SRP Lifestyle Portfolio
Investment-Linked Policy Sub-Funds

Report and Financial Statements 1 January 2017 to 31 December 2017

Welcome Message

29 March 2018

Dear Customer

This booklet contains the Annual Report for our Investment-Linked Policy Sub-Funds, which includes an overview of each fund's investment objectives and performance.

To ensure that you are best positioned to meet your financial goals, we encourage you to review your investments regularly and maintain a well-diversified portfolio. We will continue to be vigilant in our choice of investments by looking out for the best opportunities available to help you grow your wealth.

If you have any questions about your policy or investments, please speak to your Manulife Representative or contact our Client Services Executives at 6833-8188. Thank you for trusting Manulife with your investment needs, and we look forward to continue supporting you in the years ahead.

Yours faithfully

Dr Khoo Kah Siang
President & Chief Executive Officer
Manulife Singapore

Register of Representatives - You may logon to the Monetary Authority of Singapore ("MAS") website (www.mas.gov.sg) to conduct a background check of your Manulife Financial Consultant.

The information relating to the Investment-Linked Policy ("ILP") sub-funds is compiled by Manulife (Singapore) Pte. Ltd., solely for general information purposes. It does not constitute an offer, invitation, solicitation or recommendation by or on behalf of Manulife (Singapore) Pte. Ltd. to any person to buy or sell any ILP sub-fund.

All overviews and commentaries, if provided, are intended to be general in nature and for current interest. While helpful, these overviews and commentaries are no substitute for professional tax, investment or legal advice. Investors are advised to seek professional advice for their particular situation. The information provided herein does not take into account the suitability, investment objectives, financial situation or particular needs of any specific person. Investors should consider the suitability of any ILP sub-fund based on his or her investment objectives, financial situation and particular needs before making a commitment to subscribe for units, shares or any other interests in any ILP sub-funds.

Investments in ILP sub-funds are not deposits in, guaranteed or insured by Manulife (Singapore) Pte. Ltd., its partners or distributors. The value of units in any ILP sub-fund and any income accruing to it may rise as well as fall, which may result in the possible loss of principal amount invested. Past performance of any ILP sub-funds or fund managers and any prediction, projection or forecast on the economy or markets are not necessarily indicative of the future or likely performance of the ILP sub-funds or the fund managers.

Contents

SRP Aggressive Portfolio Fund (US$)

Fund Facts

Launch Date / Price	: May 2007 / US$1.00 (Offer)
Unit Price*	: US$1.3498 (Bid) / US$1.3498 (Offer)
Net Asset Value (NAV)	: US$46,190,252.12
Manager	: Manulife (Singapore) Pte. Ltd.
CPFIS Risk Classification	: Not Applicable
Subscription	: Bank draft in USD / Cheque in SGD or USD / TT

*Based on NAV as at 31 December 2017

Fund Objective

Aggressive Portfolio is a unitized fund, which is designed to provide long-term capital growth. It is designed for those who hold a long-term investment view and who are prepared to accept significant fluctuations in the value of their investments in order to achieve long-term returns.

It is intended that the investments will be made on a diversified basis. Around 80 percent of its underlying investment portfolio will consist of equities and equity-related investments, with the remainder of the assets being directly or indirectly invested in bonds, deposits and other investments. The intended target asset allocation as aforesaid is for reference only and may be changed as and when the Manager deems appropriate.

The ILP sub-fund may invest in the following allocation:

Underlying Funds	Percentage of allocation
Manulife Global Fund - U.S. Bond Fund	10%
Manulife Global Fund - U.S. Special Opportunities Fund	10%
Manulife Global Fund - American Growth Fund	58%
Manulife Global Fund - Global Property Fund	2%
Manulife Global Fund - European Growth Fund	13%
Manulife Global Fund - Japanese Growth Fund	5%
Manulife Global Fund - Asian Equity Fund	2%

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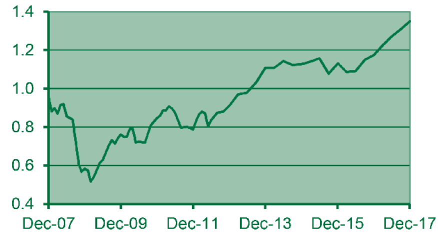
Fund Performance



Fund Performance/ Benchmark returns	SRP Aggressive Portfolio Fund	Benchmark*
3 months	+3.20%	+4.96%
6 months	+6.20%	+8.46%
1 year	+14.92%	+16.09%
3 years	+6.24%	+8.43%
5 years	+8.20%	+11.80%
10 years	+3.54%	+6.19%
Since Inception	+2.88%	+5.69%

Source: Manulife (Singapore) Pte. Ltd., total return, USD, bid-to-bid end 31 December 2017.
*20% Barclays Capital U.S. Aggregate Bond Index + 80% S&P 500 Index
Average Annual Compounded Return for period above 1 year, bid-to bid with income reinvested.

Investment and Market Review

Please refer to respective Underlying Funds (see appendix).

Market Outlook and Investment Strategy

Please refer to respective Underlying Funds (see appendix).

Schedule of Investments

A) Distribution of Investments as at 31 December 2017

		Market Value (US$)	% of NAV
i)	Country		
	Luxembourg	46,190,252.12	100
ii)	Industry		
	Unit trusts/mutual funds	46,190,252.12	100
iii)	Asset Class		
	Unit trusts/mutual funds	46,190,252.12	100
iv)	Credit Rating		
	Not Applicable		

B) Top 10 Holdings as at 31 December 2017 & 31 December 2016

Please refer to respective Underlying Funds (see appendix).

C) Exposure to Derivatives

Please refer to respective Underlying Funds (see appendix).

D) Amount and percentage of Total Investment

MGF Asian Equity	US$929,248.00	2.01%
MGF U.S. Special Opportunities	US$4,620,215.47	10.00%
MGF American Growth	US$26,674,035.39	57.75%
MGF Global Property	US$939,560.63	2.03%
MGF U.S. Bond	US$4,622,374.88	10.01%
MGF European Growth	US$6,084,879.34	13.18%
MGF Japanese Growth	US$2,319,938.41	5.02%

E) Amount and percentage of debt to NAV

Please refer to respective Underlying Funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	US$25,905.01
Total Redemptions	US$5,977,218.50

G) Amount and terms of related-party transactions

Please refer to respective Underlying Funds (see appendix).

H) Expense Ratio

31 December 2017 : 3.71%
31 December 2016 : 3.73%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective Underlying Funds (see appendix).

J) Any material information that will adversely impact the valuation of the ILP Sub-Fund

Not Applicable

K) Soft dollar commissions/ arrangements

Please refer to respective Underlying Funds (see appendix).

SRP Balanced Portfolio Fund (US$)

Fund Facts

Launch Date / Price	: May 2007 / US$1.00 (Offer)
Unit Price*	: US$1.3888 (Bid) / US$1.3888 (Offer)
Net Asset Value (NAV)	: US$6,638,634.75
Manager	: Manulife (Singapore) Pte. Ltd.
CPFIS Risk Classification	: Not Applicable
Subscription	: Bank draft in USD / Cheque in SGD or USD / TT

*Based on NAV as at 31 December 2017

Fund Objective

Balanced Portfolio is a unitized fund, which is designed to provide medium to long term capital growth for those who hold a long term investment view and who are prepared to accept fluctuations in the value of their investments in order to achieve long term returns.

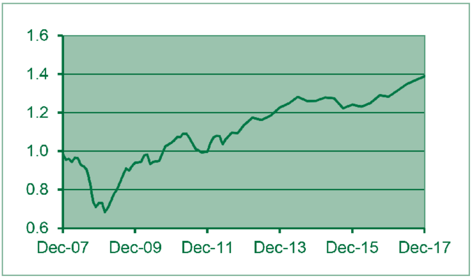
It is intended that the investments will be made on a diversified basis. Around 40 per cent of its underlying investment portfolio will consist of equities and equity-related investments, with the remainder of the assets being directly or indirectly invested in bonds, deposits and other investments. The intended target asset allocation as aforesaid is for reference only and may be changed as and when the Manager deems appropriate.

