

USD Global Health 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 collective investment schemes which aims to provide medium to long term capital growth by investing mainly in equity and equity-related securities in health care and related industries globally, which are listed on any stock exchange. The Target Fund may invest in companies which derive a significant portion of their earnings from medical and pharmaceutical products and services. The remaining assets may include bonds and deposits.

Fund Information

Inception Date May 2022	Fund Size USD 571.87 thousand	Fund Currency US dollar	Dealing/Valuation Daily
Price (NAV/unit) USD 1.167	Management Fee 2.25% per annum	Bloomberg Ticker PHEQUUH	

Performance Return (April 30, 2026)

USD Global Health Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-2.10%	-5.43%	10.51%	14.08%	n.a.	16.70%
Annualized	n.a.	n.a.	10.51%	4.49%	n.a.	4.00%

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.

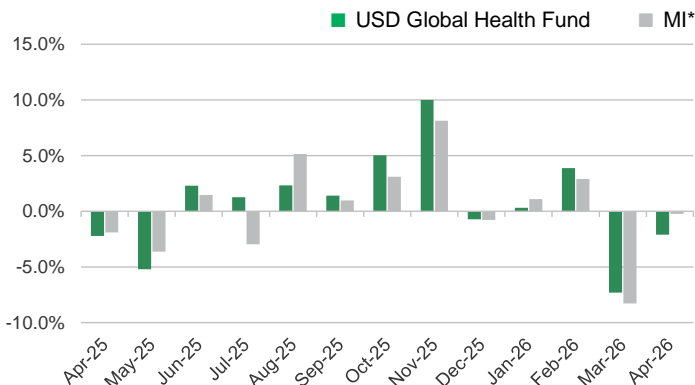
Monthly Net Asset Value per Unit



Top Five Holdings

Eli Lilly and Company	10.15%
AstraZeneca PLC	6.76%
Johnson & Johnson	6.66%
Amgen Inc.	5.11%
AbbVie, Inc.	5.03%

Monthly Performance

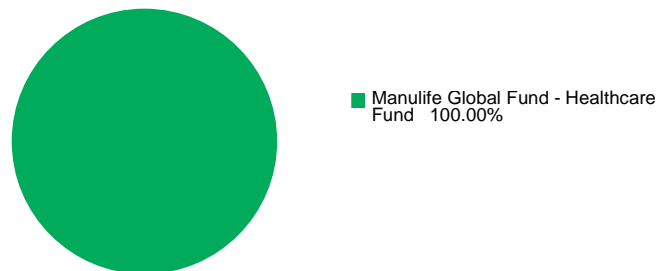


*100% MSCI World/Healthcare NR USD index

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

The world equity markets registered an exceptionally strong performance in April. The war in Iran continued, leading to persistent strength in oil prices. Still, investors discounted the potential disruptions from the conflict and looked ahead to the point where global supply chains would normalize. In addition, excitement about artificial intelligence (AI) returned in force, fueling substantial gains in associated stocks. Investors were further encouraged by a series of US corporate earnings reports that came in well above expectations. Together, these factors helped propel the broad-based world indexes to new all-time highs by mid-April. Consistent with the rally in technology stocks, the growth style comfortably led value on a global basis—a notable reversal from the trend in place in March. The US led the way at the regional level, and developed Asia also performed very well, behind continued strength in Japan. Emerging markets (EM) equities led developed markets (DM) equities, with the tech-heavy markets of South Korea and Taiwan representing the key drivers of the positive return.

The healthcare sector declined during the period and trailed global markets, as measured by the MSCI World Index. The healthcare providers & services sub-sector led the overall sector, while the healthcare equipment & supplies, pharmaceuticals, life sciences tools & services, and biotechnology sub-sectors declined.

Outlook

We believe that the defensive characteristics of the sector, coupled with solid organic growth in select companies, should provide strong returns over a full market cycle. In addition, capital markets access improved dramatically in the back half of 2025 for biopharmaceutical companies, which is a welcome change over the prior two years. We expect mergers and acquisitions activity to remain abundant as healthcare companies with strong balance sheets utilize excess capital to expand their pipeline and product offerings.

