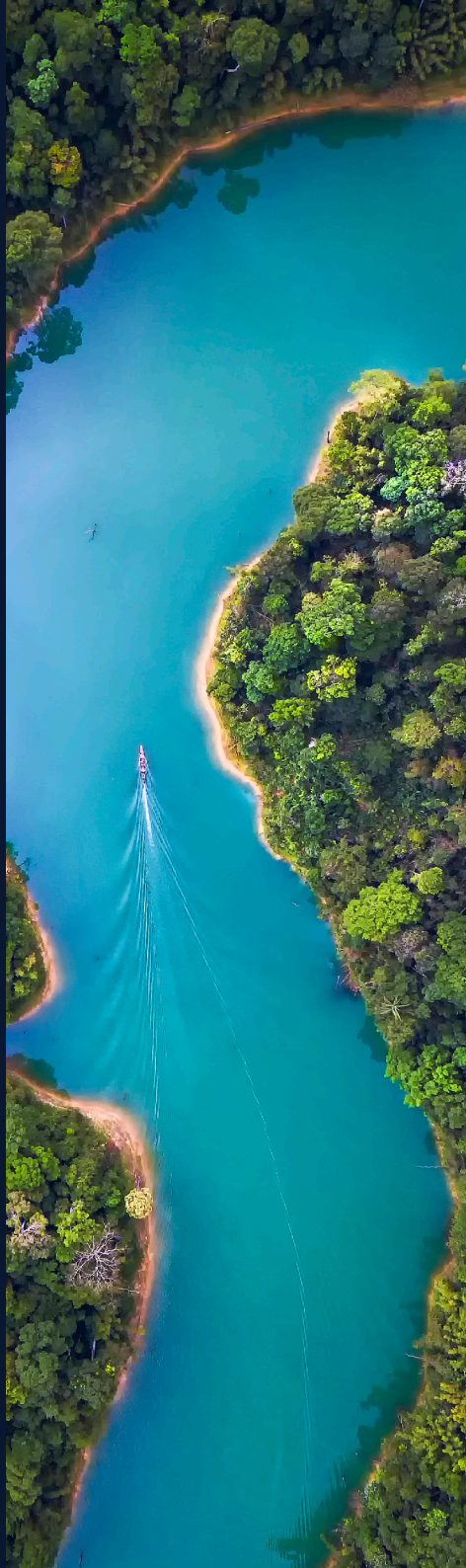




Manulife *Investment-  
Linked Policy*  
Sub-Funds  
(for Fortune Accumulator)

Report and Financial Statements

Annual Report 2022





# Welcome Message

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31 March 2023

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 Representative.

## 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:

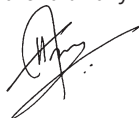
- view policy details and statements;
- perform fund switches and set price alerts; and
- update your contact information.

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 Representative 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

If you would like to receive a hard copy of this booklet, please email us at [service@manulife.com](mailto:service@manulife.com) by 30 April 2023.

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](http://www.mas.gov.sg)) to conduct a background check of your Manulife Financial Representative.

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\$1.4343 (Bid/NAV) /  
^S\$1.5098 (Offer)

Fund Size : S\$285,308.85  
Manager : Manulife Investment Management  
(Singapore) Pte. Ltd.

CPFIS Risk  
Classification : Not Applicable  
Subscription : Cash

\*Based on NAV as at 31 December 2022

^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.

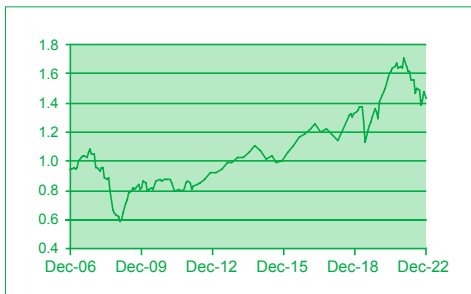
The Portfolio Fund feeds into:

60% Manulife Golden Worldwide Equity Fund

30% Manulife Pacific Equity Fund

10% Manulife Funds - Manulife Asia Pacific Investment Grade Bond Fund

## Fund Performance



Fund Performance/ Benchmark Returns	Fortune- Aggressive Portfolio Fund	Benchmark*
3 months	3.22%	3.32%
6 months	-1.84%	-2.03%
1 year	-15.93%	-16.85%
3 years	1.52%	3.13%
5 years	2.66%	4.34%
10 years	4.99%	7.77%
Since Inception	2.60%	4.48%

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\$.

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

- Performance is in SGD as at 31 December 2022 on NAV-to-NAV 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).

