

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.

ABF Singapore Bond Index Fund (the “Fund”)

SGX counter name (SGX stock code)²	ABF SG BOND ETF (A35)	SGX-ST Listing Date	31 August 2005
Product Type	Exchange Traded Fund The Units are Excluded Investment Products	Designated Market Makers	Flow Traders Asia Pte. Ltd. and Phillip Securities Pte. Ltd.
Manager / Issuer	Nikko Asset Management Asia Limited	Underlying Reference Asset	iBoxx ABF Singapore Index
Expense Ratio (for Exchange-traded Funds)	0.24% ³	Traded Currency	SGD
		Board Lot Size	1 Unit

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Fund is only suitable for investors who:
 - seek medium to long-term capital appreciation;
 - believe that the iBoxx ABF Singapore Index (the “**Index**”) will increase in value;
 - are willing and able to accept that their principal will be at risk; and
 - seek an “index-based” approach to investing in a portfolio of Singapore government (or any other Asian Government) sovereign and quasi-sovereign bond securities in a cost effective and easy to access manner.

You should consult your financial advisers if in doubt about whether this product is suitable for you.

Further Information

Refer to Section VI 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 in Singapore which seeks investment returns that correspond closely to the total return of the Index before fees and expenses.
- The Index is compiled, calculated and administered by IHS Markit Benchmark Administration Ltd (an affiliate of Markit Indices GmbH) and is an indicator of investment returns of debt obligations denominated in SGD issued or guaranteed by the government of Singapore (or any Asian Government), by an agency or instrumentality of the Singapore government (or any Asian Government), by a Singapore government (or any Asian Government) sponsored entity or a quasi-Singapore government (or any other Asian

Refer to Sections I and VI and Paragraph 50 of the Prospectus for further information on features of the product.

The published figures for the value of the Index, a description of the Index

¹ The Prospectus is available for collection at the Manager’s business address at 12 Marina View, #18-02, Asia Square Tower 2, Singapore 018961 during usual business hours or accessible at www.nikkoam.com.sg.

² Subject to change by the SGX-ST from time to time.

³ Audited expense ratio for the financial year ended 30 June 2023.

Government) entity and Singapore dollar denominated debt obligations issued by supranational financial institutions. • Unlike “actively managed” unit trusts and mutual funds, the Manager does not attempt to outperform the Index nor does it seek temporary defensive positions when markets decline or appear overvalued by some standards. • Distributions, if any, will be determined by the Manager. The Manager currently intends to make semi-annual distributions, less the expenses of the Fund, to the Holders around January and July of each year. There is currently no dividend reinvestment service. • The base currency of the Fund is SGD and the Fund will issue Units denominated in SGD.	methodology and latest information is available at www.spglobal.com
Investment Strategy	
• The Manager will seek to achieve the Fund's investment objective by causing the Fund to invest substantially all of its assets in Index Securities (as defined in the Prospectus) in the same approximate proportion as their weightings within the Index (i.e. using a full replication strategy). • The Manager will rebalance the Fund's portfolio of investments from time to time to reflect any changes to the composition of, or the weighting of securities in, the Index with a view to minimising tracking error of the Fund's overall returns relative to the performance of the Index. Such rebalancing may be in the form of investments in certain securities other than Index Securities.	Refer to Section VI of the Prospectus setting out the description of the investment strategy of the Fund.
Parties Involved	
WHO ARE YOU INVESTING WITH? • The Manager is Nikko Asset Management Asia Limited. • The Trustee is HSBC Institutional Trust Services (Singapore) Limited. • The Custodian is The Hongkong and Shanghai Banking Corporation Limited.	Refer to Sections II and III 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? You should be aware that the price of Units can go down as well as up. The value of the product and its dividends or coupons may rise or fall. The following are key risk factors that may cause you to lose some or all of your investment:	Refer to Section IX of the Prospectus for further information on risks of the product.
Market and Credit Risks	
• Units may trade at prices other than NAV ○ The secondary market price of Units may sometimes trade above or below the NAV per Unit. This deviation is dependent on various factors and will be accentuated when there is a large imbalance between market supply and demand for Units. There is a risk that you may not be able to buy or sell at a price close to the NAV per Unit. • You are exposed to market risks in Asia ○ The Fund's NAV and trading prices will react to securities markets movements. You may lose money over short periods due to fluctuation in the Fund's NAV and trading price in response to market movements, and over longer periods during market downturns.	

