



Manulife Investment-Linked Policy Sub-Funds (for Fortune Accumulator)

Report and Financial Statements

1 January 2020 to 30 June 2020

Welcome Message

31 August 2020

Dear Customer

This booklet contains the Semi-Annual Report for our Investment-Linked Policy Sub-Funds, which provides an overview of each fund's investment objectives and performance.

To ensure that you are best positioned to meet your financial goals, we encourage you to review your investments regularly and maintain a well-diversified portfolio. We will continue to be vigilant in our choice of investments by looking out for opportunities available to help you grow your wealth.

If you have any questions about your investments, please speak to your Manulife Financial Consultant.

Manage your investments with MyManulife

We would also like to encourage you to make use of our secure customer portal, MyManulife, to access your policy information and manage your investment online at your convenience. With MyManulife, you can easily:

- view policy details and statements;
- perform fund switches and set price alerts; and
- update your contact information.

Register in 3 simple steps or log in to your account by visiting www.mymanulife.com.sg.

If you need any assistance, please contact your Financial Consultant or email us at service@manulife.com.

Thank you for trusting Manulife with your investment needs, and we look forward to continue supporting you in the years ahead.

Yours faithfully



Dr Khoo Kah Siang
President & Chief Executive Officer
Manulife Singapore

If you would like to receive a hard copy of this booklet, please email us at service@manulife.com by 30 September 2020.

The booklet will be mailed to you within 2 weeks upon receiving your request.

Register of Representatives - You may logon to the Monetary Authority of Singapore (“MAS”) website (www.mas.gov.sg) to conduct a background check of your Manulife Financial Consultant.

The information relating to the Investment-Linked Policy (“ILP”) sub-fund is compiled by Manulife (Singapore) Pte. Ltd., solely for general information purposes. It does not constitute an offer, invitation, solicitation or recommendation by or on behalf of Manulife (Singapore) Pte. Ltd. to any person to buy or sell any ILP sub-fund.

All overviews and commentaries, if provided, are intended to be general in nature and for current interest. While helpful, these overviews and commentaries are no substitute for professional tax, investment or legal advice. Investors are advised to seek professional advice for their particular situation. The information provided herein does not take into account the suitability, investment objectives, financial situation or particular needs of any specific person. Investors should consider the suitability of any ILP sub-fund based on his or her investment objectives, financial situation and particular needs before making a commitment to subscribe for units, shares or any other interests in any ILP sub-fund.

Investments in ILP sub-funds are not deposits in, guaranteed or insured by Manulife (Singapore) Pte. Ltd., its partners or distributors. The value of units in any ILP sub-fund and any income accruing to it may rise as well as fall, which may result in the possible loss of principal amount invested. Past performance of any ILP sub-funds or fund managers and any prediction, projection or forecast on the economy or markets are not necessarily indicative of the future or likely performance of the ILP sub-funds or the fund managers. Investors should read the relevant Manulife Fund Summary and Product Highlights Sheet before deciding whether to subscribe for or purchase units in any ILP sub-funds.

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Fortune-Aggressive Portfolio Fund

Fund Facts

Launch Date / Price : December 2006 / S\$1.00 (Offer)
 Unit Price* : S\$1.2668 (Bid) / S\$1.3335 (Offer)
 Net Asset Value (NAV) : S\$787,268.63
 Manager : Manulife Investment Management (Singapore) Pte. Ltd.

CPFIS Risk
 Classification : Not Applicable
 Subscription : Cash

*Based on NAV as at 30 June 2020

Note:

On 19 August 2019, Manulife Asset Management (Singapore) Pte. Ltd. has changed its legal name to Manulife Investment Management (Singapore) Pte. Ltd.

On 13 August 2019, the allocation into Manulife Golden International Bond Fund was replaced with Manulife Asia Pacific Investment Grade Bond Fund A.

On 2 October 2017, the Manager was changed from UOB Asset Management Ltd to Manulife Asset Management (Singapore) Pte. Ltd.

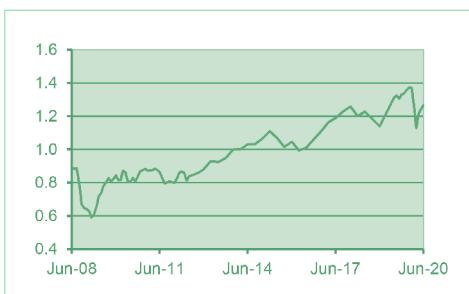
Fund Objective

This Portfolio Fund aims to achieve maximum growth over the long run with considerable risk in the short run. The Portfolio Fund generally invests up to 90% in equities and 10% in bonds.

The Portfolio Fund feeds into:

60% Manulife Golden Worldwide Equity Fund
 30% Manulife Pacific Equity Fund
 10% Manulife Asia Pacific Investment Grade Bond Fund A

Fund Performance



Fund Performance/ Benchmark returns	Fortune- Aggressive Portfolio Fund	Benchmark*
3 months	+12.16%	+15.38%
6 months	-7.59%	-0.89%
1 year	-3.42%	+6.36%
3 years	+2.12%	+6.39%
5 years	+3.43%	+6.89%
10 years	+4.71%	+8.38%
Since Inception	+2.15%	+4.53%

Inception date: 8 December 2006

*Benchmark: 60% MSCI World + 30% MSCI AC Pacific Free ex Japan + 10% (70% JP Morgan Asia Credit Investment Grade Index (SGD Hedged) + 30% JP Morgan Emerging Local Markets Index Plus Asia (SGD)). The full track record of the previous index has been kept and chain-linked to the new one.

Prior to 13 August 2019, the benchmark was 60% MSCI World + 30% MSCI AC Pacific Free ex Japan + 10% FTSE World Government Bond Index (ex Japan) hedged to S\$.

Prior to 2 October 2017, the benchmark was 60% MSCI AC World + 30% MSCI AC Pacific Free ex Japan + 10% Citigroup World Government Bond Index (ex Japan) hedged to S\$.

Prior to 22 February 2017, the benchmark was 60% MSCI AC World + 30% MSCI AC Pacific ex Japan TR + 10% Citigroup World Government Bond Index (ex Japan) hedged to S\$.

Prior to 1 April 2011, the benchmark was 60% MSCI AC World + 30% MSCI AC Pacific ex Japan TR + 10% Citigroup World Government Bond Index (ex Japan).

Source of Information on performance: Manulife Investment Management (Singapore) Pte. Ltd.

- Performance is in SGD as at 30 June 2020 on Bid to Bid basis, with any income or dividends reinvested.
- Performance figures for 3 months till 1 year show the % change, those exceeding 1 year show the average annual compounded return.

Investment and Market Review

Please refer to respective ILP sub-funds/underlying funds (see appendix).

Market Outlook And Investment Strategy

Please refer to respective ILP sub-funds (see appendix).

Schedule of Investments as at 30 June 2020

(unless otherwise stated)

A) Distribution of Investments as at 30 June 2020

Please refer to respective ILP sub-funds/underlying funds (see appendix).

B) Top 10 Holdings as at 30 June 2020 & 30 June 2019

Please refer to respective ILP sub-funds/underlying funds (see appendix).

C) Exposure to Derivatives

Please refer to respective ILP sub-funds/underlying funds (see appendix).

D) Amount and percentage of NAV invested in collective investment schemes

Manulife Asia Pacific Investment Grade Bond Fund A	S\$80,467.37	10.22%
Manulife Golden Worldwide Equity Fund	S\$487,646.10	61.94%
Manulife Pacific Equity Fund	S\$219,155.16	27.84%

E) Amount and percentage of debt to NAV

Please refer to respective ILP sub-funds/underlying funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S\$34,689.38
Total Redemptions	S\$3,227.72

G) Amount and terms of related-party transactions

Please refer to respective ILP sub-funds/underlying funds (see appendix).

