

NOTICE TO UNITHOLDERS

30 June 2017

This document is important and requires your attention. If you are in any doubt as to the action you should take, you should seek advice from your investment consultant. However, unless you wish to place an order to redeem or exchange your units in the Fund (as defined below), you do not need to act following receipt of this document.

If you have sold or transferred all of your units in the Fund, please pass this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee as soon as possible.

Dear Unitholder,

LEGG MASON SOUTHEAST ASIA SPECIAL SITUATIONS TRUST (the “Fund”)

We, the manager of the Fund, would like to inform you of the following changes and clarifications to be made in respect of the Fund with effect from 1 August 2017 (or on such other date as we may subsequently advise)(the “**Effective Date**”).

A. Change in sub-manager

The sub-manager of the Fund will be changed from Havenport Asset Management Pte. Ltd. to Martin Currie Investment Management Limited (“**MCIM**”) as we believe that MCIM will be better placed to deliver consistent strong performance for the Fund over the long-term.

MCIM is an indirect wholly-owned subsidiary of Legg Mason, Inc.. Legg Mason, Inc. is a global asset management firm founded in 1899 and is currently listed on the New York Stock Exchange, Inc.. As at 31 March 2017, Legg Mason, Inc. manages approximately US\$728 billion in assets invested worldwide in a broad mix of equities, fixed income, alternatives and cash strategies.

MCIM is organised under the laws of Scotland. Since MCIM was founded in 1881, it has been managing a range of collective investment schemes and discretionary funds for a global client base across institutions and retail markets. MCIM began investing in global equities in the 1920s, developing their Asian and emerging-market capabilities thereafter. Today, MCIM is an active equity specialist investment firm driven by fundamental research and specialised in managing stock-focused portfolios. MCIM is authorised and regulated by the Financial Conduct Authority in the United Kingdom. As at 31 March 2017, MCIM had approximately US\$18.1 billion of assets under its management.

Past performance of MCIM is not necessarily indicative of its future performance. There will be no change to the (i) investment objective and focus of the Fund; and (ii) the fees and charges payable by you and the Fund, as disclosed in the current prospectus for the Fund, as a result of the aforementioned change.

B. Clarification to investment approach of the Fund

We will be clarifying the investment approach of the Fund by removing the reference to “thematic approach” (highlighted in bold under the current investment approach column below) which is part of the description of the sub-manager’s investment strategy in the current Fund prospectus. This is because it is difficult to qualify what constitutes a “thematic approach”.

Current description of investment approach in the prospectus

The Sub-Manager views the Asian markets as dynamic, high-growth and rapidly expanding, yet persistently inefficient and volatile, offering long-term investors the opportunity to exploit such inefficiencies. The Sub-Manager’s strategy uses a systematic, **thematic** approach in information gathering and analysis to capture periodic market mis-pricing where there are sufficient market signals and data points available. The Sub-Manager intends to devote more of their internal research resources to seek out and analyze mid-cap and small-cap stocks where opportunities for significant securities mis-pricing are more abundant.

New description of investment approach in the prospectus with effect from the Effective Date

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C. Clarification of investment focus of the Fund

As the term “Special Situations” is not commonly understood nor is it a term of art, to avoid confusion with investors, we will be clarifying the description of the Fund’s investment focus in the prospectus by removing references to “Special Situations”.

Current description of investment focus in the prospectus

The Sub-Manager intends to place an emphasis on Asian “Special Situation” companies (that is, those companies which have yet to gain the attention of the market) demonstrating strong secular growth trends, reflecting the rich investment opportunities in the Asian region. Emphasis is placed on identifying the best investment opportunities

New description of investment focus in the prospectus with effect from the Effective Date

The Sub-Manager intends to place an emphasis on Asian “~~Special Situation~~” companies (that is, those companies which have yet to gain the attention of the market) demonstrating strong secular growth trends, reflecting the rich investment opportunities in the Asian region. Emphasis is placed on identifying the best investment opportunities and on calibration of the

Current description of investment focus in the prospectus

and on calibration of the right investment weight to develop a focused and yet adequately diversified portfolio. Examples of “Special Situations” can include corporate restructuring or re-engineering, management change, new product introduction or innovation, new business injections and changes in the regulatory and business environment.

