Prepared on: 5 July 2018

**This Product Highlights Sheet is an important document.**

- **It highlights the key terms and risks of this investment product and complements the Prospectus.[1]**
- **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.**

# FIRST STATE REGIONAL CHINA FUND

**(the "Sub-Fund")**

| | | | |
|---|---|---|---|
| **Product Type** | **Unit Trust** | **Inception Date** | **1 November 1993** |
| **Manager** | **First State Investments (Singapore)** | **Custodian** | **The Hongkong and Shanghai Banking Corporation Limited** |
| **Trustee** | **HSBC Institutional trust Services (Singapore) Limited** | **Dealing Frequency** | **Every Dealing Day** |
| **Capital Guaranteed** | **No** | **Expense Ratio for the financial year ended 31 December 2017** | **1.71%** |
| **Name of Guarantor** | **Not applicable** | | |

## PRODUCT SUITABILITY

### WHO IS THE PRODUCT SUITABLE FOR?

- The Sub-Fund may be suitable for investors who:
  - are looking for investment over the medium to long term;
  - want to invest in a fund that has exposure to China, Hong Kong and Taiwan;
  - want to invest in a fund with exposure to small, medium and large companies;
  - are willing to accept the risk associated with equity investment.

**You should consult your financial advisers if in doubt whether this Sub-Fund is suitable for you.**

Further information
Refer to Appendix 13 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 achieve long term capital appreciation by investing into an underlying fund.

Refer to Appendix 13 of the Prospectus for further information on features of the product.

### Investment Strategy

- The Sub-Fund will invest all or substantially all of its assets in the First State Greater China Growth Fund (the "Underlying Sub-Fund") a sub-fund under the Dublin registered umbrella fund known as First State Global Umbrella Fund plc.
- The Underlying Sub-Fund invests primarily (at least 70% of its net asset value) in equity securities issued by companies with either assets in, or revenues derived from, the People's Republic of China, Hong Kong, and Taiwan and which are listed, traded or dealt in on regulated markets in the People's Republic of China, Hong Kong, Taiwan, the U.S., Singapore, Korea, Thailand and Malaysia or in a member state of the OECD.
- The Sub-Fund and the Underlying Sub-Fund may use financial derivative instruments for the purposes of hedging or for efficient portfolio management.

Refer to Appendix 13 of the Prospectus for further information on the investment strategy of the product.

[1] The Prospectus is available for collection from First State Investments (Singapore), 38 Beach Road, #06-11 South Beach Tower, Singapore 189767 or its distributors during normal business hours on any Business Day or accessible at www.firststateinvestments.com.