H) Expense Ratio

30 June 2020 : 1.87%

30 June 2019 : 1.80%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines

on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective ILP sub-funds/underlying funds (see appendix).

J) Any material information that shall adversely impact the valuation of the ILP sub-fund

Not Applicable

K) Soft dollar commissions/ arrangements

The Manager is entitled to receive or enter into soft-dollar commissions/arrangements, although the Manager currently does not receive or enter into soft-dollar commission/arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include specific advice as to the advisability of dealing in, or the value of any investments; research and advisory services; economic and political analyses; portfolio analyses including valuation and portfolio measurements; market analyses; data and quotation services; computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and custodial service in relation to the investments managed for the clients. Soft-dollar commissions/arrangements received shall not include travel, accommodation and entertainment expenses; general administrative goods and services including office equipment and premises; membership fees; employees' salaries; direct money payments/rebates.

The Manager will not accept or enter into soft-dollar commission/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Manager, assist the Manager in its management of the ILP Sub-Fund; the Manager shall ensure at all times that best execution is carried out for the transactions; and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Fortune-Growth Portfolio Fund

Fund Facts

Launch Date / Price : December 2006 / S\$1.00 (Offer)
 Unit Price* : S\$1.2778 (Bid) / S\$1.3451 (Offer)
 Net Asset Value (NAV) : S\$346,047.85
 Manager : Manulife Investment Management (Singapore) Pte. Ltd.

CPFIS Risk Classification : Not Applicable
 Subscription : Cash

*Based on NAV as at 30 June 2020

Note:

On 19 August 2019, Manulife Asset Management (Singapore) Pte. Ltd. has changed its legal name to Manulife Investment Management (Singapore) Pte. Ltd.

On 13 August 2019, the allocation into Manulife Golden International Bond Fund was replaced with Manulife Asia Pacific Investment Grade Bond Fund A.

On 2 October 2017, the Manager was changed from UOB Asset Management Ltd to Manulife Asset Management (Singapore) Pte. Ltd.

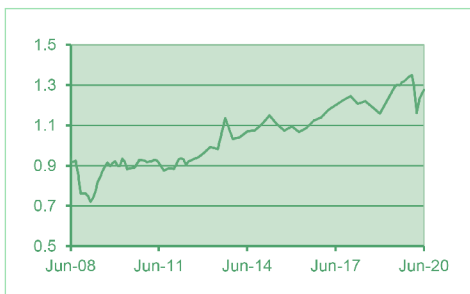
Fund Objective

This Portfolio Fund aims to achieve growth over the long run with some limit on risk exposure. The Portfolio Fund generally invests up to 60% in equities and 40% in bonds.

The Portfolio Fund feeds into:

- 40% Manulife Golden Worldwide Equity Fund
- 20% Manulife Pacific Equity Fund
- 40% Manulife Asia Pacific Investment Grade Bond Fund A

Fund Performance



Fund Performance/ Benchmark returns	Fortune-Growth Portfolio Fund	Benchmark*
3 months	+9.99%	+11.33%
6 months	-4.91%	+0.83%
1 year	-1.01%	+6.92%
3 years	+2.08%	+6.21%
5 years	+2.91%	+6.27%
10 years	+3.79%	+7.08%
Since Inception	+2.21%	+4.32%

Inception date: 8 December 2006

*Benchmark: 40% MSCI World + 20% MSCI AC Pacific Free ex Japan + 40% (70% JP Morgan Asia Credit Investment Grade Index (SGD Hedged) + 30% JP Morgan Emerging Local Markets Index Plus Asia (SGD)). The full track record of the previous index has been kept and chain-linked to the new one.

Prior to 13 August 2019, the benchmark was 40% MSCI World + 20% MSCI AC Pacific Free ex Japan + 40% FTSE World Govt Bond (ex Japan) hedged to S\$.

Prior to 2 October 2017, the benchmark was 40% MSCI AC World + 20% MSCI AC Pacific Free ex Japan + 40% Citigroup World Govt Bond (ex Japan) hedged to S\$.

Prior to 22 February 2017, the benchmark was 40% MSCI AC World + 20% MSCI AC Pacific ex Japan TR + 40% Citigroup World Govt Bond (ex Japan) hedged to S\$.

Prior to 1 April 2011, the benchmark was 40% MSCI AC World + 20% MSCI AC Pacific ex Japan TR + 40% Citigroup World Govt Bond (ex Japan).

Source of Information on performance: Manulife Investment Management (Singapore) Pte. Ltd.

- Performance is in SGD as at 30 June 2020 on Bid to Bid basis, with any income or dividends reinvested.
- Performance figures for 3 months till 1 year show the % change, those exceeding 1 year show the average annual compounded return.

Investment and Market Review

Please refer to respective ILP sub-funds/underlying funds (see appendix).

Market Outlook And Investment Strategy

Please refer to respective ILP sub-funds/underlying funds (see appendix).

Schedule of Investments as at 30 June 2020

(unless otherwise stated)

A) Distribution of Investments as at 30 June 2020

Please refer to respective ILP sub-funds/underlying funds (see appendix).

B) Top 10 Holdings as at 30 June 2020 & 30 June 2019

Please refer to respective ILP sub-funds/underlying funds (see appendix).

C) Exposure to Derivatives

Please refer to respective ILP sub-funds/underlying funds (see appendix).

D) Amount and percentage of NAV invested in collective investment schemes

Manulife Asia Pacific Investment Grade Bond Fund A	S\$135,169.28	39.06%
Manulife Golden Worldwide Equity Fund	S\$142,599.56	41.21%
Manulife Pacific Equity Fund	S\$68,279.01	19.73%

E) Amount and percentage of debt to NAV

Please refer to respective ILP sub-funds/underlying funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S\$12,560.90
Total Redemptions	S\$21,224.18

G) Amount and terms of related-party transactions

Please refer to respective ILP sub-funds/underlying funds (see appendix).

H) Expense Ratio

30 June 2020 : 1.89%

30 June 2019 : 1.76%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines

on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective ILP sub-funds/underlying funds (see appendix).

J) Any material information that shall adversely impact the valuation of the ILP sub-fund

Not Applicable

K) Soft dollar commissions/ arrangements

The Manager is entitled to receive or enter into soft-dollar commissions/arrangements, although the Manager currently does not receive or enter into soft-dollar commission/arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include specific advice as to the advisability of dealing in, or the value of any investments; research and advisory services; economic and political analyses; portfolio analyses including valuation and portfolio measurements; market analyses; data and quotation services; computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and custodial service in relation to the investments managed for the clients. Soft-dollar commissions/arrangements received shall not include travel, accommodation and entertainment expenses; general administrative goods and services including office equipment and premises; membership fees; employees' salaries; direct money payments/rebates

The Manager will not accept or enter into soft-dollar commission/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Manager, assist the Manager in its management of the ILP Sub-Fund; the Manager shall ensure at all times that best execution is carried out for the transactions; and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Fortune-Moderate Portfolio Fund

Fund Facts

Launch Date / Price : December 2006 / S\$1.00 (Offer)
 Unit Price* : S\$1.0216 (Bid) / S\$1.0754 (Offer)
 Net Asset Value (NAV) : S\$14,159.73
 Manager : Manulife Investment Management (Singapore) Pte. Ltd.