Scrutiny continues over regulatory and public policy changes recently implemented by the current US administration, coming into 2026. Concerns regarding the Centers for Medicare and Medicaid Services (CMS) reimbursement frameworks persist in the sector. We remain comfortable that practical changes to longstanding policies in these agencies will be incremental at best.

From a portfolio perspective, we believe we are well-positioned to avoid undue exposure to any of these potential headwinds, including the possible financial implications of recently proposed tariffs. Of note, we were pleased to see that recent negotiated agreements between major global biopharmaceutical companies and the Trump administration have improved product access while excluding explicit tariffs on biopharmaceutical products.

In addition, the healthcare sector has experienced modest volatility following the July passage of the US Reconciliation Bill (One Big Beautiful Bill). While this law facilitates meaningful cuts (~\$1.2 trillion over 10 years) in US government healthcare spending, these cuts are primarily directed at Medicaid and ACA (Affordable Care Act) insurance programs. Our portfolio holdings remain well-positioned to minimize potential downside implications from these cuts. More specifically, we continue to maintain limited exposure to the Medicaid and ACA insurers, as well as limited exposure to publicly traded hospital companies. One positive ramification of the One Big Beautiful Bill worth noting was a carve-out provision protecting rare and orphan drugs from potential price cuts under Medicare negotiations. We have maintained and continue to find interesting investment opportunities in these orphan drug companies and have added an additional position in the month.

Within biopharmaceuticals, we are focused on companies with best-in-class product portfolios serving patients in disease states with inelastic demand. Our previous findings related to structural changes in the healthcare industry support the urgency to effectively manage other pre-existing disease states (cancer, metabolic syndrome, asthma, and other immunologic disorders), which our research suggests predispose these comorbid patients to higher morbidity and mortality post-COVID-19. Accordingly, this has led us to favor biopharmaceutical companies over-indexed to cardiovascular disease, neurological disease, and diabetes.

Fundamentals within select areas of both the health equipment and supplies and life science tools and services industries remain attractive. Specifically, we continue to favor select companies working in the fields of electrophysiology and hypertension, which we believe hold great promise in underserved populations with substantial unmet medical needs. We expect several of these companies to continue to generate strong returns as the incremental research, capex, and pipeline investments they have implemented continue to reach fruition in the coming quarters and years.

Within the healthcare providers and services industry, we continue to see significant value in select supply chain companies, specifically pharmaceutical wholesalers and specialty pharmacy companies. We continue to see these companies generating improved margins from favorable modifications to patient co-pay obligations, driving elevated prescription volumes. In addition, we continue to maintain an underweight exposure to Medicaid, Medicare, and ACA insurers as previously discussed.

Overall, we continue to emphasize a bottom-up fundamental research process informed by our assessment of emerging scientific and medical trends, coupled with a thorough intrinsic valuation analysis. This approach should ensure that our allocation of capital is focused on companies tackling important unmet medical needs, pursuing underappreciated market opportunities, and/or demonstrating an ability to bend the healthcare cost curve.

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The investment fund option for The Manufacturers Life Insurance Company's variable life insurance product is managed by Manulife Investment Management and Trust Corporation.

The Fund mentioned in this document is specific to variable life insurance contracts and is not considered a mutual fund. Yields depend on interest and foreign exchange rate levels, both of which may fluctuate. Other factors that affect yield include changes in the credit standing of the issuers and changes in the value of the stocks and dividends received. Further, investments of the Fund may provide that their values be determined based on prices or yields of other securities, instruments or foreign currencies, and such provisions may result in negative fluctuations in the value of these investments and, in turn, the Fund's yields. Thus, the performance of the separate account(s) is not guaranteed and the value of the policy could be less than the capital invested. THE VARIABLE LIFE POLICYHOLDER SHALL BEAR ALL INVESTMENT RISKS. Past performance of the Fund is not necessarily indicative of future performance. Yields are not guaranteed.

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