PRODUCT HIGHLIGHTS SHEET

| Parties Involved | |
|---|---|
| **WHO ARE YOU INVESTING WITH?**<br>• The Sub-Fund is a sub-fund of the Singapore constituted umbrella fund First State Global Growth Funds (the "Scheme").<br>• The Manager of the Sub-Fund is First State Investments (Singapore).<br>• The investment manager of the Underlying Sub-Fund is First State Investments (Hong Kong) Limited. The investment manager may appoint one or more approved sub-investment managers to manage the assets of the Underlying Sub-Fund.<br>• The Trustee of the Sub-Fund is HSBC Institutional Trust Services (Singapore) Limited and the Custodian of the Sub-Fund is The Hongkong and Shanghai Banking Corporation Limited. | Refer to "Management", "The Trustee and the Custodian" and "Other Parties" sections of the Prospectus for further information on the role and responsibilities of these entities. |
| **KEY RISKS** | |
| **WHAT ARE THE KEY RISKS OF THIS INVESTMENT?**<br>Investment in the Sub-Fund is designed to produce returns over the long term and is not suitable for short term speculation.<br>**The value of the Sub-Fund 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 Schedule 2 of the Prospectus for further information on risks of the product. |
| **Market and Credit Risks** | |
| • **You are exposed to market risk in China, Hong Kong and Taiwan**<br>Certain situations may have a negative effect on the price of shares within a particular market. These may include regulatory changes, political changes, economic changes, technological changes and changes in the social environment.<br>• **You are exposed to currency risk**<br>The Sub-Fund and Underlying Sub-Fund may buy shares in various currencies. The value of shares held by the Sub-Fund and Underlying Sub-Fund may be impacted due to changes in the exchange rates. | |
| **Liquidity Risks** | |
| • **The Sub-Fund is not listed and you can redeem only on Dealing Days as described in the Prospectus.**<br>• **You may not be able to redeem on a Dealing Day if a redemption limit is imposed**<br>○ There may be a 10 per cent limit on the number of units that can be redeemed on any Dealing Day.<br>• **You are exposed to the liquidity risk of the Sub-Fund and its Underlying Sub-Fund's investments**<br>○ The Sub-Fund and its Underlying Sub-Fund may not be able to sell their assets in a timely manner and/or at a reasonable price. If this is the case, you may not be able to get your money back when you want it. | |
| **Product-Specific Risks** | |
| • **You are exposed to investment risk**<br>Investment in the Sub-Fund involves risk and you may not get back the full amount you invested. Past performance is no guarantee of future performance.<br>• **You are exposed to China market risk**<br>Investing in shares in China may involve greater risk than investing in shares in developed markets. The value of the Sub-Fund's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, foreign exchange controls, currency repatriation restrictions, restrictions on foreign investment in China and other adverse liquidity, legal or regulatory events affecting the Chinese market. These factors may cause the value of the Sub-Fund to rise or fall more than it would if it invested in developed markets.<br>• **You are exposed to emerging market risk**<br>Investing in shares in emerging markets (countries considered to have social or business activity in the process of rapid growth and development) may involve a greater risk than investing in shares in developed markets.<br>• **You are exposed to small capitalisation/mid-capitalisation companies risk**<br>The stock of small-capitalisation/mid-capitalisation companies may have | |

lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

- **You are exposed to single country risk / specific region risk**
  The value of the Sub-Fund may be more volatile than a fund having a more diversified portfolio of investments covering multiple countries.
- **You are exposed to single sector risk**
  The Sub-Fund's investments may be concentrated in a single sector and the value of the Sub-Fund may be more volatile than a fund having a more diversified portfolio of investments.
- **You are exposed to concentrated risk**
  The Sub-Fund invests in a relatively small number of companies and may be subject to greater risk of suffering proportionately higher losses should the shares in a particular company decline in value or otherwise be adversely affected than a Sub-Fund that invests in a large number of companies.
- **You are also exposed to RMB currency and conversion risk, equity linked notes risk, the risks of investing in China A Shares and other eligible PRC securities via QFII and RQFII and risks specific to investment in eligible China A Shares via the Stock Connects.**
- **The Underlying Sub-Fund will be subject to risks associated with its investment into other collective investment schemes.**

## FEES AND CHARGES

Refer to Appendix 13 of the Prospectus for further information on fees and charges.

Payable directly by you

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

| | |
|---|---|
| **Initial Service Charge** | • Currently 5% (for subscriptions made using cash or SRS monies) and 3% (for subscriptions made using CPF monies*)<br>• Maximum 5% |
| **Realisation Charge** | • Currently NIL<br>• Maximum 2% |
| **Switching Fee** | • Currently 1% (minimum S$50)<br>• Up to a maximum of the initial service charge |

*For subscriptions made using CPF monies, the initial service charge will be reduced to 1.5% from 1 October 2018 and to 0% from 1 October 2019 in line with the Singapore Government's announcement in March 2018.

Distributors may (depending on the specific nature of services provided) impose other fees and charges not disclosed above. Please check with the relevant distributor.

