

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

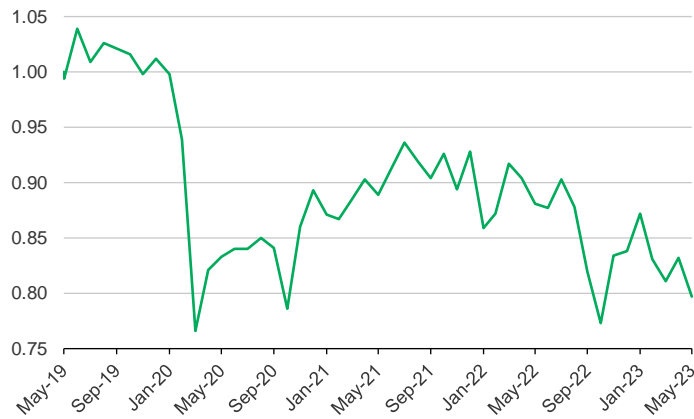
Inception Date May 2019	Fund Size PHP 727.21 million	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 0.797	Management Fee 2.25% per annum	Bloomberg Ticker PHEQPPF	

Performance Return (May 31, 2023)

PHP Asia Pacific Property Income Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-4.21%	-2.67%	-5.91%	5.42%	n.a.	-11.14%
Annualized	n.a.	n.a.	-5.91%	1.78%	n.a.	-2.91%

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.

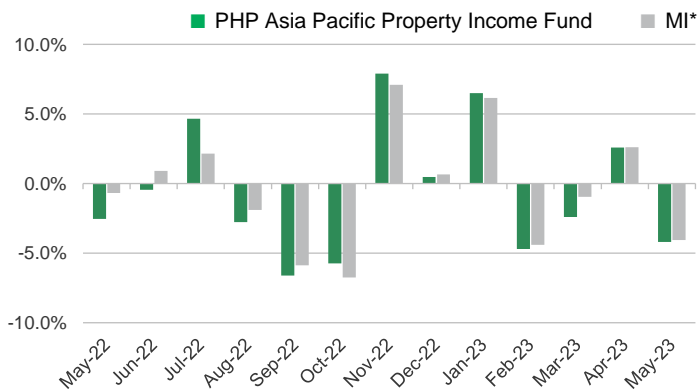
Monthly Net Asset Value per Unit



Top Five Holdings

CapitaLand Integrated Commercial Trust	9.48%
CapitaLand Ascendas REIT	9.44%
Link Real Estate Investment Trust	8.99%
Frasers Logistics & Commercial Trust	6.21%
Mapletree Logistics Trust	5.78%

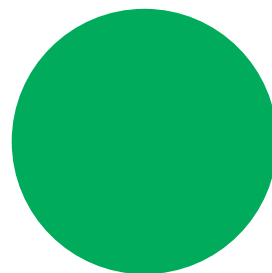
Monthly Performance



*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

Regional Asian real estate investment trusts (REITs) fell in May, weighed down by the protracted US debt ceiling stalemate. Fears of potential US debt default led to higher global bond yields, leading to broad weakness across rate sensitive sectors. An agreement was struck at the 11th hour between US President Joe Biden and congressional Republican Kevin McCarthy to suspend the government debt ceiling to avert an economically destabilising default. Concerns over global economic slowdown continues to grow with economic boost from China's reopening not panning out as expected so far.

Australia's REITs market performed well in the region. Office landlords saw some buying interest on reports that some office transactions are likely to be concluded at prices not as bad as what the listed REITs are pricing in. The Reserve Bank of Australia (RBA) surprised the market with a rate hike to 3.85% in May, leading to weaker Australian consumer confidence and taking the shine off performance in the discretionary retail landlords and residential REITs.

Hong Kong's REITs market lagged in May, given broad concerns over the health of the China/Hong Kong economies and real estate markets. The big spike in the Hong Kong Interbank Offered Rate (HIBOR) rates (up over 100 bps) during the month dampened buying interest in the real estate names on higher interest cost concerns. Sell off was broad-based across Hong Kong's REITs.

The Singaporean market fell in May but still performed well in the broader MSCI Singapore Index. The month saw active equity fund raising exercises by a few big-cap industrial REITs which were generally well subscribed. Most of the new capital will be going towards asset acquisitions in the new economy space as well as asset enhancements initiatives on existing assets.

Outlook

Whilst the US debt default risk has been removed, volatility is expected to stay as the debt ceiling deal may have a contractionary effect on the US economy. Recent US economic data has been stronger than expected, raising expectations of an extended pause by the US Federal Reserve Board (FED) which is contrary to the rate cuts being priced in the market currently. Markets remain volatile with expectations around US rate hikes shifting according to the latest economic print. Performance of Asian REITs will be caught in a range until there is further clarity on the interest rate trajectory in 2H 2023. Entering in a potential global economic slowdown, the fund focuses on REITs with lower leases renewal risks and strong balance sheet to ride through this uncertainty.

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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