

## Important Information

- Eastspring Investments – Asia Real Estate Multi Asset Income Fund is referred to as the 'Fund'.
- The Fund's investments may be adjusted from time to time and greater transaction costs may be incurred than a fund with static allocation strategy.
- The Fund invests in real estate investment trusts and securities of property related companies, which are subject to the cyclical nature of the real estate market, changes in interest rates, the local and global economy, other real estate capital market factors, and government policies and other related risks.
- Although the Fund will generally invest in income-producing securities, not all underlying investments will generate income.
- The Fund invests in equities and is exposed to the risk of market price fluctuations.
- The Fund invests in bonds and is subject to interest rate fluctuation and exposed to credit default, valuation and credit rating risks as well as credit risk of the counterparties with which it trades and sovereign debt risk. Pertaining to investments in high yield/unrated/non-investment grade bonds /non-investment grade sovereign bonds, these securities may be subject to higher credit risks and liquidity risks, compared with investment grade bonds, with an increased risk of loss of investments. Investment grade bonds are subject to the risks of credit rating downgrades.
- The Fund invests in convertible bonds which may be exposed to equity movement and greater volatility than straight bond investments.
- The Fund invests in securities of small-capitalisation/ mid-capitalisation companies which may have lower liquidity and their prices are more volatile in adverse economic developments than those of larger capitalisation companies in general.
- The Fund invests primarily in the Asia Pacific ex Japan Region and may be more volatile than a diversified fund.
- The Fund may invest in China A-shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect, and Chinese debt securities on China interbank bond market ("CIBM") via CIBM Direct Access Program and/or Bond Connect and may be exposed to risks relating to these channels. Such investments may be exposed to risks associated with RMB currency and conversion, tax rule and practices as well as high volatility and exchange policies of the Chinese equity market.
- The Fund's investment in emerging markets subject it to greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund's investments in debt securities in Asian Pacific ex-Japan markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The Fund may incur substantial losses if it is unable to sell those investments with high liquidity risks at opportune times or prices.
- The Fund may invest in securities denominated in currencies other than the Fund's base currency and may be exposed to currency and exchange rates risk.
- The Fund may use financial derivatives instruments (FDIs) for hedging and efficient portfolio management purposes. Using FDIs may expose the Fund to market risk, management risk, credit risk, counterparty risk, liquidity risk, volatility risk, operational risk, leverage risk, valuation risk and over-the-counter transaction risk. The use of such instruments may be ineffective and the Fund may incur significant losses.
- The Fund's Board of Directors may, at its discretion, pay dividends out of capital or gross income while charging all or part of the fees and expenses to the Fund's capital, resulting in higher distributable income. Thus, the Fund may effectively pay dividends out of capital. Payment of dividends out of capital (effectively or not) amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment, which may result in an immediate reduction of the net asset value per share.
- Investment involves risk. Investors should not rely solely on this document in making investment decision. Past performance information presented is not indicative of future performance.

**eastspring**   
**investments**

A member of Prudential plc (UK) 

# EASTSPRING INVESTMENTS – ASIA REAL ESTATE MULTI ASSET INCOME ("AREMAI") FUND

**G.R.O.W. your wealth with Asia Real Estate**

February 2020



## ► Reasons to invest in Asia Real Estate

**1** Real estate is an enduring asset class as it acts as a traditional hedge against inflation whilst offering **good rental yield and capital growth potential**.

**2** Asia real estate offers **attractive, varied and unique investment opportunities**, underpinned by the region's population growth and urbanisation rate (Fig. 1).

**3** Asia offers a broad universe of investible real estate equities and bonds. (Fig. 2).

**4** The recent **trend of increasing investments in real estate** is testament to its rising popularity (Fig.3).

**5** The current **low interest rate and moderate growth** environment in Asia coupled with attractive valuations are compelling reasons to invest in this sector now.