# Fortune-Aggressive Portfolio Fund

## Schedule of Investments as at 31 December 2022 (unless otherwise stated)

### A) Distribution of Investments

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

### B) Top 10 Holdings as at 31 December 2022 & 31 December 2021

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 Funds - Manulife Asia Pacific Investment Grade Bond Fund	S\$33,662.87	11.80%
Manulife Golden Worldwide Equity Fund	S\$167,764.89	58.80%
Manulife Pacific Equity Fund	S\$83,881.09	29.40%

### 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\$11,330.70
Total Redemptions	S\$531,914.50

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

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

### H) Expense Ratio

31 December 2022 : 1.78%

31 December 2021 : 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 & 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\$1.3698 (Bid/NAV) /  
^S\$1.4419 (Offer)

Fund Size : S\$165,635.29  
Manager : Manulife Investment Management  
(Singapore) Pte. Ltd.

CPFIS Risk  
Classification : Not Applicable  
Subscription : Cash

\*Based on NAV as at 31 December 2022

^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 Funds – Manulife Asia Pacific Investment Grade Bond Fund

## Fund Performance



Fund Performance/ Benchmark Returns	Fortune- Growth Portfolio Fund	Benchmark*
3 months	2.71%	2.58%
6 months	-1.95%	-1.88%
1 year	-13.58%	-13.99%
3 years	0.64%	1.98%
5 years	1.92%	3.61%
10 years	3.61%	6.10%
Since Inception	2.30%	3.97%

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\$.

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

- Performance is in SGD as at 31 December 2022 on NAV-to-NAV 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).



# Fortune-Growth Portfolio Fund

## Schedule of Investments as at 31 December 2022 (unless otherwise stated)

### A) Distribution of Investments

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

### B) Top 10 Holdings as at 31 December 2022 & 31 December 2021

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 Funds - Manulife Asia Pacific Investment Grade Bond Fund	S\$72,159.99	43.56%
Manulife Golden Worldwide Equity Fund	S\$62,058.23	37.47%
Manulife Pacific Equity Fund	S\$31,417.07	18.97%

### 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\$9,878.74
Total Redemptions	S\$213,750.21

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

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

### H) Expense Ratio

31 December 2022 : 1.73%

31 December 2021 : 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 & 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\$0.9292 (Bid/NAV) /  
^S\$0.9781 (Offer)

Fund Size : S\$1,537.21  
Manager : Manulife Investment Management (Singapore) Pte. Ltd.

CPFIS Risk Classification : Not Applicable  
Subscription : Cash

\*Based on NAV as at 31 December 2022

^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.

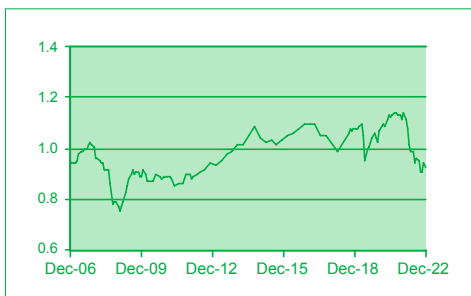
The Portfolio Fund feeds into:

40% Manulife Golden Worldwide Equity Fund

10% Manulife Pacific Equity Fund

50% Manulife Funds – Manulife Asia Pacific Investment Grade Bond Fund

## Fund Performance



Fund Performance/ Benchmark Returns	Fortune- Moderate Portfolio Fund	Benchmark*
3 months	2.53%	2.17%
6 months	-1.80%	-1.53%
1 year	-18.62%	-13.14%
3 years	-5.04%	1.89%
5 years	-3.28%	3.71%
10 years	0.12%	5.86%
Since Inception	-0.15%	3.80%

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\$.

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

- Performance is in SGD as at 31 December 2022 on NAV-to-NAV 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).

# Fortune-Moderate Portfolio Fund

## Schedule of Investments as at 31 December 2022 (unless otherwise stated)

### A) Distribution of Investments

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

### B) Top 10 Holdings as at 31 December 2022 & 31 December 2021

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 Funds - Manulife Asia Pacific Investment Grade Bond Fund	S\$756.56	49.22%
Manulife Golden Worldwide Equity Fund	S\$635.85	41.36%
Manulife Pacific Equity Fund	S\$144.80	9.42%

### 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\$73.84
Total Redemptions	S\$14,490.78

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

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

### H) Expense Ratio

31 December 2022 : 8.42%

31 December 2021 : 6.53%

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

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.

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# Appendix

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- Manulife Pacific Equity Fund
- Manulife Golden Worldwide Equity Fund
- Manulife Funds – Manulife Asia Pacific Investment Grade Bond Fund

# Manulife Pacific Equity Fund

## Fund Facts

Launch Date / Price : 31 May 2006 / S\$1.00 (Offer)  
 Unit Price\* : S\$1.9811 (Bid/NAV) /  
 ^S\$2.0854 / ^^S\$2.0424  
 Fund Size : S\$61,414,539.55  
 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 2022

^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.

