



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

*Report and Financial Statements*

*1 January 2020 to 31 December 2020*



# Welcome Message

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31 March 2021

Dear Customer

This booklet contains the 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](http://www.mymanulife.com.sg).

If you need any assistance, please contact your Financial Consultant or email us at [service@manulife.com](mailto:service@manulife.com).

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

Yours faithfully



Dr Khoo Kah Siang  
President & Chief Executive Officer  
Manulife Singapore

Register of Representatives - You may logon to the Monetary Authority of Singapore (“MAS”) website ([www.mas.gov.sg](http://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 : 8 December 2006 / S\$1.00 (Offer)  
 Unit Price\* : S\$1.4576 (Bid) /  
 ^S\$1.5343 (Offer)

Net Asset Value (NAV) : S\$883,203.83  
 Manager : Manulife Investment Management  
 (Singapore) Pte. Ltd.

CPFIS Risk  
 Classification : Not Applicable  
 Subscription : Cash

\*Based on NAV as at 31 December 2020  
 ^Offer Price @ 5% sales charge – Regular 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 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% 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	+9.22%	+10.86%
6 months	+15.06%	+17.05%
1 year	+6.32%	+16.00%
3 years	+5.04%	+9.35%
5 years	+6.87%	+10.53%
10 years	+5.14%	+8.79%
Since Inception	+3.09%	+5.53%

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 31 December 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 31 December 2020

(unless otherwise stated)

### A) Distribution of Investments as at 31 December 2020

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

### B) Top 10 Holdings as at 31 December 2020 & 31 December 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\$81,327.55	9.21%
Manulife Golden Worldwide Equity Fund	S\$537,450.86	60.85%
Manulife Pacific Equity Fund	S\$264,425.42	29.94%

### 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\$57,257.03
Total Redemptions	S\$48,192.53

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

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

### H) Expense Ratio

31 December 2020 : 1.87%

31 December 2019 : 1.81%

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 : 8 December 2006 / S\$1.00 (Offer)  
 Unit Price\* : S\$1.4236 (Bid) /  
 ^S\$1.4985 (Offer)

Net Asset Value (NAV) : S\$376,460.52  
 Manager : Manulife Investment Management  
 (Singapore) Pte. Ltd.

CPFIS Risk Classification : Not Applicable  
 Subscription : Cash

\*Based on NAV as at 31 December 2020

^Offer Price @ 5% sales charge – Regular 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 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.

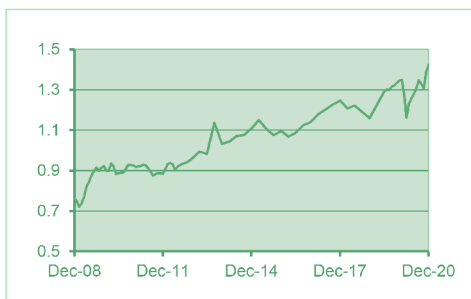
The Portfolio Fund feeds into:

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	+7.08%	+7.56%
6 months	+11.41%	+12.07%
1 year	+5.94%	+12.99%
3 years	+4.55%	+8.36%
5 years	+5.38%	+8.66%
10 years	+4.39%	+7.57%
Since Inception	+2.91%	+5.00%

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 31 December 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 31 December 2020

(unless otherwise stated)

### A) Distribution of Investments as at 31 December 2020

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

### B) Top 10 Holdings as at 31 December 2020 & 31 December 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\$136,547.63	36.27%
Manulife Golden Worldwide Equity Fund	S\$157,294.65	41.78%
Manulife Pacific Equity Fund	S\$82,618.24	21.95%

### 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\$22,572.00
Total Redemptions	S\$40,410.01

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

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

### H) Expense Ratio

31 December 2020 : 1.86%

31 December 2019 : 1.85%

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 : 8 December 2006 / S\$1.00 (Offer)  
 Unit Price\* : S\$1.0855 (Bid) /  
 ^S\$1.1426 (Offer)

Net Asset Value (NAV) : S\$15,500.53

Manager : Manulife Investment Management  
 (Singapore) Pte. Ltd.

CPFIS Risk  
 Classification : Not Applicable  
 Subscription : Cash

\*Based on NAV as at 31 December 2020

^Offer Price @ 5% sales charge – Regular 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 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.

