

Manulife Investment Asia-Pacific REIT Fund

Diversify with REITs for income and
capital growth potential

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What are REITs?

REITs, or Real Estate Investment Trusts, are collective investment schemes that are listed as corporate stocks. REITs investors own the property indirectly through share units which they hold and regularly gain income from the property's portfolio.

How do REITs work?

REITs have a simple business model: Generating income by leasing out properties. The property is managed by a professional team which actively seeks to lift the value of the property and the rent to increase potential income.

Advantages of investing in REITs



Regular, predictable distributions

In accordance with regulatory requirements, most REITs distribute at least 90% of their earnings (rental payments) as dividends to investors.



Capital appreciation

Asia-Pacific REITs (AP REITs) offer the potential for capital appreciation due to the continuous optimisation of their property portfolios together with overall increases in rent.



Professional property management

A good REIT is managed by professionals who have specialised experience in a particular pocket of the real estate market. This enables them to optimise property investment returns.

Different types of REITs

REITs aim to deliver a source of recurrent income to investors through focused investment in a portfolio of income-generating properties such as shopping malls, offices, hotels and service apartments.

REITs by sectors

Retail REITs

e.g. Retail stores, shopping malls and outlet centres

Office REITs

e.g. Grade A office, office parks and offices in industrial areas

Hotel and Resort REITs

Different classes of hotels & resort based on features such as the hotels' level of service and amenities

Industrial REITs

e.g. Warehouses, logistics centres and data centres

Healthcare REITs

e.g. Hospital, seniors facilities, nursing home and cosmetic surgery centres

Recurrent income

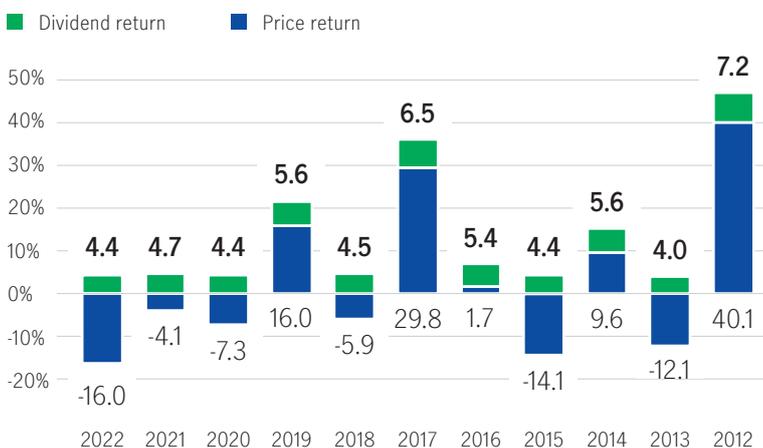
Why Asia Pacific REITs?

Consistent income return

Asia REITs have historically delivered a consistent dividend income. Out of the 11.4%* annualised total return registered during the period of 2009 to December 2022, around 50% was contributed by dividend.

* Source: Bloomberg, from January 1, 2009 to December 31, 2022
Asia REITs measured by FTSE/EPRA Nareit Asia ex Japan Index (capped). Past performances are not an indication of future performances.

Asia REITs dividend return vs price return (%)



Source: Bloomberg as of 31 December 2022.

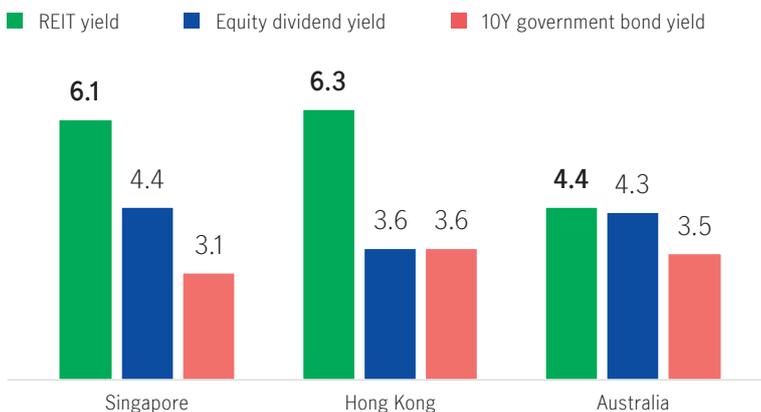
Asia ex Japan REITs are represented by FTSE EPRA/NAREIT Asia ex Japan REITs Index (capped). Performance in USD. Past performances are not an indication of future performances.

Attractive dividend yield potential

Major Asia Pacific REIT markets currently offer relatively attractive yields compared to other yield-oriented securities.

The above information may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations. There is no assurance that such events will occur, and the future course may be significantly different from that shown here.

