

**Important Notes:**

- 1 Manulife Global Fund – Asia Pacific REIT Fund (“Manulife Asia Pacific REIT Fund” or the “Fund”) invests primarily in equities and equity-related securities in the Asia Pacific ex-Japan region, which exposes investors to equity market risk as well as geographic concentration and currency risk.
- 2 The relevant distributing class of the Fund does not guarantee distribution of dividends, the frequency of distribution and the amount/rate of dividends. Dividends may be paid out of income, realized capital gains and/or out of capital of the Fund in respect of Inc share class(es). Dividends may be paid out of realized capital gains, capital and/or gross income while charging all or part of their fees and expenses to capital (i.e. payment of fees and expenses out of capital) in respect of MDIST (G) and R MDIST (G) share class(es). Dividends paid out of capital of the Fund amounts to a return or withdrawal of part of the amount of an investor’s original investment or from any capital gains attributable to that original investment and may result in an immediate decrease in the net asset value per share in respect of such class(es) of the Fund.
- 3 The Fund invests in real estate investment trusts (“REITs”), which may expose investors to sector concentration and real estate-related risks.
- 4 The Fund intends to use financial derivative instruments (“FDIs”) for investment, efficient portfolio management and/or hedging purposes. The use of FDIs exposes the Fund to additional risks, including volatility risk, management risk, market risk, credit risk and liquidity risk.
- 5 Investment involves risk. The Fund may expose its investors to capital loss. Investors should not make decisions based on this material alone and should read the offering document for details, including the risk factors, charges and features of the Fund and its share classes.
- 6 Given RMB is currently not a freely convertible currency, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. As offshore RMB (CNH) will be used for the valuation of RMB denominated Class(es), CNH rate may be at a premium or discount to the exchange rate for onshore RMB (CNY) and there may be significant bid and offer spreads and thus the value of the RMB denominated Class(es) will be subject to fluctuation. Any devaluation of RMB could adversely affect the value of investors’ investments in the RMB denominated Class(es) of the Fund.

**Manulife**

Investment Management

June 2024

# Manulife Asia Pacific REIT Fund

[manulifeim.com.hk](http://manulifeim.com.hk)

The Fund is authorized by the Securities and Futures Commission of Hong Kong (“SFC”). SFC’s authorization of the fund is not made under the Code on Real Estate Investment Trust and does not imply official recommendation.



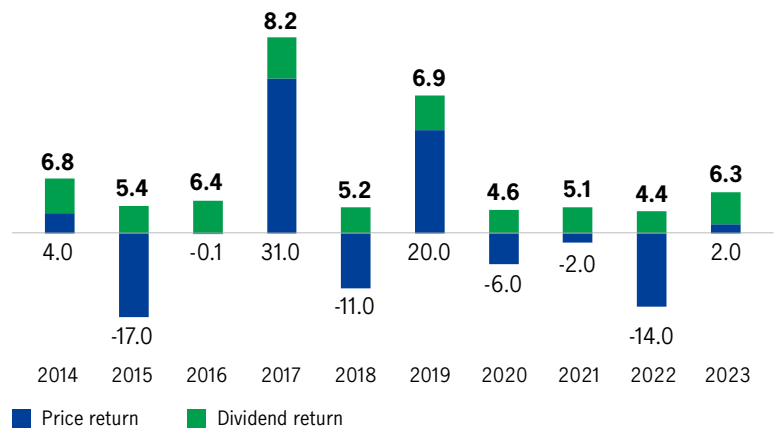
# Why Asia Pacific REITs?

## Consistent income return

Major Asia Pacific REITs have historically delivered a consistent dividend income. Take Singapore REITs for example, out of the 11.9% annualized total return registered during the period of 2009 to 2023, around 55% was contributed by dividend.

Source: Bloomberg, from January 1, 2009 to December 31, 2023. Singapore REITs measured by FTSE ST Real Estate Investment Trusts Index.

Singapore REITs dividend return vs price return (%)

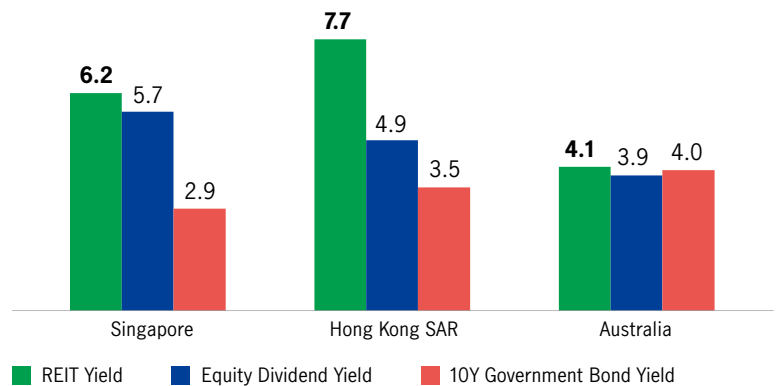


## Attractive dividend yield potential

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

Source: Bloomberg, as of January 31, 2024. 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 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.

