eastspring investments
A Prudential plc company

January 2024

Eastspring Investments – Asian Low Volatility Equity Fund (The "Fund")

invested in a smoother ride
when markets are bumpy.

invested
in a smoother ride.

Prioritising diversification in an investment portfolio is key for consistent performance, even in a concentrated market. Consider expanding into Asia's growth markets for added stability, given their projected growth, lower inflation, and accommodating policies. To balance high-growth tech exposure, explore defensive stocks that offer potential downside protection. These lower volatility options can yield comparable returns to the broader market, with reduced fluctuations.

Market cycles underscore the importance of balanced optimism. Inflated valuations lead to corrections, while excessive pessimism precedes price rebounds. Amid evolving central bank actions and inflation concerns, defensive strategies are crucial for asset allocation. By maintaining a focus on downside protection and resilience, investors can navigate the market's challenges and capitalise on the opportunities presented by the evolving investment landscape.

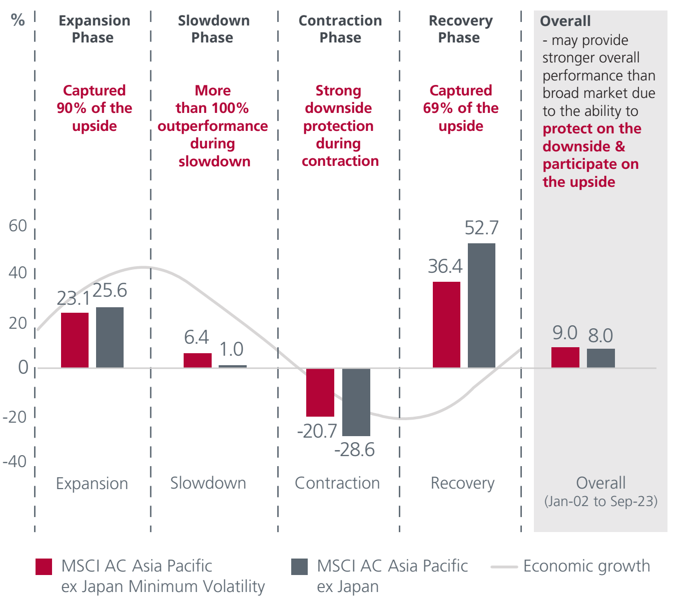
Why invest in an Asian low volatility strategy?

Investors who desire broader Asian equity exposure may consider complementing their portfolios with an Asian low volatility strategy for the following reasons:

Enhances overall returns while reducing risk

Over a market cycle, the low volatility strategy in Asia has generated stronger performance (9.0% annualised) than the broad market index (8.0% annualised) by protecting on the downside and also participating on the upside.

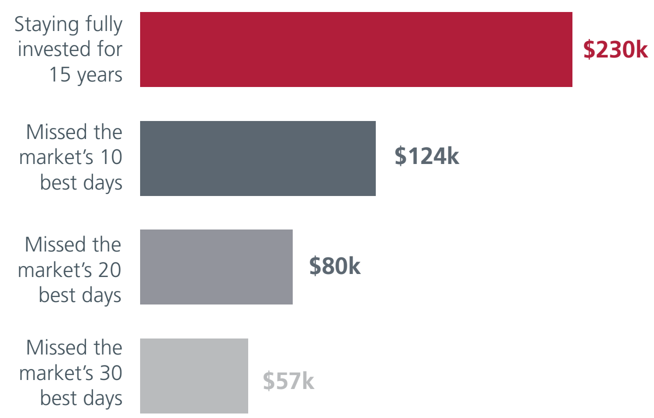
Fig.1. Participation in up markets and protection during down markets enhances overall performance over a market cycle



Helps stay invested in the market

A low volatility portfolio typically experiences lower drawdowns, which helps investors stay invested even during volatile times. This way, it possibly reduces the risk of exiting right before a recovery and missing the market's best days.

