

PHP 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

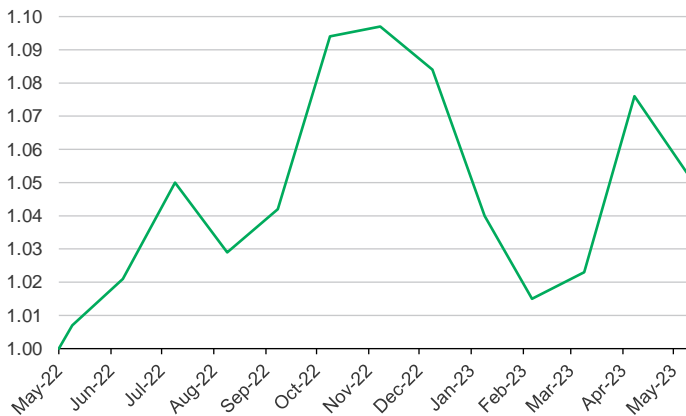
Inception Date May 2022	Fund Size PHP 136.54 million	Fund Currency Philippine peso	Dealing/Valuation Daily
Price (NAV/unit) PHP 1.053	Management Fee 2.25% per annum	Bloomberg Ticker PHEQPGH	

Performance Return (May 31, 2023)

PHP Global Health Fund (net of management fee)	1 Month	YTD	1 Year	3 Years	5 Years	Since Inception
Absolute	-2.14%	-2.86%	4.57%	n.a.	n.a.	5.30%
Annualized	n.a.	n.a.	4.57%	n.a.	n.a.	5.18%

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.

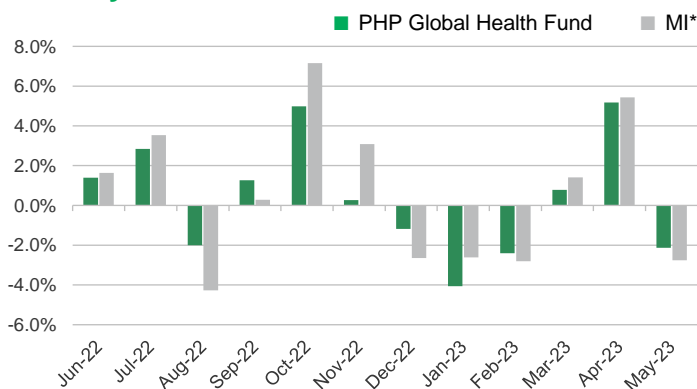
Monthly Net Asset Value per Unit



Top Five Holdings

Eli Lilly and Company	8.44%
UnitedHealth Group Incorporated	6.94%
Novo Nordisk A/S Class B	5.83%
AstraZeneca PLC	5.38%
Merck & Co., Inc.	5.15%

Monthly Performance

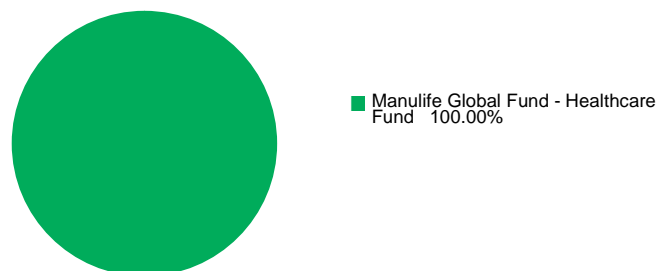


*100% MSCI World/Healthcare NR USD index

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)



PHP Global Health Fund

Market Review

The major world equity indexes traded sideways in a tight range in May. After performing very well from their October 2022 lows through the end of April, stocks paused to digest the gains over the past month as earnings season drew to a close and the markets awaited the outcome of the US debt ceiling negotiations. Although returns were largely flat at the index level, there were some key divergences under the surface. Most notably, US mega-cap technology stocks delivered unusually robust gains amid mounting optimism about the growth potential of companies poised to capitalise on the advances in artificial intelligence (AI). On the other hand, value stocks lagged considerably amid weakness in traditionally defensive sectors. Chinese equities, which came under pressure from weaker-than-expected growth caused by an uneven reopening from COVID-19 lockdowns, were also notable laggards. Still, the contribution from mega-cap tech was sufficient to help the MSCI World Index finish May near its highs of the past six months.

The global healthcare sector lagged, as measured by the MSCI World Index. All industries experienced losses during the period. However, the pharmaceuticals and healthcare providers and services industries held up well, whilst healthcare technology and biotechnology industries lagged.

Outlook

We believe exposure to the healthcare sector offers the potential for strong long-term performance. In particular, the COVID-19 pandemic has invariably created structural changes within healthcare that provides enhanced investment opportunities across select segments of the sector. We expect mergers and acquisitions activity to remain abundant as healthcare companies with strong balance sheets utilise excess capital to expand product offerings. We continue to deploy our bottom-up fundamental investment process informed by assessment of emerging scientific and medical trends coupled with our 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.

Within the biopharmaceuticals sub-sector, we are focused on companies with best-in-class product portfolios serving patients in disease states with inelastic demand. Our aforementioned 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) that our research suggests pre-dispose these comorbid patients to higher morbidity and mortality from COVID. Accordingly, this has led us to favour biopharmaceutical companies over-indexed to cardiovascular disease, Alzheimer's disease and diabetes.

Fundamentals within specific pockets of both the healthcare equipment and supplies and life science tools and services industries remain attractive. Specifically, we believe select companies will continue to reap the benefits of the excess cashflows generated from COVID testing consistent with the emerging endemic state of COVID. We believe several of these companies will generate above-market returns as the incremental research, capex and pipeline investments they have implemented reach fruition in the coming quarters and years.

Within the healthcare providers and services industry, we see value in select supply chain companies, specifically pharmaceutical wholesalers. We expect these companies to see improving margins from accelerating drug inflation and continued recovery in prescription volumes. We have also maintained our positioning in select healthcare insurers commensurate with improved profit profiles associated with the COVID-19 induced reduction in office visits and surgeries in the Medicare population.

Overall, we believe that the defensive characteristics of the sector coupled with solid organic growth in select companies should provide positive performance over a full market cycle.

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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