The ILP sub-fund may invest in the following allocation:

Underlying Funds	Percentage of allocation
Manulife Global Fund - U.S. Bond Fund	45%
Manulife Global Fund - U.S. Special Opportunities Fund	13%
Manulife Global Fund - American Growth Fund	24%
Manulife Global Fund - Global Property Fund	5%
Manulife Global Fund - European Growth Fund	7%
Manulife Global Fund - Japanese Growth Fund	3%
Manulife Global Fund - Asian Equity Fund	1%

The Portfolio Fund will allocate 2% of Portfolio holdings into cash.

Fund Performance



Fund Performance/ Benchmark returns	SRP Balanced Portfolio Fund	Benchmark*
3 months	+1.48%	+2.66%
6 months	+3.06%	+4.81%
1 year	+8.22%	+9.67%
3 years	+3.26%	+5.03%
5 years	+4.12%	+6.64%
10 years	+3.50%	+5.16%
Since Inception	+3.16%	+5.04%

Source: Manulife (Singapore) Pte. Ltd., total return, USD, bid-to-bid end 31 December 2017.
*60% Barclays Capital U.S. Aggregate Bond Index + 40% S&P 500 Index.
Average Annual Compounded Return for period above 1 year, bid-to bid with income reinvested.

Investment and Market Review

Please refer to respective Underlying Funds (see appendix).

Market Outlook and Investment Strategy

Please refer to respective Underlying Funds (see appendix).

Schedule of Investments

A) Distribution of Investments as at 31 December 2017

	Market Value (US$)	% of NAV
i) Country		
Luxembourg	6,506,330.82	98.01
Cash	132,303.93	1.99
ii) Industry		
Unit trusts/mutual funds	6,506,330.82	98.01
Cash	132,303.93	1.99
iii) Asset Class		
Unit trusts/mutual funds	6,506,330.82	98.01
Cash	132,303.93	1.99

iv) Credit Rating

Not Applicable

B) Top 10 Holdings as at 31 December 2017 & 31 December 2016

Please refer to respective Underlying Funds (see appendix).

C) Exposure to Derivatives

Please refer to respective Underlying Funds (see appendix).

D) Amount and percentage of Total Investment

Cash	US$132,303.93	1.99%
MGF Asian Equity	US$62,662.29	0.94%
MGF U.S. Special Opportunities	US$861,975.23	12.99%
MGF American Growth	US$1,583,950.15	23.86%
MGF Global Property	US$337,148.06	5.08%
MGF U.S. Bond	US$2,990,663.40	45.05%
MGF European Growth	US$470,170.18	7.08%
MGF Japanese Growth	US$199,761.51	3.01%

E) Amount and percentage of debt to NAV

Please refer to respective Underlying Funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	US$-
Total Redemptions	US$640,528.85

G) Amount and terms of related-party transactions

Please refer to respective Underlying Funds (see appendix).

H) Expense Ratio

31 December 2017 : 3.35%

31 December 2016 : 3.36%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective Underlying Funds (see appendix).

J) Any material information that will adversely impact the valuation of the ILP Sub-Fund

Not Applicable

K) Soft dollar commissions/ arrangements

Please refer to respective Underlying Funds (see appendix).

SRP Growth Portfolio Fund (US$)

Fund Facts

Launch Date / Price	: May 2007 / US$1.00 (Offer)
Unit Price*	: US$1.4110 (Bid) / US$1.4110 (Offer)
Net Asset Value (NAV)	: US$23,703,836.76
Manager	: Manulife (Singapore) Pte. Ltd.
CPFIS Risk Classification	: Not Applicable
Subscription	: Bank draft in USD / Cheque in SGD or USD / TT

*Based on NAV as at 31 December 2017

Fund Objective

Growth Portfolio is a unitized fund, which is designed to provide medium to long term capital growth for those who hold a long term investment view and who are prepared to accept considerable fluctuations in the value of their investments in order to achieve long term returns.

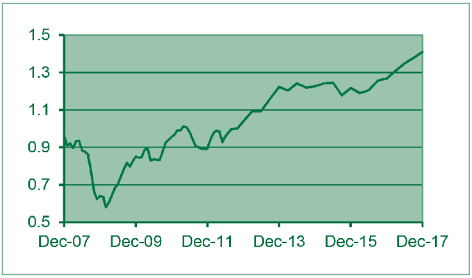
It is intended that the investments will be made on a diversified basis. Around 60 per cent of its underlying investment portfolio will consist of equities and equity-related investments, with the remainder of the assets being directly or indirectly invested in bonds, deposits and other investments. The intended target asset allocation as aforesaid is for reference only and may be changed as and when the Manager deems appropriate.

The ILP sub-fund may invest in the following allocation:

Underlying Funds	Percentage of allocation
Manulife Global Fund - U.S. Bond Fund	23%
Manulife Global Fund - U.S. Special Opportunities Fund	16%
Manulife Global Fund - American Growth Fund	41%
Manulife Global Fund - Global Property Fund	7%
Manulife Global Fund - European Growth Fund	8%
Manulife Global Fund - Japanese Growth Fund	3%
Manulife Global Fund - Asian Equity Fund	1%

The Portfolio Fund will allocate 1% of Portfolio holdings into cash.

Fund Performance



Fund Performance/ Benchmark returns	SRP Growth Portfolio Fund	Benchmark*
3 months	+2.34%	+3.81%
6 months	+4.57%	+6.62%
1 year	+11.22%	+12.84%
3 years	+4.79%	+6.74%
5 years	+6.31%	+9.21%
10 years	+3.91%	+5.73%
Since Inception	+3.31%	+5.41%

Source: Manulife (Singapore) Pte. Ltd., total return, USD, bid-to-bid end 31 December 2017.
*40% Barclays Capital U.S. Aggregate Bond Index + 60% S&P 500 Index
Average Annual Compounded Return for period above 1 year, bid-to bid with income reinvested.

Investment and Market Review

Please refer to respective Underlying Funds (see appendix).

Market Outlook and Investment Strategy

Please refer to respective Underlying Funds (see appendix).

Schedule of Investments

A) Distribution of Investments as at 31 December 2017

	Market Value (US$)	% of NAV
i) Country		
Luxembourg	23,467,502.15	99.00
Cash	236,334.61	1.00
ii) Industry		
Unit trusts/mutual funds	23,467,502.15	99.00
Cash	236,334.61	1.00
iii) Asset Class		
Unit trusts/mutual funds	23,467,502.15	99.00
Cash	236,334.61	1.00

iv) Credit Rating

Not Applicable

B) Top 10 Holdings as at 31 December 2017 & 31 December 2016

Please refer to respective Underlying Funds (see appendix).

C) Exposure to Derivatives

Please refer to respective Underlying Funds (see appendix).

D) Amount and percentage of Total Investment

Cash	US$236,334.61	1.00%
MGF Asian Equity	US$231,760.53	0.98%
MGF U.S. Special Opportunities	US$3,790,043.44	15.99%
MGF American Growth	US$9,667,434.80	40.78%
MGF Global Property	US$1,685,917.62	7.11%
MGF U.S. Bond	US$5,459,164.99	23.03%
MGF European Growth	US$1,919,548.11	8.10%
MGF Japanese Growth	US$713,632.66	3.01%

E) Amount and percentage of debt to NAV

Please refer to respective Underlying Funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	US$60,117.78
Total Redemptions	US$2,744,928.51

G) Amount and terms of related-party transactions

Please refer to respective Underlying Funds (see appendix).

H) Expense Ratio

31 December 2017 : 3.43%

31 December 2016 : 3.44%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore’s guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective Underlying Funds (see appendix).

J) Any material information that will adversely impact the valuation of the ILP Sub-Fund

Not Applicable

K) Soft dollar commissions/ arrangements

Please refer to respective Underlying Funds (see appendix).

SRP Balanced Portfolio Fund (S$)

Fund Facts

Launch Date / Price : April 2008 / S$1.00 (Offer)
Unit Price* : S$1.3970 (Bid) / S$1.3970 (Offer)
Net Asset Value (NAV) : S$26,056,555.20
Manager : Manulife (Singapore) Pte. Ltd.
CPFIS Risk Classification : Not Applicable
Subscription : Bank draft in SGD / Cheque in SGD / TT

*Based on NAV as at 31 December 2017

Fund Objective

Balanced Portfolio is a unitized fund, which is designed to provide medium to long term capital growth for those who hold a long term investment view and who are prepared to accept fluctuations in the value of their investments in order to achieve long term returns.

