

For Immediate Release

Manulife Investment Management Malaysia introduces two PRS REIT funds for members seeking sustainable yields for retirement savings, in a low interest rate market that carries signs of promise

KUALA LUMPUR, 5 December 2019 – Continued global economic uncertainty and low interest rate environment have prompted investors in Malaysia to search for higher and more sustainable yields, as they seek to generate a steady income stream to supplement their savings.

To address this growing need, **Manulife Investment Management (M) Berhad** (Manulife) today introduced two non-core funds for Malaysia’s Private Retirement Scheme (PRS) – the “Manulife Shariah PRS-Global REIT Fund” and the “Manulife PRS Asia-Pacific REIT Fund”, which offer long-term yields and capital growth from a well-diversified mix of property and real estate investments. Minimum investment amount is RM100 for the respective fund, but for members with a net asset value of RM5,000 per fund Manulife is offering free insurance policies covering injuries, disability or death, with no medical check-up required. Those who become members of the PRS funds by year-end will also enjoy personal tax relief of up to RM3,000 per year.

“As a protector of investors’ wealth and life savings, Manulife is committed to creating innovative solutions that could give clients peace of mind about their financial future. Our offering of two REIT funds for the PRS underscores this commitment – these are yield-generating products that could potentially provide payouts that can be reinvested into the funds to further grow the savings pool, or become a good source of income during retirement,” said Jason Chong, CEO of Manulife Investment Management (M) Berhad.

Members of Manulife Shariah PRS-Global REIT Fund* will receive a Group Personal Accident (GPA) takaful plan with coverage of up to RM3 million, while members of Manulife PRS Asia-Pacific REIT Fund* will receive a Group Term Life (GTL) insurance plan with coverage of up to RM100,000. This gives retirees-to-be and free agents the added financial protection they seek.

* A minimum net asset value of RM5,000 per fund is required to enjoy the corresponding free insurance coverage.

Why real estate investment trusts (REITs)?

The market is faced with three broad trends at present. First, the global interest rate environment is expected to remain low for longer. Meanwhile, valuations across all asset classes have been depressed for some time and investors may look to engage the market more actively. Coupled with the imminent implementation of 5G, investments in related infrastructure projects could set to increase. This calls for income solutions that can deliver both capital appreciation and stable returns.

Chong commented: “Investors should expect interest rates to remain lower for longer, as central banks around the world are implementing easing measures to boost growth. This means yields from conventional sources could remain depressed, and that investors should look to alternative, less correlated yield-generating assets such as REITs to supplement this income gap. And as investors’ search for yield and better returns continues, we could also expect to see restocking of assets which could gradually drive up prices.”

Physical real estate has long been a source of stable medium- to long-term returns for investors, but its illiquid nature and sometimes high barriers to entry have restricted its access from the wider investment community. However, REITs offer the liquidity and lower entry barrier that makes them accessible by all investors, while at the same time provide the same stable income stream and capital appreciation that bricks and mortar offer.

“Technological development is an area which conventional real estate investors may overlook, not only because they tend to focus on physical assets that are more correlated to the local economy, but also they have no access to such investment opportunities. With REITs, investors could gain exposure to infrastructure projects that are normally off-limits to retail investors. For instance, with growth in “new economy” sectors such as e-commerce, self-driving cars, and Internet of Things, 5G telecommunications will play a pivotal role in driving their success. And the backbone of all this is the infrastructure including data centers, telecommunication cell towers and warehouses. As 5G becomes more prevalent, the need for infrastructure to support this will grow exponentially,” Chong added.

REITs can withstand different market conditions largely due to its lower correlation with other asset classes. Dividend yields from global REITs have been higher than 10-year government bond yields, and major REIT markets such as the US, Australia, Singapore, and Hong Kong have all performed strongly in different interest rate hike cycles.

“By bringing our global Shariah and Asia-Pacific REIT offerings on the PRS platform, we can help enhance the retirement savings pool of people in Malaysia. With our free insurance policies that will come with the PRS purchase will provide coverage for injuries, disability or death, and is particularly suitable to those who are nearing retirement and the younger free agent Slash Generation who need the protection,” Chong concluded.