Liquidity Risks	
• You are exposed to the liquidity risk ○ The price at which portfolio securities may be purchased or sold by the Fund upon any rebalancing activities or otherwise and the value of the Units will be adversely affected if trading markets for the Fund's portfolio securities are limited or absent or if bid-offer spreads are wide. • You should be aware there is a minimum creation and redemption size ○ Units will only be issued or redeemed in-kind in Creation Unit aggregations (currently 20,000,000 Units, and multiples thereof). Currently, Units will only be issued and redeemed for cash through Participating Dealers at a minimum of 50,000 Units on a Cash Dealing Day. If you do not hold such minimum redemption number of Units (which is currently 50,000 Units), you may only be able to realise the value of your Units by selling your Units on the SGX-ST at the prevailing trading price. ○ However, do note that Participating Dealers are under no obligation to redeem your Units. • Trading in Units on SGX-ST may be suspended or even delisted ○ You will not be able to purchase or sell Units on the SGX-ST during any period that the SGX-ST suspends trading in the Units. The creation and redemption of Creation Units may also be suspended if the trading of Units on the SGX-ST is suspended. ○ The Fund may not be able to continue to meet the requirements necessary to maintain listing of Units on the SGX-ST. The Fund may be terminated if Units are delisted from the SGX-ST.	Refer to Section IX and XIII of the Prospectus for situations in which trading of Units may be suspended.
Product-Specific Risks	
• You are exposed to tracking error risk ○ Changes in the NAV of the Fund are unlikely to replicate exactly changes in the Index due to various factors. The Fund's returns may therefore deviate from those of the Index. • Risk associated with the investment strategy of the Fund/Lack of discretion by Manager to adapt to market ○ Unlike many conventional unit trusts, the Fund is not "actively managed". Therefore, the Fund will not adjust the composition of its portfolio except in order to seek to closely correspond to the duration and total return of the Index. The Fund does not try to "beat" the market it tracks and does not seek temporary defensive positions when markets decline or is judged to be overvalued. Accordingly, a fall in the Index may result in a corresponding fall in the NAV of the Fund. • You are exposed to emerging market risk ○ The Fund may invest in securities issued by certain Asian Governments whose economies are considered to be emerging markets which are subject to special risks associated with foreign investment in such markets. You should be aware that your investment in the Fund may be exposed to other risks of an exceptional nature from time to time.	
FEES AND CHARGES	
WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT? <u>Payable directly by you:</u> • For purchase and sale of Units on the SGX-ST using cash, CPF monies or SRS monies ○ If you deal on the SGX-ST, you will typically not bear any costs related to the creation and redemption of Units. However, you will need to pay brokers' commissions, clearing fees and other costs associated with dealing on the SGX-ST. These amounts are subject to your individual agreement with, and are paid directly by you to, your broker, the CDP and your other service providers (including CPF agent banks and SRS operators).	Refer to Section VIII of the Prospectus for further information on fees and charges.