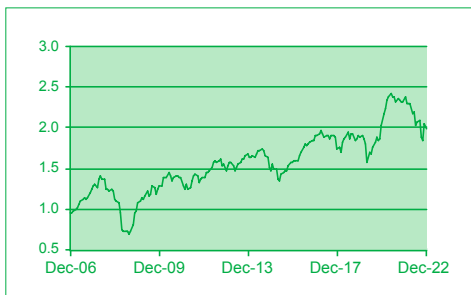
On 1 February 2019, Manulife Asset Management (Singapore) Pte. Ltd. was appointed as the Manager of the ILP Sub-Funds and Schroder Investment Management (Singapore) Ltd as the Sub-Manager.

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	4.64%	4.78%
6 months	-2.66%	-5.71%
1 year	-17.14%	-17.90%
3 years	1.12%	-0.73%
5 years	0.49%	0.24%
10 years	2.69%	4.50%
Since Inception	4.53%	5.46%

Inception date: 31 May 2006

\*MSCI AC Pacific Free ex Japan

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 2022 on NAV-to-NAV 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\*\*\*

Despite inflation being elevated in the short term, we ultimately expect it to be transitory, owing to the long-term deflationary forces at work (i.e., the 4 D's of ageing Demographics, technological Disruption, income Disparity and still-elevated Debt levels). An environment where inflation is running not too hot or too cold has typically been beneficial for dividend-investing strategies, and we expect this to be supportive of the fund's performance over the medium-term.

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

The Asia region continues to offer one of the highest dividend yields globally, as well as the best prospects for future dividend growth and surprises. We continue to keep our portfolio diversified across Dividend Cows, Growers and Surprises, ensuring that there will always be categories of dividend stocks that will outperform at different stages of the market cycle.

On a sector basis, we remain invested in companies that have sustainable dividend growth trajectories. These

# Manulife Pacific Equity Fund

specifically include sectors such as Taiwan technology (foundries, fabless and hardware), Indian IT consultancy/software, Australian diversified miners and healthcare, as well as regional financials that are market leaders in their respective geographies.

## Schedule of Investments as at 31 December 2022

(unless otherwise stated)

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

	Market Value (S\$)	% of NAV
i) <u>Country</u>		
Australia	34,228,258	17.87
China	32,203,303	16.82
Hong Kong	18,509,883	9.66
India	14,476,794	7.56
Indonesia	2,540,092	1.33
New Zealand	3,736,365	1.95
Philippines	4,749,334	2.48
Singapore	20,647,968	10.78
South Korea	18,104,166	9.45
Taiwan	35,788,858	18.69
United States of America	8,808,057	4.60

### ii) Industry

Bank	24,941,586	13.03
Chemicals/Petrochemicals	2,550,809	1.33
Computer/Software	7,071,406	3.69
Construction & Engineering	4,101,938	2.14
Consumer Durables	8,721,166	4.55
Energy	967,630	0.51

Finance	6,882,844	3.59
Food & Beverage	2,553,705	1.33
Health Care/ Pharmaceuticals	9,334,222	4.87
Hotel & Leisure	5,968,976	3.12
Industrial Machinery	5,462,239	2.85
Insurance	10,205,530	5.33
Internet Services	4,135,269	2.16
Metals & Mining	11,506,387	6.01
Oil & Gas	1,988,466	1.04
Real Estate	14,771,054	7.71
Semiconductor	21,705,896	11.33
Technology Hardware & Equipment	29,320,783	15.32
Telecommunications	10,663,308	5.57
Utilities	7,554,969	3.94

### iii) Asset Class

Equities	193,793,078	101.19
Other net assets/ (liabilities)	(2,275,723)	(1.19)

### iv) Credit Rating

Not Applicable

### B) Top 10 Holdings as at 31 December 2022\*\*\*

	Market Value (S\$)	% of NAV
Securities		
Taiwan Semiconductor Manufacturing Co Ltd	12,682,086	6.62
Samsung Electronics Co Ltd	12,109,878	6.32

# Manulife Pacific Equity Fund

DBS Group Hldg Ltd	6,387,136	3.34
CSL Ltd	5,950,117	3.11
China Yangtze Power Co Ltd A Shares	5,354,215	2.79
HDFC Bank Ltd	4,995,370	2.61
BHP Group Ltd	4,839,971	2.52
Venture Corp Ltd	4,367,360	2.28
Kerry Properties Ltd	4,265,061	2.23
ANZ Group Hldg Ltd	4,175,705	2.18