Fig. 1. Asia's urbanisation has a long way to go

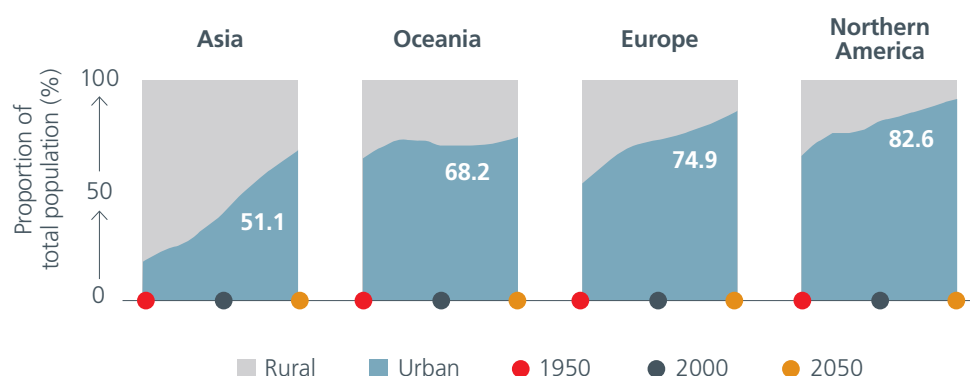


Fig. 2. Broad universe of investible real estate equities in Asia

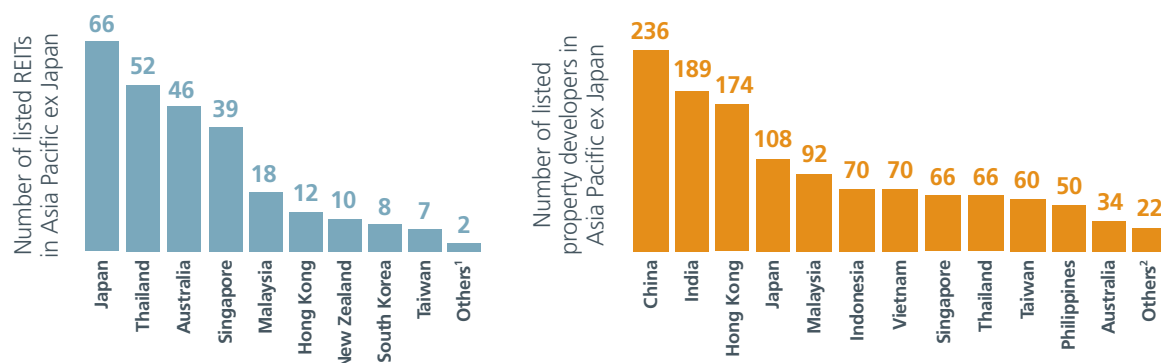
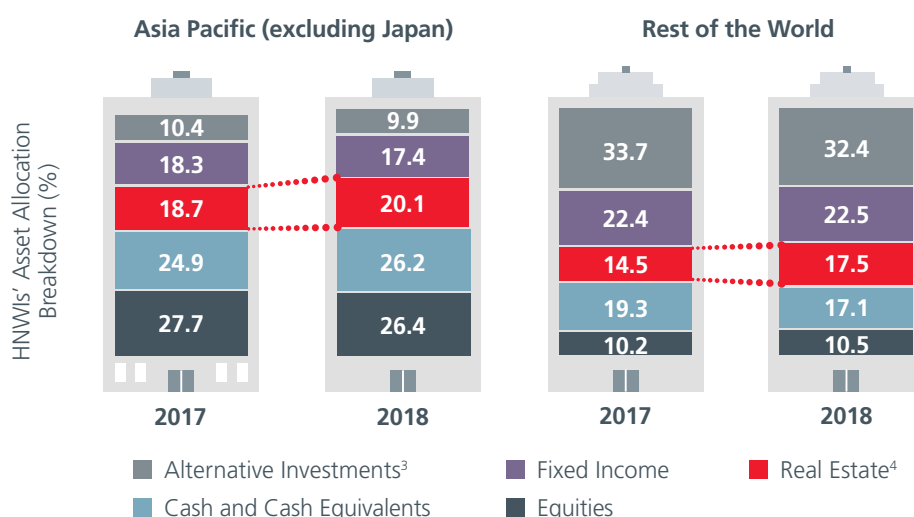