It is intended that the investments will be made on a diversified basis. Around 40 per cent of its underlying investment portfolio will consist of equities and equity-related investments, with the remainder of the assets being directly or indirectly invested in bonds, deposits and other investments. The intended target asset allocation as aforesaid is for reference only and may be changed as and when the Manager deems appropriate.

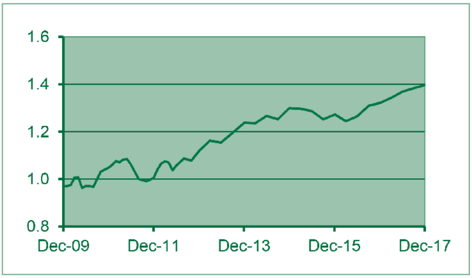
Over the long term, the Fund targets to hedge 75% of the Net Asset Value to S$ to reduce currency exchange risk. This activity is material to the fund return and volatility.

The ILP sub-fund may invest in the following allocation:

Underlying Funds	Percentage of allocation
Manulife Global Fund - U.S. Bond Fund	45%
Manulife Global Fund - U.S. Special Opportunities Fund	13%
Manulife Global Fund - American Growth Fund	24%
Manulife Global Fund - Global Property Fund	5%
Manulife Global Fund - European Growth Fund	7%
Manulife Global Fund - Japanese Growth Fund	3%
Manulife Global Fund - Asian Equity Fund	1%

The Portfolio Fund will allocate 2% of Portfolio holdings into cash.

Fund Performance



Fund Performance/ Benchmark returns	SRP Balanced Portfolio Fund	Benchmark*
3 months	+0.97%	+2.15%
6 months	+2.05%	+4.93%
1 year	+5.67%	+9.40%
3 years	+3.32%	+4.48%
5 years	+4.55%	+5.95%
10 years	Not Applicable	Not Applicable
Since Inception	+3.50%	+4.84%

Source: Manulife (Singapore) Pte. Ltd., total return, bid-to-bid end 31 December 2017.
*60% Barclays Capital U.S. Aggregate Bond Index + 40% S&P 500 Index.
Average Annual Compounded Return for period above 1 year, bid-to bid with income reinvested.

Investment and Market Review

Please refer to respective Underlying Funds (see appendix).

Market Outlook and Investment Strategy

Please refer to respective Underlying Funds (see appendix).

Schedule of Investments

A) Distribution of Investments as at 31 December 2017

		Market Value (S$)	% of NAV
i)	Country		
	Luxembourg	25,538,037.63	98.01
	Cash	518,517.57	1.99
ii)	Industry		
	Unit trusts/mutual funds	25,538,037.63	98.01
	Cash	518,517.57	1.99
iii)	Asset Class		
	Unit trusts/mutual funds	25,538,037.63	98.01
	Cash	518,517.57	1.99
iv)	Credit Rating		
	Not Applicable		

B) Top 10 Holdings as at 31 December 2017 & 31 December 2016

Please refer to respective Underlying Funds (see appendix).

C) Exposure to Derivatives

Please refer to respective Underlying Funds (see appendix).

D) Amount and percentage of Total Investment

Cash	S$518,517.57	1.99%
MGF Asian Equity	S$333,586.94	1.28%
MGF U.S. Special Opportunities	S$3,383,421.12	12.98%
MGF American Growth	S$6,217,835.25	23.86%
MGF Global Property	S$1,322,976.42	5.08%
MGF U.S. Bond	S$11,662,999.07	44.77%
MGF European Growth	S$1,837,145.70	7.05%
MGF Japanese Growth	S$780,073.13	2.99%

E) Amount and percentage of debt to NAV

Please refer to respective Underlying Funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S$35,852.17
Total Redemptions	S$2,005,521.73

G) Amount and terms of related-party transactions

Please refer to respective Underlying Funds (see appendix).

H) Expense Ratio

31 December 2017 : 3.44%
31 December 2016 : 3.43%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective Underlying Funds (see appendix).

J) Any material information that will adversely impact the valuation of the ILP Sub-Fund

Not Applicable

K) Soft dollar commissions/ arrangements

Please refer to respective Underlying Funds (see appendix).

SRP Growth Portfolio Fund (S$)

Fund Facts

Launch Date / Price : April 2008 / S$1.00 (Offer)
Unit Price* : S$1.4619 (Bid) / S$1.4619 (Offer)
Net Asset Value (NAV) : S$109,256,073.16
Manager : Manulife (Singapore) Pte. Ltd.
CPFIS Risk Classification : Not Applicable
Subscription : Bank draft in SGD / Cheque in SGD / TT

*Based on NAV as at 31 December 2017

Fund Objective

Growth Portfolio is a unitized fund, which is designed to provide medium to long term capital growth for those who hold a long term investment view and who are prepared to accept considerable fluctuations in the value of their investments in order to achieve long term returns.

It is intended that the investments will be made on a diversified basis. Around 60 per cent of its underlying investment portfolio will consist of equities and equity-related investments, with the remainder of the assets being directly or indirectly invested in bonds, deposits and other investments. The intended target asset allocation as aforesaid is for reference only and may be changed as and when the Manager deems appropriate.

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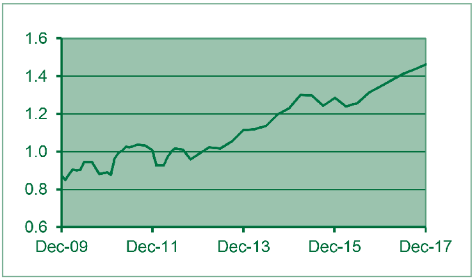
Manulife Global Fund - Global Property Fund	7%
Manulife Global Fund - European Growth Fund	8%
Manulife Global Fund - Japanese Growth Fund	3%
Manulife Global Fund - Asian Equity Fund	1%

The Portfolio Fund will allocate 1% of Portfolio holdings into cash.

Fund Performance



Fund Performance/ Benchmark returns	SRP Growth Portfolio Fund	Benchmark*
3 months	+1.82%	+3.29%
6 months	+3.53%	+6.75%
1 year	+8.61%	+12.57%
3 years	+4.81%	+6.19%
5 years	+6.72%	+8.59%
10 years	Not Applicable	Not Applicable
Since Inception	+3.98%	+5.61%

Source: Manulife (Singapore) Pte. Ltd., total return, bid-to-bid end 31 December 2017.
*40% Barclays Capital U.S. Aggregate Bond Index + 60% S&P 500 Index.
Average Annual Compounded Return for period above 1 year, bid-to bid with income reinvested.

Investment and Market Review

Please refer to respective Underlying Funds (see appendix).

Market Outlook and Investment Strategy

Please refer to respective Underlying Funds (see appendix).

Schedule of Investments

A) Distribution of Investments as at 31 December 2017

	Market Value (S$)	% of NAV
i) Country		
Luxembourg	108,170,862	99.01
Cash	1,085,211.12	0.99
ii) Industry		
Unit trusts/mutual funds	108,170,862	99.01
Cash	1,085,211.12	0.99
iii) Asset Class		
Unit trusts/mutual funds	108,170,862	99.01
Cash	1,085,211.12	0.99

iv) Credit Rating

Not Applicable

B) Top 10 Holdings as at 31 December 2017 & 31 December 2016

Please refer to respective Underlying Funds (see appendix).

C) Exposure to Derivatives

Please refer to respective Underlying Funds (see appendix).

D) Amount and percentage of Total Investment

Cash	S$1,085,211.12	0.99%
MGF Asian Equity	S$1,198,108.80	1.10%
MGF U.S. Special Opportunities	S$17,469,835.79	15.99%
MGF American Growth	S$44,561,833.66	40.79%
MGF Global Property	S$7,770,616.04	7.11%
MGF U.S. Bond	S$25,074,833.03	22.95%
MGF European Growth	S$8,818,058.38	8.07%
MGF Japanese Growth	S$3,277,576.34	3.00%

E) Amount and percentage of debt to NAV

Please refer to respective Underlying Funds (see appendix).

F) Total amount of Subscriptions and Redemptions

Total Subscriptions	S$218,520.80
Total Redemptions	S$10,044,961.78

G) Amount and terms of related-party transactions

Please refer to respective Underlying Funds (see appendix).