Fig.2. Ending portfolio value after investing $100k in Asian equities after 15 years from September 2008 - September 2023

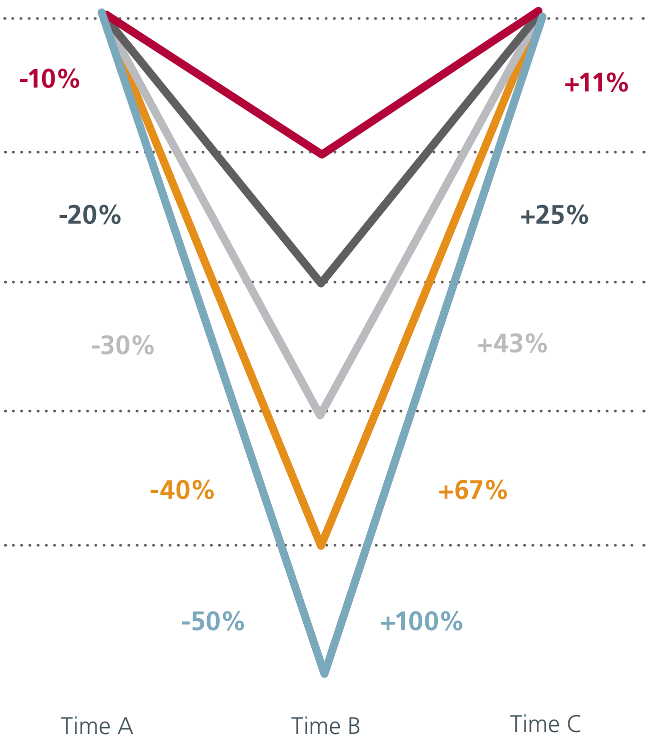


Source: Fig.1. Eastspring Investments, Bloomberg, OECD (G20) for business cycles, data from January 2002 to September 2023. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. Past performance, any projection or forecast is not necessarily indicative of the future or likely performance of the Fund. Fig.2. Bloomberg, as of 30 September 2023 in USD terms. Asian Equities – MSCI Asia Pacific ex Japan Index. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. Past performance, any projection or forecast is not necessarily indicative of the future or likely performance of the Fund.

Gains more from a faster recovery

As a low volatility portfolio typically falls less than the market during turbulent times, it needs only to rise by a smaller magnitude to return to the starting level. Through compounding, the low volatility portfolio could accumulate more wealth over the long term.

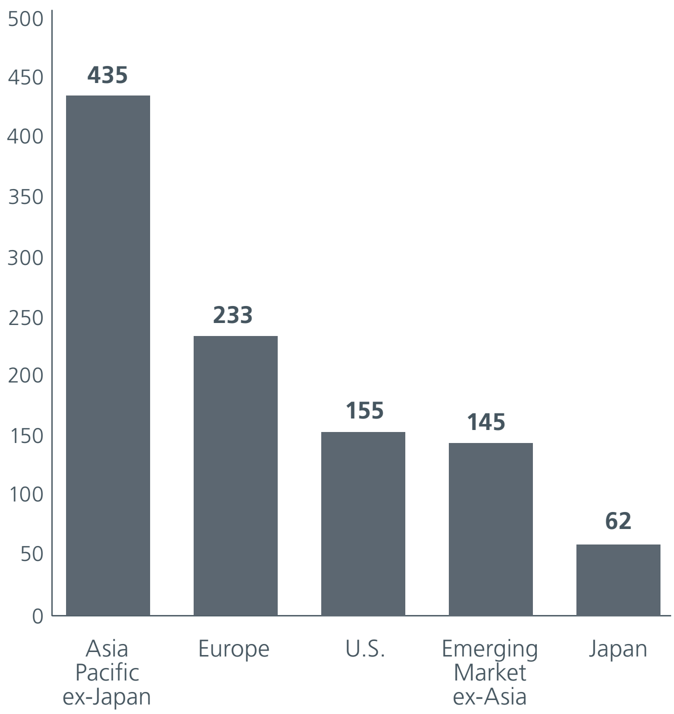
Fig.3. A low volatility portfolio typically recovers faster from market drawdowns



Harnesses Asia's attractive dividends

With rising interest rates and surging commodity, energy, and food prices, dividend yielding stocks can act as a buffer against inflation. In the Asia Pacific ex Japan region, the number of stocks that have dividend yields above 3% is twice that of Europe and thrice that of the US.