About Manulife Investment Management (M) Berhad

Manulife Investment Management (M) Berhad (formerly known as Manulife Asset Management Services Berhad) (“Manulife IM (Malaysia)”) is a wholly owned subsidiary of Manulife Holdings Berhad (listed on Bursa Malaysia), which is majority owned by Canada-based Manulife Financial Corporation. Manulife IM (Malaysia) offers a comprehensive range of 53 unit trust and PRS funds in the asset classes of equity, fixed income and money market. Since 2010, Manulife IM (Malaysia) has bagged 46 awards in total; with the four most significant house awards being won in 2017 & 2018, namely the Best Overall Award Malaysia Provident for EPF-Approved Funds by The Edge | Thomson Reuters Lipper Fund Awards 2017, the Most Outstanding Islamic Asset Management Company by KLIFF Islamic Finance Awards 2017, Top Investment House Malaysia - Rank 5 in Asian Local Currency Bonds by The Asset Benchmark Research Awards 2017 and the Best Group Over 3 Years - Mixed Assets by Thomson Reuters Lipper Global Islamic Fund Award 2018. Visit us online at manulifeinvestment.com.my

About Manulife Investment Management

Manulife Investment Management is the global wealth and asset management segment of Manulife Financial Corporation. We draw on more than 150 years of financial stewardship to partner with clients across our institutional, retail, and retirement businesses globally. Our specialist approach to money management includes the highly differentiated strategies of our fixed-income, specialized equity, multi-asset solutions, and private markets teams—along with access to specialized, unaffiliated asset managers from around the world through our multimanager model. Our personalized, data-driven approach to retirement is focused on delivering financial wellness in retirement plans of all sizes to help plan participants and members retire with dignity.

Headquartered in Toronto, we operate as Manulife Investment Management throughout the world, with the exception of the United States, where the retail and retirement businesses operate as John Hancock Investment Management and John Hancock, respectively; and in Asia and Canada, where the retirement business operates as Manulife. Manulife Investment Management had C\$854 billion (USD\$645 billion) in assets under management and administration as of September 30, 2019¹. Not all offerings available in all jurisdictions. For additional information, please visit our website at manulifeinvestmentmgt.com.

About Manulife

Manulife Financial Corporation is a leading international financial services group that helps people make their decisions easier and lives better. With our global headquarters in Toronto, we operate as Manulife across our offices in Canada, Asia, and Europe, and primarily as John Hancock in the United States. We provide financial advice, insurance, as well as wealth and asset management solutions for individuals, groups and institutions. At the end of 2018, we had more than 34,000 employees, over 82,000 agents, and thousands of distribution partners, serving almost 28 million customers. As of September 30, 2019, we had over \$1.2 trillion (US\$881 billion) in assets under management and administration, and in the previous 12 months we made \$29.8 billion in payments to our customers. Our principal operations in Asia, Canada and the United States are where we have served customers for more than 100 years. We trade as 'MFC' on the Toronto, New York, and the Philippine stock exchanges and under '945' in Hong Kong.

1. MFC financials. Global Wealth and Asset Management AUMA as of September 30, 2019 was C\$854 billion and includes C\$195 billion of assets managed on behalf of other segments and C\$140 billion of assets under administration.

Disclaimer

Investors are advised to read and understand the contents of the Manulife PRS NESTEGG Series Disclosure Document dated 29 November 2019, Manulife Shariah PRS NESTEGG Series Disclosure Document dated 29 November 2019 and all the respective Product Highlights Sheet(s) (collectively, the “Offering Documents”), obtainable at our offices, before investing. The Offering Documents have been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Investors should consider the fees and charges involved. The price of units and income distribution may go down as well as up. Past performances of the Funds are not an indication of the Funds’ future performances. 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 remain unchanged after the distribution of the additional units. Units will only be issued on receipt of the completed application form referred to and accompanying the Offering Documents. 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. Investors are also advised to read and understand the contents of the “Unit Trust Loan Financing Disclosure Statement” before deciding to obtain loan financing to purchase units of the Funds.

The Manager, Manulife Investment Management (M) Berhad (Formerly known as Manulife Asset Management Services Berhad) Registration No: 200801033087 (834424-U) (hereinafter referred to as “Manulife IM (Malaysia)”) is a wholly owned subsidiary of Manulife Holdings Berhad and holds a Capital Markets Services License for fund management, dealing in securities restricted to unit trusts, dealing in private retirement schemes and financial planning under the Capital Markets and Services Act 2007. Manulife IM (Malaysia) operates under the brand name of Manulife Investment Management which is the global wealth and asset management segment of Manulife Financial Corporation.

All fees and charges (e.g. sales charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fee(s) and/or charge(s)), where applicable, may be subject to tax that may be introduced by the Government of Malaysia from time to time, at the prevailing rate. The Manager, the Trustee and/or other services provider reserves the right to collect from you and/or the fund an amount equivalent to the prevailing rate of tax payable for all fees and charges, where applicable. Your obligation to pay any applicable taxes shall form part of the Terms and Conditions.

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