## Top 10 Holdings as at 31 December 2021\*\*\*

Securities	Market Value (\$)	% of NAV
Taiwan Semiconductor Manufacturing Co Ltd	19,748,616	8.16
Samsung Electronics Co Ltd	18,567,505	7.67
Voltronic Power Technology Corp	10,160,901	4.20
China Yangtze Power Co Ltd A Shares	8,025,711	3.32
MediaTek Inc	7,770,123	3.21
BHP Group PLC	7,474,358	3.09
Novatek Microelectronics Corp	6,854,968	2.83
CSL Ltd	6,588,747	2.72
Getac Technology Corp	6,269,650	2.59
Aristocrat Leisure Ltd	5,934,356	2.45

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 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\$6,949,288.66
Total Redemptions	\$S\$7,210,897.06

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

Not Applicable

## H) Expense Ratio

31 December 2022 : 1.74%

31 December 2021 : 1.71%

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 2022 : 18.42%

31 December 2021 : 21.76%

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

Not Applicable



# Manulife Pacific Equity Fund

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## 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\$1.2147 (Bid/NAV) /  
 ^S\$1.2786 / ^^S\$1.2523  
 Fund Size : S\$97,003,215.48  
 Manager : Manulife Investment Management  
 (Singapore) Pte. Ltd

CPFIS Risk  
 Classification : Higher Risk / Broadly Diversified  
 Subscription : SRS/Cash

\*Based on NAV as at 31 December 2022

^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	2.78%	2.60%
6 months	-1.42%	-0.76%
1 year	-16.41%	-18.56%
3 years	2.16%	4.85%
5 years	4.11%	6.21%
10 years	6.83%	9.88%
Since Inception	1.12%	4.29%

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 2022 on NAV-to-NAV  
 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\*\*\*

World equity markets experienced poor performance in  
 2022. Inflation, which had already been rising prior to  
 Russia's invasion of Ukraine in February, took another leg  
 higher in the months following the start of the conflict.  
 The US Federal Reserve Board (Fed) and other central  
 banks were forced to tighten monetary policy aggressively  
 to contain price pressures, weighing on the outlook  
 for economic growth and corporate earnings. These  
 developments, together with slowing growth in China  
 and mounting fears of a recession in Europe, weighed  
 heavily on sentiment. Growth stocks, which tend to be  
 adversely affected by rising rates, were particularly poor  
 performers. On the other hand, the value category held up  
 reasonably well thanks to the gains for energy stocks and  
 relative strength for the healthcare sector. On a regional  
 basis, Asia-Pacific performed well but Europe lagged on  
 concerns about slowing growth. The US market, which was  
 hurt by growth stocks' large representation in its major  
 indexes, lagged its developed-market peers. Emerging  
 markets (EM) also suffered outsized losses, reflecting the  
 collapse in Russia's market and the pronounced weakness  
 in Chinese equities.

From a style perspective, MSCI World Value's 22.7% gains  
 over its growth counterpart, a traditional tailwind,

# Manulife Golden Worldwide Equity Fund

supported the Fund's performance during the year.

Specifically, stock selection in the information technology, financials and consumer discretionary sectors, as well as from a regional perspective within North America, Europe ex-UK and Japan was the largest contributor to Fund relative performance. An underweight exposure within the consumer discretionary sector and an overweight allocation to the UK also contributed to the gains. Offsetting a portion of performance was stock selection in the UK as well as within the industrials and consumer staples sectors. Overweight exposures to the EM and within the communication services sector also offset a portion of gains.

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

Global equity markets finished a volatile year with gains in the fourth quarter. Asian shares were boosted by China's relaxation of its zero-covid policy, whilst European equities also advanced strongly. Government bond yields edged up towards the end of the fourth quarter as prices fell. This reflected some market disappointment at major central banks reiterating plans to tighten monetary policy, even as inflation showed signs of peaking. Commodities gained in the quarter, led by industrial metals.

With December and now 2022 behind us, it may surprise many that, despite Europe suffering from a war, energy shocks, higher inflation, rising rates causing recessionary fears, and significant currency headwinds due to the prolonged strength of the US dollar (USD) throughout the year, the MSCI Europe performed ahead of the US by 11.3% in local and 4.8% in USD terms. Japan also performed ahead of the US by 15.4% in local and 3.20% in USD terms despite similar energy, inflation and currency headwinds. We expect this stronger performance continuing due to significantly lower multiples and the potential for USD weakness going forward. We remain overweight on international markets.