CPFIS Risk Classification : Not Applicable
 Subscription : Cash

*Based on NAV as at 30 June 2020

Note:

On 19 August 2019, Manulife Asset Management (Singapore) Pte. Ltd. has changed its legal name to Manulife Investment Management (Singapore) Pte. Ltd.

On 13 August 2019, the allocation into Manulife Golden International Bond Fund was replaced with Manulife Asia Pacific Investment Grade Bond Fund A.

On 2 October 2017, the Manager was changed from UOB Asset Management Ltd to Manulife Asset Management (Singapore) Pte. Ltd.

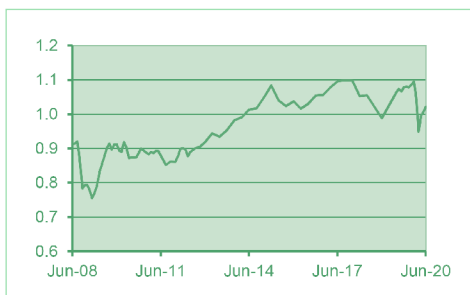
Fund Objective

This Portfolio Fund aims to achieve moderate growth over the long-term with moderate risk exposure. The Portfolio Fund generally invests up to 50% in equities and 50% in bonds.

The Portfolio Fund feeds into:

- 40% Manulife Golden Worldwide Equity Fund
- 10% Manulife Pacific Equity Fund
- 50% Manulife Asia Pacific Investment Grade Bond Fund

Fund Performance



Fund Performance/ Benchmark returns	Fortune- Moderate Portfolio Fund	Benchmark*
3 months	+7.66%	+10.06%
6 months	-5.87%	+1.29%
1 year	-3.93%	+7.12%
3 years	-2.31%	+6.29%
5 years	-0.35%	+6.16%
10 years	+1.64%	+6.86%
Since Inception	+0.53%	+4.16%

Inception date: 8 December 2006

*Benchmark: 40% MSCI World + 10% MSCI AC Pacific Free ex Japan + 50% (70% JP Morgan Asia Credit Investment Grade Index (SGD Hedged) + 30% JP Morgan Emerging Local Markets Index Plus Asia (SGD)). The full track record of the previous index has been kept and chain-linked to the new one.

Prior to 13 August 2019, the benchmark was 40% MSCI World + 10% MSCI AC Pacific Free ex Japan + 50% FTSE World Govt Bond (ex Japan) hedged to S\$.

Prior to 2 October 2017, the benchmark was 40% MSCI AC World + 10% MSCI AC Pacific Free ex Japan + 50% Citigroup World Govt Bond (ex Japan) hedged to S\$.

Prior to 22 February 2017, the benchmark was 40% MSCI AC World + 10% MSCI AC Pacific ex Japan TR + 50% Citigroup World Govt Bond (ex Japan) hedged to S\$.

Prior to 1 April 2011, the benchmark was 40% MSCI AC World + 10% MSCI AC Pacific ex Japan TR + 50% Citigroup World Govt Bond (ex Japan).

Source of Information on performance: Manulife Investment Management (Singapore) Pte. Ltd.

- Performance is in SGD as at 30 June 2020 on Bid to Bid basis, with any income or dividends reinvested.
- Performance figures for 3 months till 1 year show the % change, those exceeding 1 year show the average annual compounded return.

Investment and Market Review

Please refer to respective ILP sub-funds/underlying funds (see appendix).

Market Outlook And Investment Strategy

Please refer to respective ILP sub-funds/underlying funds (see appendix).

Schedule of Investments as at 30 June 2020

(unless otherwise stated)

A) Distribution of Investments as at 30 June 2020

Please refer to respective ILP sub-funds/underlying funds (see appendix).

B) Top 10 Holdings as at 30 June 2020 & 30 June 2019

Please refer to respective ILP sub-funds/underlying funds (see appendix).

C) Exposure to Derivatives

Please refer to respective ILP sub-funds/underlying funds (see appendix).

D) Amount and percentage of NAV invested in collective investment schemes

Manulife Asia Pacific Investment Grade Bond Fund A	S\$6,800.09	48.04%
Manulife Golden Worldwide Equity Fund	S\$5,891.90	41.62%
Manulife Pacific Equity Fund	S\$1,462.99	10.34%

E) Amount and percentage of debt to NAV

Please refer to respective ILP sub-funds/underlying funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S\$443.04
Total Redemptions	S\$-

G) Amount and terms of related-party transactions

Please refer to respective ILP sub-funds/underlying funds (see appendix).

H) Expense Ratio

30 June 2020 : 6.99%

30 June 2019 : 6.48%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines

on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective ILP sub-funds/underlying funds (see appendix).

J) Any material information that shall adversely impact the valuation of the ILP sub-fund

Not Applicable

K) Soft dollar commissions/ arrangements

The Manager is entitled to receive or enter into soft-dollar commissions/arrangements, although the Manager currently does not receive or enter into soft-dollar commission/arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include specific advice as to the advisability of dealing in, or the value of any investments; research and advisory services; economic and political analyses; portfolio analyses including valuation and portfolio measurements; market analyses; data and quotation services; computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and custodial service in relation to the investments managed for the clients. Soft-dollar commissions/arrangements received shall not include travel, accommodation and entertainment expenses; general administrative goods and services including office equipment and premises; membership fees; employees' salaries; direct money payments/rebates

The Manager will not accept or enter into soft-dollar commission/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Manager, assist the Manager in its management of the ILP Sub-Fund; the Manager shall ensure at all times that best execution is carried out for the transactions; and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Appendix

- Manulife Pacific Equity Fund
- Manulife Golden Worldwide Equity Fund
- Manulife Asia Pacific Investment Grade Bond Fund A

Manulife Pacific Equity Fund

Fund Facts

Launch Date / Price : May 2006 / S\$1.00 (Offer)
 Unit Price* : S\$1.7596 (Bid) / ^S\$1.8522 / ^^S\$1.8140
 Net Asset Value (NAV) : S\$51,923,698.25
 Manager : Manulife Investment Management (Singapore) Pte. Ltd.
 Sub-Manager : Schroder Investment Management (Singapore) Ltd
 CPFIS Risk Classification : Higher Risk - Narrowly Focused - Regional - Asia
 Subscription : CPFIS-OA/SRS/Cash

*Based on NAV as at 30 June 2020

^Offer Price @ 5% sales charge – Regular Premium Plans

^^Offer Price @ 3% sales charge – Single Premium Plans

Note:

On 19 August 2019, Manulife Asset Management (Singapore) Pte. Ltd. has changed its legal name to Manulife Investment Management (Singapore) Pte. Ltd.

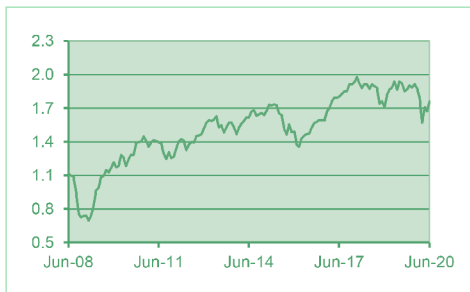
On 1 February 2019, Manulife Asset Management (Singapore) Pte. Ltd. was appointed as the Manager of the ILP Sub-Funds and Schroder Investment Management (Singapore) Ltd as the Sub-Manager.

On 22 February 2017, the Manager was changed from Aberdeen Asset Management Asia Limited to Schroder Investment Management (Singapore) Ltd.

Fund Objective

The Fund invests all or substantially all its assets into Schroder Asian Equity Yield Fund (“Underlying Fund”), a Singapore-authorized unit trust, which aims to provide capital growth and income through investment in equity and equity related securities of Asian companies which offer attractive yields and sustainable dividend payments.

