  - Fax : 03-2166 6417 / 03-2711 3036
  - Email : phillipmutual@poems.com.my
  - Website : www.phillipmutual.com  
www.eunittrust.com.my
- If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (SIDREC):
  - via phone to : 03-2282 2280
  - via fax to : 03-2282 3855
  - via e-mail to : info@sidrec.com.my
  - 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
- You can also direct your complaint to the Securities Commission Malaysia even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:
  - via phone to the Aduan Hotline at : 03-6204 8999
  - via fax to : 03-6204 8991
  - via e-mail to : aduan@seccom.com.my
  - via online complaint form available at www.sc.com.my
  - via letter to : Investor Affairs & Complaints Department  
Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara  
Bukit Kiara

4. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:
- (a) via phone to the Aduan Hotline at : 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](http://www.fimm.com.my)
  - (e) via letter to : Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6<sup>th</sup> Floor Wisma Tune  
No.19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur

## APPENDIX: GLOSSARY

|                             |   |
|-----------------------------|---|
| <b>“Fund”</b>               | Phillip Global Stars Fund.  |
| <b>“Investment Manager”</b> | Phillip Capital Management Sdn Bhd 199501004372 (333567-D).   |
| <b>“Manager” or “PMB”</b>   | Phillip Mutual Berhad 200201002746 (570409-K).  |
| <b>“Master Prospectus”</b>  | the disclosure document in relation to the Fund.  |
| <b>“NAV”</b>                | net asset value (NAV) of the Fund is the total value of the Fund's assets minus its liabilities at a valuation point.     |
| <b>“NAV per unit”</b>       | NAV per unit of the Fund is the NAV divided by the total number of units in circulation, at a particular valuation point. |