REIT yield comparison vs Equity/Government Bond (%)

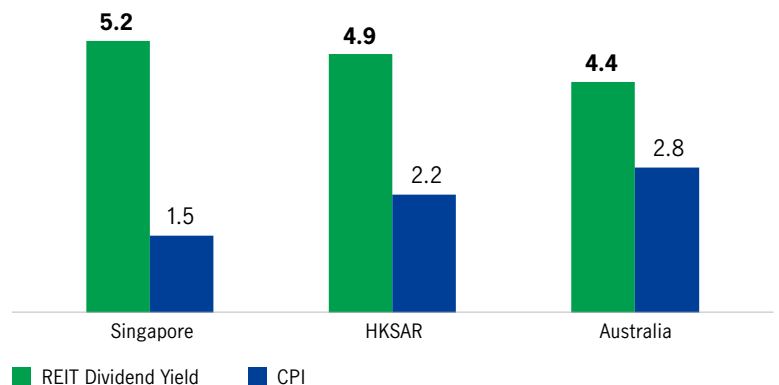


## REIT dividend return outpaced inflation

Over the past decade, REIT dividend return in major Asia Pacific markets has offered a consistently positive carry over inflation, or “yield premium”, providing an “inflation adjusted” income solution to investors.

Source: Bloomberg, from January 1, 2014 to December 31, 2023. Singapore REITs measured by FTSE ST Real Estate Investment Trusts Total Return Index; Hong Kong REITs measured by FTSE EPRA Nareit Developed REITs Hong Kong Total Return Index; Australia REITs measured by S&P/ASX 200 A-REIT Total Return Index. Inflation measured by CPI in local markets.

REIT dividend return vs CPI in major Asia Pacific markets (%)



# Manulife Asia Pacific REIT Fund

With the aim to achieve stable income and capital appreciation, the Fund remains diversified across **secular growth sectors** (industrial/Data Center REITs), **operational recovery plays** (retail/office/hospitality REITs) and **potential alpha generation** (non-REIT real estate stocks).

## Illustrative sector allocation

### Secular growth sectors

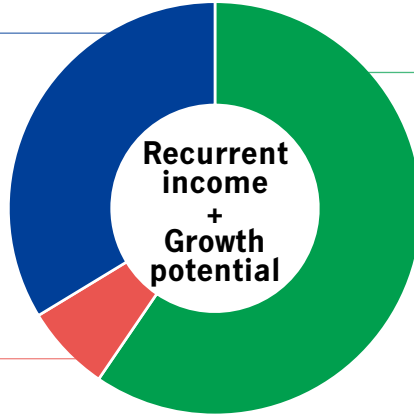
Logistics warehouses and data centers to benefit from the secular growth trend of e-commerce and AI technologies & cloud computing.

Related sectors:

- Industrial REITs
- Data Center REITs

### Potential alpha generation

To capture potential capital appreciation via selective non-REIT real estate stocks.



### Operational recovery plays

To capture the operational improvement and cashflow recovery supported by resilient economic growth and operational fundamentals across the region.

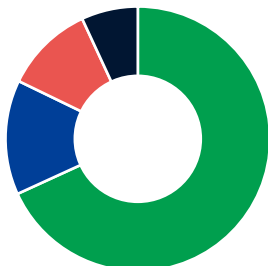
Related sectors:

- Retail REITs
- Office REITs
- Hotel & Resort REITs
- Diversified REITs

For illustrative purpose only. Above allocation does not represent actual portfolio allocation.

## Aims to distribute dividend monthly<sup>1</sup>

### Illustrative market allocation



- Singapore
- Hong Kong SAR
- Australia
- Others

For illustrative purpose only. Above allocation does not represent actual portfolio allocation.

<sup>1</sup> Applicable to monthly distribution share classes only.

The Fund predominantly invests in REITs in Singapore, Hong Kong SAR and Australia as they offer relatively higher and stable dividend yields.

### Dividend schedule

Record Date	Ex-Dividend Date	Ex-Dividend NAV <sup>2</sup>	AA (USD) MDIST (G)	
			Dividend per share	Annualized dividend yield <sup>2</sup>
3/28/2024	4/2/2024	\$0.5839	0.0036	<b>7.75%</b>
2/29/2024	3/1/2024	\$0.5869	0.0036	<b>7.71%</b>
1/31/2024	2/1/2024	\$0.6061	0.0036	<b>7.46%</b>

<sup>2</sup> Source: Manulife Investment Management, as of April 2, 2024, refers only to Class AA (USD) MDIST(G). Annualized yield = [(1+distribution per unit/ex-dividend NAV) ^distribution frequency per annum]-1, the annualized dividend yield is calculated on the basis of the latest relevant dividend distribution and dividend reinvested, and may be higher or lower than the actual annual dividend yield. Please note that dividend is not guaranteed, and a positive dividend yield does not imply a positive return. Past performance is not indicative of future performance.

