Manulife

December 31, 2023

USD Tiger Growth Fund

An investment fund option for variable life insurance products of **The Manufacturers Life Insurance Co., (Phils), Inc.**.

Investment Objective

The Fund aims to maximize total return by investing substantially all of its assets in one or more equity collective investment schemes which aims to achieve capital growth through an underlying strategy that invests primarily in a portfolio of equity and equity related securities of public companies which are listed in Hong Kong and/or, although not listed in Hong Kong, are listed on a stock exchange in any other jurisdiction and have substantial business interests in Hong Kong and/or China.

Fund Information

Inception Date May 2021	**Fund Size** USD 372.82 thousand	**Fund Currency** US dollar	**Dealing/Valuation** Daily
Price (NAV/unit) USD 0.457	**Management Fee** 2.25% per annum	**Bloomberg Ticker** PHEQUTG	

Performance Return (December 31, 2023)

USD Tiger Growth Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-2.77%	-18.39%	-18.39%	n.a.	n.a.	-54.30%
Annualized	n.a.	n.a.	-18.39%	n.a.	n.a.	-25.64%

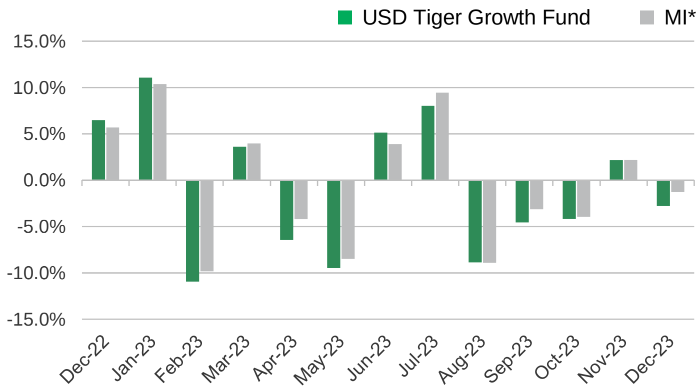
Past performance is not an indication of future results. Information about the portfolio's holdings, asset allocation, or country diversification is historical and is not an indication of future portfolio composition, which will vary.

Monthly Net Asset Value per Unit

Top Five Holdings

Tencent Holdings Ltd.	9.07%
Alibaba Group Holding Limited	7.52%
AIA Group Limited	5.76%
Meituan	3.01%
PDD Holdings Inc. Sponsored ADR	2.96%

Monthly Performance

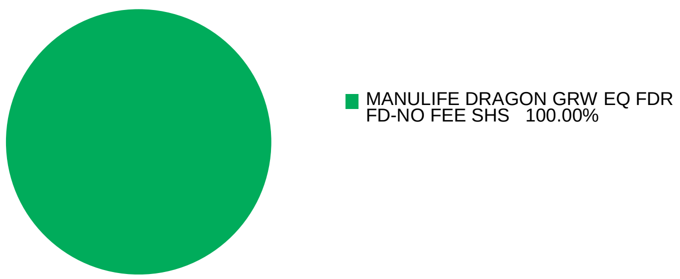


**Market Indicator = MSCI Zhong Hua Index*

This is not a deposit product. Earnings are not assured and principal amount invested is exposed to risk of loss. This product cannot be sold to you unless its benefits and risks have been thoroughly explained. If you do not fully understand this product, do not purchase or invest in it.

Portfolio Breakdown

Asset Allocation (at Market Value)



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Market Review

Chinese equities posted losses for the month on mixed macro recovery, despite the continuous policy stimulus. On the economic front, Caixin PMI, industrial production and exports data beat market estimates, while offset by softer-than-expected retail sales and fixed asset investments.

On the policy front, Beijing and Shanghai have reduced the downpayment ratios for both first home and second home purchases, as well as eased the criteria on ordinary homes to qualify for lower downpayment and taxes. In addition, the five biggest state banks have launched the third round of deposit rate cuts in 2023 to support economic growth.

For China A-shares, energy and utilities performed well on tight power supply amid cold weather. The tech hardware and chip-related names also benefitted from improving smartphone shipment. The healthcare sector was dragged by outlook concerns with selected biotech names, while part of the losses was offset by rising respiratory cases and more medicines included in the National Reimbursement Drug List.

For China's ADRs, gaming-related names were impacted by drafted measures in limiting players' spending on online video games. That said, part of the losses was reversed towards the end of the month, as authorities softened its stance and further approved 105 local online games.

Elsewhere, Hong Kong equities rebounded and performed well, thanks to the US Federal Reserve Board's dovish commentary and expectation on potential global rate hike pivot.

Outlook

Overall, stabilizing consumptions, better-than-expected inventory destocking and increased policy measures suggest potential bottoming of Mainland China's economy. The investment team believes Mainland China's four mega trends (i.e., the "4As") remain intact going into 2024: (1) Acceleration: Consumption may further improve with Mainland China's pro-growth policy stance; (2) Abroad: Leading mainland Chinese companies are going abroad (i.e., another growth engine); (3) Advancement: The artificial intelligence (AI) supply chain in Mainland China should continue to see robust growth in 2024; and (4) Automation: Mainland China's aged population should present higher demand for automation.

For policy tailwinds, the concerted rollout of fiscal, monetary and property-related policies may improve Mainland China's economy further in 2024 despite slower-than-expected consumption growth. During the politburo meeting in December 2023, its leadership pledged to "effectively promote the economic recovery and achieve reasonable quality growth." Policymakers also emphasized "strengthening counter-cyclical and cross-cyclical adjustments." Throughout 2023, Mainland China's economy has improved, especially the service-oriented sectors, which have offset weaknesses in manufacturing PMI data and pressure from the property sector. With a positive, pro-growth stance, we think it is supportive of economic growth in 2024.

For innovations, Mainland China should benefit from the following key areas despite macro and geopolitical headwinds: (1) Traditional tech: The global smartphone market is expected to recover in 2024, which could trigger more AI applications; (2) Artificial Intelligence: We believe Mainland China is well-positioned to capture opportunities from the upstream to the downstream semiconductor supply chains (especially packaging and testing) amid central government support; (3) Advanced manufacturing: We are positive on the expected capital expenditure recovery in the industrial general equipment in early 2024, domestic substitution of industrial advanced manufacturing; (4) Electric vehicle (EV): The export growth of EV models is a bright spot, while building the EV supply chain overseas is also generating cost efficiencies for leading mainland Chinese EV players; and (5) Healthcare: We believe the sector should see brighter upside on the back of (1) Mainland China's pursuit of innovation ranging from high-tech to healthcare, (2) strong innovative pipelines of domestic biotech companies and (3) potential recovery in global biotech investments as interest rates decline.

For consumptions, we believe consumption may further improve with Mainland China's pro-growth policy stance. Household incomes rebounded in 2023 vs. 2022 (i.e., people are growing wealthier). However, the recovery is slightly below trend due to a weaker-than-expected income growth and weaknesses from a deflating property market. We expect more targeted measures to be rolled out to support growth.
