

Product Highlights Sheet dated 20 October 2023

## Manulife Shariah Global REIT Fund

### Responsibility Statement

This Product Highlights Sheet has been reviewed and approved by the directors and/or persons approved by the Board of Manulife Investment Management (M) Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

### Statement of Disclaimer

The Securities Commission Malaysia has authorised the issuance of *Manulife Shariah Global REIT Fund* (“the Fund”) and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Fund and lodgment of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Manulife Investment Management (M) Berhad, the Manager responsible for the Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Please note that this Fund is not offered for sale to any U.S. (“United States of America”) person. If you are a non-Malaysian, your subscription may be restricted by your local law or regulation. Please observe and comply with such local restrictions, if any. If in doubt, please consult a professional adviser.

Manulife Shariah Global REIT Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

Please note that the 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.

**This product highlights sheet only highlights the key features and risks of this Fund. Investors are advised to request, read and understand the prospectus of the Fund before deciding to invest.**

### Brief Information on the Product

#### 1. What is the Fund about?

The Fund is an Islamic fund-of-funds that aims to provide regular income\* and capital appreciation by investing in Islamic real estate investment trusts (“REITs”).

\* Income distribution (if any) may be made in the form of cash or additional units reinvested into the Fund.

Note: Any material change to the Fund’s investment objective would require unit holders’ approval.

### Product Suitability

#### 2. Who is the Fund suitable for?

The Fund is suitable for investors who:

- wish to have investment exposure through a diversified portfolio of Islamic REITs globally;
- seek regular income and potential capital appreciation over medium- to long-term (a period of 3 to 5 years); and
- prefer Shariah-compliant investments.

### Key Product Features

#### 3. What am I investing in?

Fund Category	Fund-of-funds (Islamic)
Investment Strategy and Policy	<p>To achieve its investment objective, the Fund will invest a minimum of 85% to a maximum of 98% of its net asset value (“NAV”) in listed Islamic REITs globally. A minimum of 2% up to a maximum of 15% of its NAV will be invested in Islamic liquid assets, which comprise of Islamic money market instruments that are dealt in or under the rules of an eligible market and whose residual maturity does not exceed 12 months, placement in short-term Islamic deposits with financial institution(s) for liquidity purposes and Islamic hedging instruments for the sole purpose of hedging arrangements.</p> <p>The Fund will invest in different Islamic REITs sectors, including but not limited to commercial, industrial and residential. The countries/ markets that the Fund may invest in include, but are not limited to U.S., United Kingdom, Ireland, Spain, Japan, Australia, Singapore, Hong Kong, China and South Korea and are listed or traded under the rules of an eligible market.</p> <p>The investment opportunity of individual holdings will be made after reviewing the macroeconomic trends and Islamic REITs market outlook of the respective countries. The Fund Manager will target Islamic REITs that have historically generated regular income and also expect to generate future income with the potential for capital growth. In evaluating suitability of an Islamic REIT, the Fund Manager will review key attributes including but not limited to, the underlying property of the Islamic REIT, performance of the Islamic REIT’s manager, and its rental yield.</p>

	The Fund Manager may take temporary defensive positions that may be inconsistent with the Fund's investment strategy prescribed above in response to adverse market conditions, economic, political or any other condition. In such circumstances, the Fund Manager may allocate up to 100% of the Fund's NAV into cash, Islamic money market instruments and/or Islamic deposits.	
<b>Asset Allocation</b>	<b>Asset Class</b>	<b>Allocation (% of the Fund's NAV)</b>
	Islamic REITs	85% to 98%
	Islamic liquid assets which comprise of cash, Islamic money market instruments that are dealt in or under the rules of an eligible market and whose residual maturity does not exceed 12 months, placement in short-term Islamic deposits with financial institution(s) for liquidity purposes and Islamic hedging instruments for the sole purpose of hedging arrangements.	2% to 15%
<b>Performance Benchmark</b>	IdealRatings® Global REITs Islamic Select Malaysia Index	
	Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of this performance benchmark. The performance benchmark information and disclaimer of IdealRatings are available at <a href="http://www.manulifeim.com.my">www.manulifeim.com.my</a> .	
<b>Base Currency</b>	U.S. Dollar ("USD")	
<b>Currency Class(es)</b>	<b>USD Class</b>	<b>RM Class</b>
<b>Launch Date</b>	12 March 2019	
<b>Financial Year End</b>	30 November	
<b>Distribution Policy</b>	<p>Depending on the level of income (if any) the Fund generates, the Fund aims to distribute all or part of its distributable income on a semi-annual basis. The payment of distributions, if any, from the Fund will vary from period to period depending on the market conditions and performance of the Fund.</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>The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the unit holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the unit holders.</p>	

