



Prepared on: 03/09/18

**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 - DRAGON PEACOCK FUND (the "Fund")

Product Type	Unit Trust	Inception Date	18 June 2004
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 2017	1.64% <sup>2</sup>
Name of Guarantor	Not applicable		

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek long term total return;
- are comfortable with the risks associated with an equity fund invested in emerging markets and with the inherent higher volatility of a 2-country only fund; 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.

*Further Information*

*Refer to Schedule 6 on Pg 62 of the Prospectus for further information on product suitability.*

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

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

- You are investing in a unit trust constituted in Singapore that aims to maximise long-term total return by investing primarily in equities and equity-related instruments of corporations, which are incorporated in, or listed in, or operating principally from, or carrying on significant business in, or derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, the People's Republic of China (PRC) and the Republic of India (India).

*Refer to Section 1 on Pg 1 and Schedule 6 on Pg 62 of the Prospectus for further information on features of the product.*

### Investment Strategy

- The Fund may also invest in listed securities in the recognised markets, depository receipts including ADRs and GDRs, debt securities convertible into common shares, preference shares and warrants.
- Stock selection is performed based on a qualitative assessment and valuation analysis. The Manager try to take advantage of pricing anomalies and select stocks which are perceived to offer capital appreciation over the medium-term and are undervalued given their future prospects.

*Refer to Schedule 6 on Pg 62 of the Prospectus for further information on the investment strategy 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> With effect from 1 November 2018, the expense ratio relates to Class A of the Fund.



- Long term strategic asset mix: 50% PRC equities and 50% India equities (deviation allowed in asset mix: +/-25%, depending on prevailing market dynamics and valuations) with a target portfolio of 20 to 50 stocks to ensure adequate diversification.
- For efficient portfolio management purposes, a Mauritian entity, Dragon Peacock Investments Limited holds all the investments of the Fund in China and/or India (except such investments which the Manager determines should be held directly by the Fund).

## Parties Involved

### WHO ARE YOU INVESTING WITH?

- The Fund is constituted under Eastspring Investments Unit Trusts (the "Fund")
- 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 Sections 1 on Pg 1, 2.1.1 on Pg 2 and 3 on Pg 5 of the Prospectus for further information on the role and responsibilities of these entities.

## 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 Section 6.3 on Pg 6 and Section 9 on Pg 8 of the Prospectus for further information on risks of the product.

## Market and Credit Risks

### You are exposed to portfolio risks of an equity fund and market risks in PRC and India.

- The Fund is an equity fund and will be subject to risks such as fluctuations in market prices, adverse issuer or market information. The value of the Fund may also go up or down due to normal market fluctuations in the PRC and Indian markets that the Fund invests in.

### You are exposed to emerging markets risks.

- The Fund invests in emerging markets which involve a greater risk of loss and are more volatile than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, volatility and regulatory risks.

### You are exposed to currency risks.

- As the Fund may invest in securities which are denominated in foreign currencies, fluctuations in the exchange rates between the Singapore dollar and these foreign currencies may affect the income and value of the Fund.

### 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 (for example, due to insolvency) could result in substantial losses to the Fund.

### You are exposed to liquidity risks of the Fund's investments.

- 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.

## 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.

### Your realisation request may be deferred or suspended.

- There may be a 10% limit on the number of units that can be realised and converted on a Dealing Day. Therefore, your realisation request may be deferred to the next Dealing Day (which is subject to the same limit) if realisations exceed the limit on that day.
- Your right to realise units may also be temporarily suspended under certain circumstances as described in the Prospectus.

## Product-Specific Risks

### You are exposed to country risks.

- As the Fund invests in PRC and India, it carries higher concentration risks and is exposed to the market, currency and other risks related specifically to the economies of those countries.

### You are exposed to derivatives risks.

- The Fund may use derivative instruments, including futures, swaps, options and forwards, 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 volatility risks.

- You should note that the net asset value of the Fund is likely to have a higher volatility due to its concentration of investment in two countries which may affect the value of your units.

### You are exposed to the risks of change of investment policy and exchange of units.

- The Luxembourg-domiciled Eastspring Investments has established a similar sub-fund having the same investment objective and focus as the Fund (the "Lux sub-fund"). In the event that the Lux sub-fund is approved by the MAS as a recognised scheme, the Manager may, in consultation with the Trustee, and subject to the approval of the relevant authorities, (i) seek to terminate the Fund and exchange your existing units in the Fund for shares in the Lux sub-fund; or (ii) change the investment policy of the Fund from a direct investment portfolio to a feeder into the Lux sub-fund. You should note that in the event your units in the Fund are exchanged for shares in the Lux sub-fund, there is no assurance that the fees and charges of the Lux sub-fund would not be higher than that of the Fund. You should not invest in the Fund in anticipation of investing in the Lux sub-fund as there is no certainty whether the Lux sub-fund may be recognised by the MAS.

## FEEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT<sup>3</sup>?

#### 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 5% (for cash and SRS monies.) (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)

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	1.50% per annum (maximum 2% p.a.)
Trustee's Fee	Below 0.05% per annum (maximum 0.2% 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
Custodian Fee	Currently below 0.15% per annum, depending on number and volume of transactions
Fee payable to Mauritian entity	Below US\$50,000 per annum plus transactional fees

*Refer to Schedule 6 on Pg 65 of the Prospectus for further information on fees and charges.*

<sup>3</sup> With effect from 1 November 2018, the fees and charges set out in this section relate to Class A of the Fund.



## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

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

*Refer to Section 10.8 on Pg 31, Section 12 on Pg 32 and Section 14 on Pg 34 of the Prospectus for further information on valuation and exiting from the product.*

### 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 redemption 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 net asset value 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 net asset value 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 six 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:

Realisation Request	x	Realisation Price	=	Realisation proceeds
for 1,000 units	x	\$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>ADRs:</b>	American Depository Receipts.
<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>GDRs:</b>	Global Depository Receipt.