

Prepared on: 01/09/20

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 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.

LEGG MASON WESTERN ASSET SINGAPORE BOND FUND (THE “FUND”)

Product Type	Unit Trust	Inception Date	15 November 1997 ²	
Managers	Legg Mason Asset Management Singapore Pte. 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 the financial year ended 31 March 2020	Class A (SGD) Accumulating Units	0.95%
Name of Guarantor	N/A		Class B (SGD) Accumulating Units	0.84%
PRODUCT SUITABILITY				
WHO IS THE PRODUCT SUITABLE FOR?			<u>Further Information</u>	
<ul style="list-style-type: none"> • The Fund is <u>only</u> suitable for investors who: <ul style="list-style-type: none"> ○ are seeking for yield enhancement via a portfolio comprising Singapore bonds, cash and cash equivalent instruments; ○ do not expect to obtain short term gains from such investment. <p>You should consult your financial adviser if in doubt whether this product is suitable for you.</p>			Refer to “Investment Objective, Focus and Approach” and “Risks” sections in Paragraphs 6.1 and 9.1 of the Prospectus for further information on product suitability.	
KEY PRODUCT FEATURES				
WHAT ARE YOU INVESTING IN?			Refer to “Basic Information”, “Structure of the Scheme and Classes of Units” and “Investment Objective, Focus and Approach” sections in Paragraphs 1, 5 and 6 of the Prospectus for further information on features of the product.	
<ul style="list-style-type: none"> • You are investing in a unit trust constituted in Singapore that aims to achieve yield enhancement by aiming to outperform the benchmark in Singapore dollar terms via active but prudent management of a portfolio comprising primarily Singapore bonds, cash and cash equivalent instruments. • The Fund is included under the CPF Investment Scheme – Ordinary Account and CPF Investment Scheme – Special Account and has been classified under the risk classification of “Low to Medium Risk (Narrowly focused – Country – Singapore)”. • If you invest in a distributing Class, you may receive distributions at such frequencies as may be prescribed for that Class. Distributions out of capital made by a Class will result in the erosion of capital for investors in that Class. 				
Investment Strategy				
<ul style="list-style-type: none"> • Investments primarily in domestic fixed income securities and money market instruments, with provision for limited diversification into foreign government bonds, rated AAA by Standard & Poor’s or AAA by Moody’s. There is no emphasis or restriction on the kind of debt securities or rating of debt securities (save as disclosed below) which the Fund will invest in. • The Sub-Manager will adhere to the following restrictions when the 			Refer to “Investment Objective, Focus and Approach” section in Paragraph 6 of the Prospectus for further information on the	

¹ The Prospectus is available for collection at 1 George Street, #23-02, Singapore 049145 during normal business hours or accessible at <https://www.leggmason.com/en-sg.html>.

² Inception date of the earliest incepted Class offered in the Prospectus.