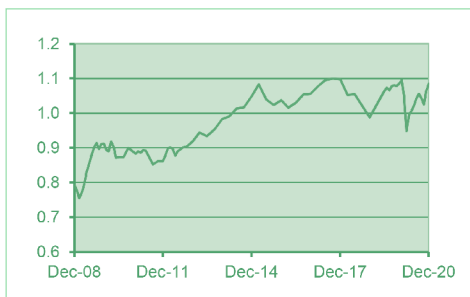
The Portfolio Fund feeds into:

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	+3.98%	+6.18%
6 months	+6.25%	+10.04%
1 year	+0.02%	+11.47%
3 years	-0.37%	+8.12%
5 years	+0.92%	+7.94%
10 years	+2.03%	+7.36%
Since Inception	+0.94%	+4.72%

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 31 December 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 31 December 2020

(unless otherwise stated)

### A) Distribution of Investments as at 31 December 2020

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

### B) Top 10 Holdings as at 31 December 2020 & 31 December 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\$7,045.50	45.46%
Manulife Golden Worldwide Equity Fund	S\$6,646.93	42.88%
Manulife Pacific Equity Fund	S\$1,808.10	11.66%

### 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\$886.08
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

31 December 2020 : 7.64%

31 December 2019 : 6.46%

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

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- 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 : 31 May 2006 / S\$1.00 (Offer)  
 Unit Price\* : S\$2.1796 (Bid) / ^S\$2.2943 /  
 ^^S\$2.2470  
 Net Asset Value (NAV) : S\$66,731,187.83  
 Manager : Manulife Investment Management  
 (Singapore) Pte. Ltd.  
 Sub-Manager : Schroder Investment  
 Management (Singapore) Ltd  
 CPFIS Risk : Higher Risk - Narrowly Focused -  
 Classification : Regional - Asia  
 Subscription : CPFIS-OA/SRS/Cash

\*Based on NAV as at 31 December 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	+17.80%	+15.16%
6 months	+23.87%	+22.83%
1 year	+13.76%	+20.93%
3 years	+4.08%	+7.74%
5 years	+7.89%	+11.63%
10 years	+4.23%	+8.83%
Since Inception	+5.86%	+7.59%

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 31 December 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 regulatory influence on corporate dividend payments, particularly at banks, has likely passed as governments in Australia and other regions have lifted restrictions and allowed companies discretion to pay out dividends as appropriate. Clearly, an unexpected deterioration of the Covid-19 pandemic might lead to further lockdowns and subsequent economic slowdowns which might entail more government intervention. However, that risk is likely contained, with vaccines increasingly being rolled out.

## Market Outlook and Investment Strategy\*\*\*

We continue to see long-term interest rates staying lower-for-longer given the four Ds (ageing Demographics, technological Disruption, income Disparity, and still-elevated Debt levels), as well as financial repression. That said, in the short-term, if economic growth returns, there will inevitably be a temporary fear of inflationary pressures

and expectations of monetary tightening. However, this is unlikely to be sustained when policymakers realise that fragile economies and high levels of indebtedness mean that higher rates will be unbearable. The hunt for yield alternatives will thus resume, and dividend-yielding stocks will be a natural beneficiary of that.

On a longer-term basis, the structural reasons for investing in Asia are long-term stories and have not changed despite ongoing challenges and disruption posed by or exacerbated by the ongoing pandemic as well as rising geopolitical tensions. These long-term trends include urbanisation, industrialisation, middle-income consumption, and positive demographics, and will remain key drivers of economic growth in Asia over the long-term although lurking disruptive forces mean we have to remain very vigilant for new emerging ideas and winners as well as incumbents that have been left irrelevant and structurally challenged. Asian equity markets remain the keyway to play into these evolving and emerging opportunity sets. To that end, the strategy continues to provide exposure to this Asian economic growth story, but does it a focus on quality, cash flows and dividend-investing.

## Schedule of Investments as at 31 December 2020

(unless otherwise stated)