#### 4. Who am I investing with?

<b>Manager</b>	Manulife Investment Management (M) Berhad
<b>Fund Manager</b>	Manulife Investment Management (US) LLC.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad
<b>Shariah Adviser</b>	ZICO Shariah Advisory Services Sdn Bhd

### Key Risks

#### 5. What are the key risks associated with this Fund?

##### Manager's Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

##### Market Risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.

##### Liquidity Risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund and investments of the unit holders will be negatively affected when it has to sell such assets at unfavourable prices.

##### Loan or Financing Risk

This risk occurs when investors take a loan/ financing to finance their investment. The inherent risk of investing with borrowed/ financed money includes investors being unable to service the loan repayments/ financing payments. In the event units are used as collateral, an investor may be required to top-up the investors' existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase, towards settling the loan/ financing.

Please note that loan/ financing is discouraged.

### **Suspension/Deferment of Redemption Risk**

The Manager may, in consultation with the Trustee and having considered the interests of investors, suspend the dealings in units of the Fund due to exceptional circumstances such as when the market value or fair value of a material portion of the Fund's assets cannot be determined. No application will be dealt with when suspension of dealing in units are triggered and this will limit the unit holder's right to freely redeem their units in the Fund.

For the purpose of liquidity risk management, the Fund may defer redemption to the next business day if the total net redemption received is more than 10% of the NAV of the Fund on a particular business day. When such redemption limit is triggered, it may jeopardise the Fund's ability to meet unit holders' redemption request and may lead to a delay in repayment of redemption proceeds to investors. Unit holders who are impacted by deferment of redemption are subject to the risks inherent to the Fund which unit holders invested in until the redemption request is processed.

### **Fund Manager Risk**

The Manager has no control over the investment techniques and knowledge, operational controls and management of Fund which have its investment management function delegated to another party. In the event the Fund is mismanaged by its Fund Manager (i.e. breach of its prescribed investment restriction due to human error), the NAV of the Fund would be affected negatively. Should such a situation arise, the Manager may propose to replace the Fund Manager.

### **Stock Specific Risk**

Prices of a particular Islamic REIT may fluctuate in response to the circumstances affecting individual Islamic REITs such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such Islamic REIT will adversely affect the Fund's NAV.

### **Country Risk**

Investments of the Fund may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund. This in turn may cause the NAV of the Fund or prices of units to fall.

### **Currency Risk**

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

You should also be aware that currency risk is applicable to class(es) which is in a different currency than the base currency. The impact of the exchange rate movement between the base currency and the currency denomination of the respective class(es) may result in a depreciation of the investor's holdings.

### **Risk Considerations for Investing in Islamic Hedging Instruments**

The Fund Manager may use Islamic hedging instruments such as Islamic swap, Islamic forward and Islamic futures to hedge against certain risks such as adverse movements in currency exchange rates or interest rate. This involves special risks, including but not limited to the risk of loss from default by the counterparty, typically as a consequence of insolvency or failed settlement.

The Fund Manager will only enter into hedging transactions where the counterparty is a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories) rated by any domestic or global rating agency. In the event where the counterparty's or issuer's rating falls below the minimum required or it ceases to be rated, the Fund Manager will liquidate its position within 6 months or sooner, unless the Trustee considers it to be in the best interest of investors to do otherwise.

