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IMPORTANT: This notice requires your immediate attention. If you have any questions about the contents of this notice, you should seek independent professional advice.

IMPORTANT

ABF PAN ASIA BOND INDEX FUND

A Singapore unit trust authorised under

*Section 286 of the Securities and Futures Act, Chapter 289 of Singapore and
Section 104 of the Securities and Futures Ordinance (Cap.571) of Hong Kong*

(Stock Code: 2821)

NOTICE TO UNITHOLDERS

On 1 April 2020, ABF Pan Asia Bond Index Fund (the "**Trust**") issued a second supplementary prospectus (the "**Second Supplementary Prospectus**") to the prospectus dated 13 June 2019, as supplemented by the First Supplementary Prospectus dated 2 December 2019, and replaced by the First Replacement Prospectus dated 27 December 2019 in relation to the Trust (together with the Second Supplementary Prospectus, the "**Prospectus**") for Hong Kong investors.

Unless otherwise defined in this notice, terms and expressions used in this notice shall have the same meanings ascribed to them under the Prospectus.

The Second Supplementary Prospectus sets out the increase in dilution charge (which forms part of duties and charges) payable by Authorised Participants (on your behalf) when redeeming Units or by brokers (on your behalf) when selling Units on the Stock Exchange with effect from 8 April 2020 (the "**Effective Date**").

Increase in dilution charge

State Street Global Advisors Singapore Limited (as manager of the Trust) (the "**Manager**"), with the agreement of HSBC Institutional Trust Services (Singapore) Limited (as trustee of the Trust) (the "**Trustee**"), will increase the dilution charge (which forms part of duties and charges) payable by the Authorised Participants (on your behalf) when redeeming Units or by brokers (on your behalf) when selling Units on the Stock Exchange, from 0.125% to 0.29% of the NAV of the Units,

with effect from the Effective Date. There is no change to the duties and charges in relation to the creation or purchase of Units.

As disclosed the subsection entitled "Dilution" under the section entitled "Creation and Redemption of Units" in the Prospectus, the value of the property of the Trust could be reduced as a result of costs incurred in investing cash subscriptions received on an application for Units, in paying cash redemption proceeds on a redemption of Units, or incurred in respect of dealing in portfolio securities, stamp duties taxes or other normal costs of the Trust ("**normal charges**") and there may be dilution costs due to the difference between the buying and selling prices of such securities and the market value of these securities ("**dilution charges**"). In order to prevent any potential adverse effect on unitholders and to avoid a dilution of the Trust's property due to such charges, the Manager has the discretion to charge unitholders a fee comprising normal charges and dilution charges to compensate for such decrease in the Trust's NAV when Units are issued or redeemed ("**duties and charges**"). Such fee will be determined by the Manager as the Manager may consider represents the appropriate provision for duties and charges. Any such fee paid to the Trust, will become part of the property of the Trust. To the extent such fee is greater than the actual charges incurred then such excess shall be for the account of the Trust. To the extent such such fee is less than the charges incurred then the Trust will bear any such deficiency.

Due to the current bond market condition, the Manager has observed an increase in spreads and transaction cost which may result in the current dilution charge imposed (0.125%) to be insufficient to prevent any potential adverse effect on unitholders and dilution of the Trust's NAV. As such, the Manager has decided, and the Trustee has agreed, to increase the dilution charges in respect of redemption of Units to 0.29% of the NAV of the Units from the Effective Date to ensure that any additional cost incurred with respect to redemptions is paid by unitholders redeeming their Units, rather than borne by the existing unitholders of the Trust. The increase in dilution charge is below the maximum amount (0.50%) allowed to be imposed by the Manager in relation to the redemption of Units as set out in the Prospectus.

Save as disclosed in this notice, there will be no change in the operation and/or manner in which the Trust is being managed, there will be no other change in the fee structure in managing the Trust and the changes will not result in any material change to the investment objective and overall risk profile of the Trust. The expenses arising as a result of the above changes will be borne by the Trust.

The Prospectus is available at www.abf-paif.com¹, and for inspection during normal business hours at the offices of the Manager at 68/F Two International Finance Centre, 8 Finance Street, Central, Hong Kong or the Receiving Agent (i.e. HSBC Institutional Trust Services (Asia) Limited) at 6/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong.

Investors who have any questions concerning the Trust may contact the Manager at telephone number +65 6826 7555 in Singapore and +852 2103 0100 in Hong Kong.

¹ The above website has not been reviewed by the Securities and Futures Commission.

State Street Global Advisors Singapore Limited
Manager
1 April 2020

STATE STREET GLOBAL
ADVISORS

The Manager accepts full responsibility for the accuracy of the information contained in this notice as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement in this notice misleading.