### A) Distribution of Investments\*\*\*

	Market Value (S\$)	% of NAV
i) <u>Country</u>		
Australia	69,490,209	19.68
China	64,487,164	18.26
Hong Kong	33,369,770	9.45
India	19,250,682	5.45
Macao	4,448,071	1.26
New Zealand	3,778,932	1.07
Philippines	3,970,498	1.12
Singapore	24,042,250	6.81
South Korea	47,129,429	13.34
Taiwan	78,967,504	22.36

ii) <u>Industry</u>		
Bank	34,174,317	9.68
Chemicals/Petrochemicals	2,627,133	0.74
Computer/Software	8,241,154	2.33
Construction & Engineering	9,005,349	2.55
Consumer Durables	20,647,574	5.85
Education Services	7,044,135	1.99
Finance	7,265,427	2.06
Health Care/ Pharmaceuticals	16,088,083	4.56
Hotel & Leisure	27,064,596	7.66
Insurance	13,993,027	3.96
Internet Services	6,096,425	1.73
Metals & Mining	22,226,447	6.29
Oil & Gas	5,086,238	1.44
Real Estate	23,354,362	6.61
Retail	3,860,904	1.09
Semiconductor	42,281,180	11.97
Technology Hardware & Equipment	73,761,507	20.89
Telecommunications	13,516,588	3.83
Utilities	12,600,063	3.57

iii) <u>Asset Class</u>		
Equities	348,934,509	98.80
Other net assets/ (liabilities)	4,235,780	1.20
iv) <u>Credit Rating</u>		
Not Applicable		

# Manulife Pacific Equity Fund

## B) Top 10 Holdings as at 31 December 2020\*\*\*

Securities	Market Value (S\$)	% of NAV
Samsung Electronics Co Ltd	33,461,329	9.47
Taiwan Semiconductor Manufacturing Co Ltd	23,558,558	6.67
Voltronic Power Technology Corp	11,746,261	3.33
BHP Group Ltd	11,071,861	3.13
Midea Group Co Ltd A Shares	10,334,582	2.93
China Yangtze Power Co Ltd A Shares	9,310,255	2.64
China Construction Bank Corp H Shares	9,121,938	2.58
Getac Technology Corp	8,505,832	2.41
Medibank Private Ltd	7,842,991	2.22
LG Electronics Inc	7,571,675	2.14

## Top 10 Holdings as at 31 December 2019\*\*\*

Securities	Market Value (S\$)	% of NAV
Samsung Electronics Co Ltd	18,713,477	5.48
Swire Properties Ltd	15,301,223	4.47
Tabcorp Hldg Ltd	14,603,162	4.28
Jardine Strategic Hldg Ltd	14,206,301	4.16
China Construction Bank Corp H Shares	14,062,383	4.12
Galaxy Entertainment Group Ltd	11,441,036	3.35
Crown Resorts Ltd	11,385,136	3.34
China Yangtze Power Co Ltd A Shares	11,277,934	3.30
Hang Lung Properties Ltd	10,921,610	3.20
AIA Group Ltd	10,917,644	3.20

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\$11,958,315.10
Total Redemptions	S\$9,980,103.88

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

Not Applicable

## H) Expense Ratio

31 December 2020 : 1.72%

31 December 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\*\*\*

31 December 2020 : 35.34%

31 December 2019 : 14.61%

## 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 : 2 January 2001 / S\$1.00 (Offer)  
 Unit Price\* : S\$1.1776 (Bid) / ^S\$ 1.2396 /  
 ^^S\$1.2140  
 Net Asset Value (NAV) : S\$110,351,471.48  
 Manager : Manulife Investment Management  
 (Singapore) Pte. Ltd  
 CPFIS Risk  
 Classification : Higher Risk / Broadly Diversified  
 Subscription : SRS/Cash  
 \*Based on NAV as at 31 December 2020  
 ^Offer Price @ 5% sales charge – Regular Premium Plans & Easi  
 Investor Plans  
 ^^Offer Price @ 3% sales charge – Single Premium Plans

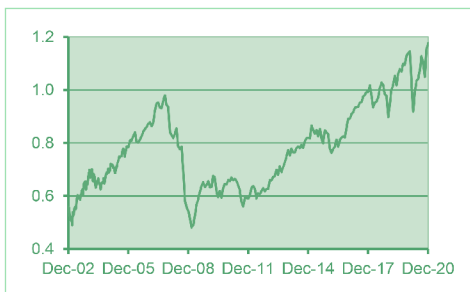
Note:  
 On 19 August 2019, Manulife Asset Management (Singapore)  
 Pte. Ltd. has changed its legal name to Manulife Investment  
 Management (Singapore) Pte. Ltd.