Payable by the Sub-Fund from invested proceeds

- The Sub-Fund will pay the following fees and charges to the Manager, the Trustee and other parties:

***Fees and charges payable by the Sub-Fund***

| | |
|---|---|
| **Annual Management Fee** | • Currently 1.5%<br>• Maximum 1.75% |
| **Annual Trustee's Fee** | • Currently 0.075%<br>• Maximum 0.25% and subject always to a minimum of S$15,000 |
| **Performance Fee** | • None |
| **Initial Service Charge (on investments into the Underlying Sub-Fund)** | • Currently NIL<br>• Maximum 5% |

***Fees and charges payable by the Underlying Sub-Fund***

| | |
|---|---|
| **Annual Investment Management Fee** | • Currently 1.5%<br>• Maximum 3.0%<br>• Currently rebated to the Sub-Fund, which means effectively no Annual Investment Management Fee is being paid by the Sub-Fund |

| | |
|---|---|
| **Annual Depositary's Safekeeping Fee** | • Up to 0.45% of the value of the relevant assets of the Underlying Sub-Fund depending on the location of the assets held |
| **Annual Administrator and Depositary Fee** | • 0.0485% of the net asset value of the Underlying Sub-Fund plus a fixed annualised charge of US$3,500 |

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

The actual issue price and realisation price of units are normally published 1 Business Day after the relevant Dealing Day on the Manager's website (www.firststateinvestments.com).

Refer to "Obtaining Prices of Units" and "Realisation of Units" sections 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 Sub-Fund at any time by submitting a duly signed written instruction or a completed redemption form to the Manager or its approved distributors.
- If you are a new subscriber, you have the right to cancel your subscription within 7 days from the date of purchase without incurring the initial service charge and fees stated above. However, you will have to take the risk for any price changes in the net asset value of the Sub-Fund since you purchased it and the Manager is entitled to deduct from the cancellation proceeds any related expenses incurred.
- Partial realisations are subject to the minimum class holding applicable to the Sub-Fund.
- You will receive the sale proceeds within 7 Business Days of receipt of your realisation request.
- Your exit price is determined as follows (please note that your distributor may impose a different cut-off time):
  - If your realisation request is received before 5 p.m. on a Dealing Day, the realisation price for that Dealing Day will apply.
  - If your realisation request is received after 5 p.m. on a Dealing Day or on a day which is not a Dealing Day, the realisation price for the next Dealing Day will apply.
- Your sale proceeds will be the realisation price multiplied by the number of units sold, less any charges (there is currently no realisation charge imposed).

| | | | | |
|---|---|---|---|---|
| Realisation price | X | Number of units to be realised | = | Gross realisation proceeds |
| $1.0138 | X | 1,000 | = | $1,013.80 |
| Gross realisation proceeds | - | realisation charge | = | Net realisation proceeds |
| $1,013.80 | - | $0.00 | = | $1,013.80 |

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

For enquiries, please contact:
First State Investments (Singapore)
(Registration Number 196900420D)
Tel : +65 6580 1390 Fax : +65 6580 0800
Website: www.firststateinvestments.com
Email: info@firststate.com.sg

The Manager | Distributor

PRODUCT HIGHLIGHTS SHEET

## APPENDIX: GLOSSARY OF TERMS

**Business Day:**
Any day other than a 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 or Sunday on which commercial banks in Singapore or elsewhere are generally open for business or any other day that the Manager and the Trustee agree in writing.

**Dealing Day:**
Such day or days as the Manager may from time to time with the approval of the Trustee determine, but so that

a) unless and until the Manager (with the approval of the Trustee) otherwise determines, each Business Day after the commencement date of the Sub-Fund shall be a Dealing Day in relation to the Sub-Fund; and
b) without prejudice to the generality of the foregoing, if on any day which would otherwise be a Dealing Day in relation to Units of the Sub-Fund the recognised market on which investments or other property comprised in, and having in aggregate values amounting to at least 50% of the net asset value (as of the immediately preceding valuation point) of the Sub-Fund are quoted, listed or dealt in is or are not open for normal trading, the Manager may determine that day shall not be a Dealing Day in relation to Units of the Sub-Fund.