Fund Performance



Fund Performance/ Benchmark returns	Manulife Pacific Equity Fund	Benchmark*
3 months	+12.10%	+15.86%
6 months	-8.16%	-1.54%
1 year	-9.20%	+4.47%
3 years	-0.84%	+4.17%
5 years	+1.25%	+5.37%
10 years	+3.60%	+6.89%
Since Inception	+4.47%	+5.33%

Inception date: 31 May 2006

*MSCI AC Pacific Free ex Japan Index

The benchmark was changed from MSCI AC Asia Pacific Ex-Japan Index to MSCI AC Pacific Free ex Japan on 22 February 2017. The full track record of the previous index has been kept and chainlinked to the new one.

Source of Information on ILP sub-fund's performance: Manulife Investment Management (Singapore) Pte. Ltd.

Source of Information on benchmark returns: Schroder Investment Management (Singapore) Ltd

- Performance is in SGD as at 30 June 2020 on bid-to-bid basis, with any income or dividends reinvested.
- Performance figures for 3 months till 1 year show the % change, those exceeding 1 year show the average annual compounded return.

Investment and Market Review***

In light of the evolving Covid-19 pandemic, there has been increasing news flow over dividend cuts and suspensions by corporates, be it mandated by governments or otherwise. Parallels can be drawn to the global financial crisis (GFC), where in the depth of a crisis both corporates and governments can behave irrationally, exhibiting herd behaviour to avoid standing out. With governments in Europe, and more recently New Zealand, calling for the suspension of dividend payments by banks, the worry is that Asian countries (where financial systems are in relatively better shape) will follow the same path. This is not a foregone conclusion given the dynamics of the region, and we can examine the specific cases of Australia as well as family-owned businesses in the region to see why this is the case.

In Australia, a large proportion of retirees and retail investors rely on dividend payments and franking credits to defray their living expenses. This means that dividend cuts will be particularly devastating to their way of life.

Therefore, the government will likely be more politically sensitive when it comes to directives on corporate dividend policies. At the same time, companies will also be reticent about completely foregoing the payment of dividends, particularly if they have a large retail shareholder base that depends on these payments. We note that even during the GFC, the reluctance of Australian companies to cut or cancel dividends was apparent, sometimes even at the expense of very stretched balance sheets. More recently, the Australian Prudential Regulation Authority published a letter to banks and insurers outlining its expectations regarding dividend payouts following similar moves by regulators elsewhere. However, it stopped short of explicitly directing banks to suspend dividend payments altogether.

In Asia, family-owned businesses tend to maintain their dividends in stressful times, particularly if they have other private businesses on the side that have suffered because of the ongoing crisis. Most of these companies have quite strong balance sheets that should allow them to weather this crisis without needing to cut their dividend payments. That said, there will inevitably be some companies which will use the Covid-19 situation as an excuse to reset their dividend policies. It will be up to us, as investors and shareholders, to have a conversation with them on what the appropriate dividend policies should be.

Our philosophy has always been about assessing the longer-term fundamentals underpinning future dividend streams, the appropriateness of the current dividend policy against the market environment, and the recurring shareholder return policy. An example of this would be Cochlear, a new Dividend Surprise idea in the fund, in which we initiated a position after the company's recent capital raising. The company has articulated that it will not pay dividends currently but will look to reinstate them when the Covid-19 situation stabilises.

Therefore, unless we expect Covid-19 to have a permanent impact on corporate dividend policies, we do not see any obstacles to the continued implementation of our investment process and philosophy. We fully expect dividend investing to outperform strongly once we get past this pandemic.

Market Outlook and Investment Strategy***

In terms of portfolio strategy, the ongoing uncertainty will mean that, in the short term, Dividend Surprises and Dividend Cows will be harder to come by. However, we are not overly concerned with companies that are more conservative in their dividend payouts in order to protect their balance sheets. The more important thing is to remain a going concern, and their dividend policy must,

therefore, be appropriate, considering their respective balance sheet strength and earnings visibility. As long as we are comfortable that the longer-term dividend intentions of these companies are unchanged, then this will represent one of the best opportunities to invest in them for the long run.

Therefore, we will likely see Dividend Surprises becoming a smaller part of the portfolio as companies that we were hoping would surprise on dividends are unlikely to do so in the near term, given all the uncertainty. The portfolio will thus comprise a correspondingly higher proportion of both Dividend Cows and Dividend Growers, and we will look to reassess when to enter Dividend Surprise ideas again once all the uncertainty has cleared.

On Hong Kong, given the domestic market constitutes almost a fifth of the portfolio, the fallout from China's unexpected move to bypass the local legislative process and sign tailor-made national security laws into the city's mini-constitution has detracted from performance. We do not see any reason to materially adjust our holdings currently, given the limited fundamental impact on these positions, and given that share prices have already captured a substantial amount of the bad news, in our view. Meanwhile, we expect that as the market reassesses the situation, our holdings should recover what they have lost.

Schedule of Investments as at 30 June 2020

(unless otherwise stated)

A) Distribution of Investments***

	Market Value (\$)	% of NAV
i) <u>Country</u>		
Australia	58,897,350	19.83
China	52,614,503	17.71
Hong Kong	53,040,658	17.86
India	16,529,816	5.56
Macao	4,193,648	1.41
New Zealand	3,460,144	1.16
Philippines	4,119,070	1.39
Singapore	21,575,649	7.26
South Korea	25,357,972	8.54
Taiwan	49,938,455	16.81

Manulife Pacific Equity Fund

ii) Industry

Automobiles & Components	1,331,650	0.45
Bank	33,791,419	11.37
Chemicals/Petrochemicals	4,325,486	1.46
Computer/Software	6,164,348	2.08
Construction & Engineering	7,006,248	2.36
Consumer Durables	11,132,366	3.75
Diversified Operations	2,134,496	0.72
Education Services	4,210,736	1.42
Finance	11,858,186	3.99
Health Care/ Pharmaceuticals	14,088,139	4.74
Hotel & Leisure	27,469,338	9.25
Insurance	16,486,059	5.55
Internet Services	4,452,337	1.50
Metals & Mining	12,473,058	4.20
Oil & Gas	4,999,580	1.68
Real Estate	24,171,681	8.14
Retail	2,687,358	0.90
Semiconductor	16,432,648	5.53
Technology Hardware & Equipment	55,296,812	18.61
Telecommunications	15,688,754	5.28
Utilities	13,526,566	4.55

iii) Asset Class

Equities	289,727,265	97.53
Other net assets/ (liabilities)	7,326,885	2.47

iv) Credit Rating

Not Applicable

B) Top 10 Holdings as at 30 June 2020***

<u>Securities</u>	<u>Market Value (\$)</u>	<u>% of NAV</u>
Samsung Electronics Co Ltd	19,573,985	6.59
Taiwan Semiconductor Manufacturing Co Ltd	13,985,489	4.71
China Yangtze Power Co Ltd A Shares	10,431,609	3.52
Voltronic Power Technology Corp	10,259,841	3.45
China Construction Bank Corp H Shares	10,254,232	3.45
BHP Group Ltd	9,229,919	3.11
AIA Group Ltd	9,148,639	3.09
Galaxy Entertainment Group Ltd	8,412,383	2.84
Getac Technology Corp	8,340,985	2.81
Swire Properties Ltd	7,366,611	2.48