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	+6.51%	+10.33%
6 months	+13.09%	+16.53%
1 year	+3.37%	+13.92%
3 years	+5.85%	+10.14%
5 years	+7.19%	+10.62%
10 years	+5.98%	+10.21%
Since Inception	+1.08%	+4.67%

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 31 December 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\*\*\*

Global equities finished 2020 meaningfully higher,  
 although the journey was anything but uneventful. After  
 a benign start to the year, equities began to move sharply  
 lower in mid-February as concerns mounted over the  
 impact of Covid-19 on the global economy. Fortunately,  
 the response from policymakers—most notably the  
 U.S. Federal Reserve—was swift and strong. Stocks  
 began to recover in late March in response, and the rally  
 persisted until uncertainty about the virus and the U.S.  
 elections caused sentiment to waver in September. The  
 rally regained steam in November thanks to positive  
 developments with respect to Covid-19 vaccine, and it  
 continued through year-end.

U.S. equities outpaced the developed international  
 markets for the year, as worries about slowing growth  
 weighed heavily on Europe. Emerging markets performed  
 well, led by China and other Asian countries, as the  
 region was the first to overcome the virus and return to  
 relative economic normalcy. Large-cap stocks and the

growth style outperformed their small-cap and value counterparts, respectively, although these trends showed signs of easing late in the period.

The Fund underperformed its benchmark during the period. Stock selection was the largest detractor to strategy performance driven by the Consumer Discretionary, Communication Services and Financials sectors. Sector allocation also detracted from performance led by an overweight exposure to the Consumer Staples sector along with an underweight exposure to the Consumer Discretionary sector. Among the largest individual detractors included Danone SA, Total SE and Airbus SE. Helping to mitigate a portion of the underperformance was positive stock selection within the Information Technology sector along with underweight exposures to the Financials and Utilities sectors. Among the largest individual contributors included Samsung Electronics Co., Ltd., Apple Inc. and Microsoft Corporation.

## Market Outlook and Investment Strategy\*\*\*

2020 was not only a tough year globally as the Covid-19 pandemic took lives and changed the way we worked and interacted with each other, but also a year of opposing factors that challenged our global style that favors quality and intrinsic valuation. To outperform in 2020, one had to be invested in the extremes of the market for both high momentum growth and deep value, areas to which we had no exposure.

Putting 2020 behind us, we fully believe that in remaining true to our investment philosophy and process we will be able to create long-term risk adjusted performance with good downside market protection. We have been here before. From June 2017 to June 2018 we underperformed by the same magnitude as 2020 due to a significant growth and momentum headwind. In the subsequent 15 months, we were able to recover a majority of that underperformance. And throughout this period, our aggregate portfolio characteristics have remained consistent to our quality value approach as evidence by higher returns, lower leverage, and more attractive valuation metrics relative to the benchmark. Today, our Free Cash Flow (FCF) yield (historic) is the highest since inception, and our Return on Equity (ROE) is also at historically high levels. These characteristics are supportive of our view that we own a collection of high-quality businesses trading at very attractive valuations relative to the market.

Because of our correlation with value one asks if we are due for a more meaningful rotation into value. There

are three themes to consider. First, one has to assume that the ongoing recovery from the current pandemic will lead to improved global growth especially with additional monetary and fiscal stimulus support and vaccine or improved therapeutics for Covid-19. Second, earnings for value stocks which happen to also be comprised of many of the industries most hit by the pandemic, potentially have the most to rebound given they saw much larger levels of decrease in earnings power. Lastly, relative valuation between growth and value are at historical extremes. We would not be surprised if relative performance improvement in value continues to a degree. In general, we believe that the recent value performance in November into December was a risk-on trade rather than a value rotation.

At the same time, we recognize that many of the themes that have supported growth investing over the last decade are not going away. Low interest rates, low global growth, low inflation and constrained business investment may continue to act as support. However, given current growth valuations, there is very little room for error and/or disappointment.

We emphasize that our outperformance does not entirely depend on value coming back as we are not deep value investors. Our quality criteria weed out the highly levered and low returning deep cyclical value names; and therefore, we are able to generate alpha not only in down markets but also flat to steadily rising growth markets. It is the rapid rise in growth that we are not able to keep pace with.

As we look ahead, we continue to recognize the massive disconnect of the markets and the underlying economic health. The global economy and company fundamentals are likely to be driven by high levels of debt globally (government, corporate, household), near-peak corporate margins, a trend towards de-globalization, heightened awareness of ESG considerations, all compounded by weak global demand through an uncertain pandemic recovery. This contrasts with high equity market valuations which imply that company fundamentals will not only improve but will also surpass the strong results of 2019 over the next couple of years, what we like to call a more optimistic “check-mark” rather than a V-shaped recovery. It is this risk that supports our focus on quality where we remain committed to investing in companies with strong balance sheets that will not only survive a downturn, but also create long-term value.