Fig.4. Number of companies with dividend yields above 3% by region

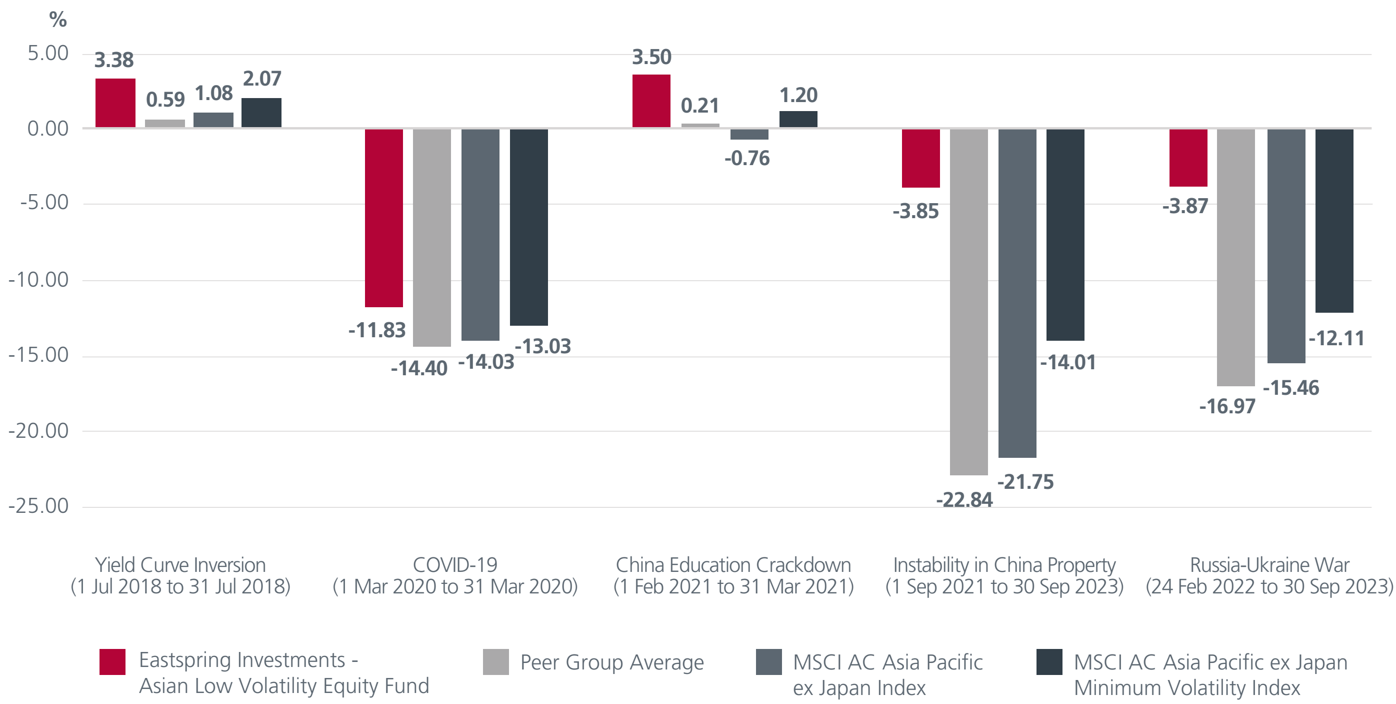


Source: Fig.3. Eastspring Investments. For illustrative purposes only. It does not represent the performance of any fund/scheme/portfolio. Vertical axis represents portfolio value, and lines represent portfolios with increasing drawdown, with the top-most line pertaining to a portfolio with the lowest drawdown. Fig.4. Eastspring Investments, MSCI, as of September 2023. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. Past performance is not necessarily indicative of the future or likely performance of the Fund.

Capitalises on low volatility's resilience

In recent years, heightened market volatility episodes have become more frequent, with sharp and deep corrections. A low volatility strategy is relatively more resilient than the broader Asian equities index and acts as a cushion in turbulent times.

Fig.5. Relative resilience during volatile periods



Source: Fig.5. Eastspring Investments, Morningstar, as of 30 September 2023. Based on the share class A of the Fund, USD. Performance is calculated on bid-bid (NAV-to-NAV) basis, annualised and with net income reinvested. Peer Group Average is Morningstar EAA Asia Pacific ex Japan Equity. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. Past performance is not necessarily indicative of the future or likely performance of the Fund.

R.I.D.E with Eastspring Investments – Asian Low Volatility Equity Fund

R

Resilience

This Fund allows investors to stay invested throughout investment cycles as a low volatility strategy is relatively more resilient than broader Asian equities.

I

Income^

The Fund has a historical distribution payout of 4.75% p.a. with effect from 1 April 2023. which helps to cushion against the current inflationary environment.

