

Manulife Investment Asia-Pacific REIT Fund

Diversify with REITs for income and
capital growth potential

 (03) 2719 9271

 manulifeim.com.my

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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

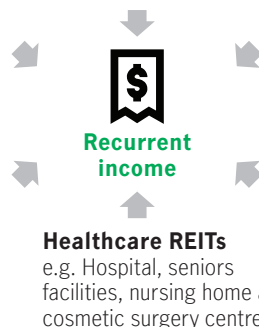
e.g. Warehouses, logistics centres and data centres

Healthcare REITs

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

Diversified REITs

Own and operate two or more types of properties



Why Asia Pacific REITs?

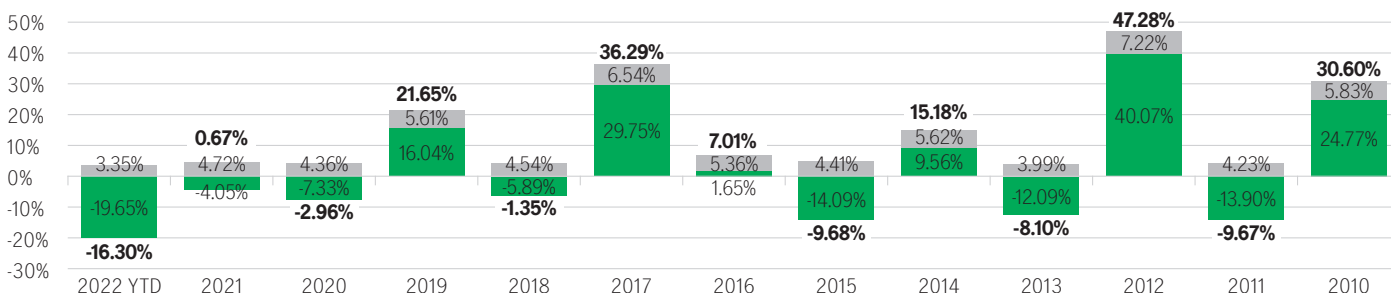
Defensive properties of Asia ex-Japan REITs

REITs are a hybrid security. Although REITs are traded like equities, they also offer investors a regular income payout.

The income feature of REITs gives this asset class its defensive properties, providing a buffer when markets move lower and potentially enhancing total return for investors when markets appreciate.

■ Dividend return ■ Price return

Annual total returns of Asia ex-Japan REITs (2010-2022 YTD)



Source: Bloomberg as of 30 September 2022. YTD = Year to date.

Asia ex-Japan REITs are represented by FTSE EPRA/NAREIT Asia ex-Japan REITs Index (capped). Performance in USD.

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.

Dividend income as an important source of long-term returns for REITs

The dividend component of REITs has historically offered attractive and sustainable sources of income for investors. Also, the stable income streams provide a buffer to cushion overall losses during down markets, and to augment total returns during market rallies. The price appreciation, meanwhile, could offer capital gains throughout the reference period.

Asia REITs vs. Asia equities (from December 2008 to September 2022)



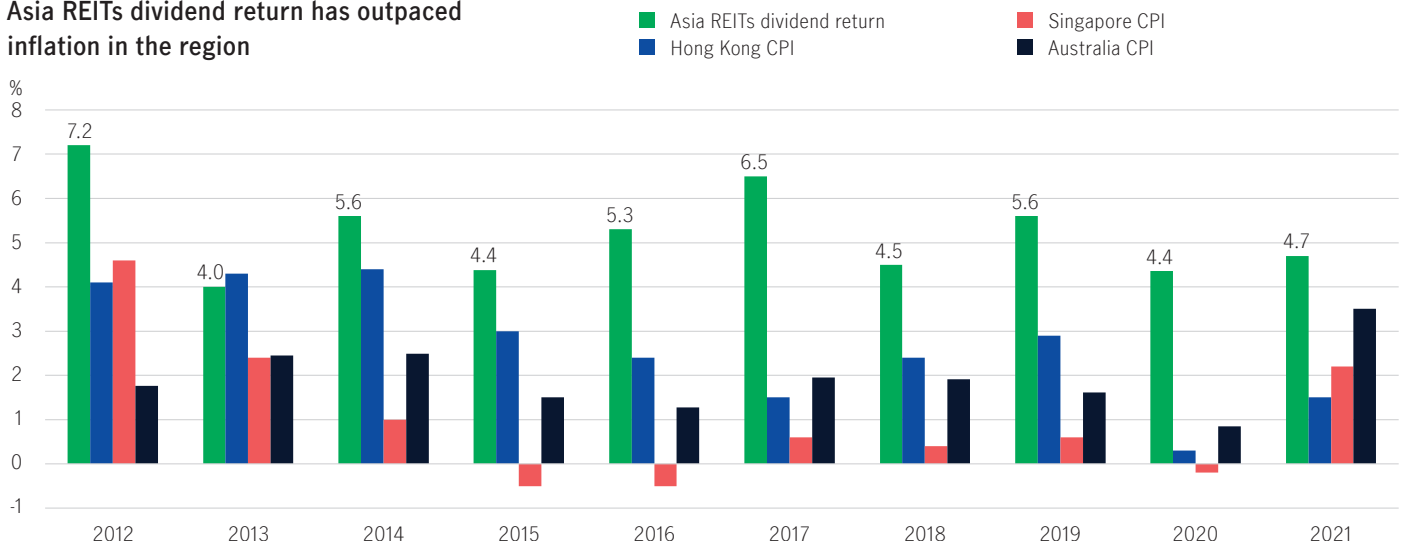
Source: Bloomberg, as of 30 September 2022, based on monthly data.
 Asia REITs = FTSE/EPRA Nareit Asia ex Japan index (capped); Asia equities = MSCI AC Asia ex Japan Index Total Return.
 For illustrative purposes only. Past performance is not indicative of future performance.
 The above information may 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.

REITs tend to be a good hedge against inflation

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.

A property lease may include rental increases that are tied to the Consumer Price Index (CPI). As a result, real estate is generally seen as a good hedge against inflation. The dividend return of Asia REITs has mostly exceeded the inflation of major REIT markets (as measured by CPI) in the past 10 years.

Asia REITs dividend return has outpaced inflation in the region



Source: Bloomberg, The World Bank, as of 30 September 2022. Asia REITs measured by FTSE/EPRA Nareit Asia ex-Japan Index (capped).
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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	This Fund is suitable for investors who: <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 REIT ex Japan 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 REIT ex Japan customised index 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 REIT ex Japan customised index is used to better reflect the performance of the investment universe of the Fund.</p>	
Sales charge	Distribution channels UTC Manager IUTA EPF-MIS#	Sales charge (as a % of NAV per unit of the Fund) Up to 5.00% Up to 0.50% if subscribed via i-Akaun (Member), otherwise up to 3.00%
	#Employees Provident Fund – Members Investment Scheme (EPF-MIS).	
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 (excluding foreign custodian fees and charges).	
Minimum initial investment	RM1,000	
Minimum additional investment	RM100	
Distribution policy	Semi-annually, if any. Subject to availability of income, the Manager has the discretion to declare distribution at a higher frequency.	
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 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 10 August 2020, its First Supplemental Master Prospectus dated 10 August 2020, its Second Supplemental Master Prospectus dated 27 January 2021, its Third Supplemental Master Prospectus dated 5 April 2021, its Fourth Supplemental Master Prospectus dated 13 September 2021 and its Fifth Supplemental Master Prospectus dated 15 September 2022 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 Securities Commission Malaysia (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. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from the pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, the value of your investment in the Fund’s denominated currency will remained unchanged after the distribution of the additional units.

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