<p>aggregate number of units in issue or deemed to be in issue exceeds 10 million (as at 30 June 2020, the aggregate number of units in issue or deemed to be in issue exceed 10 million):</p> <ul style="list-style-type: none"> ○ For Singapore Dollar assets, authorised investments shall be restricted to Singapore government and government agencies' bills, notes and bonds, bank certificate of deposits, fixed deposits, fixed or floating rate corporate bonds and loan stocks. Subject to the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore, for corporate debt, not more than 10% of the Fund or S\$1,000,000 nominal value, whichever is higher, shall be invested in the debt of any single issuer. ○ For foreign currency assets, authorised investments shall be restricted to foreign government bills, notes and bonds that are rated A by Standard and Poor's and A by Moody's where not more than 20% of the Fund shall be invested in foreign currency bonds and not more than 10% of the Fund shall be invested in bonds of any single foreign currency to reflect net hedged exposure. <p>• The Fund may, for the purpose of hedging and efficient portfolio management, invest in financial derivatives. The Managers and the Sub-Manager currently do not intend to engage in securities lending and/or carry out repurchase transactions.</p>	<p>investment strategy of the product.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The Managers are Legg Mason Asset Management Singapore Pte. Limited. • The Sub-Manager is Western Asset Management Company Pte. Ltd. • The Trustee is HSBC Institutional Trust Services (Singapore) Limited. • The Custodian is The Hongkong and Shanghai Banking Corporation Limited. 	<p>Refer to "The Managers and the Sub-Manager", "The Trustee and the Custodian" and "Other Parties" sections in Paragraphs 2, 3 and 4 of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>Investment in the Fund is designed to produce returns over the long-term and is not suitable for short-term speculation. You should not expect to obtain short-term gains from such investment.</p> <p>The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment and your principal may be at risk.</p>	<p>Refer to "Risks" section in Paragraph 9 of the Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You are exposed to interest rate risk – Shifts in economic trends affect the direction of overall interest rates. As bond prices and bond yields are mostly a function of interest rates, any change in interest rates influence returns on bond investments that may be held by the Fund. • You are exposed to currency risk – Fluctuations in foreign currency rates impact the capital value of, and income derived from, the non-Singapore Dollar portion of the Fund. Depreciation in the currency of the underlying security lowers the value of that security while appreciation of the currency increases the value of the bond. You may be exposed to an additional exchange rate risk if you invest in a Class that is designated in a currency other than in Singapore Dollars. • You are exposed to sovereign risk – Sovereign risk is associated with the countries issuing the bonds (that may be held by the Fund) i.e. the risk that a foreign central bank will alter its foreign-exchange regulations thereby significantly reducing or completely nullifying the value of 	

<p>foreign-exchange contracts.</p> <ul style="list-style-type: none"> • You are exposed to credit risk – Credit risk associated with investment in corporate or non-government bonds relative to those of government bonds i.e. corporations issuing the bonds may not make payments on the bonds or may suffer adverse changes in their financial condition that could lower the credit quality of a security, leading to greater volatility in the price of security and the value of the Fund. • You are exposed to exchange control risk – Repatriation of investments by the Fund in foreign countries, and particularly in less-developed markets, may be subject to exchange control restrictions imposed by foreign governments. • You are exposed to market risk – Prices of securities in the Fund may go down or up in response to changes in economic conditions (such as growth, inflation or policy changes), political conditions, interest rates in the Singapore market in which the Fund invests and the market's perception of securities which in turn may cause the price of Units to rise or fall. 	
Liquidity Risks	
<ul style="list-style-type: none"> • You are exposed to liquidity risk of the Fund's investments – Bond instruments traded in this portfolio are generally liquid issues. However, under certain market conditions, liquidity may restrict the ease by which bonds are bought or sold. • The Fund is not listed and you can only redeem on Dealing Days – There is no secondary market for the Fund. All redemption requests should be made to the relevant approved agent or distributor through whom Units in the Fund were purchased. • You may not be able to redeem on a Dealing Day if a redemption limit is imposed – There may be a 10% limit on the number of Units that can be redeemed on any Dealing Day. • You will not be able to redeem when redemption is suspended – Your right to redeem Units may be temporarily suspended under certain circumstances. 	<p>Refer to "Realisation of Units" and "Suspension of Dealings" sections in Paragraphs 12 and 16 of the Prospectus for further information.</p>
Product-Specific Risks	
<ul style="list-style-type: none"> • You are exposed to derivatives risk – The Fund may invest in derivatives for efficient portfolio management. Derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. 	
FEES AND CHARGES	
WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?	
<u>Payable directly by you</u>	
<ul style="list-style-type: none"> • You will need to pay the following fees and charges as a percentage of your gross investment sum for all Class A and Class B: 	
Preliminary Charge	Currently 1.5% (Maximum 1.5%)*
Realisation Charge	Currently NIL (Maximum 1%)
Conversion Fee	Currently Nil (Maximum 1%)
<p>*If you purchase Units using CPF monies, the preliminary charge will be reduced to 0% from 1 October 2020 in line with the Government's announcement in March 2019.</p>	
<p>The approved agents or distributors through whom you subscribe for Units may (depending on the specific nature of services provided) impose other fees and charges.</p>	
<u>Payable by the Fund from invested proceeds</u>	
<ul style="list-style-type: none"> • The Fund will pay the following fees and charges to the Managers and Trustee: 	
Annual Management Fee	0.75% p.a. (maximum 1.25% p.a.) for all Class A
(a) Retained by	(a) 33% to 100% ³ of Annual Management Fee