It was expected that there would be a change in the Bank of Japan (BOJ) monetary policy after Kuroda's term ended in April 2023, but the BOJ surprised markets by widening the band in which the 10-year yield is allowed to fluctuate to +/- 50 bps. We believe that this could signal the start of a BOJ normalisation policy and the next step could be the end of their negative interest rate policy and possibly even rate hikes. Whilst the overall Nikkei may decline in local rather than USD terms as the currency strengthens, banks should perform well as they see net interest margin expand and with it, return on equity and book value multiples.

Both the Fed and the ECB continued to raise rates in

December, and this has inevitable negative implications for multiples. Despite all the talk about their determination to get inflation under control, both continue to run negative real yields. Perhaps this is a consequence of the financial discussions which have been played at a sovereign level and is the only palatable way to get debt/GDP down to reasonable levels. The question then becomes whether inflation will fall and to what level. Our view is that most likely it will decline on the goods side, but we remain concerned that services inflation, which is over 70% of core CPI, will be more difficult. A return to the 2% goal is unlikely and there has been talk of the potential for this to be raised. Rates will remain elevated but having said that, as most of the market damage in 2022 was due to declining multiples, especially to longer duration growth stocks, it seems reasonable to think that much of this multiple damage may have already been done.

The risk in 2023 appears to be recession and evidence of this may take some time to appear. Considering the speed and magnitude of rate hikes the Fed will at least have done some of its intentional damage to the economy and now we wait to see the extent of this. The more important conversation is not about the potential but rather the depth and duration of a slowdown. S&P consensus estimates remain +10% despite an inverted yield curve. Additionally, recent areas of strong performance in the fourth quarter such as financials, industrials and materials are not sectors one would anticipate would do well going into a slowdown. Despite the talk of a slowdown, the market is not pricing it in yet. Whilst an inflationary recession may see less of a decline in nominal earnings than a deflationary recession, historically the odds of a soft-landing are not favourable. The market has been expecting a pivot and quantitative easing when the going gets difficult – and this is clearly something the market is yearning for, but it may not arrive. The problem now, however, is that asset prices seem more sensitive to interest rates than inflation is.

From a style perspective, value stocks have significantly performed ahead of growth stocks, both this year and over the quarter. This was due to in large part to the expensive valuations for growth stocks as the start of 2022, as well as the impact of rising inflation. For example, the MSCI World Growth Index began the year trading at 31 times expected earnings, compared with only 14 times expected earnings for the MSCI World Value Index. In contrast, by the end of the year, the valuations had fallen to 21 and 12 times, respectively. This still leaves growth stocks looking somewhat expensive by historic standards, whereas value stocks look fairly cheap.

Our portfolio is positioned to do better in a risk-off environment, with a lower than market beta. Our product

# Manulife Golden Worldwide Equity Fund

is generally defensive and tends to add more of its value in more difficult times. In our opinion, if rates remain at historically high levels, it will be growth stocks and highly leveraged companies that suffer. In contrast, we focus on companies that have strong balance sheets and those where their aggregate leverage is relatively low.

Source: Bloomberg and Manulife Investment Management as of 31 December 2022

## Schedule of Investments as at 31 December 2022 (unless otherwise stated)

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

	Market Value (US\$)	% of NAV
i) <u>Country</u>		
France	25,274,824	12.18
Ireland	9,425,355	4.54
Japan	17,647,328	8.49
Jersey - Channel Islands	5,318,826	2.56
Netherlands	10,387,128	5
Republic of Korea (South)	5,483,538	2.64
Spain	2,001,740	0.96
Switzerland	8,395,536	4.05
United Kingdom	3,350,650	1.61
United States	116,413,056	56.04
ii) <u>Industry</u>		
Basic materials	539,257,800	2.6
Communications	1,307,107,400	6.29
Consumer, cyclical	1,302,750,100	6.27
Consumer, Non-cyclical	1,633,215,900	7.86
Energy	1,214,901,300	5.85
Financials	4,872,639,500	23.46
Healthcare	2,200,181,400	10.59
Industrials	1,918,629,100	9.24

Technology	5,003,139,500	24.09
Utilities	377,976,100	1.82

### iii) Asset Class

Equities	203,697,981	98.07
Other Net Assets	4,011,457	1.93

### iv) Credit Rating

Not Applicable

### B) Top 10 Holdings as at 31 December 2022\*\*\*

Securities	Market Value (US\$)	% of NAV
Microsoft Corp.	11,895,739	5.74
Alphabet Inc. - A	9,056,966	4.36
Sumitomo Mitsui Financial Group Inc.	7,669,889	3.69
Johnson & Johnson	7,397,099	3.55
Oracle Corp.	7,176,265	3.46
Otis Worldwide Corp.	6,388,229	3.08
TotalEnergies SE	6,304,374	3.04
United Health Group Inc.	5,902,195	2.84
Conocophillips	5,844,639	2.81
Philip Morris International Inc.	5,796,464	2.79