Top 10 Holdings as at 30 June 2019***

<u>Securities</u>	<u>Market Value (\$)</u>	<u>% of NAV</u>
Swire Properties Ltd	18,740,673	5.13
Samsung Electronics Co Ltd	15,888,358	4.34
Jardine Strategic Hldg Ltd	15,027,580	4.11
China Construction Bank Corp H Shares	14,111,695	3.87
Medibank Private Ltd	13,699,545	3.76
Tabcorp Hldg Ltd	13,510,537	3.70
AIA Group Ltd	12,188,663	3.34
Hang Lung Properties Ltd	11,908,484	3.26
Crown Resorts Ltd	11,854,822	3.24
China Yangtze Power Co Ltd A Shares	11,199,372	3.06

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

C) Exposure to Derivatives

- i) Market value of derivative contract
Not Applicable
- ii) Net gains/losses on derivative contracts realised
Not Applicable
- iii) Net gains/losses on outstanding derivative contracts
Not Applicable

D) Amount and percentage of NAV invested in collective investment schemes

100% invested in Schroder Asian Equity Yield Fund

E) Amount and percentage of debt to NAV

Not Applicable

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S\$4,529,491.37
Total Redemptions	S\$4,756,843.44

G) Amount and terms of related-party transactions***

Not Applicable

H) Expense Ratio

30 June 2020 : 1.72%

30 June 2019 : 1.72%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio***

30 June 2020 : 30.10%

30 June 2019 : 15.49%

J) Any material information that shall adversely impact the valuation of the ILP sub-fund

Not Applicable

K) Soft dollar commissions/ arrangements

The Manager is entitled to receive or enter into soft-dollar commissions/arrangements, although the Manager currently does not receive or enter into soft-dollar commission/arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include specific advice as to the advisability of dealing in, or the value of any investments; research and advisory services; economic and political analyses; portfolio analyses including valuation and portfolio measurements; market analyses; data and quotation services; computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and custodial service in relation to the investments managed for the clients. Soft-dollar commissions/arrangements received shall not include travel, accommodation and entertainment expenses; general administrative goods and services including office equipment and premises; membership fees; employees' salaries; direct money payments/ rebates.

The Manager will not accept or enter into soft-dollar commission/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Manager, assist the Manager in its management of the ILP Sub-Fund; the Manager shall ensure at all times that best execution is carried out for the transactions; and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Note: ***Information given relates to the Underlying Fund and is provided by the Sub-Manager.

Manulife Golden Worldwide Equity Fund

Fund Facts

Launch Date / Price : January 2001 / S\$1.00 (Offer)
 Unit Price* : S\$1.0413 (Bid) / ^S\$1.0961 /
 ^^S\$ 1.0735
 Net Asset Value (NAV) : S\$103,557,787.30
 Manager : Manulife Investment Management
 (Singapore) Pte. Ltd
 CPFIS Risk
 Classification : Higher Risk / Broadly Diversified
 Subscription : SRS/Cash
 *Based on NAV as at 30 June 2020
 ^Offer Price @ 5% sales charge – Regular Premium Plans & Easi
 Investor Plans
 ^^Offer Price @ 3% sales charge – Single Premium Plans

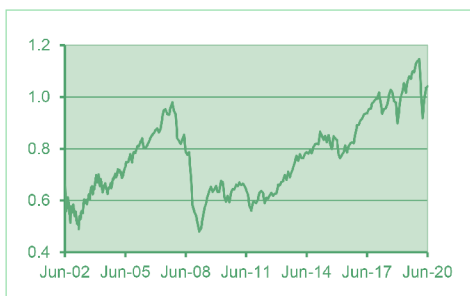
Note:
 On 19 August 2019, Manulife Asset Management (Singapore)
 Pte. Ltd. has changed its legal name to Manulife Investment
 Management (Singapore) Pte. Ltd.

On 2 October 2017, the Manager was changed from UOB Asset
 Management Ltd to Manulife Asset Management (Singapore) Pte.
 Ltd.

Fund Objective

The ILP Sub-Fund invests all or substantially all its
 assets into Manulife Global Fund – Global Equity Fund
 (“Underlying Fund”), which is a sub-fund of Manulife
 Global Fund (“MGF”). MGF is constituted in Luxembourg.
 The investment objective of the Underlying Fund is to
 achieve capital growth from a balanced portfolio of
 international securities. The Underlying Fund is designed
 as a relatively lower risk way of participating in world
 stock markets and offers an alternative to the other, more
 aggressive, regional investments. The benchmark against
 which the ILP Sub-Fund’s performance will be measured
 is the MSCI World Index.

Fund Performance



Fund Performance/ Benchmark returns	Manulife Golden Worldwide Equity Fund	Benchmark*
3 months	+13.38%	+16.94%
6 months	-8.59%	-2.24%
1 year	-1.69%	+6.04%
3 years	+3.57%	+7.17%
5 years	+4.76%	+7.66%
10 years	+5.74%	+9.95%
Since Inception	+0.47%	+3.98%

Inception date: 2 January 2001
 *MSCI World Index

On 2 October 2017, MSCI World index replaced the MSCI AC World
 Index. The full track record of the previous index has been kept and
 chain-linked to the new one.

Source of Information on performance: Manulife Investment
 Management (Singapore) Pte. Ltd.

- Performance is in SGD as at 30 June 2020 on bid-to-bid basis,
 with any income or dividends reinvested.
- Performance figures for 3 months till 1 year show the % change,
 those exceeding 1 year show the average annual compounded
 return.

Investment and Market Review***

The 2020 calendar year began with global equity markets
 building upon their strong December 2019 returns, which
 were further strengthened by the mid-month signing of
 the long-awaited US-China phase one trade deal. However,
 global equity markets subsequently retreated as Covid-19
 halted travel and raised concerns about global economic
 growth. As containment of the virus failed and its spread
 widened, global pandemic concerns grew. Fuelled by
 reports of a rise in the number of global Covid-19 cases,
 along with warnings from the US Centres for Disease
 Control and Prevention, equity markets faced one of the
 fastest corrections on record. Markets fell sharply over
 the last eight days of trading in February. As Covid-19
 spread across Europe and into the US, approximately
 a third of the world’s population faced government-
 mandated lockdowns in an attempt to curb the impact of
 the virus. From the market’s peak on 19 February through
 23 March, global equities sharply declined. Despite a
 significant rebound in the last week of March, all major
 equity indices posted double-digit losses, making the first
 quarter of 2020 the worst quarter in over a decade.

In contrast to the first quarter, global equity markets rose by double digits in the second quarter, posting their best return since the second quarter of 2009. While volatility remained high, it was markedly lower than the first quarter's record levels. After the sharp decline of February and March, the coordinated stimulus measures put in place by global central banks, along with other government policy measures, helped moderate investor concerns. Despite a recent increase in Covid-19 cases, primarily in the US, the process of reopening the global economy, along with improved treatments and progress in vaccine development, added to investor optimism that global economic growth could be restored to pre-pandemic levels.

For the six-month period, the US was the best-performing region, led by the information technology sector, which benefited from the significant outperformance of world growth stocks over value stocks. The anticipated low-interest-rate environment resulted in the financials sector lagging. The energy sector, despite its rebound early in the second quarter, struggled again in June and remained below pre-pandemic levels, trailing other sectors for the period.