Source: Bloomberg and Manulife Investment Management as of 31 December 2020

# Manulife Golden Worldwide Equity Fund

## Schedule of Investments as at 31 December 2020

(unless otherwise stated)

### A) Distribution of Investments\*\*\*

	Market Value (US\$)	% of NAV
i) <u>Country</u>		
Australia	4,449,757	1.94
France	23,318,274	10.16
Ireland	10,473,443	4.56
Japan	5,878,572	2.56
Netherlands	24,589,425	10.72
Republic of Korea (South)	8,276,461	3.61
Switzerland	14,201,626	6.19
United Kingdom	22,751,369	9.91
United States	112,419,473	49.00
ii) <u>Industry</u>		
Basic materials	357,039,500	1.56
Communications	3,048,399,500	13.29
Consumer, cyclical	2,173,322,800	9.47
Consumer, Non-cyclical	4,334,541,800	18.88
Energy	223,441,400	0.97
Financials	1,785,714,900	7.79
Healthcare	2,618,718,300	11.41
Industrials	3,110,421,300	13.56
Technology	4,984,240,500	21.72
iii) <u>Asset Class</u>		
Equities	226,358,400	98.65
Other Net Assets	3,104,713	1.35

### iv) Credit Rating

Not Applicable

### B) Top 10 Holdings as at 31 December 2020\*\*\*

Securities	Market Value (US\$)	% of NAV
Alphabet Inc. - A	9,977,950	4.35
Microsoft Corp.	9,593,608	4.18
Apple Inc.	9,126,837	3.98
Samsung Electronics Company Limited Pfd	8,276,461	3.61
Verizon Communications Inc.	7,431,313	3.24
Koninklijke Ahold Delhaize NV	7,269,188	3.17
Unilever plc	7,213,944	3.14
Johnson & Johnson	7,218,814	3.14
Oracle Corp.	7,182,379	3.13
Michelin	6,594,314	2.87

### Top 10 Holdings as at 31 December 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
Total SA	6,115,767	2.60
Verizon Communications Inc.	5,925,854	2.52
Amcort Limited	5,863,883	2.50

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\$3,039,714.16
Total Redemptions	S\$3,842,602.74

### 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

31 December 2020 : 1.74%

31 December 2019 : 1.64%

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\*\*\*

31 December 2020 : 58.63%

31 December 2019 : 19.82%

### 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\*\*\*

In the US, Treasury yields fell over the period as the US Federal Reserve Board (Fed) slashed its benchmark interest rate two times, signaled plans to keep interest rates near zero for years amid concerns over the Covid-19 induced economic slowdown and pledged to continue its bond-buying programmes. 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. Most global risk assets rebounded subsequently with economic stimulus programmes. Towards the end of the period, Treasury yields fluctuated on the back of US election results, vaccine launches, congressional passage of a US\$900 billion Covid-19 relief package and mixed economic data. The 10-year US Treasury yield fell from 1.92% to 0.91% over the period.

In China, economic data suggested its post-Covid-19 recovery likely accelerated. The Caixin Manufacturing Purchasing Managers' Index hit a record-low of 40.3 in March owing to the country's administrative lockdown against Covid-19 but rebounded to 54.9 in November. FTSE Russell confirmed that Chinese government bonds will be included into the World Government Bond Index progressively from October 2021, subject to final confirmation in March 2021. This development was widely expected by the market and should provide support for China bonds over the medium-term. Towards the end of the period, the People's Bank of China injected 950 billion yuan of liquidity to ensure that market funding was adequate for year-end. Overall, Chinese government bond yields range traded over the period. In India, government bond yields fell as the Reserve Bank of India (RBI) cut its key interest rates three times. The RBI also implemented an "Operation Twist" strategy of purchasing long-tenor bonds and selling short-term debt. In Indonesia, government bond yields declined as Bank Indonesia cut its benchmark interest rate five times over the period and maintained its triple intervention policy to stabilise its domestic financial market.

Asian investment grade credit markets posted positive returns for the period due to positive carry and lower

US Treasury yields, which more than offset wider credit spreads. Credit spreads on the JP Morgan Asian Investment Grade Corporate Bond Index widened by 41 basis points. The JP Morgan Asian Investment Grade Corporate Bond Index increased by 6.34%, while the JP Morgan Asian High Yield Corporate Bond Index increased by 7.02% in US dollar terms.