Yield comparison vs equity/government bond (%)



Source: Bloomberg, FTSE Russell, as of November 30, 2022.

REIT Yield: Singapore REIT – FTSE ST Real Estate Investment Trusts Index, Hong Kong REIT – FTSE EPRA Nareit Hong Kong Index, Australia REIT – S&P/ASX 200 A-REIT Index.

Equity Dividend Yield: Singapore equity: Straits Times Index, Hong Kong equity: Hang Seng Index, Australia equity: S&P/ASX 200 Index.

For illustrative purposes only. The above yields do not represent the distribution yield of the Manulife Investment Asia-Pacific REIT Fund and are not an accurate reflection of the actual return that an investor will receive in all cases. A positive distribution yield does not imply a positive return. Past performance is not an indication of future results.

Inflation hedge

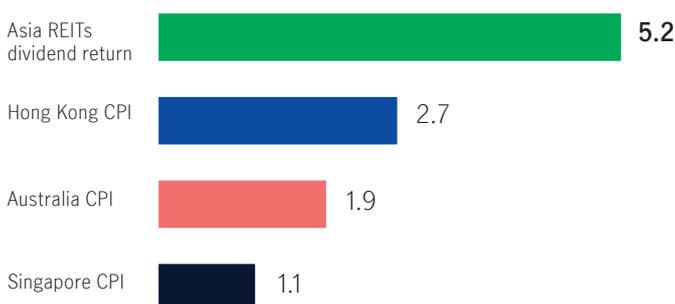
Inflation that is a result of economic growth tends to translate into greater demand for real estate and subsequent higher occupancy rates, supporting growth in REIT cash flow and dividends.

Over the past decade, Asia REITs have delivered higher dividend return on average compared to inflation of major REIT markets.

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Asia REITs dividend return outpaced inflation (%)

10-year average (2012 – 2021)



Source: Bloomberg, The World Bank, as of November 30, 2022.

Asia REITs measured by FTSE/EPRA Nareit Asia ex Japan Index (capped).

Manulife Investment Management's expertise

95+ years

Investment experience in property investments, and assets and property management

USD 153 billion¹

Assets under management and administration in Asia

200+

Professionals² based in Asia

¹ Manulife Investment Management. Data as of March 31, 2022. Value of assets under management is rounded up to the nearest USD 1 billion.

² Data as of June 30, 2022. Total is comprised of investment professionals of Manulife Investment Management, Manulife-TEDA Fund Management Co. Ltd., a 49% joint venture is a joint venture between Manulife Financial and Tianjin TEDA International Holdings (Group) Co. Ltd., part of the Tianjin TEDA Investment Holding Co. Ltd. (TEDA), and Mahindra Manulife Investment Management Private Limited, a 49% joint venture of Manulife and Mahindra AMC.

