

PHP Asia Pacific Property Income Fund

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

Investment Objective

The Fund is Feeder Fund that invests in the Asia Pacific REIT Fund of Fund of Manulife Asset Management and Trust Corporation. The target fund is a unit-paying fund of funds that seeks to achieve long-term capital appreciation and to generate income by investing primarily in a diversified portfolio of exchange-listed real estate investment trusts (REITs) in the Asia Pacific region and other allowable investments.

Fund Information

Inception Date May 2019	Fund Size PHP 487.47 million	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 0.688	Management Fee 2.25% per annum	Bloomberg Ticker PHEQPPF	

Performance Return (February 28, 2025)

PHP Asia Pacific Property Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	0.29%	0.94%	-1.11%	-9.40%	-10.87%	-15.31%
Annualized	n.a.	n.a.	-1.11%	-3.24%	-2.27%	-2.85%

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.

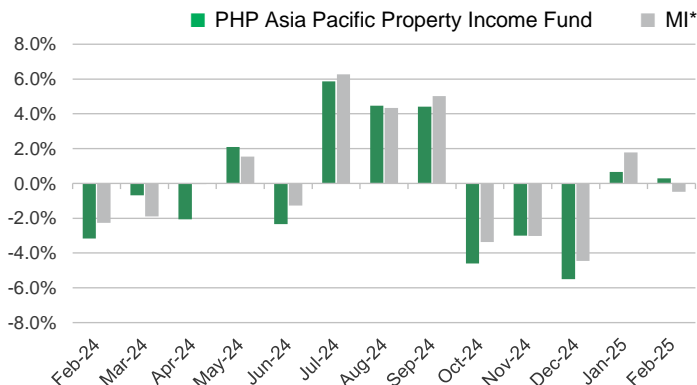
Monthly Net Asset Value per Unit



Top Five Holdings

Link Real Estate Investment Trust	10.00%
CapitaLand Ascendas REIT	9.79%
CapitaLand Integrated Commercial Trust	9.74%
Keppel DC REIT	5.70%
Mapletree Pan Asia Commercial Trust	4.87%

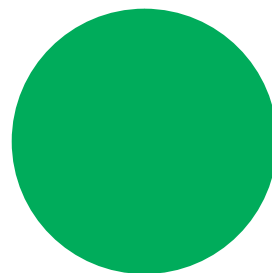
Monthly Performance



*Market Indicator = Manulife Investment Asia REIT ex-Japan Index

Portfolio Breakdown

Asset Allocation (at Market Value)



MANULIFE ASIA PAC REIT FD PR5
PHP UNHGNF 100.00%

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Market Review

Asia ex Japan real estate investment trusts (REITs) delivered mixed performances. REITs in Australia and Singapore fell during the month, while those in Hong Kong traded higher. The US 10-year bond yields traded lower during the month, led by weaker-than-expected economic data and worries that trade tariffs and US government's retrenchment will further weigh on the economy. Potential impacts from the roll-out of a highly cost-effective Chinese artificial intelligence (AI) model and reports on a US hyper-scaler giving up leases on data centers in the US continued to weigh on sentiment on data center REITs in Asia.

Australian REITs lagged, primarily weighed down by an index heavyweight. During the month, the Reserve Bank of Australia (RBA) cut policy rate by 25 basis points (bps) for the first time in four years after lower-than-expected domestic inflation for Q4 2024, a move widely expected by market. Meanwhile, the central bank maintained a cautious tone over prospects for further policy easing, depending on future economic data.

Hong Kong REITs lagged, as investors bargain-hunted Hong Kong REITs with high dividend yields. Sentiment on the market improved on expectations of the inclusion of Hong Kong REITs to Hong Kong-China Stock Connect soon. In the latest fiscal year (FY) 2025/2026 Hong Kong budget, the government has suspended sale of new commercial sites in consideration of existing challenges within commercial real estate space. It is also looking to impose boundary facilities fee on private cars leaving Hong Kong via land control points, which could curtail regular cross border spending. On the flip side, the government is looking to cut 10,000 jobs in civil service and freeze government workers' pay, which might be seen as mildly negative for retail spending.

Singapore REITs fell broadly across the board as most of the SREITs traded ex-dividends post the FY 2024 reporting season. Large cap SREITs held up well in February after reporting stable FY 2024 results with expectations of DPU growth in 2025. Market was active on asset recycling front with a data center REIT announcing a divestment and a Singapore-centric hotel REIT buying its maiden Japan hotel asset.

Outlook

Year 2024 has been a roller coaster year for Asia Pacific REITs as early optimism fueled by global rate cuts was doused with concerns over a shallower rate cut trajectory in 2025 under the incoming Trump administration. Heightened volatility is expected to extend into 2025 as investors wait for President Trump to fulfil his campaign promises and for China to roll out stimulus measures to offset tariffs impact. Fundamentally, the lower cash rates environment has helped in a gradual pick-up in real estate transactions (both acquisitions and divestments by Asian REITs) and higher confidence in commercial real asset values. We see an increasing number of REITs with marginal cost of debt trading below prevailing debt cost on their books, which is a harbinger of lower interest costs. Against that backdrop, we remain optimistic for core dividends recovery for Asian REITs in 2025-2026.

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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