To mitigate these risks, all investment in Islamic hedging instruments will be closely monitored or efforts will be taken to unwind such positions if there is material adverse change to the counterparty or issuer.

### **Risk Associated with Investment in REITs**

*Property Taxes Risk:* Any increase in property taxes law or requirement could have an adverse impact to income gained from sales of any property. This risk is mitigated by diversifying the portfolio across various property sub-segments and is lessened further by investments in multiple countries to mitigate concentration in any single market or economy.

*Rental Risk:* Any material changes in the regulatory limits on rent could have an adverse impact on the rental income which may reduce dividend payout. This risk is mitigated by investing in a wide range of property sub-segments across different countries in the permissible region of investments. A close monitoring of rental rates via channel checks by the Manager is regularly required to ensure timely portfolio decision-making.

*REIT Management Risk:* REIT's performance depends, in part, upon the continued service and performance of REIT's manager. For example, the key personnel of REIT's manager may leave the employment and affect results in the duties which such personnel are responsible for. The loss of key personnel, or the inability of the relevant businesses REIT's manager to retain or replace qualified employees, could have an adverse effect on its operating results, affect its ability to generate cash and make distributions to the REIT's investors. The REIT's performance will have an impact on the investments of the Fund.

### **Reclassification of Shariah Status Risk**

This is the risk that the currently held Shariah-compliant securities in the portfolio of Islamic Fund may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Fund Manager will take the necessary steps to dispose of such securities. There may be opportunity loss to the Islamic Fund due to the Islamic Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah

non-compliant securities. The value of the Islamic Fund may also be adversely affected in the event of a disposal of Shariah non-compliant securities at a price lower than the investment cost.

#### Taxation Risk/ Withholding Tax Risk

A portfolio may be subject to taxation resulting, for example, from income or realized capital gains attributable to certain portfolio securities. In certain cases, a double-taxation treaty may exist and serve to eliminate or ameliorate the effect of such taxation. In other cases, no such double-taxation treaty may exist. For example, a portfolio may invest in REIT securities of U.S. issuers. Dividend on the REIT securities of U.S. issuers generally will be subject to a 30% U.S. withholding tax. In addition, when the Fund sells a non-domestically controlled REIT in U.S. (REIT with less than 50% shareholding by U.S. persons), a 10% withholding tax may be applicable on the gross receipts by the Fund. In general, these taxes will be neither refundable nor subject to reduction under an income tax treaty between the country of source and the country of residence of the Fund. No assurance can be given that applicable tax laws and interpretations thereof will not be changed or amended in the future in a manner that will adversely affect the NAV of the Fund.

In addition, the Fund (through the Manager or its agents) may need to receive certain information from an investor for it to avoid certain withholding taxes. In particular, the Foreign Account Tax Compliance Act ("FATCA") adopted in the U.S. will require the Fund (or the Manager) to obtain certain identifying information about its investors and potentially provide that information to the United States Internal Revenue Service. Subject to certain transition rules, investors that fail to provide the Manager or its agents with the requisite information will be subject to a 30% withholding tax on distributions to them and on proceeds from any sale or disposition or caused the entire Fund to be subject to a 30% withholding tax on proceeds from any sales or disposition of the Fund. In addition, units held by such investors may be subject to compulsory redemption.

Investors should seek their own tax advice on their tax position with regard to their investment in the relevant Fund.