The Singapore dollar strengthened by 1.8% against the US dollar while the performance of Asian currencies was mixed against the Singapore dollar over the period. The Chinese renminbi was one of the better performing currencies against the US dollar buoyed by strong economic data and capital inflows. In contrast, the Indian rupee was one of the weaker performing currencies on the back of the RBI's dollar buying.

The Fund's performance was positive<sup>1</sup> for the year, with its underweight in US dollar-denominated government related bonds and overall security selection contributed to performance. The Fund's holding of an Indonesian state-owned oil & gas company and an Asian-International banking group were notable outperformers. In addition, the Fund's exposure to Indonesian local currency bonds also contributed from lower local bond yields. However, the Fund's underweight in US dollar interest rate duration detracted from performance as Treasury yields fell. Over the period, the Fund added Indonesian local currency government bonds and Singaporean local currency corporate bonds. The Fund took the opportunity to take profit of some of its US dollar-denominated Asian investment-grade bonds (such as an Asian-international banking group, an Australian bank and a Chinese internet search engine provider) amid strong performance.

## Market Outlook and Investment Strategy\*\*\*

North Asian economies demonstrated relatively better containment of Covid-19, which we believe is supportive for the region. Despite the implementation of large-scale vaccination programmes in major economies, we remained cautious of the wave of infections in the winter and viral mutations, as we see an increase in Covid-19 cases in the US and Europe. Overall, we believe the accommodative monetary policies from global central banks are supportive of range bound US Treasury yields. We expect global and Asian investment grade credit to remain supported, though the pace and magnitude for further credit spread compression could ease given the rally from March last year. We believe Asia's resilient underlying fundamentals, strong government sponsorship in the corporate sector and relatively

higher yields than developed bond markets, places Asian bonds in a unique position in the global context. Nonetheless, we believe fallen angel risk in Asia remains, as companies continue to navigate their way through the crisis, especially if much needed fiscal stimulus fails to materialise and if there is a negative turn in Covid-19 vaccine developments. We continue to remain cognisant of both systemic and idiosyncratic risks while seeking out attractive opportunities and believe that bottom-up credit selection will be key in generating further returns in this low yielding environment. We favour markets such as China for its superior C-19 containment underpinning growth and relatively attractive yields in the single-A space, and Indonesia for its compelling yields and credit rating resilience.

Source: Bloomberg and Manulife Investment Management as of 31 December 2020.

<sup>1</sup>The Fund returned 5.96% for Class A-MDis on NAV-to-NAV basis. The class returned 0.67% in 2020, on offer-to-bid basis. Since inception (21 Jan 2014), the class returned 3.68% (annualised) on NAV-to-NAV basis and 2.89% (annualised) on offer-to-bid basis, with net income & dividends reinvested.

## Schedule of Investments as at 31 December 2020

(unless otherwise stated)

### A) Distribution of Investments\*\*\*

	Market Value (S\$)	% of NAV
i) <u>Country</u>		
Australia	8,954,261	2.01
British Virgin Islands	6,756,936	1.52
China	126,965,440	28.46
Germany	996,550	0.22
Hong Kong	104,781,971	23.53
India	14,092,834	3.16
Indonesia	34,961,289	7.87
Malaysia	23,068,028	5.17
Netherlands	4,391,182	0.98
Philippines	12,574,363	2.82
Singapore	37,456,492	8.39
South Korea	21,152,685	4.75
Supra-National	3,333,665	0.75

Taiwan	11,492,309	2.58
Thailand	4,614,153	1.03
United States of America	2,036,267	0.46

### ii) Industry

Agriculture	5,597,511	1.26
Automotive	10,386,565	2.33
Banks	53,189,075	11.93
Building Materials	3,339,675	0.75
Chemical	10,803,954	2.42
City Gas	2,144,615	0.48
Commercial Services	5,676,870	1.27
Computers	7,444,054	1.67
Electronics	19,695,747	4.42
Energy	2,739,186	0.62
Engineering	2,777,414	0.62
Entertainment	2,036,267	0.46
Finance	23,358,000	5.24
Food	6,145,725	1.38
Government	57,425,625	12.88
Hotel	7,029,526	1.58
Insurance	24,763,028	5.56
Investment	15,067,592	3.38
Iron & Steel	7,443,528	1.67
Metal	8,326,395	1.87
Mining	1,744,089	0.39
Oil & Gas	11,063,256	2.48
Real Estate	47,365,152	10.63
Real Estate Investment Trust	20,420,745	4.58
Retail	1,731,227	0.39
Semiconductors	3,960,166	0.89
Telecommunications	19,436,443	4.36
Transport	26,579,843	5.96
Utilities	9,937,152	2.23