Underweight positions in the utilities and real estate sectors and stock selection in the energy sector contributed to performance. Individual contributors included positions in a global software company, a personal computer and mobile device company and an enterprise software solutions provider. Shares of the global software company rose on better-than-expected results for its third quarter. The pandemic has had a limited impact on the company's revenues, and the company benefited from growth in cloud computing, particularly in its products that support remote workplaces and learning. Shares of the personal computer and mobile device company rose during the period, despite Covid-19-related declines in mid-2020. This was the result of several quarters of better-than-expected earnings driven by strength in its wearables and services businesses, along with increased optimism over the expected launch of a 5G mobile device in 2020. Shares of the enterprise software solutions provider outperformed after it reported better-than-expected quarterly results, driven by strong growth in its subscription service and statements that the company has seen limited impact on its business from the pandemic.

Stock selection in the consumer discretionary, consumer staples and industrials sectors detracted from performance. Individual detractors included positions in a global oil major, a consumer financial services company and a manufacturer of airplanes and military equipment. Shares of the global oil major declined as prolonged industry-wide weakness worsened during the Covid-19

pandemic. Shares of the consumer financial services company declined on industry-wide weakness resulting from interest-rate decreases by the US Federal Reserve Board in response to pandemic conditions. Shares of the manufacturer of airplanes and military equipment also declined on industry weakness.

Market Outlook and Investment Strategy***

Markets rebounded in the second quarter as significant amounts of monetary and fiscal stimulus and economies reopening fuelled investor optimism. While there have been small rotations into value stocks, growth stocks continue to benefit from Covid-19-related demand for globally digital business practices. This was highlighted by the sharp difference in the performance of the most well-known technology stocks compared to the rest of the US market. For example, in the month of June alone, the positive returns in the MSCI USA Index would have been virtually flat if these stocks were excluded. Given its quality value focus, the sub-Fund protected capital during the market's notable decline from 10-26 June, but this positioning was then offset by the market's growth rebound in the first and last few trading days of that month.

The sub-Fund's positioning remains balanced in opportunities that show the potential for long-term value creation and stability during short-term earnings weakness. Earnings expectations have declined significantly this year as global 2020 forecasts were cut by 36%. Furthermore, uncertainty is high, fuelling volatility. We have been taking advantage of this opportunity to make prudent valuation trades, selling positions that have reached or are approaching our fair value estimates and buying attractively valued quality companies.

Despite the markets' rapid recovery this year, we continue to be cognisant that the market can suddenly change course, as there are still underlying fundamental risks in play. Gross margins are still high even though they continue to decline, which we believe presents a more challenging environment for profit growth, at least in the short-term. The major issue is corporate debt levels, in our view, which are high and growing at about US\$10.1 trillion of US nonfinancial corporate debt outstanding. These conditions will likely pose challenges for those companies that do not have strong balance sheets, and companies with high debt levels are already facing pressure. From a valuation perspective, the market is valuing 2021 global earnings at 23-times (significantly up from 16-times in March), levels that have rarely been exceeded since the technology bubble of the late 1990s. Additionally, the price/earnings disparity between growth and value

Manulife Golden Worldwide Equity Fund

stocks is at its widest in over 20 years. While the market appears to be comfortable with the leadership of growth stocks, we believe markets cannot continue to ignore these significant valuation differences. Consequently, we remain focused on investing in companies with the strongest balance sheets, which we believe will not only survive a downturn but will also create long-term value.

Source: Bloomberg and Manulife Investment Management as of 30 June 2020

Schedule of Investments as at 30 June 2020

(unless otherwise stated)

A) Distribution of Investments***

	Market Value (US\$)	% of NAV
i) <u>Country</u>		
United States	107,711,180	52.84
Netherlands	29,326,772	14.38
France	19,342,874	9.51
United Kingdom	11,669,767	5.73
Ireland	10,306,485	5.05
Switzerland	9,214,740	4.51
Japan	5,026,832	2.46
Australia	4,612,969	2.26
Republic of Korea (South)	3,414,412	1.68
ii) <u>Industry</u>		
Technology	48,378,941	23.73
Consumer, Non-cyclical	38,236,731	18.76
Industrials	29,996,627	14.72
Communications	26,327,751	12.92
Healthcare	19,244,383	9.43
Consumer, cyclical	16,113,926	7.91
Financials	15,356,823	7.53

Basic materials	4,921,017	2.41
Energy	2,049,832	1.01

iii) Asset Class

Equities	200,626,031	98.42
Other net assets	3,218,155	1.58

iv) Credit Rating

Not Applicable

B) Top 10 Holdings as at 30 June 2020***

Securities	Market Value (US\$)	% of NAV
Apple Inc.	13,237,226	6.49
Microsoft Corp.	11,801,263	5.78
Alphabet Inc. - A	9,592,105	4.71
Koninklijke Ahold Delhaize NV	7,343,031	3.6
Verizon Communications Inc.	7,292,423	3.58
Novartis AG - Reg	6,557,799	3.21
Unilever NV	6,330,275	3.11
Johnson & Johnson	6,215,613	3.04
Danone SA	6,166,577	3.03
Heineken NV	5,973,941	2.93

Top 10 Holdings as at 30 June 2019***

Securities	Market Value (US\$)	% of NAV
Apple Inc.	12,185,282	5.19
Microsoft Corp.	9,599,289	4.08
United Technologies Corp.	8,412,645	3.58
Johnson & Johnson	7,374,113	3.15
Michelin	7,318,825	3.12

CRH plc	6,964,856	2.96
Wells Fargo & Company	6,748,023	2.88
Other Net Assets	6,318,654	2.69
Total SA	6,115,767	2.6
Verizon Communications Inc.	5,925,854	2.52

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

C) Exposure to Derivatives

- i) Market value of derivative contracts
Not Applicable
- ii) Net gains/losses on derivative contracts realised
Not Applicable
- iii) Net gains/losses on outstanding derivative contracts
Not Applicable

D) Amount and percentage of NAV invested in collective investment schemes

100% invested in Manulife Global Fund – Global Equity Fund

E) Amount and percentage of debt to NAV

Not Applicable

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S\$1,471,209.91
Total Redemptions	S\$2,159,334.66

G) Amount and terms of related-party transactions***

All transactions with related parties were entered into in the ordinary course of business and under normal commercial terms.

The main related parties of the Underlying Fund are the following:

- Manulife Investment Management International Holdings Limited in its capacities as Distributor; and
- The Investment Manager

The Distributor and the Investment Manager may be members of the Manulife Group. The transactions with Manulife Group are the management fee charged by the Distributor.

H) Expense Ratio

30 June 2020 : 1.71%

30 June 2019 : 1.75%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage & other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio***

30 June 2020 : 55.58%

30 June 2019 : 21.17%

J) Any material information that shall adversely impact the valuation of the ILP sub-fund

Not Applicable

K) Soft dollar commissions/ arrangements

The Manager is entitled to receive or enter into soft-dollar commissions/arrangements, although the Manager currently does not receive or enter into soft-dollar commission/arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include specific advice as to the advisability of dealing in, or the value of any investments; research and advisory services; economic and political analyses; portfolio analyses including valuation and portfolio measurements; market analyses; data and quotation services; computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and custodial service in relation to the investments managed for the clients. Soft-dollar commissions/arrangements received shall not include travel, accommodation and entertainment expenses; general administrative goods and services including office equipment and premises; membership fees; employees' salaries; direct money payments/rebates.

The Manager will not accept or enter into soft-dollar commission/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Manager, assist the Manager in its management of the ILP Sub-Fund; the Manager shall ensure at all times that best execution is carried out for the transactions; and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

Note: *** Information given relates to the Underlying Fund and is provided by the Manager.

Manulife Asia Pacific Investment Grade Bond Fund A

Fund Objective

The Fund seeks to maximize total returns from a combination of capital appreciation and income generation through investing primarily in a diversified portfolio of investment grade debt securities issued by governments, agencies, supranationals and corporate issuers in the Asia Pacific region.