Fig. 3. Investors increasing their allocation to real estate



Sources: Fig. 1. United Nations, Department of Economic and Social Affairs, Population Division (2018). World Urbanization Prospects: The 2018 Revision, custom data acquired via website, May 2018. The 2018 Revision is the most recent revision of World Urbanization Prospects, which are the official United Nations estimates and projections of rural and urban population as well as urban agglomerations. Fig. 2. Bloomberg, data as of 22 January 2020, based on country of listing. <sup>1</sup>Others include India and Pakistan. <sup>2</sup>Others include Sri Lanka, South Korea, Pakistan, Bangladesh and New Zealand. Fig. 3. Capgemini Financial Services Analysis 2018; Capgemini Global HNW Insights Survey 2017, 2018. HNW = High Net Worth Individuals. <sup>3</sup>Includes structured products, hedge funds, derivatives, foreign currency, commodities, private equity. <sup>4</sup>Excludes Primary Residence.

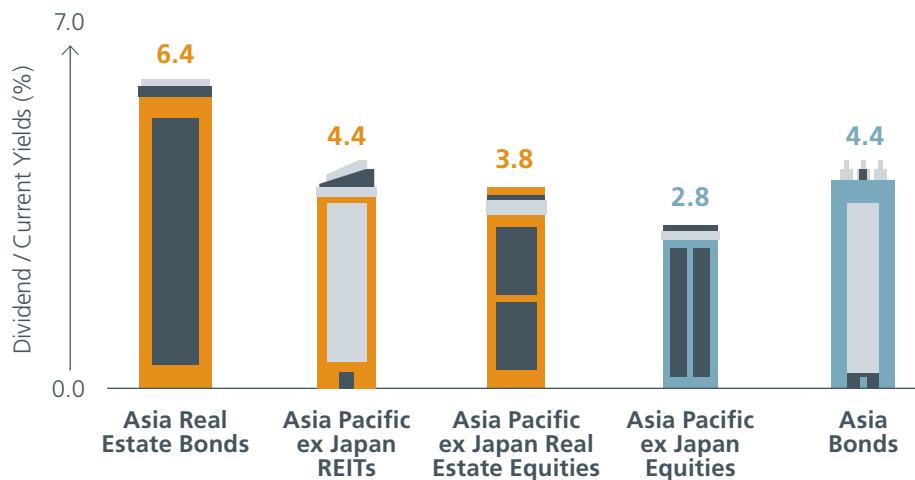
## G.R.O.W. your wealth with AREMAI



### Generate relatively higher income from Asia Real Estate

Real estate investments typically deliver higher income than the broader based equity and bond asset classes.

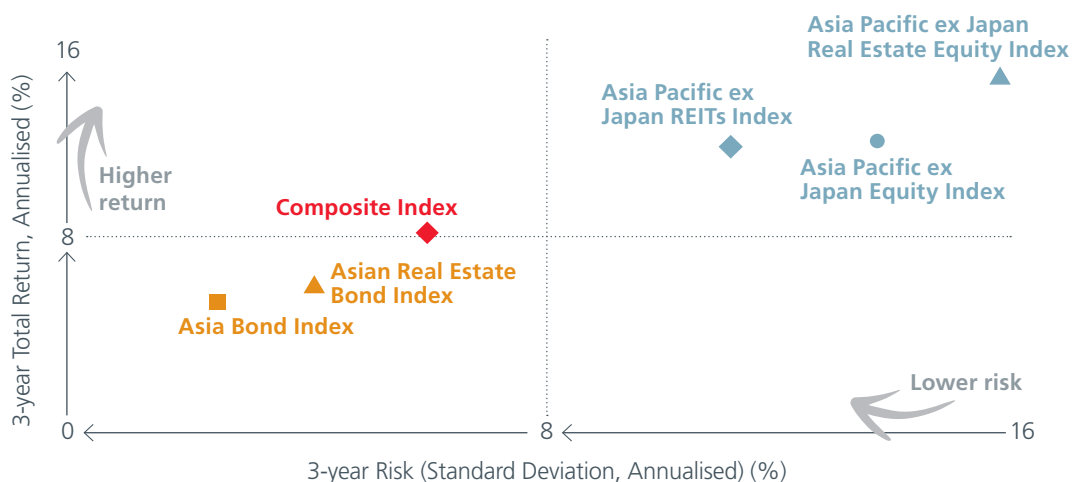
**Fig 4. Asia Real Estate typically delivers higher income**