H) Expense Ratio

31 December 2017 : 3.53%

31 December 2016 : 3.52%

Note: The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

I) Turnover Ratio

Please refer to respective Underlying Funds (see appendix).

J) Any material information that will adversely impact the valuation of the ILP Sub-Fund

Not Applicable

K) Soft dollar commissions/ arrangements

Please refer to respective Underlying Funds (see appendix).

Appendix

- Manulife Global Fund – U.S. Bond Fund
- Manulife Global Fund – U.S. Special Opportunities Fund
- Manulife Global Fund – American Growth Fund
- Manulife Global Fund – Asian Equity Fund
- Manulife Global Fund – European Growth Fund
- Manulife Global Fund – Global Property Fund
- Manulife Global Fund – Japanese Growth Fund

Manulife Global Fund – U.S. Bond Fund

Fund Objective

The primary objective of this Fund is to maximise total return from a combination of current income and capital appreciation. To pursue this objective, the fund normally invests its assets in U.S. dollar denominated fixed-income securities with an intended average credit rating of A and above.

Investment and Market Review***

US bonds posted solid gains in 2017. After growing by just 1.5% in 2016, the US economy produced stronger growth in 2017. Although the year started off with a sluggish 1.2% annual growth rate in the first quarter of the year, the economy grew at an annual rate of 3.1% in the second quarter and 3.2% in the third quarter – the economy's fastest quarterly growth rates since the first quarter of 2015. The increased economic activity was led by continued strength in the employment sector, where the unemployment rate fell to a 17-year low of 4.1%. Also, manufacturing activity grew at its fastest rate in three years, while the increase in consumer spending rose to a five-year high.

On the inflation front, the year-over-year inflation rate, as measured by the consumer price index (CPI), was 2.2% as of 30 November 2017 (the most recent data available), in line with the 2.1% increase in 2016. "Core" CPI, which excludes food and energy prices, rose by 1.7% over the same one-year period.

In response to the improving economic environment, the Fed raised short-term interest rates three times during the year, increasing the federal funds rate target to a 1.25% to 1.50% range. Furthermore, the Fed began to reduce its balance sheet of US Treasury and mortgage-backed securities in October.

For the year, bond yield movements were mixed, resulting in a flatter US Treasury yield curve (that is, a narrower gap between short- and long-term US Treasury bond yields). Short-term bond yields rose, reflecting the three Fed interest rate increases, while intermediate-term bond yields were little changed and long-term bond yields declined as inflation remained low by historical standards.

Although every sector of the bond market advanced during the year, high-yield and investment-grade corporate bonds generated the best returns, benefiting from the improving economy and continued investor demand for yield in a low interest rate environment. In contrast, US Treasury bonds and residential mortgage-backed securities lagged.

Portfolio Review***

Security selection contributed the most to the sub-fund's performance in 2017, particularly among corporate bonds. Leading contributors included bonds issued by a construction equipment rental company, a telecommunication services provider, and an energy services provider. Notable detractors included a cosmetics maker, a financial services provider, and a grocery retailer.

Sector allocation also contributed meaningfully to relative performance during the year. A non-benchmark position in high-yield corporate bonds and an overweight position in investment-grade corporate securities aided relative performance, as did an underweight position in US Treasury bonds. An overweight position in commercial mortgage-backed securities also added value, while an overweight position in asset-backed securities detracted from relative results.

The sub-fund's duration (a measure of interest rate sensitivity) was slightly shorter than that of the benchmark throughout the year, and this positioning was modestly positive for performance. The sub-fund's maturity structure, which was positioned to benefit from a flatter yield curve, also aided performance.

Market Outlook And Investment Strategy***

As we move into 2018, the US Treasury yield curve is as flat as it has been in more than a decade, as the Fed continues to raise short-term rates and low inflation keeps long-term yields in check. The gap between corporate and Treasury bond yields of comparable maturity is also at a 10-year low. Consequently, the sub-fund's portfolio manager (PM) has reduced the sub-fund's risk profile over the past few months, though the portfolio remains overweight in the corporate bond sector. While the PM sees little in the near term that is likely to materially weaken the relative valuation of corporate bonds, the PM recognises that we are in the later stages of the market cycle, and valuations have become less attractive. On a global basis, the favourable currents of central bank monetary policy have been slowing down and shifting, and the PM believes some caution is warranted in the sub-fund's credit allocation.

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
United States Treasury N/B 2.250% 15/Nov/2027	5,707,169	3.81
United States Treasury N/B 2.750% 15/Aug/2047	3,935,064	2.63
United States Treasury N/B 3.000% 15/Feb/2047	3,362,886	2.25
United States Treasury N/B 2.750% 15/Nov/2042	3,063,831	2.05
Freddie Mac 3.000% 1/Feb/2047	2,676,705	1.79
United States Treasury N/B 2.000% 30/Nov/2020	2,401,125	1.6
Fannie Mae 3.500% 1/Apr/2045	2,286,587	1.54
Freddie Mac Gold Pool 3.500% 1/Oct/2046	1,869,512	1.25
Fannie Mae Pool 4.000% 1/Oct/2046	1,559,110	1.04
Freddie Mac 4.000% 1/Apr/2047	1,420,676	0.95

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
United States Treasury N/B 2.250% 15/Aug/2046	6,335,278	4.22
Fannie Mae 3.500% 1/Apr/2045	2,601,997	1.73
United States Treasury N/B 2.750% 15/Nov/2042	2,308,557	1.54
United States Treasury N/B 2.000% 15/Nov/2026	2,036,551	1.36
Freddie Mac Gold Pool 3.500% 1/Oct/2046	2,029,208	1.35
United States Treasury N/B 1.000% 15/Oct/2019	2,002,614	1.33
Fannie Mae Pool 4.000% 1/Oct/2046	1,893,048	1.26
United States Treasury Inflation Indexed N/B 0.377% 15/Jul/2025	1,621,390	1.08
Fannie Mae Pool 4.500% 1/May/2041	1,477,384	0.98
Fannie Mae Pool 3.500% 1/May/2042	1,418,696	0.94

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions

Not Applicable

G) Expense Ratio***

31 December 2017 : 1.47%
31 December 2016 : 1.47%

H) Turnover Ratio***

31 December 2017 : 88.19%
31 December 2016 : 94.56%

I) Any material information that shall adversely impact the valuation of the Fund

Not Applicable

J) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager, Manulife Asset Management (U.S.) Limited.

Manulife Global Fund – U.S. Special Opportunities Fund

Fund Objective

The primary objective of this Fund is to maximise total return from a combination of current income and capital appreciation. To pursue this objective, the Fund primarily invests in U.S. and non-U.S. fixed-income securities rated BB/Ba or lower and their unrated equivalents.

Investment and Market Review***

Early in the year, high-yield bonds and loans posted positive performances as various factors provided a supportive backdrop for risk assets. These include optimism surrounding a new US president's administration; solid economic data and earnings reports; and stabilising Treasury yields. This was balanced with some volatility from news headlines, including escalating tensions with North Korea and turmoil in the Middle East.

All industry sectors generated positive performance for the period except for the retail sub-sector, which saw business fundamentals deteriorate amid the influence of e-commerce.

The US Treasury yield curve flattened over 2017, with shorter maturity issues rising in-line with market expectations for interest rate increases by the Fed. However, 10-year yields remained relatively unchanged and 30-year yields fell by 30 basis points (bps). The drop in longer-term interest rates was owing to a combination of limited inflation data and relative valuations available globally (negative yields). New issuance volumes were strong in 2017 as many companies looked to refinance existing debt against a backdrop of strong investor demand in the market. Default activity was relatively muted for the year and remained below long-term averages.

Portfolio Review***

Security selection in the financials sector and in the banking and consumer cyclicals sub-sectors contributed to the sub-fund's performance. Individual contributors included a satellite communication services provider on positive sentiment, as well as both an oil industry shipping and ports services provider and a credit services provider on their improving outlooks.

Security selection in the energy, telecommunication services sectors and the consumer non-cyclical sub-sector detracted from the sub-fund's performance. Individual detractors included both an integrated and a diversified telecommunication services provider on their mixed outlooks, as well as a personal products manufacturer based on pressures in the retail sub-sector.

