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This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in 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.

## EASTSPRING INVESTMENTS UNIT TRUSTS - FIXED INCOME PLAN SERIES 2 (the "Fund")

<b>Product Type</b>	Unit Trust	<b>Inception Date</b>	Class A <sub>D</sub> USD: 12 September 2019 Class A <sub>D</sub> SGD (hedged): 24 September 2019
<b>Manager</b>	Eastspring Investments (Singapore) Limited	<b>Custodian</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Trustee</b>	HSBC Institutional Trust Services (Singapore) Limited	<b>Dealing Frequency<sup>2</sup></b>	Every Business Day
<b>Capital Guaranteed</b>	No	<b>Expense Ratio for financial year ended 31 December 2021</b>	0.68%

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek income distribution;
- have at least a medium-term investment horizon and have a moderate risk tolerance;
- are comfortable with the risk of a fund investing predominantly in a portfolio of bonds and other debt securities from issuers in the Asia-Pacific region and Emerging Markets, which may include sovereign, quasi-sovereign and corporate issuers; and
- appreciate that their capital may be at risk and that the value of their investment and any derived income may fall as well as rise.

**The time horizon of the Fund is limited (i.e. up to the Maturity Date). Investors should have regard to the fixed time horizon of the Fund in deciding whether investment in the Fund is suitable for them. Neither the income nor the capital of the Fund is guaranteed. Investors may not recoup the original amount invested in the Fund at the Maturity Date. You should consult your financial advisers if in doubt whether this product is suitable for you.**

#### *Further Information*

*Refer to "Product Suitability" of the Prospectus for further information on product suitability*

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

- You are investing in a unit trust constituted in Singapore that aims to provide regular income during its tenure by investing predominantly in a portfolio of bonds and other debt securities from issuers in the Asia-Pacific region and Emerging Markets.
- The Fund will operate for a fixed period. The tenure of the Fund commenced on 12 September 2019 (the "Fund Commencement Date") and will mature on the date falling 42 calendar months (3.5 years) from the Fund Commencement Date (or if such date is not a Business Day, the next Business Day) (the "Maturity Date").

*Refer to "Basic Information" and "Structure, Investment Objective, Focus and Approach" of the Prospectus for further information on features of the product.*

<sup>1</sup> The Prospectus is available for collection at Eastspring Investments (Singapore) Limited, 10 Marina Boulevard #32-01 Marina Bay Financial Centre Tower 2 Singapore 018983, during business hours or accessible at [www.eastspring.com.sg](http://www.eastspring.com.sg).

<sup>2</sup> For redemptions only.

- You may receive quarterly distributions. The first distribution date is intended to be made on the Initial Distribution Date. Subsequent distributions (if any) are intended to be made on every Subsequent Distribution Date. Distributions are **not guaranteed**, and are at the sole discretion of the Manager. Distributions shall, at the sole discretion of the Manager, be made out of either (a) income or (b) net capital gains; or (c) capital attributable to the Fund or a combination of (a) and/or (b) and/or (c).

### Investment Strategy

- As at the inception of the Fund, at least 65% of the NAV of the Fund will be invested in investment grade bonds, while not more than 35% of its NAV will be invested in non-investment grade bonds, as rated by international credit rating agencies such as Standard & Poor's, Moody's or Fitch Ratings.
- The Fund will invest primarily in USD-denominated bonds issued in the Asia Pacific region and Emerging Markets, which may include sovereign, quasi-sovereign and corporate issuers. The Manager intends to buy and hold the securities with active monitoring during the product tenure. There may be portfolio turnover should there be material credit developments which impact default risks of a bond or debt security or if there are more attractive investment opportunities.
- The Fund may be fully invested or held in liquid assets (including fixed deposits, short-term bills, government bonds, money market funds and cash). The Fund may also be fully invested or held in liquid assets during times of adverse market conditions or if the Manager otherwise considers it in the best interest of the Fund.
- Additionally, the Fund may employ derivatives for hedging or efficient portfolio management purposes.
- The Manager applies a "top-down" investment approach through economic and market analysis to establish interest rate and credit allocation strategies.
- This is complemented with a "bottom-up" credit selection process, which involves the research and analysis of bond issuers, to identify value opportunities and manage credit risks.