### Receive attractive total returns with lower volatility

Investing in different asset classes that do not move in the same direction at the same time can deliver attractive returns without much increase in risk.

**Fig 5. Lower volatility by blending assets**



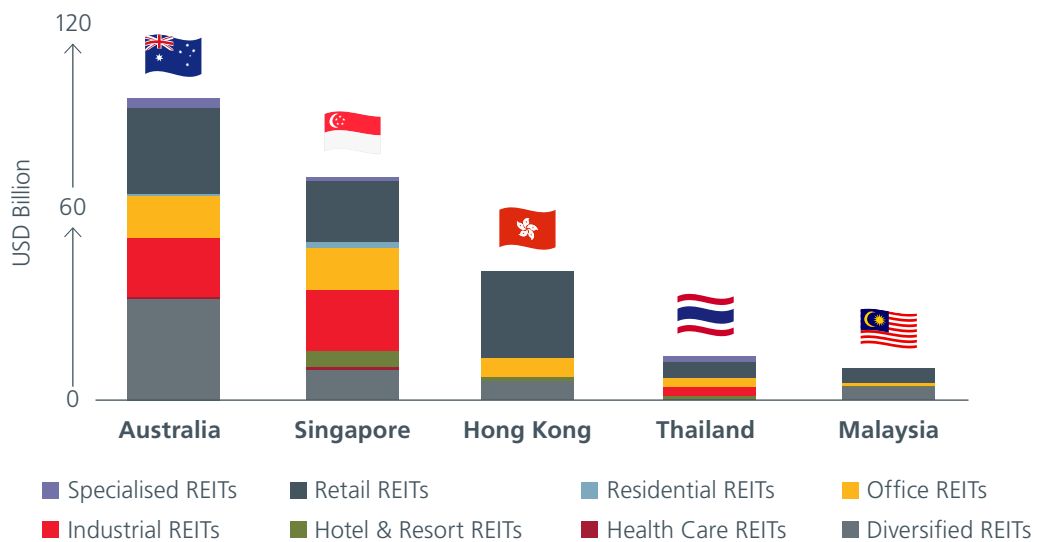
Sources: Fig. 4. Bloomberg, data as of 31 December 2019. Asia Real Estate Bonds and Asia Bonds represented by JP Morgan indices, Asia Pacific ex-Japan REIT index represented by S&P Asia Pacific ex-Japan REIT index, Asia ex Japan Real Estate Equities represented by MSCI AC Asia Pacific ex Japan Real Estate Index, Asia Pacific ex Japan Equities represented by MSCI AC Asia Pacific ex Japan Index. Fig. 5. Eastspring Investments, data extracted from Morningstar, as of 31 December 2019. ♦ Composite index is 50% MSCI Asia Pacific Real Estate Index and 50% JACI High Yield index.



### Open the door to multiple opportunities

Evolving market trends are changing the way we live, work and play and driving the demand for development in different real estate segments.