³ The range may change from time to time. Your approved agent or distributor is required to disclose to you the amount of trailer fee it receives from the Managers.

Managers (b) Paid by Managers to approved agents or distributors (trailer fee)	(b) 0% to 67% ³ of Annual Management Fee 0.5% p.a. (maximum 0.5% p.a.) for all Class B (a) 54% to 100% ³ of Annual Management Fee (b) 0% to 46% ³ of Annual Management Fee	
Annual Trustee Fee	0.05% p.a. (Maximum 0.125% p.a. subject to a minimum of S\$15,000 p.a.)	
Other Fees and Charges constituting 0.1% or more of the Fund's asset value**	Nil	

**based on the Fund's audited accounts for the financial year ended 31 March 2020

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The indicative net asset value of the Fund is published on the Managers' website at <https://www.leggmason.com/en-sg.html>. The actual net asset value will generally be published 2 Business Days after the 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 on any Dealing Day by submitting a realisation request form to the relevant approved agent or distributor through whom you purchased your Units.
- The minimum realisation amount is 1,000 Units and the minimum holding is the lower of 1,000 Units or the number of Units which at the current Issue Price may be purchase for S\$1,000.
- If you are a first-time investor, you can exit the Fund without incurring the preliminary charge stated above, by submitting a cancellation request form to the relevant agent or distributor through whom you purchased your Units, within the cancellation period of 7 calendar days from date of your subscription. The cancellation proceeds payable in relation to the cancellation will be determined as the lower of the market value or the original subscription amount paid by the investor at the time of the subscription or purchase.
- You will receive the realisation proceeds within 4 Business Days from the time the Managers receive and accept your request to exit from the Fund.
- Your exit price is determined as follows (please note approved agents and distributors may impose a different cut-off time):
 - If you submit the realisation order before 5pm on a Dealing Day, you will be paid a price based on the realisation price on that Dealing day.
 - If you submit the realisation order after 5pm, you will be paid a price based on the realisation price on the next relevant Dealing day.
- The realisation proceeds that you will receive will be the realisation price multiplied by the number of Units sold, less any charges. An example is as follows:

Units held	X	Realisation price	=	Gross Realisation Proceeds
1,000	X	S\$1.100	=	S\$1,100
Gross Realisation Proceeds	-	Realisation charge	=	Net Realisation Proceeds
S\$1,100	-	S\$0.00	=	S\$1,100

Refer to "Subscription and Issue of Units", "Realisation of Units" and "Obtaining Prices of Units" sections in Paragraphs 10.9, 12 and 15 of the Prospectus for further information on valuation and exiting from the product.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

Legg Mason Asset Management Singapore Pte. Limited.
 Registration Number (UEN): 200007942R
 Website: <https://www.leggmason.com/en-sg.html>
 Tel: +65 6536 8000 Fax: +65 6317 8947

APPENDIX: GLOSSARY OF TERMS

All capitalised terms used in this Product Highlight Sheet and not otherwise defined herein have the meanings set forth in the Prospectus.

Business Day : Any day (other than a Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing.

Dealing Day : every Business Day or such Business Day or Business Days at such intervals as the Managers may from time to time determine provided that reasonable notice of any such determination shall be given by the Managers to all holders at such time and in such manner as the Trustee may approve.