# Manulife Asia Pacific Investment Grade Bond Fund A

iii) <u>Asset Class</u>				Hong Kong Telecommunications 3.25% 30/09/2029	7,161,691	1.61
Fixed income securities	417,628,425	93.70				
Accrued interest on fixed income securities	4,075,229	0.91		GOHL Capital Limited 4.25% 24/01/2027	7,029,526	1.58
Other net assets	24,016,937	5.39				

## Top 10 Holdings as at 31 December 2019\*\*\*

iv) <u>Credit Rating</u>					Market Value (S\$)	% of NAV
AAA	2,173,050	0.49		Securities		
AA	1,987,084	0.45		Indonesia Government Series Fr82 7% 15/09/30	9,661,720	2.51
AA-	7,298,142	1.64		Azure Orbit International Finance EMTN 3.75% 25/01/2023	8,274,525	2.15
A+	7,005,604	1.57		HBIS Group Company Limited 3.75% 18/12/2022	7,364,735	1.91
A	12,251,391	2.75		GOHL Capital Limited 4.25% 24/01/2027	7,043,781	1.83
A-	29,148,939	6.54		China Huaneng Group HK Treasury Management 3% 10/12/2029	6,769,304	1.76
BBB+	20,243,088	4.54		Kasikornbank Public Company Limited Series EMTN Var 02/10/2031	6,756,698	1.75
BBB	30,196,473	6.77		Coastal Emerald Limited Var Perpetual	6,714,846	1.74
BBB-	48,468,259	10.87		Hong Kong Telecommunications 3.25% 30/09/2029	6,699,853	1.74
Not rated	258,856,395	58.09		Rizal Commercial Banking Series EMTN 3% 11/09/2024	6,652,656	1.73
				Hysan MTN Limited Series EMTN 2.82% 04/09/2029	6,453,950	1.68

## B) Top 10 Holdings as at 31 December 2020\*\*\*

Securities	Market Value (S\$)	% of NAV
Government of Indonesia Series Fr82 7% 15/09/30	9,632,568	2.16
China Government Bond Series 3.13% 21/11/2029	8,041,908	1.80
Elect Global Investments Limited Var Perpetual	7,840,920	1.76
Foxconn Far East Limited 2.5% 28/10/2030	7,532,143	1.69
Lenovo Group Limited 3.421% 02/11/2030	7,444,054	1.67
ZhongAn Online P&C Insurance Company Limited 3.125% 16/07/2025	7,303,073	1.64
Longfor Group Holdings Limited 3.95% 16/09/2029	7,186,472	1.61
Busan Bank GMTN 3.625% 25/07/2026	7,165,557	1.61

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

## C) Exposure to Derivatives

- Market value of derivative contracts  
Not Applicable
- Net gains/losses on derivative contracts realised  
Not Applicable
- 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\*\*\*  
31 December 2020 : 0.89%  
31 December 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\*\*\*  
31 December 2020 : 88.48%  
31 December 2019 : 74.15%
- 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 31 December 2020

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- Statement of Assets and Liabilities
- Capital Account
- Notes to the Accounts
- Independent Auditor's Report

# Statement Of Assets And Liabilities

## As At 31 December 2020

	*Fortune Aggressive Portfolio Fund \$	*Fortune Growth Portfolio Fund \$	*Fortune Moderate Portfolio Fund \$
<b>INVESTMENTS</b>			
Cash and Cash Equivalents	-	-	-
Value of Investment in Unit Trusts	883,208	376,496	15,501
	<b>883,208</b>	<b>376,496</b>	<b>15,501</b>
<b>OTHER ASSETS</b>			
Due from Brokers for investment sales	-	-	-
Other assets	60	-	-
<b>Total Assets</b>	<b>883,268</b>	<b>376,496</b>	<b>15,501</b>
<b>LIABILITIES</b>			
Due to Brokers for investment purchases	-	-	-
Other liabilities	(64)	(35)	-
<b>Value of Fund as at 31 December 2020</b>	<b>883,204</b>	<b>376,461</b>	<b>15,501</b>

\* Fortune Portfolio Funds invest in a combination of existing Manulife Investment-Linked Policy sub-funds and Manulife Investment Management Unit Trust Funds namely Manulife Golden Worldwide Equity Fund, Manulife Pacific Equity Fund and Manulife Asia Pacific Investment Grade Bond Fund Class A respectively.