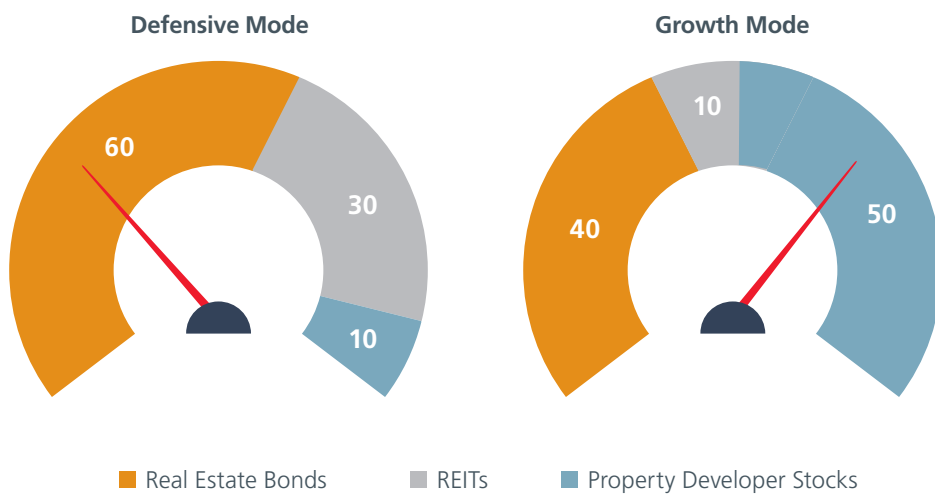
**Fig 6. Well diversified Asia Pacific REITs market**



### Weather changing market conditions with a unique approach

A systematic and extensive in-house model ensures appropriate asset classes are tapped optimally in varying market conditions.

**Fig 7. Dynamic allocation across asset classes**



## ► Fund Details

<b>Investment Objective</b>	<p>The Fund aims to maximize total returns with an income payout focus over the medium to long term through the implementation of an actively managed investment strategy investing primarily in a diversified range of equities, listed Real Estate Investment Trusts (“REITs”), equity-related securities, bonds and other collective investment schemes (including sub-funds of the SICAV) related to real estate and/or infrastructure companies, which are incorporated, listed in or have their area of primary activity in the Asia Pacific ex-Japan Region.</p> <p>The Fund may also invest in depositary receipts, including ADRs and GDRs, debt securities convertible into common shares, preference shares and warrants. ADRs and GDRs that the Sub-Fund may invest in will not have embedded derivatives. The underlying REITs may not necessarily be authorised by the SFC.</p>
<b>Inception Date</b>	9 December 2019
<b>Initial Sales Charge</b>	Max 5.0%
<b>Management Fee</b>	1.2% p.a.

Share Classes	Currency	Minimum Initial Investment	Minimum Subsequent Investment	Distribution Frequency <sup>5</sup>	ISIN
<b>Class ADM</b>	USD	500	50	Monthly	LU2088747998
<b>Class AHDM</b>	HKD	4,000	400	Monthly	LU2088748293
<b>Class ADMC1</b>	USD	500	50	Monthly	LU2088748020

Source: <sup>5</sup>This share class aims to make distribution at the frequency as stated, but distributions are at the discretion of the Management Company and there is no guarantee that any distribution will be made and if distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance/distribution of the Fund. The Management Company of Eastspring Investments may also vary the frequency and /or amount of the distributions made. When distributions are declared and paid out with respect to the Fund, the net assets attributable to the Shares will stand reduced by an amount equivalent to the product of the number of Shares outstanding and distribution amount declared per Share. The Fund may, at its discretion, pay dividends out of capital or gross income while charging all or part of its fees and expenses to its capital, resulting in higher distributable income. Thus, the Fund may effectively pay dividends out of capital. Payment of dividends out of capital (effective or not) amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment, which may result in an immediate reduction of the net asset value per share/unit. The distributions, including amounts and frequency, are not guaranteed and are subject to the discretion of the Fund. Past dividends declared are not a forecast or projection of future distributions.