• For subscription and/or redemption of Units in cash by or through Participating Dealers ○ Duties and Charges of up to a maximum of 0.50% of the subscription or redemption amount (as the case may be) will be payable to the Fund. Participating Dealers may also charge you a commission to act on your behalf. • For subscription and/or redemption of Units in-kind by or through Participating Dealers ○ Transaction fee for each creation or redemption request is currently SGD2,500 per request (Maximum: SGD2,500 per request). Participating Dealers may also charge you a commission to act on your behalf. <u>Payable by the Fund from invested proceeds:</u> • The Fund will have to pay the following fees and charges to the Manager, Trustee and other parties: <table border="1" data-bbox="236 712 1169 1064"> <tr> <td>Annual Management Fee</td><td>Currently 0.15% per annum of the Fund's NAV; maximum 0.15% per annum of the Fund's NAV. The Annual Management Fee is retained by the Manager as the Manager does not pay any trailer fees with respect to the Fund.</td></tr> <tr> <td>Annual Trustee Fee</td><td>Currently up to 0.045% per annum of the Fund's NAV; maximum 0.15% per annum of the Fund's NAV.</td></tr> <tr> <td>Other Fees and Charges</td><td>Other fees and charges, including <i>inter alia</i> custodian fees and registrar fees may amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the NAV of the Fund.</td></tr> </table>	Annual Management Fee	Currently 0.15% per annum of the Fund's NAV; maximum 0.15% per annum of the Fund's NAV. The Annual Management Fee is retained by the Manager as the Manager does not pay any trailer fees with respect to the Fund.	Annual Trustee Fee	Currently up to 0.045% per annum of the Fund's NAV; maximum 0.15% per annum of the Fund's NAV.	Other Fees and Charges	Other fees and charges, including <i>inter alia</i> custodian fees and registrar fees may amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the NAV of the Fund.	
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CONTACT INFORMATION							
HOW DO YOU CONTACT US? You may contact our approved distributors listed on our website at www.nikkoam.com.sg or call Nikko Asset Management Asia Limited, at 1800 535 8025.							

APPENDIX: GLOSSARY OF TERMS	
Asian Government	means the government of the People's Republic of China, Hong Kong SAR, Indonesia, Korea, Malaysia, the Philippines, Singapore or Thailand.
Cash Dealing Day	means every Dealing Day and/or such other day(s) as from time to time determined by the Manager with the prior approval of the Trustee.
CDP	means The Central Depository (Pte) Limited.
CPF	means the Central Provident Fund.
CIS Code	means the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore, as may be amended, modified, or supplemented from time to time by the Monetary Authority of Singapore.
Dealing Day	means any day on which commercial banks are open for business in Singapore and the SGX-ST is open for normal trading (other than a day on which trading on the SGX-ST is scheduled to close prior to its regular weekday closing time) and/or such other day or days as the Manager may from time to time determine with the prior approval of the Trustee.
Excluded Investment Products	means any capital markets products that belong to a class of capital markets products listed in the Schedule to the Securities and Futures (Capital Markets Products) Regulations 2018.
GST	means goods and services tax.
Holder	means the person for the time being entered in the register (kept and maintained in Singapore by the Trustee in such manner as may be required by applicable law and regulation) as the holder of a Unit and (where the context so admits) persons jointly so entered.
Market Maker	means persons who have entered into an agreement with the Manager to make a market in the Units on the SGX-ST.
NAV	means net asset value.
Notice on the Sale of Investment Products	means the Notice on the Sale of Investment Products issued by the Monetary Authority of Singapore, as the same may be modified, amended or revised from time to time.
Participant Agreement	means an agreement entered into between the Trustee, the Manager, and a Participating Dealer setting out, <i>inter alia</i> , the arrangements in respect of the issue, redemption and cancellation of Units.
Participating Dealer	means any participant who is a broker or dealer and who has entered into a Participant Agreement in form and substance acceptable to the Manager and the Trustee.
prescribed capital markets products	shall have the meaning as set out in the Securities and Futures (Capital Markets Products) Regulations 2018, as the same may be modified, amended or revised from time to time.
Record Date	means the date or dates, in each six (6)-month period, determined by the Manager (with the prior approval of the Trustee) as the date or dates for the purpose of determining the Holders of record entitled to receive any distributions of income from the Income Account (as allocated on the immediately preceding Ex. Dividend Date) on or before the following Distribution Date in accordance with paragraph 50 of the Prospectus.
SGD	means Singapore dollars.
SGX-ST	means the Singapore Exchange Securities Trading Limited or any successor thereto.
SRS	means Supplementary Retirement Scheme.
Units	means units of the Fund.