

Prepared on: 30/12/2022

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 - SINGAPORE SELECT BOND FUND (the “Fund”)

|                    |   |   |   |
|--------------------|---|---|---|
| Product Type       | Unit Trust  | Inception Date  | 8 April 2011 (Class A)<br>9 November 2012 (Class A <sub>D</sub> ) |
| Manager            | Eastspring Investments (Singapore) Limited            | Custodian   | The Hongkong and Shanghai Banking Corporation Limited             |
| Trustee            | HSBC Institutional Trust Services (Singapore) Limited | Dealing Frequency                                       | Every Business Day  |
| Capital Guaranteed | No  | Expense Ratio for financial year ended 31 December 2021 | 0.61% (Class A)   |

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek to maximise long-term total return;
- are comfortable with the risk of a fund investing in bonds which are primarily denominated in Singapore Dollars; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**Investors should consult their financial advisers if in doubt whether this product is suitable for them.**

#### *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 maximise total returns over time by investing primarily in Singapore-dollar denominated debt securities and foreign currency debt securities which will be hedged backed into Singapore dollars.
- You may receive quarterly distributions if you invest in Class A<sub>D</sub>. The Manager will decide whether distributions will be made based on, amongst other factors, prevailing market conditions and income from underlying investments. **Distributions are not guaranteed.** Distribution payments shall, at the sole discretion of the Manager, be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or a combination of (a) and/or (b) and/or (c). The Manager may also vary the frequency and/or amount of the distributions made. Any payment of distributions by the Fund will result in an immediate decrease in the NAV per unit.

*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).

### Investment Strategy

- The Fund will invest primarily in Singapore-dollar denominated debt securities, including the Singapore government securities, investment grade and/or unrated debt securities issued by Singapore statutory boards and Singapore-incorporated entities as well as investment grade debt securities issued by entities outside Singapore.
- The Fund may also invest up to 30% of its assets in foreign currency-denominated debt securities issued by the above entities (hedged back into Singapore dollars). Additionally, the Fund may employ derivatives for hedging or efficient portfolio management purposes.
- The Manager uses a “top-down” approach through economic and market analysis to establish the Fund’s duration, yield curve and credit strategies.
- This is complemented with a “bottom-up” credit selection, which involves the research and analysis of bond issuers, to identify good value opportunities and to 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

*Refer to “Basic Information”, “The Manager”, “The Trustee and Custodian” and “Insolvency of the Parties” 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 (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.

#### 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 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 concentration risks.** The Fund may primarily invest in a limited number of countries which will carry a higher concentration risks than a diversified fund.
- **You are exposed to the risk of distributions out of capital.** Distributions for Class A<sub>D</sub> 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 | Class A and Class A <sub>D</sub><br>Cash and SRS monies: Up to 3% (maximum 5%)<br>CPF monies*: 0% |
| Realisation Charge   | Class A and Class A <sub>D</sub><br>0% (maximum 2%)   |
| Switching Fee        | Class A and A <sub>D</sub><br>1% (maximum 3%)   |

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

\* Only Class A and Class A<sub>D</sub> of the Fund are included under CPFIS-OA and CPFIS-SA. 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:

|   | Class A   | Class A <sub>D</sub>  |
|---|---|---|
| Management Fee<br>(a) Retained by Manager<br>(b) Paid by Manager to financial advisers/distributors (trailer fee) | 0.50% per annum (maximum 2% p.a.)<br>(a) 35% to 70% <sup>2</sup> of Management Fee<br>(b) 0% to 55% <sup>3</sup> of Management Fee; with the median trailer fee being 50% | 0.50% per annum (maximum 2% p.a.)<br>(a) 35% to 70% <sup>2</sup> of Management Fee<br>(b) 0% to 60% <sup>3</sup> of Management Fee; with the median trailer fee being 50% |
| Trustee's Fee   | Below 0.05% per annum (maximum 0.2% p.a.)   |   |
| Custodian Fee   | Currently below 0.15% p.a., depending on number and volume of transactions  |   |

<sup>2</sup> The Management Fee is retained by the Manager, as may be agreed between the parties.

<sup>3</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.

|                 |  |
|-----------------|--|
| Valuation Fee   | Up to 0.04% p.a.   |
| Registrar's Fee | More than 0.1% per annum if the Fund's total asset under management is less than S\$5 million, plus transactional fees |

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?

- 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.
- 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 stated above. However, you will have to take the risk for any price changes in the NAV of the Fund.
- 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 NAV 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, no realisation charge is imposed. An example is as follows:

*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.*

|                         |   |                   |   |                      |
|-------------------------|---|-------------------|---|----------------------|
| Realisation Request for | x | Realisation Price | = | Realisation proceeds |
| 1,000 units             |   | \$1.100           |   | \$1,100              |

## 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>Business Day:</b> | 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>  | a Business Day in Singapore.  |
| <b>NAV:</b>          | Net Asset Value.  |