D

Differentiated

The Fund selects stocks on a combination of factors, not just the low volatility factor. This approach has proven to be effective in minimising volatility at the portfolio level.

E

Expertise

The Fund is managed by an experienced team, who have been managing Low Volatility equities since 2013. The strategy's AUM is USD 683 million as of 30 September 2023.

Fund facts

Benchmark[1]
MSCI AC Asia Pacific ex Japan Minimum Volatility Index

Fund Size
USD 265.7 million (30 September 2023)

Initial sales charge
Up to 5.0%

Annual management fee
Currently 1.0%* p.a

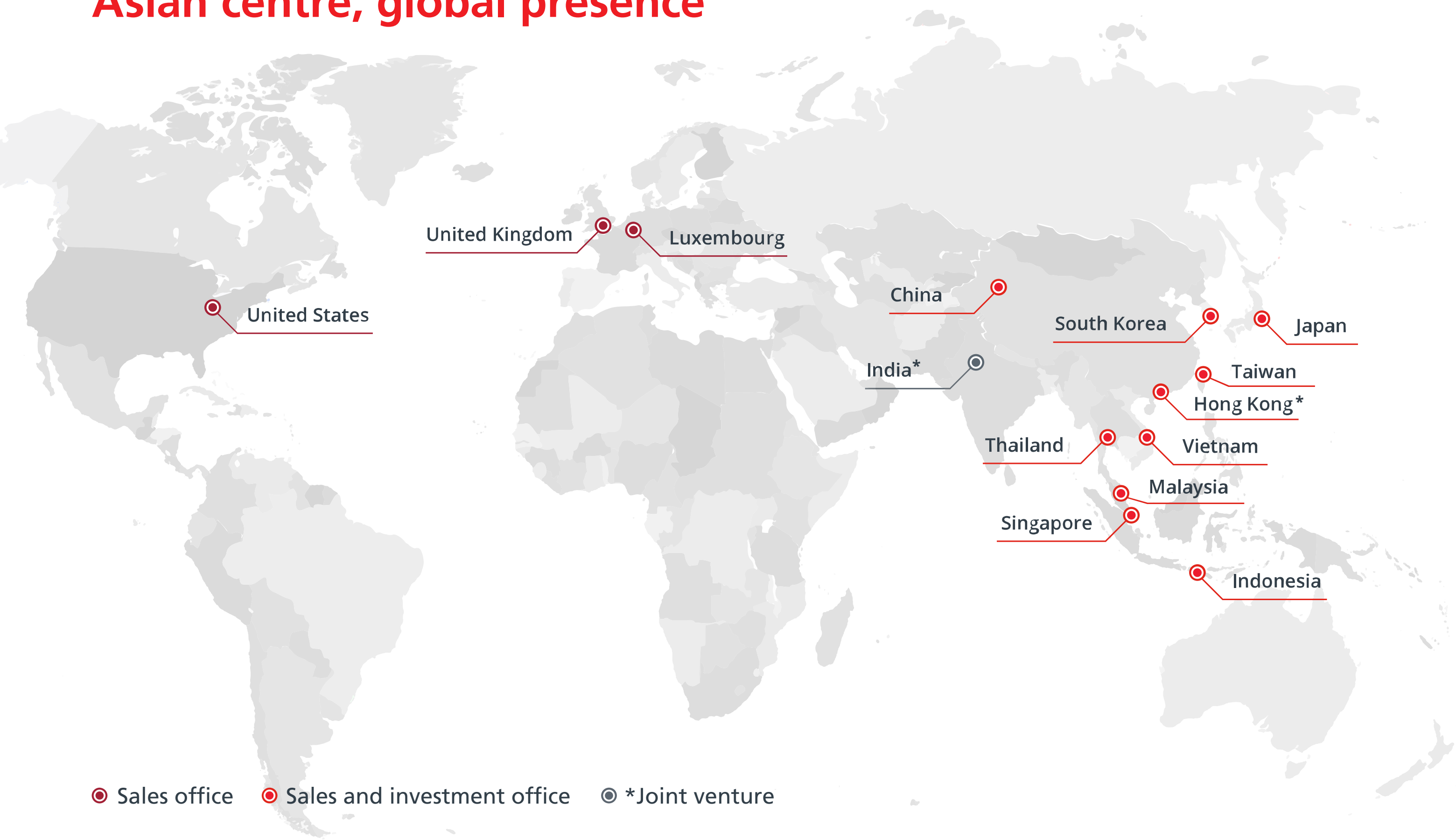
Classes of shares	Currency	Minimum Initial Investment	Minimum Subsequent Investment	Distribution Frequency	Anuual dividend yield %	ISIN
Class A	USD	1,000	100	N.A	N.A	LU1522347837
Class A_{DM}	USD	1,000	100	Monthly	4.75	LU1497733557
Class A_S	SGD	1,000	100	N.A	N.A	LU1634259391
Class A_S (hedged)	SGD	1,000	100	N.A	N.A	LU1634258557
Class A_{SDM}	SGD	1,000	100	Monthly	4.75	LU1497733631
Class A_{SDM} (hedged)	SGD	1,000	100	Monthly	4.75	LU1497734951