Market Outlook And Investment Strategy***

The sub-fund's portfolio manager (PM) believes corporate fundamentals remain solid across a variety of sectors, with many companies showing strong top-line and bottom-line performance. US tax reform is expected to spur economic growth as well as elevate consumer spending and corporate confidence. Other macroeconomic conditions appear relatively benign, but interest rates are likely to remain a focus as the Fed navigates between responding to positive signs for growth and caution towards persistently low inflation.

Given the bias toward a rise in US interest rates, the PM remains diligent in managing portfolio duration (interest rate sensitivity). The PM believes the flexibility to allocate across the broader credit universe, including capital structures and the quality spectrum, is important for maximising risk-adjusted returns. In an environment of relatively low yields, protection against deteriorating credits remains a critical component of portfolio construction and a key feature of the sub-fund's credit selection process.

The PM believes the outlook for high-yield market returns appears favourable from both a fundamental and technical perspective, relative to fixed income sectors that have lower income potential or higher interest rate sensitivity. Default expectations remain low as commodity-related sectors have stabilised, while improved economics for natural resources extraction and credit-market dynamics are supportive of companies seeking to extend their financing needs. Investor sentiment remains positive as the global search for yield continues.

However, given the stage and length of the credit cycle, the PM believes that security selection and fundamental analysis remain essential to success in the leveraged credit markets. Given the possibility for broader market volatility, the PM believes a balanced approach built upon a rigorous credit and risk management framework is appropriate in this environment.

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
Lifepoint Health Inc. 5.875% 1/Dec/2023	712,187	1.31
Davita Healthcare Partners Inc. 5.125% 15/Jul/2024	702,937	1.30
Eldorado Resorts Inc. 7.000% 1/Aug/2023	706,018	1.29
Cheniere Corp. 5.875% 31/Mar/2025	672,893	1.25
Csi Compressco 7.250% 15/Aug/2022	681,300	1.25
NRG Yield Operating LLC 5.375% 15/Aug/2024	658,812	1.22
Lloyds Banking Group plc FRN 30/Apr/2049	658,300	1.21
GMAC Capital Trust I	635,095	1.16
Tempur Sealy International Inc. 5.500% 15/Jun/2026	611,809	1.12
Oasis Petroleum Inc. 6.875% 15/Mar/2022	601,452	1.12

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
Frontier Communications Corp. 11.000% 15/Sep/2025	1,290,242	1.69
Cooper Tire & Rubber Company 7.625% 15/Mar/2027	1,086,250	1.42
Williams Partners LP 4.875% 15/Mar/2024	943,740	1.24
Cablevision Systems 5.875% 15/Sep/2022	883,138	1.16
WPX Energy Inc. 5.250% 15/Sep/2024	884,974	1.16
NRG Yield Operating LLC 5.375% 15/Aug/2024	843,349	1.10
Sirius Xm Radio Inc. 6.000% 15/Jul/2024	824,236	1.08
GMAC Capital Trust I 15/Feb/2040	812,533	1.06
Amerigas Partners LP 5.625% 20/May/2024	795,809	1.04
NRG Energy Inc. 6.250% 15/Jul/2022	774,524	1.01

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions

Not Applicable

G) Expense Ratio***

31 December 2017 : 1.50%
31 December 2016 : 1.50%

H) Turnover Ratio***

31 December 2017 2017 : 31.19%
31 December 2017 2016 : 50.99%

I) Any material information that shall adversely impact the valuation of the Fund

Not Applicable

J) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager, Manulife Asset Management (U.S.) Limited.

Manulife Global Fund – American Growth Fund

Fund Objective

The Fund aims to achieve capital growth from a portfolio of North American equities, with the main emphasis on the United States of America. While the portfolio consists predominantly of securities of a carefully selected list of larger companies, smaller and medium-sized quoted companies are also included.

Investment And Market Review***

US stocks continued to rally in 2017, buoyed early on by expectations that newly elected President Trump and a Republican majority in Washington DC would promote less government regulation, lower corporate tax rates, and increased infrastructure spending. Positive US economic data, including reports of 3% annualised growth for the second and third quarters, as well as improved global economic growth, were added supports. The US housing market, a key driver of economic growth, continued to recover while consumer and business confidence rose. Against this backdrop, the Fed edged its short-term interest rate target higher, with increases in March, June, and December. News in late June that, for the first time, all the big US banks had passed their annual stress tests – a measure of their capital adequacy in a severe economic downturn – had a positive impact, especially in the financials sector. Stocks also benefited as many corporations, most notably leading technology companies, reported upbeat earnings. Shortly before year end, the US Congress then passed a major overhaul of the US tax code, lowering statutory corporate tax rates and further bolstering earnings growth expectations.

These positives more than outweighed the past year's challenges. Stocks continued to climb despite US Congress's failure last spring to pass new healthcare legislation and an investigation into Russian interference in the presidential election, both of which raised concern about whether the Trump administration could push through its pro-business agenda. Added concern included mounting tensions with North Korea; devastating hurricanes in Texas, Florida and Puerto Rico late last summer; and a massive data breach at a leading credit reporting agency.

Against this backdrop, most sectors within the broad-based S&P 500 Index posted strong gains, with the most notable advance – of roughly 39% – coming from the information technology sector, which represents over 20% of the index. The so-called FAANG stocks (Facebook, Apple, Amazon, Netflix, and Alphabet's Google) saw some of the strongest gains amid growing demand for their products and services. Furthermore, the materials, consumer discretionary, healthcare, industrials, and financials sectors each rose 20% or more in 2017. Laggards included energy stocks, which were held back by oil prices that remained low by historical standards, and the more-defensive, dividend-paying telecommunication services sector.

Portfolio Review***

The biggest individual contributors came from the consumer discretionary sector. A specialty retailer, the sub-fund's largest position at period end, saw its shares soar thanks a highly profitable line of business and the expansion of another operation worldwide. Furthermore, investors largely welcomed an acquisition completed during the period. Shares of a homebuilder benefited from strong execution by management and positive order growth fueled by continued recovery in the US housing market, as buyer demand outstripped supply. The holding, which was not in the benchmark, was no longer in the sub-fund at period end because it had reached what the portfolio manager (PM) viewed as full valuation. A sports and recreational vehicle company, which has been experiencing a turnaround, saw its stock rally following various factors: news of better-than-expected order growth for its 2018-model-year products, market share gains, and second and third quarter earnings that beat expectations. The holding was not in the benchmark.

In the financials sector, our bias toward several big banks aided results, as many posted strong gains fueled by the prospects of deregulation, higher interest rates, lower corporate tax rates, and a better economic backdrop. Furthermore, the results of the annual stress tests helped many of the banks gain regulatory approval to increase their dividends and share buybacks, in turn bolstering their share prices. However, some of the most notable individual contributors came from the information technology sector. They included an internet content and information provider that saw its stock surge, benefiting from strong growth in advertising revenues for mobile devices as more companies focus on reaching their target audiences through digital content. The stock of another top holding, a consumer electronics leader, also moved sharply higher, benefiting from a solid product franchise, this year's launch of the two new products at higher price points, and growth in the services side of its business.

On the downside, stock picks in the health care and industrials sectors significantly detracted from the sub-fund's performance. The biggest individual disappointments included a pharmaceuticals company, because of concern around the looming patent expiration for one of its most popular products. The stock of a diversified industrial holding company plunged amid a management turnover, dividend cut and repeatedly disappointing earnings results, all of which caused investors to lose confidence and sell the stock. While the turnaround has been slower than investors would like, the PM believes the company is making progress by shedding costs and installing new leadership.

A detractor from the consumer discretionary sector, a home furnishings and fixtures holding, made the tough call last spring to focus on profitability and sever its relationship with its largest customer. Although the company reported better-than-expected results immediately following the break-up, it slid following a third-quarter revenue shortfall that it attributed to weaker-than-expected North American sales after hurricane-related disruptions in Texas and Florida, two of its largest markets. The holding was not in the benchmark.

Other individual detractors included energy services company and an energy infrastructure company. Although oil prices topped US$60 per barrel by period end, they remained well below historical averages. Continued low oil prices dampened demand for energy services companies, pressuring the holding's return. Meanwhile, investor sentiment in the midstream space significantly deteriorated due to low oil prices, weighing on the energy infrastructure holding's stock price. The company's reduced dividend was an added challenge.