### Top 10 Holdings as at 31 December 2021\*\*\*

Securities	Market Value (US\$)	% of NAV
Alphabet Inc. - A	11,481,745	4.49
Meta Platforms Inc.	11,084,508	4.33
Apple Inc.	9,866,690	3.86
Philip Morris International Inc.	9,019,551	3.53
TotalEnergies SE	7,940,809	3.10
Roche Holding AG	7,454,245	2.91

# Manulife Golden Worldwide Equity Fund

UnitedHealth Group Inc.	7,282,236	2.85
Bank of America Corp.	7,267,429	2.85
Johnson & Johnson	7,239,788	2.83
Stellantis NV	7,153,446	2.80

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

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\$6,792,885.73
Total Redemptions	\$S\$7,233,626.55

## 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 2022 : 1.71%

31 December 2021 : 1.71%

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 2022 : 58.91%

31 December 2021 : 61.60%

## 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 Funds – Manulife Asia Pacific Investment Grade Bond Fund

## 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 generally trended higher during most of the year amidst persistent inflation and multiple interest rate hikes by the US Federal Reserve (Fed). Towards the end of the year, US Treasury yields retracted to lower levels due to statements by Fed Chairman Jerome Powell that the potential pace of future hikes could be slower. On the economic front, third quarter gross domestic product (GDP) grew by 2.9% (quarter-on-quarter [qoq]; annualised; actual), ending two consecutive quarters of contraction, while consumer price inflation decelerated to 7.1% (year-on-year [yoy]) in November. Over the period, the 10-year US Treasury yield trended higher from 1.51% to 3.87%.

In China, Caixin's Manufacturing Purchasing Managers' Index (PMI) moved higher in November (49.4) from October (49.2), marginally ahead of market expectations but still in contractionary territory amidst production disruptions related to the COVID-19 pandemic, before the Chinese government's decision to exit its zero-COVID policy in December. Chinese onshore government bond yields trended lower during the start of the year amidst monetary easing, whilst retracting to higher levels amidst stimulus measures to the Chinese property sector and loosening of the zero-COVID policy. In India, inflation remained generally elevated over the year, but decelerated to 5.88% yoy in November. In October, foreign investors turned net sellers after an announcement that Indian sovereign debt would not be included in the J.P. Morgan Emerging Debt Index this year. Indian local government bond yields trended higher over the year. In Indonesia, inflation remained elevated over the year at 5.42% yoy in November, exceeding Bank Indonesia (BI)'s target range of 2–4%. As BI hiked the policy rate five times over the year to 5.5%, Indonesian local government bond yields rose over the year. In South Korea, Bank of Korea raised its policy rate seven times over the period to 3.25% to combat inflation.

Asian investment grade (IG) credits posted negative returns over the year, owing to higher US Treasury yields and wider credit spreads, amidst the broad risk-off

sentiment, geopolitical developments and an ongoing Chinese property slump over the year. Credit spreads on the J.P. Morgan Asian Investment Grade Corporate Bond Index widened by 21 basis points (bps); the index decreased by 9.55% in USD terms. Chinese credit notably performed towards the end of the year as market sentiment was strong amidst positive news on Mainland China's easing of pandemic-related restrictions, which included a re-opening of its borders and dropping quarantine times. The Chinese property sector was also a notable performer, continuing the rebound in November amidst market expectations of a stronger commitment from the government to support the sector.

The SGD strengthened by 0.71% against the USD, whilst most Asian currencies weakened against the USD over the year amidst a strong USD environment. The SGD was a strong performer as the Monetary Authority of Singapore (MAS) tightened monetary policy for the fourth time in nearly a year to combat surging inflation. In contrast, the Indian rupee lagged as the Indian economy posted a nine-year high current account deficit (4.4% of GDP) in the third quarter amidst a widening merchandise trade deficit.

The Fund's underweight US interest rate duration positioning was the main contributor to performance amidst higher US Treasury yields. In addition, the Fund's overall security selection in Asian corporate bonds also contributed; the Fund's exposure to Chinese credit and property developers were notable performers amidst the new announcement of Mainland China's relaxed zero-COVID policy and market expectations of further stimulus for the real estate sector. On the other hand, the Fund's exposure to SGD-denominated bonds, a lagging market, detracted from performance. Over the year, the Fund gradually covered short and added duration amidst rising yields and building recession risks. In addition, the Fund took advantage of lower Chinese local government bond yields at the start of the year and reduced exposure into strength. Furthermore, we actively monitored and adjusted the Fund's exposure to Chinese property developers, from a property slump to signs of recovery amidst government stimulus measures.