Investment and Market Review***

Over the period, the focus shifted from China-US trade tensions to Covid-19. During the start of the period, global financial markets experienced an indiscriminate sell-off as the virus spread globally, raising concerns over both supply and demand shocks. Oil prices plunged into negative territory for the first time in history; the West Texas Intermediate May contract fell to a record low of around negative US\$40 per barrel, as Saudi Arabia initiated a price war with Russia, global lockdowns dried up oil demand and trading activity which affected delivery of physical oil and subsequent storage costs. After the wave of indiscriminate sell-offs in the first quarter, most global risk assets subsequently rebounded. In March, the US Federal Reserve Board (Fed) slashed the federal funds rate by 150 basis points (bps) to a target range of 0.0%-0.25% and signaled plans to keep interest rates near zero for years. The Fed launched a bond-buying programme to purchase Treasury bonds, mortgage-backed securities, corporate bonds and exchange-traded funds and intended to buy up to US\$750 billion in bonds. US Treasury yields generally fell over the period, benefiting from safe-haven flows.

In China, the Caixin Manufacturing Purchasing Managers' Index (PMI) hit a record-low of 40.3 in March owing to the country's administrative lockdown against Covid-19. As the Covid-19 outbreak in China came under control, China gradually resumed economic activities and the Caixin Manufacturing PMI rebounded to 50.7 in May. China held its annual parliament meeting "National People's Congress" from 22-28 May; they abandoned the gross domestic product target for the first time since 2002, mainly due to uncertainties from the Covid-19 situation, and instead set a target of creating nine million new jobs in urban areas. Chinese onshore government bond yields were lower, benefiting from expectations of further monetary easing. Indian government bond yields trended lower amid increased signs that inflation has peaked as well as monetary easing by the Reserve Bank of India (RBI); the RBI cut its key interest rate by 115 bps to 4%. The Indonesian central bank cut its key interest rates

three times by 25 bps to 4.25% to support its economy and maintained its triple intervention policy to stabilise its domestic financial market. Nevertheless, Indonesian government bond yields rose over the period as foreign capital outflows remained dominant amid global risk-off sentiment. In Malaysia, the resignation of Prime Minister Mahathir Mohamad and subsequent dissolution of the cabinet in February surprised most market participants. Bank Negara Malaysia slashed the overnight policy rate by a total of 100 bps to 2%, which is the lowest since 2009. Malaysian government bond yields trended lower over the period.

Asian investment credit markets posted positive returns over the period due to positive carry and lower US Treasury yields, which more than offset the wider Asian credit spreads. Credit spreads on the JP Morgan Asian Investment Grade Corporate Bond Index widened by 81 bps. The JP Morgan Asian Investment Grade Corporate Bond Index rose by 3.22% in US dollar terms.

Most Asian currencies, including the Singapore dollar, generally weakened against the US dollar amid the broad risk-off environment. The Philippine peso was one of the better performing currencies against the Singapore dollar, as market participants expect the net importing oil economy to benefit from lower energy prices. The Thai baht was one of the weaker-performing currencies as Covid-19 significantly impacted Thailand's tourism sector.

The Fund's overweight to US dollar investment grade Asian corporate bonds contributed to performance as this segment outperformed the broad Asian bond market. The Fund's bond holdings of an Indonesian energy state-owned enterprise and an Asian international banking group were notable outperformers. In addition, the Fund's exposure to Indonesian local currency bonds also contributed from the carry and a strengthened currency. However, the Fund's underweight US dollar interest rate duration detracted from performance amid a falling US Treasury yield environment. Overall, we believe valuations of Asian credit are increasingly attractive from a historical perspective; Asian credit spreads have generally widened to levels last seen in 2011-2012 during the European debt crisis and are significantly above the 10-year historical average. During the global credits sell-off, the Fund took the opportunity to rotate some short-dated US dollar China credit to high credit quality US dollar Indonesian and Indian state-owned enterprises at relatively attractive valuations after indiscriminate selling by foreign investors amid heightened global market volatility.

Market Outlook and Investment Strategy***

We believe the Covid-19 situation may continue to weigh on investor sentiment. While the situation in China has remained broadly under control, daily infection cases in the United States reached new highs and paused reopening plans in some regions. Mindful of a potential second wave of infections, we expect global and Asian investment grade credit markets to continue to recover in the coming months amid a favourable global interest rate environment, programmes from global central banks to stabilise financial markets and expansionary fiscal policies. Asian credit includes some state-owned-enterprises which can benefit from potential government support and typically feature relatively lower fallen angel risks in the global context. Furthermore, Asian credit has a relatively lower exposure to the commodities sector compared to global credit and is expected to remain more resilient amid a global economic slowdown. We expect the primary market pipeline to continue to hold up and provide opportunities predominately with Asian high-grade issuers. Overall, we believe valuations of Asian investment grade credit are attractive in the global context, considering Asia's more resilient underlying fundamentals and strong government support in the corporate sector.

Source: Bloomberg and Manulife Investment Management as of 30 June 2020

Schedule of Investments as at 30 June 2020

(unless otherwise stated)

A) Distribution of Investments***

	Market Value (S\$)	% of NAV
i) <u>Country</u>		
Australia	3,347,312	0.82
British Virgin Islands	7,027,565	1.73
China	113,839,198	28.02
Germany	952,540	0.23
Hong Kong	94,132,348	23.16
India	23,003,066	5.65
Indonesia	47,126,192	11.60
Malaysia	24,508,682	6.03
Mauritius	2,783,125	0.68

Philippines	11,586,424	2.85
Singapore	25,013,819	6.15
South Korea	22,484,688	5.54
Supra-National	3,363,928	0.83
Thailand	6,359,286	1.56
United Kingdom	6,789,512	1.67
United States of America	8,169,915	2.01

ii) Industry

Agriculture	5,752,489	1.42
Automotive	15,314,804	3.77
Banks	56,980,970	14.02
Chemical	10,381,944	2.55
City Gas	2,266,766	0.56
Commercial Services	8,181,487	2.01
Construction	2,234,959	0.55
Electronics	13,339,908	3.28
Energy	2,651,544	0.65
Engineering	18,030,656	4.44
Entertainment	8,169,915	2.01
Finance	24,921,065	6.13
Government	54,278,935	13.35
Hotel	8,433,077	2.07
Insurance	12,802,145	3.15
Internet	5,622,755	1.38
Investment	11,093,438	2.73
Iron & Steel	4,833,051	1.19
Metal	9,878,844	2.43
Mining	1,834,856	0.45
Miscellaneous	1,122,948	0.28
Oil & Gas	24,937,664	6.14
Real Estate	44,153,057	10.86
Real Estate Investment Trust	11,184,032	2.75