Source: Eastspring Investments, as of 30 September 2023. ^Please refer to Distribution Disclosure on the last page. [1]The benchmark of the Eastspring Investments – Asian Low Volatility Equity Fund has changed from the MSCI AC Asia Pacific ex Japan Index to MSCI AC Asia Pacific ex Japan Minimum Volatility Index on 1 February 2018. *The management fee is changed from 1.25% p.a. to 1.0% p.a. with effect from 1 July 2022.

About Eastspring Investments

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.

Asian centre, global presence



400+
number of **investment professionals**

31+
nationalities

25+
years of **operating history**

Source: *Eastspring Investments, as at 30 September 2023.

^Distribution disclosure

Distributions are not guaranteed and may fluctuate. Payment of distributions out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any payment of distributions by the Fund will result in an immediate reduction in the net asset value per unit/ share. Positive distribution yield does not imply a positive return and should not be confused with the Fund's performance. Past distributions are not necessarily indicative of future trends, which may be lower. Distribution payouts and its frequency are determined by the Manager/ Board of Directors. Distribution of dividends is at the discretion of the Manager/ Board of Directors taking into consideration market conditions and underlying securities.

Disclaimer

This document is issued by Eastspring Investments (Singapore) Limited (UEN: 199407631H). Eastspring Investments (Singapore) Limited is the appointed Singapore Representative and agent for service of process in Singapore. This advertisement has not been reviewed by the Monetary Authority of Singapore.

The Fund is a sub-fund of Eastspring Investments, an open-ended investment company with variable capital (Société d'Investissement à Capital Variable or SICAV) registered in the Grand Duchy of Luxembourg, which qualifies as an Undertakings for Collective Investment in Transferable Securities ("UCITS") under relevant EU legislation. The Management Company of the SICAV is Eastspring Investments (Luxembourg) S.A., Grand-Duchy of Luxembourg.

All transactions into the Fund should be based on the Singapore Prospectus and Product Highlights Sheet ("PHS"). Such documents, together with the articles of incorporation of the SICAV and the most recent financial reports, may be obtained free of charge from Eastspring Investments (Luxembourg) S.A., or at relevant Eastspring Investments business units/website and their distribution partners.

This document is solely for information and does not have any regard to the specific investment objectives, financial or tax situation and the particular needs of any specific person who may receive this document. This document is not intended as an offer, a solicitation of offer or a recommendation, to deal in shares of securities or any financial instruments.

Please refer to the offering documents for details on fees and charges, dealing and redemption, product features, risk factors and seek professional advice before making any investment decision. An investment in the Fund is subject to investment risks, including the possible loss of the principal amount invested. The value of shares in the Fund and the income accruing to the shares, if any, may fall or rise. Where an investment is denominated in a currency other than the base currency of the Fund, exchange rates may have an adverse effect on the value, price or income of that investment. Investors should not make any investment decision solely based on this document. Investors may wish to seek advice from a financial adviser before purchasing shares of the Fund. In the event that an investor may choose not to seek advice from a financial adviser, the latter should consider carefully whether the Fund in question is suitable for him.

Past performance and the predictions, projections, or forecasts on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of Eastspring Investments or any of the funds managed by Eastspring Investments. There are limitations to the use of indices as proxies for the past performance in the respective asset classes/sector.

The Fund may use derivative instruments for efficient portfolio management and/or hedging purposes.

Eastspring Singapore is an ultimately wholly-owned subsidiary of Prudential plc of the United Kingdom. Eastspring Singapore and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company Limited, a subsidiary of M&G plc, a company incorporated in the United Kingdom.