Market Outlook And Investment Strategy***

The rally in US stocks that began in March 2009 has been one of the longest on record, defying many investors' expectations and setting new records throughout 2017. Although valuations seem high by historical standards, the PM remains optimistic that the market has more room to run because the backdrop seems supportive. Economic growth in the US and worldwide is improving. In the US, the housing recovery shows no signs of slowing. Consumer confidence is rising, thanks to low unemployment and interest rates. The world's financial system appears the strongest it has been in years. Interest rates seem poised to climb, but at a gradual pace, benefiting companies with lending businesses. Business confidence also is improving, thanks in part to recent tax legislation that has lowered corporate tax rates.

Regardless of what happens, the PM plans to maintain the sub-fund's bottom-up focus on financially sound companies with competitive advantages, the ability to generate substantial cash flow over sustained periods, and attractive stock prices relative to the PM's estimate of intrinsic value. This approach has pointed to opportunities in the financials and consumer discretionary sectors, sizable overweights at period end. In the financials sector, the PM has a bias toward large-cap banks that seem best positioned to benefit from higher interest rates and faster economic growth. In the consumer discretionary sector, the sub-fund has a sizable overweight in Amazon as well as exposure to homebuilders and leisure companies.

Over the past year, the PM cut the sub-fund's exposure to the more-defensive consumer staples sector on the understanding that there were better opportunities in more economically sensitive sectors. The PM reinvested the proceeds into the industrials and consumer discretionary sectors, ending the year with overweights in both. The PM also boosted the sub-fund's stake in the information technology sector.

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
Amazon.com Inc.	22,562,780	7.15
Apple Inc.	19,868,276	6.30
General Electric Company	16,608,147	5.26
Bank of America Corp.	15,210,343	4.81
Citigroup Inc.	14,773,707	4.68
Goldman Sachs Group Inc.	13,835,790	4.39
Alphabet Inc. - A	12,988,790	4.11
JPMorgan Chase & Company	12,931,633	4.10
Polaris Industries Inc.	12,275,783	3.89
Allergan plc	10,057,280	3.19

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
Amazon.Com Inc.	18,033,174	6.08
Apple Computer Company	16,424,948	5.54
Citigroup Inc.	13,770,315	4.65
Bank of America Corp.	13,710,048	4.63
Facebook Inc. - A	12,297,475	4.15
JPMorgan Chase & Company	11,816,485	3.99

Tempur-Pedic International Inc.	10,385,882	3.50
Goldman Sachs Group Inc.	8,170,595	2.76
Alphabet Inc. - A	7,970,152	2.69
Schlumberger Limited	7,229,544	2.44

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions

Not Applicable

G) Expense Ratio***

31 December 2017 : 1.67%
31 December 2016 : 1.68%

H) Turnover Ratio***

31 December 2017 : 47.45%
31 December 2016 : 29.36%

I) Any material information that shall adversely impact the valuation of the Fund

Not Applicable

J) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager, Manulife Asset Management (U.S.) Limited.

Manulife Global Fund – Asian Equity Fund

Fund Objective

The Fund aims to achieve capital growth by investing in a diversified portfolio of securities of companies listed on stock markets throughout Asia including those in Australia, Hong Kong, Indonesia, Malaysia, New Zealand, the People's Republic of China, the Philippines, Singapore, South Korea, Taiwan, and Thailand, but not any of the stock exchanges in Japan. A proportion of the Fund may be invested in warrants and convertible bonds issued by, or in respect of, such companies.

Investment And Market Review***

Asia ex Japan cap equities were strong throughout the year with brief periods of selling pressure. However, the market closed 2017 near its all-time high. Throughout the year, the primary driver of performance was strong corporate earnings reports and continued upwards earnings revisions. Asian countries have seen continued improvement in economic data and reporting GDP growth that was generally stronger than expected. Export recovery continued throughout the year for nearly all countries on the back of strong demand from the technology sector and electronic goods. In the second half of 2017, a rebound in commodity prices on the back of higher global growth expectations drove markets higher. As expected, the Fed raised interest rate three times in 2017. Moreover, the US President signed the tax reform plan into law providing upside risk to US economic growth.

Portfolio Review***

The sub-fund's stock selection at the country level and asset allocation decisions at the sector level contributed positively to performance. Partly offsetting some of the outperformance was asset allocation decisions at the country level. Nearly all countries and sectors contributed to the outperformance with the primary contributions coming from India, Hong Kong, and China. Also contributing were the sub-fund's positions in the consumer discretionary, technology, and financials sectors.

The top contributor was a Chinese insurance firm that performed strongly on the back of strong earnings and the increasing optimism on its core business and competency through leveraging technology. Within consumer discretionary, the sub-fund has been focused on investing in names that would benefit from the upgrade in consumption patterns across Asia with positive contributions coming from China, Hong Kong, India and Taiwan. Also contributing positively were information technology holdings in China and Singapore.

Detracting from performance were the sub-fund's Indonesia holdings. During the period, negative market sentiment for industrial related sectors weighed on performance. Concerns over the companies' ability to fund project construction hampered the growth outlook. However, the government has changed rules on non-bank financial institutions' investments to support the government's infrastructure projects.

Over the period, the sub-fund has increased its exposure to consumer discretionary and financials sectors while reducing the weights in more defensive sectors like consumer staples and telecom. The sub-fund is well-positioned to participate in both the cyclical recovery and structural growth trends in Asia – being overweight consumer discretionary, energy, information technology, and financials in certain countries.

Market Outlook And Investment Strategy***

Equities remain an attractive asset class in 2018 as earnings growth is expected to sustain through the year, thanks to a more broad-based recovery in the global economy. Significant reforms have taken place in the past two years and most Asian economies are more resilient to an interest rate tightening cycle compared to the period of the first taper tantrum. The sub-fund's portfolio manager (PM) expects that economic growth in the region will be supported by relatively benign interest rate environment as inflation stays at reasonable levels. More importantly, valuations remain undemanding.

China has clearly stated its plan to promote stable and quality growth. The PM expects deleveraging to continue. Consumer price index (CPI) is expected to gain momentum and consumer companies with pricing power are expected to outperform.

In Taiwan, the PM expects a more balanced interest between the technology and non-technology sectors. Domestic demand in South Korea is expected to recover thanks to a stronger domestic economy supported by robust export growth. The PM sees strength in outbound tourism.

Manulife Global Fund – Asian Equity Fund

India's economic growth is expected to gain momentum as the impact from reforms conducted in 2017 flows through the system. Recapitalisation of corporate and state-owned bank balance sheets should pave the way to investment for growth in due course. Rising oil price may have a dampening effect on India's economy but overall, the earnings outlook of Indian companies remains positive.

Growth momentum in South East Asia is expected to gain pace in 2018. Growth in domestic consumption is expected to step in following a year of growth driven by exports in 2017. The run up to elections in Malaysia, Thailand, and Indonesia should provide further support to domestic consumption in the near term. Indonesia continues to deliver in terms of fortifying its fiscal position. Tax receipts have improved, and the government continues to spend on infrastructure development. This forms a strong foundation for longer term growth, in our view. Clearly, these companies are underappreciated, and we see the most upside in these stocks within the South East Asia region.

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
Samsung Electronics Company Limited	13,102,379	8.90
Alibaba Group Holding Limited	9,860,699	6.70
Taiwan Semiconductor Manufacturing Company Limited	9,732,693	6.61
Tencent Holdings Limited	7,585,668	5.15
Ping An Insurance Group Company of China Limited	6,121,387	4.16
China Construction Bank Corp.	5,782,696	3.92
KB Financial Group Inc.	4,379,226	2.97
China Petroleum & Chemical Corp.	3,947,977	2.68
Galaxy Entertainment Group Limited	3,450,253	2.34
PTT pcl - NVDR	3,361,739	2.28

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
Samsung Electronics Company Limited	8,884,656	8.10
Taiwan Semiconductor Manufacturing Company Limited	7,321,057	6.68
Alibaba Group Holding	5,918,420	5.40
China Mobile Limited	4,605,601	4.20
Aia Group Limited	4,275,210	3.90
Tencent Holdings Limited	3,767,149	3.44
Cheung Kong Property Holding	3,065,810	2.80
Maruti Suzuki India Limited	2,956,193	2.70
Naver Corp.	2,823,310	2.57
Guangdong Investment Limited	2,691,094	2.45

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions
Not Applicable

G) Expense Ratio***
31 December 2017 : 1.77%
31 December 2016 : 1.82%

H) Turnover Ratio***
31 December 2017 : 79.86%
31 December 2016 : 273.60%

I) Any material information that shall adversely impact the valuation of the Fund
Not Applicable

J) Soft dollar commissions/ arrangements
Not Applicable

Note: ***Information given is provided by the Fund Manager, Manulife Asset Management (Hong Kong) Limited.