Manulife Asia Pacific Investment Grade Bond Fund A

Retail	1,773,760	0.44	Resorts World Las Vegas Capital Series 4.625% 16/04/2029	8,169,915	2.01
Telecommunications	20,468,333	5.04	China Government Bond Series 3.13% 21/11/2029	8,072,484	1.99
Transport	15,093,890	3.71	Perusahaan Gas Negara 5.125% 16/05/2024	8,039,907	1.98
Utilities	4,750,308	1.17	Elect Global Investments Limited Var Perpetual	7,940,023	1.95
iii) <u>Asset Class</u>			China Huaneng Group HK Treasury Management 3% 10/12/2029	7,277,278	1.79
Fixed income securities	400,487,600	98.53	Longfor Group Holdings Limited 3.95% 16/09/2029	7,271,698	1.79
Accrued interest on fixed income securities	4,314,833	1.06			
Other net assets	1,650,359	0.41			
iv) <u>Credit Rating</u>					
AAA	2,221,508	0.55			
AA-	847,577	0.21			
A+	9,251,198	2.28			
A	17,941,335	4.42			
A-	22,282,550	5.48			
BBB+	20,124,584	4.95			
BBB	26,680,305	6.55			
BBB-	60,842,003	14.97			
B-	2,043,051	0.50			
Not rated	238,253,489	58.62			
			Top 10 Holdings as at 30 June 2019***		
				Market Value	% of
			Securities	(S\$)	NAV
			Indonesia Government Fr72 8.25% 15/05/2036	3,988,126	2.05
			Indonesia Government International Bond Fr65 6.625% 15/05/2033	3,404,038	1.75
			Export-Import Bank Korea 6.75% 09/08/2022	3,317,099	1.70
			Perusahaan Listrik Negara 5.45% 21/05/2028	3,151,951	1.62
			China Overseas Grand Ocean Finance 4.875% 01/06/2021	3,060,293	1.57
			Indonesia Government Ser Fr78 8.25% 15/05/2029	3,049,991	1.57
			ICICI Bank Ltd Dubai 3.65% 14/01/2020	3,014,010	1.55
			CMHI Finance BVI Co Ltd 5% 06/08/2028	3,013,601	1.55
			Vanke Real Estate Hong Kong Company Ltd Ser EMTN 3.85% 13/06/2022	2,962,361	1.52
			Indonesia Government Fr72 8.25% 15/05/2036	3,988,126	2.05
B) Top 10 Holdings as at 30 June 2020***					
	Market Value	% of			
Securities	(S\$)	NAV			
Government of Indonesia Series Fr82 7% 15/09/30	9,165,739	2.26			
Geely Automobile Holdings Limited Var Perpetual	8,833,638	2.17			
GOHL Capital Limited 4.25% 24/01/2027	8,433,077	2.07			
MCC Holding HK Corporation Limited Var Perpetual	8,218,735	2.02			
			Note: Any differences in the percentage of the Net Asset figures are the result of rounding.		

C) Exposure to Derivatives

- i) Market value of derivative contracts
Not Applicable
- ii) Net gains/losses on derivative contracts realised
Not Applicable
- iii) Net gains/losses on outstanding derivative contracts
Not Applicable

D) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

E) Amount and percentage of debt to NAV

Not Applicable

F) Total amount of Subscriptions and Redemptions

Not Applicable

G) Amount and terms of related-party transactions

The Manager of the ILP Sub-Fund and the Underlying Fund is Manulife Investment Management (Singapore) Pte. Ltd. The management fees paid or payable by the ILP Sub-Fund and the Underlying Fund are related party transactions.

H) Expense Ratio***

30 June 2020 : 0.90%

30 June 2019 : 0.90%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio***

30 June 2020 : 60.14%

30 June 2019 : 25.15%

J) Any material information that shall adversely impact the valuation of the ILP sub-fund

Not Applicable

K) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager.

Financial Statements

for the Period 1 January to 30 June 2020

- Statement of Assets and Liabilities
- Capital Account
- Notes to the Accounts

Statement Of Assets And Liabilities

As At 30 June 2020

	Manulife Golden International Bond Fund \$	Manulife Golden Worldwide Equity Fund \$	Manulife Pacific Equity Fund \$
INVESTMENTS			
Cash and Cash Equivalents	-	-	-
Value of Investment in Unit Trusts	77,576,139	103,618,829	51,966,573
	77,576,139	103,618,829	51,966,573
OTHER ASSETS			
Due from Brokers for investment sales	19,837	-	-
Other assets	48	22	-
Total Assets	77,596,024	103,618,851	51,966,573
LIABILITIES			
Due to Brokers for investment purchases	-	(53,721)	(39,130)
Other liabilities	(5,672)	(7,343)	(3,745)
Value of Fund as at 30 June 2020	77,590,352	103,557,787	51,923,698

* Fortune Portfolio Funds invest in existing Manulife Investment-Linked Policy sub-funds namely Manulife Golden International Bond Fund, Manulife Golden Worldwide Equity Fund and Manulife Pacific Equity Fund respectively.

*Fortune Aggressive Portfolio Fund \$	*Fortune Growth Portfolio Fund \$	*Fortune Moderate Portfolio Fund \$
-	-	-
787,273	346,085	14,161
<u>787,273</u>	<u>346,085</u>	<u>14,161</u>
-	-	-
51	-	-
<u>787,324</u>	<u>346,085</u>	<u>14,161</u>
-	-	-
(55)	(37)	(1)
<u>787,269</u>	<u>346,048</u>	<u>14,160</u>

Capital Account For The Period 1 January 2020 To 30 June 2020

	Manulife Golden International Bond Fund \$	Manulife Golden Worldwide Equity Fund \$	Manulife Pacific Equity Fund \$
Value of Fund as at 1 January 2020	73,921,591	113,538,169	56,770,764
Amount paid (by)/to the fund for (liquidation)/ creation of units	(682,953)	(688,125)	(227,352)
Investment income	-	-	1,343,515
Net realised gain/(loss) on sale of investments	-	-	-
Unrealised appreciation/(loss) in value of investment during the period	4,364,915	(9,275,012)	(5,975,951)
Exchange gain/(loss)	-	-	-
Fund (expenses)/income	(13,201)	(17,245)	12,722
Value of Fund as at 30 June 2020	<u>77,590,352</u>	<u>103,557,787</u>	<u>51,923,698</u>

* Fortune Portfolio Funds invest in existing Manulife Investment-Linked Policy sub-funds namely Manulife Golden International Bond Fund, Manulife Golden Worldwide Equity Fund and Manulife Pacific Equity Fund respectively.

*Fortune Aggressive Portfolio Fund \$	*Fortune Growth Portfolio Fund \$	*Fortune Moderate Portfolio Fund \$
816,936	376,637	14,578
31,462	(8,663)	443
-	-	-
-	-	-
(60,266)	(21,177)	(448)
-	-	-
(863)	(749)	(413)
787,269	346,048	14,160

Notes To The Accounts

1. Significant Accounting Policies

- (a) **Basis of Accounting**
The accounts of the Manulife Investment-Linked Policy sub-funds, expressed in Singapore dollars, are prepared under the historical cost convention except for the investments which are stated at market value.
- (b) **Cash and Cash equivalents**
Cash and cash equivalents comprise cash deposited with financial institutions that are subject to an insignificant risk of changes in value.
- (c) **Investments**
Unit trusts are valued at the market prices on 30 June 2020.
- (d) **Investment Income**
Dividend income is taken up in the financial statements when it is declared payable.

Interest income is recognised using the effective interest method.
- (e) **Foreign Currencies**
Transactions arising in foreign currencies during the period are converted at rates closely approximating those ruling on the transaction dates. Foreign currencies denominated monetary assets and liabilities are translated into local currency at exchange rates ruling on the financial statement date. All exchange differences arising from conversion are included in the capital account.
- (f) **Realised Gain/(Loss) on Sale of Investments**
Gain/(loss) on sale of investments is determined at average cost and includes realised foreign exchange gains and losses.

2. Units

The number of units issued as of valuation date 30 June 2020:

Golden International Bond Fund	31,111,355.75990
Golden Worldwide Equity Fund	99,453,810.41704
Manulife Pacific Equity Fund	29,509,484.81059
Fortune Aggressive Portfolio Fund	621,483.24852
Fortune Growth Portfolio Fund	270,805.85020
Fortune Moderate Portfolio Fund	13,859.71230

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