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right investment weight to develop a focused and yet adequately diversified portfolio. ~~Examples of “Special Situations” can include corporate restructuring or re-engineering, management change, new product introduction or innovation, new business injections and changes in the regulatory and business environment.~~

For the avoidance of doubt, there will be no change to the investment focus of the Fund.

D. Change to the name of the Fund

In line with the clarification to the investment focus of the Fund, “Special Situations” will be removed from the Fund name. The name “Martin Currie” will also be included to reflect the appointment of the new sub-manager for the Fund from the Effective Date:

Current Fund Name	New Fund Name
Legg Mason Southeast Asia Special Situations Trust	Legg Mason Martin Currie Southeast Asia Trust

The prospectus and product highlights sheet for the Fund will be updated to reflect the above changes and will be available by the Effective Date. When available, the updated prospectus and product highlights sheet can be collected at 1 George Street, #23-02, Singapore 049145 during normal business hours or accessible at www.leggmason.com.sg.

As a gesture of goodwill, any costs and expenses incurred in connection with the above changes will be paid by us.

Your options:

Option 1 – Continue holding

You may choose to continue holding your units in the Fund (the “Units”) after the Effective Date. In such a case, no action on your part is required.

Option 2 – Switching

If you do not agree with the changes, you may choose to switch your Units. We will provide a free switch to units of:

- Legg Mason Western Asset Global Bond Trust; or

- Legg Mason Western Asset Singapore Bond Fund; or
- Legg Mason Western Asset Asian Bond Trust,

(the “**New LM Funds**”) for switches submitted before the Deadline stated below.

Please note that if your Units are bought using CPF monies, you may only switch into either Legg Mason Western Asset Global Bond Trust or Legg Mason Western Asset Singapore Bond Fund, which are both CPFIS-included funds.

Please note that prospectuses and product highlights sheets in relation to the New LM Funds are available and may be collected at 1 George Street, #23-02, Singapore 049145 during normal business hours or accessible at www.leggmason.com.sg. You should read the relevant prospectus and product highlights sheet before deciding whether to switch into any New LM Fund and we encourage you to seek advice from a financial adviser before making any investment decision. Should you choose not to consult a financial adviser, you should carefully consider whether an investment in a New LM Fund is suitable for you and your individual circumstances. The value of units of the New LM Funds and income accruing to the units, if any, may fall or rise.

Please note that any switch will be subject to the provisions of the trust deed for the relevant New LM Fund and no switch may be made if you do not meet the minimum initial subscription amount for that New LM Fund or if the switch will result in you holding a number of units of that New LM Fund below the minimum holding.

Please also note that you will only be able to switch into a New LM Fund if that New LM Fund is available from the authorised distributor through whom you originally purchased your Units.

Your Units will be switched by subscribing for units of the New LM Fund with redemption proceeds of your Units or by exchanging your Units for units of the New LM Fund at the prevailing net asset value for your Units and units of the relevant New LM Fund in relation to the relevant dealing day as determined in accordance with the terms of the applicable trust deed(s).

Option 3 – Redemption

If you do not agree with the changes, you may choose to redeem your Units.

Your Units will be redeemed at the prevailing net asset value for such Units in relation to the relevant dealing day as determined in accordance with the terms of the trust deed for the Fund.

There is currently no redemption fee payable.

Deadline for Free Switches and Redemptions

To redeem or switch your Units before the Effective Date, please submit your redemption form or switching form to the authorised distributor through whom you originally purchased your Units no later than 5.00 p.m. (Singapore time) on 31 July 2017 (the “**Deadline**”).

You can obtain the redemption forms and switching forms from our authorised distributors.

If you submit your request to switch or redeem your Units before the Deadline, as a gesture of goodwill, we will:

- waive any fees which we may otherwise charge to carry out your switch into a New LM Fund; and
- if your Units were purchased using your CPF monies (“**CPF Units**”), pay any transaction charges levied by CPF agent banks to carry out the switch of your CPF Units into Legg Mason Western Asset Global Bond Trust or Legg Mason Western Asset Singapore Bond Fund or the redemption of your CPF Units.

Important: You should obtain independent professional or legal advice if you have any doubt or concern relating to the contents in this notice.

On behalf of all of us at Legg Mason Asset Management Singapore Pte. Limited, we thank you for your continued support and we look forward to serving you.

Please feel free to contact our authorised distributors or our client service staff at telephone number +65 6536 8000 with any questions or concerns.

Legg Mason Asset Management Singapore Pte. Limited

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