## Fees and Charges

### 6. What are the fees and charges involved?

#### Charges when buying units of the Fund

Sales Charge	Distributors	Maximum Sales Charge*	
		RM Class	USD Class
	Unit Trust Consultant	Up to 5.00% of NAV per unit of the Class	
	Manager		
Institutional Unit Trust Scheme Adviser ("IUTA")			
*The sales charge is non-negotiable. However, the Manager may at its discretion charge a lower sales charge from time to time.			
Note: The list of funds qualified under the Employees Provident Fund – Members Investment Scheme ("EPF-MIS") is available on our website at <a href="http://www.manulifeim.com.my">www.manulifeim.com.my</a> or the EPF's website at <a href="http://www.kwsp.gov.my">www.kwsp.gov.my</a> and will be updated as and when EPF revises the list.			
Redemption Charge	Nil		
Switching Fee	Subject to the conditions on switching as set out in the prospectus of the Fund.		
Transfer Fee	RM3.00 per transfer		

#### Fees incurred when investing in the Fund

Management fee	Up to 1.80% per annum of NAV of the Fund
Trustee fee	Up to 0.06% per annum of NAV of the Fund (including local custodian fees, but excluding foreign custodian fees and charges)

All fees and charges (e.g. sales charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fees and/or charges), where applicable, may be subject to any tax that may be introduced by the government of Malaysia from time to time.

	RM Class	USD Class
<b>Minimum initial investment</b>		
Walk-in/ Hardcopy application	RM2,000	USD2,000
Online application	RM200	-
<b>Minimum additional investment</b>		
Walk-in/ Hardcopy application	RM1,000	USD1,000
Online application	RM100	-
Cut-off time	<ul style="list-style-type: none"> <li>▪ 3.00 p.m. for walk-in transactions or any other time that may be determined by the Manager, and</li> <li>▪ 4.00 p.m. for online transactions* (for RM Class only).</li> </ul>	

\*Online transactions include purchase of units and switching between fund/ class denominated in RM only. Online transactions are not applicable for redemption of units currently. You may refer to our online tool for latest updates.

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

## Valuation and Exiting from Investment

### 7. How often are valuations available?

The valuation of the Fund is carried out daily at the end of the business day. Funds with exposure to foreign investments shall be valued at or before 5.00 p.m. on the next business day (or T+1) because of the time difference between Malaysia and the country(ies) where the funds invested in. The NAV per unit of the Fund/ class will be published upon valuation conducted. However, delay may occur in updating the NAV per unit of the Fund/ class. The latest prices will be available on the Manager's website at [www.manulifeim.com.my](http://www.manulifeim.com.my) or FiMM's website. Alternatively, unit holders may contact the Manager's Customer Service Hotline.

### 8. How can I exit from this investment and what are the risks and costs involved?

#### Redeeming an investment

Unit holders may redeem part or all of their investments at any time by completing a "Redemption Form" which is available from 8.45 a.m. to 5.30 p.m. at the office of the Manager and its branches. There is no redemption charge levied on the redemption of units. Redemption proceeds will be paid within seven (7) business days for RM Class and ten (10) business days for USD Class from the date on which the redemption request is received by the Manager at or before the cut-off time.

Unit holders should note that redemption limit or suspension of dealing in units of the Fund may be imposed as part of liquidity risk management. These circumstances may lead to delay in payment of redemption proceeds to you. For more information, please refer to the Transaction Information section of the Fund's prospectus.

	RM Class	USD Class
Minimum redemption amount	500 units	
Minimum holding/ balance	1,000 units	
Cut-off time	<ul style="list-style-type: none"> <li>▪ 3.00 p.m. for walk-in transactions or any other time that may be determined by the Manager, and</li> <li>▪ 4.00 p.m. for online switching (for RM Class only).</li> </ul>	

#### 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. The money invested will be refunded to you subject to the conditions as set out in the prospectus of the Fund.

Withdrawal proceeds will only be paid to you once the Manager has received the cleared payments for the original investment.

For purchase/ redemption transaction made with IUTAs, the transaction is subject to the terms and conditions of the respective IUTAs. Also, if you invest in units through an IUTA which adopts the nominee system of ownership, you will not be considered as a unit holder under the Fund's deed, and you may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right to call for a unit holders' meeting and to vote thereat, and the right to have your particulars appearing in the Fund's register of unit holders).