Manulife Global Fund – European Growth Fund

Fund Objective

The Fund aims to achieve capital growth from a diversified portfolio of equities in mainly larger companies quoted on stock markets in Europe (including in the United Kingdom). The main emphasis of the investment strategy of the Fund is on the assessment and selection of individual stocks within the European markets.

Investment And Market Review***

For the first time since the eurozone crisis, the European market outperformed the US in constant-currency terms. However, its performance fell short of emerging markets equities, which bounced back from a harsh sell-off in 2016, triggered by deflation fears and a Chinese growth scare.

EU GDP growth accelerated to 2.5% in the third quarter, putting it on track to converge with the US rate of economic expansion after several years of anaemic growth. This recovery has lagged the recovery in the US by several years, especially in the construction industry and financials sector. However, now it is spreading to consumers, so earnings across Europe look set for growth in 2018. The European Central Bank (ECB) shifted its stance toward monetary policy tightening in response to the EU's improving economic outlook, which caused the euro to appreciate against the US dollar, perhaps also boosted by investment flows into Europe. The sub-fund's portfolio manager (PM) believes, however, that the ECB will be the last Western central bank to leave the ultra-loose monetary policy stance and, hence, liquidity will remain positive.

The re-election of Angela Merkel as German Chancellor and the defeat of far-right parties in France and Holland provided positive surprises for markets, which had inferred from the UK's 2016 referendum on EU membership that other countries would embrace populist parties. Notably, the UK was among the worst-performing countries in Europe as investors rotated into continental European equities considering the continued uncertainty surrounding Brexit negotiations. Nevertheless, the British pound rallied 9.5% against the US dollar over the year, as some progress was made on important issues, such as the size of the Brexit bill, which decreased the chances of an abrupt break with the EU in 2019.

Investors showed a clear cyclical bias over the past 12 months as they sought exposure to the strengthening global economy. The best-performing sectors were financials, industrials, and materials, with the latter supported by robust emerging markets demand and the closure of unprofitable Chinese mines. The information technology sector, although a relatively small part of the MSCI Europe Total Return Index, led the market up in-line with the US and Asia. The insatiable demand for computing power driven by new applications such as artificial intelligence and the growth potential from disrupting legacy business models have created a high demand for these shares. The flipside has been the underperformance of the consumer discretionary sector, which is struggling to compete with the price and convenience of ecommerce channels. The energy sector underperformed after a very strong recovery in 2016, as the price of oil has failed to climb back above US$60, which is still some 40% below its highs in 2014. Although the Organization of the Petroleum Exporting Countries (OPEC) agreed on production cuts, the additional barrels of shale oil from the US prevented the market from becoming too tight. Despite this, international oil companies remain committed to capital discipline into the future and, hence, their cash generation potential appears to be misunderstood.

Portfolio Review***

Most of the significant detractors from the sub-fund's performance during the period had considerable exposure to the UK. An aerospace and defense firm suffered from a poorly conceived acquisition that destroyed significant shareholder value. The holding was eliminated from the sub-fund, as the investment case had changed and there was no more confidence in management. A telecom services company lost some profitable public contracts and uncovered accounting irregularities in its Italian division. Its weight in the sub-fund was reduced, but it is believed the current valuation is too negative considering the enduring nature of its cash flows. A grocery store holding detracted from performance due to news that a competitor was implementing price cuts on selected items. This announcement has garnered undue attention given that price reductions will only apply to basic goods, and that the competitor is structurally too high-cost to effectively compete on price.

The sub-fund's position in a diversified industrials company was among the largest detractors from performance after the company revealed accelerating price erosion in its wind turbine business, driven by a move toward auction-type systems and overcapacity in certain markets. This led to some short-term sell-side downgrades, weighing on the stock's performance. Since the level of price erosion has left much of the industry unprofitable, the PM expect capacity to exit the market over the coming years and margins to recover. The PM has maintained the sub-fund's position in the company and believes its shares are trading at a considerable discount to their long-term cash flows. As the pre-eminent onshore wind turbine franchise, the company has the scale to invest in research and development, the service network and the most extensive installed base to weather any short-term market volatility and emerge stronger. T would seek to add to the Fund's position in the company once the current pricing environment stabilizes.

The sub-fund's positions in two industrial metals and minerals companies were increased after stress-testing the free cash flow ("FCF") generation of the companies' iron ore assets. Financial models indicated that under depressed long-term commodity price assumptions, these miners still trade on very attractive FCF yields. Following significant unproductive capital investment over the past decade and the subsequent related decline in commodity prices, there appears to be a significant change in the way the companies' current management teams view capital allocation and maximizing shareholder value. These businesses, if run prudently, should be positioned to sustain large and growing dividends. Valuations for both remain compelling on 5% dividend yields and mid-to-high single-digit FCF yields, assuming long-term commodity prices are below spot prices.

A position in a global engineering consultancy was added to the sub-fund during the period, as the PM believes the company is underperforming relative to its potential. Also, the incoming chief executive officer has a credible plan to raise the company's operating profit margin, which at present does not adequately reflect its expertise in prestige infrastructure projects. A position in a UK based information services specialist was also added to the sub-fund. The company provides niche, indispensable publications to business customers. In recent years, the company has struggled with weak revenue trends and declining margins, but the PM believes that by reinvesting in its product offering and restructuring the portfolio, management has successfully repositioned the company to return to steady profit growth.

From an individual securities perspective, UK engineering consulting services company WS Atkins contributed materially to the sub-fund's performance after it received a takeover bid from Canadian competitor SNC-Lavalin at a 35% premium to the undisturbed share price, which is the last share price before takeover talks began.

Most of the significant detractors from the sub-fund's performance during the period, including BT, Cobham, Liberty Global, and Dixons Carphone had considerable exposure to the UK. Cobham suffered from a poorly conceived acquisition that destroyed significant shareholder value, while BT lost some profitable public contracts and uncovered accounting irregularities in its Italian division. Cobham was eliminated from the sub-fund, as the investment case had changed and there was no more confidence in management. The sub-fund's position in BT was reduced, but it is believed the current valuation is too negative considering the enduring nature of its cash flows. Ahold Delhaize also detracted from performance due to news that Whole Foods, which was recently acquired by Amazon, was implementing price cuts on selected items. This announcement has garnered undue attention given that price reductions will only apply to basic goods, and that Whole Foods is structurally too high-cost to effectively compete against Ahold Delhaize on price.

The sub-fund's position in Vestas was among the largest detractors from performance after the company revealed accelerating price erosion in its wind turbine business, driven by a move toward auction-type systems and overcapacity in certain markets. This led to some short-term sell-side downgrades, weighing on the stock's performance. Since the level of price erosion has left much of the industry unprofitable, the PM expects capacity to exit the market over the coming years and margins to recover. The PM has maintained the sub-fund's position in Vestas and believes its shares are trading at a considerable discount to their long-term cash flows. As the pre-eminent onshore wind turbine franchise, Vestas has the scale to invest in research and development, the service network, and the most extensive installed base to weather any short-term market volatility and emerge stronger. The PM would seek to add to the sub-fund's position in the company once the current pricing environment stabilises.

The sub-fund's positions in Rio Tinto and BHP Billiton were increased after stress-testing the free cash flow (FCF) generation of the companies' iron ore assets. Financial models indicated that under depressed long-term commodity price assumptions, these miners still trade on very attractive FCF yields. Following significant unproductive capital investment over the past decade and the subsequent related decline in commodity prices, there appears to be a significant change in the way the companies' current management teams view capital allocation and maximising shareholder value. These businesses, if run prudently, should be positioned to sustain large and growing dividends. Valuations for both remain compelling on 5% dividend yields and mid-to-high single-digit FCF yields, assuming long-term commodity prices are below spot prices.