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

The Fed remains focused on inflation as it continues to rapidly adjust its monetary policy settings to a restrictive setting. Aggressive developed markets central bank monetary policy tightening will likely weigh on the global growth outlook, with the risk of a recession building.

# Manulife Funds –

## Manulife Asia Pacific Investment Grade Bond Fund

We believe that the supportive measures for the real estate sector announced by the Chinese government are positive and may ease the onshore debt refinancing risk of Chinese developers. To see a sustained recovery of the Chinese real estate sector, we would monitor the effective implementation of the announced measures and physical market sales recovery. On the other hand, the Asian ex-Mainland China region has generally adopted more flexible pandemic policies, which is expansionary for economic activity. Some Asian economies initiated various measures such as subsidies, tax cuts and trade restrictions to contain inflation. With a relatively benign inflation environment and resilient supply chain in Asia, we expect Asian central banks to tighten their monetary policy at a more gradual pace than developed markets.

Source: Bloomberg and Manulife Investment Management, as of 31 December 2022

### Schedule of Investments as at 31 December 2022 (unless otherwise stated)

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

	Market Value (\$)	% of NAV
i) <u>Country</u>		
Australia	7,168,961	1.43
British Virgin Islands	6,395,847	1.28
China	140,203,839	27.97
Hong Kong	63,341,626	12.63
India	15,687,741	3.13
Indonesia	41,367,190	8.25
Malaysia	17,298,023	3.45
Netherlands	3,163,556	0.63
Philippines	13,944,355	2.78
Singapore	58,221,333	11.60
South Korea	63,444,448	12.66
Supra-National	927,753	0.19
Taiwan	9,515,818	1.90
Thailand	19,332,332	3.86

United States of America	11,258,080	2.25
ii) <u>Industry</u>		
Agriculture	2,393,598	0.48
Automotive	10,731,222	2.14
Banks	56,707,105	11.31
Building Materials	4,600,370	0.92
Chemical	17,600,386	3.51
Communications	4,740,713	0.95
Computers	15,324,082	3.06
Consumer	6,675,225	1.33
Diversified Resources	2,360,754	0.47
Electronics	17,131,395	3.42
Entertainment	5,560,360	1.11
Finance	44,621,622	8.90
Food	12,572,479	2.51
Government	51,605,858	10.28
Hotel	5,998,718	1.20
Insurance	34,410,876	6.86
Investment	9,559,403	1.91
Iron & Steel	4,377,238	0.87
Metal	10,254,417	2.05
Mining	6,009,434	1.20
Oil & Gas	28,535,711	5.69
Real Estate	38,701,834	7.72
Real Estate Investment Trust	18,328,729	3.66
Retail	6,442,535	1.29
Semiconductors	7,593,078	1.51
Telecommunications	21,423,732	4.27
Transport	21,583,664	4.31

# Manulife Funds –

## Manulife Asia Pacific Investment Grade Bond Fund

	Utilities	5,426,364	1.08	SingTel Group Treasury Pte Limited Series MTN Var Perp	8,411,500	1.68
	Banks	56,707,105	11.31			
				Meituan Series 3.05% 28/10/2030	8,328,852	1.66
iii) <u>Asset Class</u>						
	Fixed income securities	471,270,902	94.01	Government of Indonesia Series Fr82 7% 15/09/30	8,266,461	1.65
	Accrued interest on fixed income securities	4,862,165	0.97	PT Pertamina Persero 1.37 5% 07/07/2026	7,889,274	1.57
	Other net assets	25,180,208	5.02	Government of Indonesia 3.85% 15/10/2030	7,624,733	1.52
iv) <u>Credit Rating</u>						
	AAA	927,753	0.19	Weibo Corporation 3.375% 08/07/2030	7,335,678	1.46
	AA	9,747,580	1.94	Kyobo Life Insurance Company Series Var Perp 31/12/2049	7,224,709	1.44
	AA-	3,572,860	0.71			
	A+	2,630,043	0.52	Lenovo Group Limited 3.421% 02/11/2030	6,995,230	1.40
	A	6,585,972	1.31			
	A-	39,487,225	7.88			
	BBB+	42,870,721	8.54	Top 10 Holdings as at 31 December 2021***		
	BBB	55,688,665	11.12	Securities	Market Value (S\$)	% of NAV
	BBB-	45,140,550	9.00	SingTel Group Treasury Pte Limited Series MTN Var Perp	9,971,600	1.76
	BB+	4,886,997	0.98	Government of Indonesia Series Fr82 7% 15/09/30	9,343,735	1.65
	BB	2,351,616	0.47	China Government Bond Series 3.13% 21/11/2029	8,595,639	1.52
	B+	2,068,801	0.41			
	Not rated	255,312,119	50.94	Elect Global Investments Limited Var Perpetual	7,968,586	1.41
B) <u>Top 10 Holdings as at 31 December 2022***</u>						
	Securities	Market Value (S\$)	% of NAV			
	Government of Thailand 3.39% 17/ 06/2037	10,084,453	2.01	Bank of Communications Hong Kong Limited Var 08/07/2031	7,911,146	1.40
	US Treasury 2.25% 15/02/2052	9,828,616	1.96			