*Refer to "Structure, Investment Objective, Focus and Approach" of the Prospectus for further information on the investment strategy of the product.*

### Parties Involved

#### WHO ARE YOU INVESTING WITH?

- The Fund is constituted under Eastspring Investments Unit Trusts
- The Manager of the Fund is Eastspring Investments (Singapore) Limited
- The Trustee is HSBC Institutional Trust Services (Singapore) Limited
- The Custodian is The Hongkong and Shanghai Banking Corporation Limited
- The counterparty for the currency management services of the hedged Classes of the Fund is The Hongkong and Shanghai Banking Corporation Limited.

*Refer to "Basic Information", "The Manager", "The Trustee and Custodian" and "Insolvency of the Parties" 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 (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:**

*Refer to "Risks" of the Prospectus for further information on risks of the product.*

### Market and Credit Risks

- **You are exposed to interest rate and credit risks.** The Fund invests in bonds which are subject to interest rate fluctuations and credit risks, such as risk of default by issuers.
- **You are exposed to counterparty risks.** The Fund will be exposed to the credit risk on counterparties with which it trades and any default by such a counterparty could result in substantial losses to the Fund.
- **You are exposed to currency risks.** The Fund is denominated in US dollars. As the Fund may invest in securities which are denominated in other currencies, fluctuations in the exchange rates between the US dollar and these other currencies may affect the income and value of the Fund. You may also be exposed to additional exchange rate risks if your reference currency is the Singapore dollar.

## Liquidity Risks

- **The Fund is not listed and you can realise your units only on Business Days.** There is no ready secondary market for the Fund. All realisation requests should be submitted in the manner set out in the Prospectus.
- **You are exposed to liquidity risks of the Fund's investments and your realisation request may be deferred or suspended.** The Fund may have investments which have high liquidity risks (for example, low trading volumes) and may incur substantial losses if it is unable to sell these investments at opportune times or prices. Under certain circumstances (not limited to the liquidity of the underlying investments in the Fund) as detailed in the Prospectus, your realisation request may be deferred or suspended.

## Product-Specific Risks

- **You are exposed to emerging markets risks.** The Fund may invest in emerging markets which generally carry greater political, legal, tax and regulatory risks than more developed markets.
- **You are exposed to the risks from the Fund investing in bonds below investment grade or are unrated.** In particular high yield bonds may subject the Fund to higher credit/default risks, volatility and liquidity risks than investment grade bonds.
- **You are exposed to derivatives risks.** The Fund may use derivative instruments for efficient portfolio management and/or hedging purposes. Derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk, operational risk and leverage risk.
- **You are exposed to the risk of distributions out of capital.** Distributions may be sourced from capital from time to time. Such capital distributions represent a return or withdrawal of part of the amount the investors originally invested and/or capital gains attributable to the original investment and will result in a reduction in the NAV of the relevant Class and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained as a result.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Initial Sales Charge	Up to 2% (maximum 2%)
Realisation Charge*	0.5% (maximum 2%)
Switching Fee	Not applicable, no switching allowed

\* The realisation charge will be paid into and form part of the deposited property of the Fund. If you hold your Units until the Maturity Date, the realisation charge does not apply.

Appointed distributors may (depending on the specific nature of services provided) impose other fees and charges not disclosed here. Please check with the relevant appointed distributor for further details.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the different parties:

Management Fee*	Class A <sub>D</sub> USD and Class A <sub>D</sub> SGD (hedged): 0.3% p.a. (maximum 2% p.a.) Class A <sub>D</sub> USD and Class A <sub>D</sub> SGD (hedged)
(a) Retained by Manager (b) Paid by Manager to financial advisers/distributors (trailer fee)	(a) 35% to 70% <sup>3</sup> of Management Fee (b) 30% to 65% <sup>4</sup> of Management Fee
Trustee's Fee	Below 0.06% per annum (maximum 0.2% p.a.) (subject to minimum fee of US\$15,000 per annum)

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

<sup>3</sup> The Management Fee is retained by the Manager, as may be agreed between the parties.

<sup>4</sup> This range may change from time to time without prior notice depending on the agreement between (i) the Manager and (ii) the relevant financial adviser/distributor. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Manager.

Custodian Fee	Currently below 0.15% p.a., depending on number and volume of transactions
Valuation Fee	Up to 0.04% per annum
Registrar's Fee	More than 0.1% per annum if the Fund's total asset under management is less than US\$10 million, plus transactional fees

\*The Management Fee of the Fund may subsequently be reduced by the Manager in its sole discretion at any time after the Fund Commencement Date.