## Manulife Investment Management's expertise

**95+ years**

experience in property investments, assets and property management

**USD 147 billion**

assets under management and administration in Asia<sup>3</sup>

**200+**

professionals based in Asia<sup>4</sup>

<sup>3</sup> Source: Manulife Investment Management. Data as of December 31, 2023. Value of assets under management is rounded up to the nearest USD 1 billion.

<sup>4</sup> Source: Manulife Investment Management, as of December 31, 2023. Manulife Investment Management's global investment professional team includes expertise from several Manulife IM affiliates and joint ventures; not all entities represent all asset classes.



### Hui Min Ng

Based in Singapore, Hui Min is responsible for the Asia Pacific ex Japan REIT portfolios across the region.

#### Q: How have Asia Pacific REITs markets performed in May?

A: Asia ex Japan REITs<sup>1</sup> markets saw minor gains following a challenging April. During the month, US Federal Reserve Chairman Powell eased market fears by talking down any possibility of further rate hikes despite sticky inflation data. The US 10-year bond yield retreated marginally from the recent high of 4.7%. Volatility of the asset class has remained high as the rate-sensitive sector gyrates to changes in expectations of potential US Federal Reserve rate cuts in the 2nd half of 2024. Markets are now pricing in under 2 cuts, compared to the 6 cuts projected at the start of 2024.

Most Australia REITs<sup>1</sup> (AREIT) closed in green territory for May. During the month, the Australian government unveiled a budget which includes tax cuts from July 2024 that could help consumption, as well as an additional US\$2 billion infrastructure spending on better transportation for Western Sydney. The infrastructure funding is deemed positive for AREITs with industrial developments in the Western Sydney precinct.

Hong Kong REITs<sup>1</sup>, in particular the retail REITs, saw big swings in stock performances in May. The market was initially lifted by news that Mainland China is considering a proposal to exempt retail investors from dividend taxes for Hong Kong-listed stocks that they buy through Stock Connect. This increased the appeal of high-yielding Hong Kong REITs which are expected to be included in the Stock Connect soon. However, the rally fizzled out for the retail REITs on worries over leakage of local consumption to Mainland China.

Singapore REITs<sup>1</sup> (SREIT) underperformed the region with mixed performance across the sectors. The month of May saw several major corporate news, including CEO changes at 2 industrial REITs and a major divestment of a Singapore office asset by a retail-centric SREIT. Meanwhile, two big cap SREITs underperformed on funds outflows amid their removals from the MSCI Singapore Index.

#### Q: What were the drivers of the Fund performance in May?

A: The Fund posted slight gains during the month. Australia contributed to performance with industrials REITs and those that would benefit from the infrastructure investment adding the most value. An Australian industrial & data centre REIT outperformed after it upgraded its FY2024 earnings guidance. A Singapore-centric data centre REIT also delivered gains on the back of news of a major cloud infrastructure investment by a global hyperscaler in Singapore.

Detracting from performance were the Fund's Hong Kong retail REITs holdings on concerns that Hong Kong retail consumption could see structural decline on increasing northbound consumption. Sentiment was affected by a Shenzhen-based supermarket chain announcing its plan to provide delivery into Hong Kong, posing more competition to local retailers.

#### Q: What is the outlook of Asia Pacific REITs?

A: With the potential peak in global interest rates, a key pressure point weighing on Asia REITs looks set to reverse in the year ahead. While rising expectations of a delayed and milder cut in interest rates have capped performance of Asia REITs in recent months, we still see the attractive yields on the asset class as being resilient. In the absence of materially negative transactional evidence, REITs are actively looking to repair their balance sheet and this could restore investors' confidence in their underlying asset values. We continue to seek opportunities and focus on paying reasonable valuations for high quality Asia REITs.

Unless otherwise stated, all information sources are from Manulife Investment Management, as of May 31, 2024. The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations, and is only as current as of the date indicated. There is no assurance that such events will occur, and may be significantly different than that shown here. Past performance is not indicative of future performance. Information about the asset allocation is historical and is not an indication of the future composition.

<sup>1</sup> Source: Bloomberg, Manulife Investment Management, as of May 31, 2024. Asia REITs represented by S&P Pan Asia Ex-JP, AU, NZ, PK REIT 10% Capped Index. Singapore REITs represented by FTSE ST Real Estate Investment Trusts Total Return Index; Hong Kong REITs represented by Hang Seng REITs Index; Australia REITs represented by S&P/ASX 200 A-REIT Total Return Index.

Issued by Manulife Investment Management (Hong Kong) Limited.

This material has not been reviewed by the Securities and Futures Commission (SFC). The Fund is authorised by the Securities and Futures Commission of Hong Kong. SFC's authorization of the Fund is not made under the Code on Real Estate Investment Trust and does not imply official recommendation.