## Fund Performance

### 9. Average Total Return for Financial Year Ended 30 November 2022

#### Basis of calculation

$$\text{Average Total Return} = \text{Annualised Total Return} = [(1 + \text{Total return for the period})^{(\text{Actual no. of days in a year} \div \text{No. of days during the period})} - 1] \times 100\%$$

Returns in RM (%)	Since Inception*	1-Year	3-Year
Manulife Shariah Global REIT Fund – RM Class	2.47	(17.11)	0.97
Benchmark	4.00	(15.48)	1.47
Manulife Shariah Global REIT Fund – USD Class	0.09	(21.45)	(1.11)
Benchmark	1.48	(19.97)	(0.64)

\*For the period from 4 April 2019 (commencement date).

### 10. Annual Total Return for Financial Year Ended 30 November

#### Basis of calculation

$$\text{Annual Total Return} = \frac{(\text{NAV}_t - \text{NAV}_{t-1})}{\text{NAV}_{t-1}}$$

NAV<sub>t</sub> denotes NAV at the end of the period.  
NAV<sub>t-1</sub> denotes NAV at the beginning of the period.

Returns (%)	2019*	2020	2021	2022
Manulife Shariah Global REIT Fund – RM Class	6.22	(3.05)	28.12	(17.11)
Benchmark	10.54	(3.85)	28.56	(15.48)
Manulife Shariah Global REIT Fund – USD Class	3.75	(0.59)	23.85	(21.45)
Benchmark	7.55	(1.43)	24.36	(19.97)

For the financial year ended 30 November 2022, the Fund's RM Class return decreased by 17.11%, compared with its benchmark return which decreased by 15.48%. The USD Class decreased by 21.45% compared with its benchmark return which decreased by 19.97%.

\*For the period from 4 April 2019 (commencement date) to 30 November 2019.

**PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**

## 11. Portfolio Turnover Ratio and Income Distribution per Unit

Financial Year End (FYE)	2020	2021	2022
Portfolio Turnover Ratio ("PTR")	1.28	0.64	0.14
The PTR for FYE2022 is 0.14 times and was lower than FYE2021 mainly due to the decrease in trading activities.			
Gross distribution per unit (sen) – RM Class	1.25	2.20	2.65
Net distribution per unit (sen) – RM Class	1.25	2.20	2.65
Gross distribution per unit (sen) – USD Class	1.55	2.15	2.50
Net distribution per unit (sen) – USD Class	1.55	2.15	2.50
Distribution was in the form of cash or reinvested into additional units in the Fund at the NAV per unit on the distribution date.			

## Contact Information

### 12. Who should I contact for further information or to lodge a complaint?

i) For internal dispute resolution, you may contact us:

**Manulife Investment Management (M) Berhad**

13th Floor, Menara Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur.

Customer Service Hotline : 03-2719 9271  
General Line : 03-2719 9228  
Email : [MY\\_CustomerService@manulife.com](mailto:MY_CustomerService@manulife.com)  
Website : [www.manulifeim.com.my](http://www.manulifeim.com.my)

ii) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

**Securities Industry Dispute Resolution Center (SIDREC)**

Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur.

Phone : 03-2282 2280  
Fax : 03-2282 3855  
Email : [info@sidrec.com.my](mailto:info@sidrec.com.my)

iii) Even if you have initiated a dispute resolution process with SIDREC, you may also direct your complaint to the SC. To make a complaint, please contact the SC's Consumer & Investor Office:

**Consumer & Investor Office  
Securities Commission Malaysia**

No. 3, Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur.

Phone : 03-6204 8999 (Aduan Hotline)  
Fax : 03-6204 8991  
Email : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)  
Online complaint form available at [www.sc.com.my](http://www.sc.com.my)

iv) Federation of Investment Managers Malaysia (FiMM)'s Complaints Bureau:

**Legal, Secretariat & Regulatory Affairs  
Federation of Investment Managers Malaysia**

19-06-1, 6th Floor, Wisma Tune  
No. 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur.

Phone : 03-7890 4242 (Press 3)  
Fax : 03-2093 2700  
Email : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)  
Online complaint form available at [www.fimm.com.my](http://www.fimm.com.my)