## ► Investment Team\*





### Investment Solutions Team

-  Perform top down allocation
-  Responsible for overall strategy
-  Over 25 years of managing money on behalf of our parent company, Prudential plc and third-party clients
-  Manage USD 89 billion of assets under management
-  Experienced team of 15 investment professionals

### Equity Income & Property Team

-  Perform bottom-up company research
-  Focus on dividends and capital growth
-  Award winning real estate fund manager<sup>6</sup>
-  Experienced team of 4 investment professionals

### Fixed Income Team

-  Perform bottom-up credit research
-  Focus on income generation
-  Award winning fixed income fund manager<sup>7</sup>
-  Experienced team of 19 investment professionals

## ► About Us^

Eastspring Investments is a leading Asia-based asset manager that manages over USD216 billion of assets with presence in 11 Asian markets as well as distribution offices in North America and Europe. Operating in Asia since 1994, Eastspring Investments is the Asian asset management business of Prudential plc, an international financial services group.

# 25+

years of  
operating  
history

# 300+

number of  
investment  
professionals

# 3000+

number of  
employees

# 2019

**Asia Bond House Award<sup>7</sup>**  
by Asia Asset Management

Source: \*Eastspring Investments, as at 30 September 2019. AUM for investment teams are internally calculated and includes advisory mandates. <sup>6</sup>2019 Thomson Reuters Lipper - Best Equity Sector - Real Estate Holdings Asia Pacific, 5 years - Eastspring Investments - Asian Property Securities Fund A. Thomson Reuters Lipper, Equity sector - Real Estate holdings in Asia Pacific (5-years), based on fund performance as at 31 December 2017. <sup>7</sup>2019 Best of the Best Regional Awards by Asia Asset Management for Asian Bond House. The Regional awards are designed to identify Asia's finest performers from financial services companies and institutional investors to service providers, whose influence and excellence expands beyond borders. These are firms that have boldly led the way in terms of innovation, service to clients, best practices and overall expertise in their field. ^Eastspring Investments, as at 30 June 2019. AUM for investment teams are internally calculated and includes advisory mandates.

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#### Disclaimer

The Fund is a sub-fund of the Eastspring Investments funds, an open-ended investment company with variable capital (société d'investissement à capital variable) registered in the Grand Duchy of Luxembourg on the official list of collective investment undertakings pursuant to part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (the "2010 Law") and the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 (the "UCITS Directive"). The Fund is authorized by the Hong Kong Securities and Futures Commission ("SFC"). SFC authorization is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. The Eastspring Investments has appointed Eastspring Investments (Hong Kong) Limited as its Hong Kong Representative. This information is not an offer or solicitation of an offer for the purchase of investment units in the Fund. An offering documents in relation to the Fund is available and may be obtained through Eastspring Investments (Hong Kong) Limited or any of its appointed distributors. All applications for units in the Fund must be made on the application forms accompanying the offering documents. Potential investors should read the offering documents (including the risk factors stated therein in details and the risk factors in particular those associated with investments in emerging markets, if applicable) before deciding whether to subscribe for or purchase units in the Fund. An investment in units of the Fund is subject to investment risks, including the possible loss of the principal amount invested. Past performance is not necessarily a guide to the future or likely performance of the Fund. The value of the units in the Fund and any income accruing to the units, if any, may fall or rise. US/HK dollar-based investors are exposed to currency fluctuations where the Fund is denominated in currencies other than US/HK dollar. The information contained herein does not have any regard to the specific investment objective(s), financial situation or the particular needs of any person. Potential investors may wish to seek advice from a financial adviser before purchasing units in the Fund. In the event that potential investors choose not to seek advice from a financial adviser, they should consider whether the Fund is a suitable investment for them. The Fund is not authorized by the SFC under the Code on REITs, but is authorized under the Code on Unit Trusts and Mutual Funds. Such authorization does not imply official recommendation of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. Furthermore, the dividend/payout policy of the Fund is not representative of the dividend/payout policy of the underlying REITs.

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