# Manulife Funds –

## Manulife Asia Pacific Investment Grade Bond Fund

Foxconn Far East Limited 2.5% 28/10/2030	7,407,077	1.31
Hong Kong Telecommunications 3.25% 30/09/2029	7,119,917	1.26
Perusahaan Listrik Negara 5.45% 21/05/2028	7,116,210	1.26
Busan Bank GMTN 3.625% 25/07/2026	7,018,368	1.24
GOHL Capital Limited 4.25% 24/01/2027	6,974,924	1.23

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

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 2022 : 34.27%  
31 December 2021 : 23.70%

### 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.

### 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 2022 : 0.89%  
31 December 2021 : 0.89%

Note: The expense ratio is calculated in accordance with the

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# Financial Statements

for the Period 1 January to 31 December 2022

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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 2022

	Manulife Golden Worldwide Equity Fund \$	Manulife Pacific Equity Fund \$	*Fortune Aggressive Portfolio Fund \$
<b>INVESTMENTS</b>			
Cash and Cash Equivalents	-	-	-
Value of Investment in Unit Trusts	97,006,945	61,248,507	285,299
	<b>97,006,945</b>	<b>61,248,507</b>	<b>285,299</b>
<b>OTHER ASSETS</b>			
Due from Brokers for investment sales	-	157,281	-
Other assets	5	10,001	15
<b>Total Assets</b>	<b>97,006,950</b>	<b>61,415,789</b>	<b>285,314</b>
<b>LIABILITIES</b>			
Due to Brokers for investment purchases	(1,932)	-	-
Other liabilities	(1,803)	(1,249)	(5)
<b>Value of fund as at 31 December 2022</b>	<b>97,003,215</b>	<b>61,414,540</b>	<b>285,309</b>

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

# Statement Of Assets And Liabilities

## As At 31 December 2022

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*Fortune Growth Portfolio Fund \$	*Fortune Moderate Portfolio Fund \$
-	-
165,649	1,537
165,649	1,537
-	-
-	-
165,649	1,537
-	-
(14)	-
165,635	1,537

# Capital Account For The Period 1 January 2022 To 31 December 2022

	Manulife Golden Worldwide Equity Fund \$	Manulife Pacific Equity Fund \$	*Fortune Aggressive Portfolio Fund \$
Value of Fund as at 1 January 2022	122,286,065	74,594,012	891,921
Amount paid (by)/to the fund for (liquidation)/ creation of units	(440,741)	(261,608)	(520,584)
Investment income	144,288	2,742,189	-
Net realised gain/(loss) on sale of investments	-	-	-
Unrealised appreciation/(loss) in value of investment during the period	(24,958,346)	(15,659,035)	(85,327)
Exchange gain/(loss)	-	-	-
Fund (expenses)/income	(28,051)	(1,018)	(701)
Value of fund as at 31 December 2022	97,003,215	61,414,540	285,309

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

# Capital Account For The Period 1 January 2022 To 31 December 2022

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\*Fortune  
Growth  
Portfolio  
Fund  
\$

\*Fortune  
Moderate  
Portfolio  
Fund  
\$

398,903

17,203

(203,871)

(14,417)

-

-

-

-

(28,703)

(961)

-

-

(694)

(288)

165,635

1,537

# 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 2022.
- (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 2022:

Manulife Golden Worldwide Equity Fund	79,856,605.54997
Manulife Pacific Equity Fund	30,995,544.76087
Fortune Aggressive Portfolio Fund	198,924.10632
Fortune Growth Portfolio Fund	120,922.50978
Fortune Moderate Portfolio Fund	1,654.26214



### 3. Expense ratio

The audited expense ratio as of valuation date 31 December 2022:

Manulife Golden Worldwide Equity Fund	1.71%
Manulife Pacific Equity Fund	1.74%
Fortune Aggressive Portfolio Fund	1.78%
Fortune Growth Portfolio Fund	1.73%
Fortune Moderate Portfolio Fund	8.42%

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 2022

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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 2022, 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 2022, 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 25, 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 2022

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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 2023