Key fund information

| | | |
|---------------------------------------|--|--|
| Name of the fund | Manulife Investment Asia-Pacific REIT Fund (“the Fund”) | |
| Manager | Manulife Investment Management (M) Berhad 200801033087 (834424-U) | |
| Fund category | Fund-of-Funds | |
| Base currency | RM | |
| Investment objective | The Fund aims to provide long-term capital appreciation and sustainable income through a combined investment in other collective investment schemes, namely REITs and infrastructure funds/trusts. | |
| Investor profile | <p>This Fund is suitable for investors who:</p> <ul style="list-style-type: none"> wish to have investment exposure through a diversified portfolio of REITs and/or infrastructure funds/trusts within the Asia-Pacific region; are seeking a sustainable distribution of income and long-term capital growth; and have a long-term investment horizon of 5 years or more. | |
| Investment policy and strategy | <p>The Fund invests in REITs and infrastructure funds/trusts that are listed on Asia-Pacific stock exchanges. The Fund focuses on REITs that have historically generated regular income and also expect to generate future income with the potential for capital growth. In evaluating the suitability of a REIT, the Fund Manager will review key attributes including but not limited to, the underlying property of the REIT, performance of the REIT’s manager, and its rental yield.</p> <p>The underlying assets of infrastructure funds/trusts will comprise of listed equities of companies which focus primarily on but are not limited to utilities, transportation/logistics and communications:</p> <ul style="list-style-type: none"> Utilities include facilities for the recycling, treatment, distribution and supply of water, as well as facilities for the generation, transmission, distribution and supply of electricity and gas. Transportation/logistics include toll roads, railways, storage terminals, airports and seaports. Communications comprise broadcast transmission infrastructures, satellite systems and terrestrial wireline and wireless network infrastructures. <p>The countries that the Fund may invest in include, but are not limited to Australia, China, Hong Kong, India, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand.</p> | |
| Performance benchmark | <p>The S&P Pan Asia Ex-JP, AU, NZ, PK REIT 10% Capped Index (USD) is a customised index which consists of the REITs listed in Asia ex Japan, Australia, New Zealand and Pakistan. The index is a market capitalisation weighted index with a minimum market capitalisation of USD500 million with a single stock weight limit of 10%. The performance benchmark above is only used as a reference for investment performance comparison purpose. The performance benchmark information and disclaimer of S&P Dow Jones Indices LLC are obtainable via www.manulifeim.com.my. The risk profile of the Fund is different from the risk profile of the performance benchmark.</p> <p>Note: The performance benchmark for the Fund is revised from Manulife Investment Asia REIT Ex Japan Index to S&P Pan Asia Ex-JP, AU, NZ, PK REIT 10% Capped Index (USD) effective from 1 August 2022. The purpose of the change is due to the discontinuation of Manulife Investment Asia REIT Ex Japan Index. The S&P Pan Asia Ex-JP, AU, NZ, PK REIT 10% Capped Index (USD) is used to better reflect the performance of the investment universe of the Fund.</p> | |
| Sales charge | Distribution channels UTC Manager IUTA EPF-MIS# # Employees Provident Fund – Members Investment Scheme (EPF-MIS). | Sales charge (as a % of NAV per unit of the Fund) Up to 5.00% Up to 0.50% with i-Akaun (Member), otherwise 3.00% |
| Annual management fee | Up to 1.75% per annum of the NAV of the Fund calculated and accrued on a daily basis. | |
| Annual trustee fee | 0.06% per annum of the NAV of the Fund (including local custodian fees, but excluding foreign custodian fees and charges). | |
| Minimum initial investment | RM2,000.00 | |
| Minimum additional investment | RM1,000.00 | |
| Distribution policy | <p>Semi-annually, if any. Subject to availability of income, the Manager has the discretion to declare distribution at a higher frequency.</p> <p>Any distribution of income can only be made from realised gains, realised income and/or capital*.</p> <p>* The Fund is allowed to distribute income out of capital to enable the Fund to provide income at regular interval as per the distribution policy of the Fund.</p> <p>Please note that Manulife Investment Asia-Pacific REIT Fund may declare distribution out of capital and may result in capital erosion. The distributions are achieved by forgoing the potential for future capital growth and this cycle may continue until all capital is depleted.</p> | |
| Financial year end | 31 August | |
| Cooling-off period | The cooling-off period is only applicable to any individual investing for the first time in any unit trust funds managed by the Manager and excludes staff of the Manager and persons registered with a body approved by the SC to deal in unit trusts. You have the right, within six (6) Business Days from the day of the receipt by the Manager of your application form, to call for a withdrawal of your investment. | |

Disclaimer:

The above information has not been reviewed by the Securities Commission Malaysia (SC) and is subject to the relevant warning, disclaimer, qualification or terms and conditions stated herein. Investors are advised to read and understand the contents of the Master Prospectus dated 15 May 2023 and its First Supplemental Master Prospectus dated 20 October 2023 and all the respective Product Highlights Sheet(s) (collectively, the “Offering Documents”), obtainable at our offices or website, before investing. The Offering Documents have been registered with the SC, however the registration with the SC does not amount to nor indicate that the SC has recommended or endorsed the product. There are risks involved with investing in unit trust funds; wholesale funds and/or Private Retirement Schemes. Some of these risks associated with investments in unit trust funds; wholesale funds and/or Private Retirement Schemes are interest rate fluctuation risk, foreign exchange or currency risk, country risk, political risk, credit risk, non-compliance risk, counterparty risk, target fund manager risk, liquidity risk and interest rate risk. For further details on the risk profile of all the funds, please refer to the Risk Factors section in the Offering Documents. The price of units and income distribution may go down as well as up. Investors should compare and consider the fees, charges and costs involved. Investors are advised to conduct own risk assessment and consult the professional advisers if in doubt on the action to be taken.

The S&P Pan Asia Ex-JP, AU, NZ, PK REIT 10% Capped Index (USD) is a product of S&P Dow Jones Indices LLC or its affiliates (“SPDJ”), and has been licensed for use by Manulife Investment Management (M) Berhad. Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC (“S&P”); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); and these trademarks have been licensed for use by SPDJ and sublicensed for certain purposes by Manulife Investment Management (M) Berhad. Manulife Investment Asia-Pacific REIT Fund is not sponsored, endorsed, sold or promoted by SPDJ, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of The S&P Pan Asia Ex-JP, AU, NZ, PK REIT 10% Capped Index (USD).

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