Manulife Golden Worldwide Equity Fund \$	Manulife Pacific Equity Fund \$
-	-
110,346,840	66,583,387
<u>110,346,840</u>	<u>66,583,387</u>
12,549	152,463
33	-
<u>110,359,422</u>	<u>66,735,850</u>
-	-
(7,951)	(4,662)
<u>110,351,471</u>	<u>66,731,188</u>

# Capital Account For The Period 1 January 2020 To 31 December 2020

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	*Fortune Aggressive Portfolio Fund \$	*Fortune Growth Portfolio Fund \$	*Fortune Moderate Portfolio Fund \$
<b>Value of Fund as at 1 January 2020</b>	<b>816,936</b>	<b>376,637</b>	<b>14,578</b>
Amount paid (by)/to the fund for (liquidation)/ creation of units	9,065	(17,838)	886
Investment income	-	-	-
Net realised gain/(loss) on sale of investments	-	-	-
Unrealised appreciation/(loss) in value of investment during the period	58,989	19,216	947
Exchange gain/(loss)	-	-	-
Fund (expenses)/income	(1,786)	(1,554)	(910)
<b>Value of Fund as at 31 December 2020</b>	<b>883,204</b>	<b>376,461</b>	<b>15,501</b>

\* Fortune Portfolio Funds invest in a combination of existing Manulife Investment-Linked Policy sub-funds and Manulife Investment Management Unit Trust Funds namely Manulife Golden Worldwide Equity Fund, Manulife Pacific Equity Fund and Manulife Asia Pacific Investment Grade Bond Fund Class A respectively.

Manulife Golden Worldwide Equity Fund \$	Manulife Pacific Equity Fund \$
113,538,169	56,770,764
(802,889)	1,978,211
144,475	2,178,602
-	-
(2,489,618)	5,803,629
-	-
(38,666)	(18)
<b>110,351,471</b>	<b>66,731,188</b>

# Notes To The Accounts

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## 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 31 December 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 31 December 2020:

Fortune Aggressive Portfolio Fund	605,929.69460
Fortune Growth Portfolio Fund	264,435.45449
Fortune Moderate Portfolio Fund	14,279.48374
Golden Worldwide Equity Fund	93,710,434.65419
Manulife Pacific Equity Fund	30,616,054.73349



### 3. Expense Ratio

The audited expense ratio as of valuation date 31 December 2020:

Fortune Aggressive Portfolio Fund	1.87%
Fortune Growth Portfolio Fund	1.86%
Fortune Moderate Portfolio Fund	7.64%
Golden Worldwide Equity Fund	1.74%
Manulife Pacific Equity Fund	1.72%

Expense ratio is calculated in accordance with Investment Management Association of Singapore ("IMAS") Guidelines for the Disclosure of Expense Ratios.

# Independent Auditor's Report For The Year Ended 31 December 2020

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REPORT TO THE BOARD OF DIRECTORS  
OF MANULIFE (SINGAPORE) PTE. LTD.

Report On The Audit Of The Financial Statements

## Opinion

We have audited the accompanying financial statements of the investment-linked sub-funds ("Funds") of Manulife (Singapore) Pte. Ltd. (the "Company"), which comprise the statement of assets and liabilities as at 31 December 2020, the Capital Account for the financial year then ended, and notes to the accounts, including a summary of significant accounting policies set out in Note 1 to the accounts.

In our opinion, the accompanying financial statements of the Funds of the Company for the financial year ended 31 December 2020, are properly drawn up in accordance with the stated accounting policies set out in Note 1 to the accounts.

## Basis For Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of the Funds section of our report. We are independent of the Company and the Funds in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

Management is responsible for other information. The other information comprises the Message from the President and Chief Executive Officer, and fund reports included in pages 1 to 24, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the accounts, which describes the basis of accounting. The financial statements are prepared to assist the Company to comply with the requirements of the Monetary Authority of Singapore (“MAS”) Notice 307 Investment-Linked Life Insurance Policies. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the use of the Company. Our opinion is not modified in respect of this matter.

#### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the stated accounting policies, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Funds’ ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

The directors’ responsibilities include overseeing the Funds’ financial reporting process.

#### Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Independent Auditor's Report For The Year Ended 31 December 2020

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As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Public Accountants and  
Chartered Accountants  
Singapore

31 March 2021

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