You should check with the agent or distributor through whom you subscribe for units of the Fund whether they impose other fees and charges not included in the Prospectus.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The indicative issue and realisation price per unit (NAV per unit) of the Fund will be available from [www.eastspring.com.sg](http://www.eastspring.com.sg) normally one Business Day after each relevant Dealing Day.

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- If you are a first-time investor in the Fund, you will have the right to cancel your subscription within 7 calendar days from the date of your subscription without incurring the sales charge or realisation charge stated above. However, you will have to take the risk for any price changes in the NAV of the Fund.

*Refer to "Cancellation of Subscription by New Investors", "Realisation of Units" and "Obtaining Prices of Units" of the Prospectus for further information on valuation and exiting from the product.*

#### **On Maturity Date**

- The Fund will terminate on the Maturity Date. If you hold your Units until such date, you will receive the net proceeds from the liquidation of investments of the Fund, in proportion to your unitholding in the Fund. There will be no realisation charge imposed on such proceeds.
- You will normally receive the termination proceeds within 14 Business Days of the Maturity Date.
- On the Maturity Date, the Fund may still hold bonds which have defaulted. The recovery process of these bonds may extend beyond the Maturity Date and may or may not be successful. If successful, the Trustee will distribute the proceeds from recovery based on the number of Units held by Holders in accordance with the provisions of the Deed.

#### **Exiting during the tenure of the Fund**

- On any other Business Day during the tenure of the Fund, you can exit the Fund by submitting a signed written instruction or realisation form to the Manager or the appointed distributor from whom you purchased your units. Please note a realisation charge will be imposed on such redemptions.
- Partial realisations are subject to minimum holding requirements.
- Your realisation price is determined as follows (please note that appointed distributors may impose a different cut-off time):
  - If you submit your realisation request to the appointed distributor by 3.00 p.m. Singapore time on a Business Day, the realisation price will be based on the NAV per unit at the close of business on that Business Day.
  - If you submit your realisation request after 3.00 p.m. Singapore time or on a day which is not a Business Day, the realisation price will be based on the net asset value per unit at the close of business of the next Business Day.
- You will normally receive the realisation proceeds within seven Business Days from the date the Manager receives and accepts your realisation request.
- The realisation proceeds that you will receive will be the realisation price multiplied by the number of units sold, less any charges. Currently, a 0.5% realisation charge is imposed. An example is as follows:

e.g.	500 Units	X	US\$10.100	=	US\$5,050	-	US\$25.25	=	US\$5,024.75
	Realisation Request		Realisation Price (= NAV per Unit)		Gross Realisation Proceeds		Realisation Charge of 0.5%		Net Realisation Proceeds

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

You may contact Eastspring Investments (Singapore) Limited at (65) 6349 9711 or visit our appointed distributors listed on [www.eastspring.com.sg](http://www.eastspring.com.sg).

**APPENDIX: GLOSSARY OF TERMS**

<b>Asia Pacific region</b>	means the region including but not limited to the following countries: Japan, Korea, Taiwan, Hong Kong, Philippines, Thailand, Malaysia, Singapore, Indonesia, China, India, Pakistan, Australia and New Zealand.
<b>Business Day</b>	means any day other than Saturday, Sunday or gazetted public holiday on which commercial banks in Singapore are generally open for business, or where the context expressly requires, any day other than Saturday, Sunday or gazetted public holiday on which commercial banks in Singapore or elsewhere are generally open for business, or any other day as the Manager and the Trustee may agree in writing.
<b>Dealing Day</b>	means each Business Day in Singapore and the US.
<b>Emerging Markets</b>	means the region including but not limited to the following countries: Brazil, Chile, China, Columbia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and the United Arab Emirates.
<b>Fund Commencement Date</b>	means 12 September 2019.
<b>Initial Distribution Date</b>	means the Business Day within three calendar months after the Fund Commencement Date on which the first distribution of income of the Fund is intended to be made.
<b>Maturity Date</b>	means the date falling 42 calendar months (3.5 years) from the Fund Commencement Date (or if such date is not a Business Day, the next Business Day).
<b>NAV</b>	Net Asset Value.
<b>Subsequent Distribution Date</b>	means the last Business Day every three (3) calendar months after the Initial Distribution Date on which a subsequent distribution of income of the Fund is intended to be made.