A position in Dutch global engineering consultancy Arcadis was added to the sub-fund during the period, as the PM believes the company is underperforming relative to its potential. Also, the incoming Chief Executive Officer from

Fluor has a credible plan to raise the company's operating profit margin, which at present does not adequately reflect its expertise in prestige infrastructure projects. A position in Informa, a UK based information services specialist, was also added to the sub-fund. The company provides niche, indispensable publications to business customers. In recent years, Informa has struggled with weak revenue trends and declining margins, but the PM believes that by reinvesting in its product offering and restructuring the portfolio, management has successfully repositioned the company to return to steady profit growth.

Market Outlook And Investment Strategy***

The long-overdue recovery in European equities reflected the discounted valuations and superior earnings growth on offer during the period. That said, the PM believes that gains in 2017 have squeezed much of the "easy" value out of the market, leaving industrial and consumer cyclical stocks looking expensive. However, the PM expects superior earnings growth and easy liquidity from the ECB to enable the wider market to outperform US equities. While the PM believes the prospective returns from equities remain vastly more favourable than bonds, valuations offer little absolute protection from rising volatility. Also, the PM believes markets risk complacency about the many political and economic hurdles facing Western societies, which range from aging populations, an addiction to easy money, stagnating productivity, and widening inequality.

In the short-to-medium term, the PM believes the biggest conundrum is how central banks, economies, and valuations will respond when inflation returns into the system and the price of money normalises from its current artificially low levels. The PM also believes tight labour markets, cheap borrowing, and the increase in commodity prices and global growth have the hallmarks of an inflationary cycle about to unfold. However, the recent flattening of the US yield curve suggests otherwise, and implies that inflation will remain subdued and the increase in US short-term rates is unsustainable. For now, the PM's view is that long-term bond yields will rise from here, but that recession is not imminent or inevitable. In such a scenario, a lot should depend on the speed at which prices rise and how central banks react. The PM does not believe there will be an inflationary scare or disorderly exit from the bond market, or an uncalibrated and clumsy monetary policy tightening by central banks. In a reflationary environment, volatility should increase, which would benefit the sub-fund's investment strategy of purchasing good companies when trading at a discount to their long-term cash flows.

The second factor that could characterise the coming years is the intensified debate over whether business models that have thrived for decades can and will be disrupted by new technologies. This has already led to a de-rating of old economy stocks, ranging from advertising companies to "High Street" retailers and combustion engine manufacturers, as well as surging valuations for all things related to technology, perhaps most exemplified in bitcoin trading. The PM senses the possibility of another bubble in the information technology sector, which will create value opportunities as investors struggle to distinguish hype from reality. The PM believes that now, more than ever, it is critical for investors to think hard about the long-term future of the businesses they hold and whether they are pricing in a rising interest rate environment and technology threats. In the PM's view, this means resisting momentum stocks in favour of enduring businesses with high FCF yields that can deliver strong absolute returns, even in an uncertain business environment.

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
Royal Dutch Shell Plc - B	4,415,218	4.17
Repsol YPF SA	3,590,994	3.38
Standard Chartered Plc	3,542,252	3.34
Bhp Billiton Plc	3,507,510	3.30
Fresenius Medical Care AG & Company KGaA	3,505,116	3.30
Novartis AG - Reg	3,231,583	3.04
Shire Plc	3,196,189	3.01
Imperial Tobacco Group plc	3,033,853	2.86
Danone SA	3,013,098	2.84
Aib Group Plc	2,828,126	2.66

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
Royal Dutch Shell Plc - B	5,292,058	5.07
Zurich Financial Services AG - Reg	3,996,326	3.83
HSBC Holdings Plc	3,985,052	3.82
Repsol YPF SA	3,701,381	3.55
Koninklijke Ahold Delhaize NV	3,594,035	3.45
Novo Nordisk A/S	3,300,569	3.16
Koninklijke Philips Electronics NV	2,871,731	2.75
Standard Chartered Bank Plc	2,811,728	2.70
Smith & Nephew Plc	2,800,070	2.69
Glaxosmithkline Plc	2,784,983	2.67

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions

Not Applicable

G) Expense Ratio***

31 December 2017 : 1.75%
31 December 2016 : 1.80%

H) Turnover Ratio***

31 December 2017 : 66.88%
31 December 2016 : 82.07%

I) Any material information that shall adversely impact the valuation of the Fund

Not Applicable

J) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager, MFC Global Investment Management (Europe) Limited.

Manulife Global Fund – Global Property Fund

Fund Objective

The Fund is a unitized equity fund which is primarily designed to provide medium to long-term capital growth with the secondary goal of generating income. The Fund is suitable for those who hold a long-term investment view and who are prepared to accept significant fluctuations in the value of their investments in order to achieve long-term returns.

It is intended that the investments will be made on a diversified basis. The underlying investment portfolio will mainly consist of real estate securities primarily real estate investment trusts (REITs) of U.S. and non-U.S. companies. The Fund may invest in companies which derive a significant portion of earnings from the development or management of real estate situated in the U.S. and other non-U.S. countries. The investment instruments of the portfolio include, but are not limited to, North American REITs (the U.S. and Canada), non-U.S. REITs, real estate company equities, bonds (as low as BB), short-term securities, equity securities of non-real estate securities and deposits. The underlying REITs may not necessarily be authorised by the Securities and Futures Commission in Hong Kong and the dividend policy/payout policy of the Fund is not representative of the dividend policy/payout policy of the underlying REITs.

The Fund may also invest in bonds of any maturity rated at BB grades and unrated bond equivalents. If the Investment Manager so determines, it may also temporarily invest in investment grade short-term securities and/or cash, and non-U.S. securities including sponsored and unsponsored American Depository Receipts.

Investment and Market Review***

Despite positive returns over the period, the global real estate sector underperformed broader global equity markets. Interest rates were mixed globally, with the US raising its interest rates three times during the year. As economic growth improved overall, Canada raised its interest rates twice and in Europe, economic optimism has shifted the prospects that the European Central Bank (ECB) may start to withdraw some of its easing policies.

During the period, the Brexit process was officially started when the UK invoked Article 50, as was widely anticipated by the markets. Elections in Europe took centre stage in France and the Netherlands after the heightened populism of the US elections and the Brexit vote. Concerns were reduced when both the Dutch and French citizens rejected populist candidates.

Geopolitical risk intensified on the Korean peninsula during the year as the Trump administration applied pressure on the North Korean regime, which ultimately conducted several missile tests. The ongoing discussion between the US and North Korea has raised concerns of a potential war in the region and any further rise in tension could significantly impact global markets.

Portfolio Review***

Stock selection in the US, Ireland, and Norway contributed to the sub-fund's performance, as did the overweight exposures to Ireland and Norway, and underweight exposure to Japan. Individual contributors to performance included an Irish residential real estate investment trust ("REIT") that benefited from continued strength in Ireland's economy and the country's housing shortage, both of which led to strong financial performance and a significant increase in the value of the company's real estate holdings. Another REIT holding's positive performance was driven by strong financial results and timely capital recycling, which positioned the general REIT with an improving asset base. A real estate services company's financial results continued to improve throughout the year. The company also benefited from Norway's improved economy and strong leasing activity, which drove occupancy levels higher. New supply was also lower, which drove market rents higher, especially for Oslo's office market, in which the company conducts business.

Stock selection in Australia, Canada, and Japan detracted from the sub-fund's performance, as did its underweight exposures to Singapore, Spain and Sweden, and overweight exposure to the US. Individual detractors from performance included three US retail REITs, which were all negatively affected by the overall weakness in the US retail sector. The number of retail store closures announced early in 2017 led to investor concerns that retail fundamentals could be under pressure for the near-term and that a significant shift in the US retail landscape may be on the horizon. Despite financial results that were relatively in-line with expectations, a Japanese general real estate holding detracted as its performance lagged the other large property companies in Japan. Expectations of increased dividends or potential stock buybacks didn't materialize in 2017, which also drove the company's weaker performance. A healthcare facilities REIT declined during the period as another skilled nursing REIT reported weaker-than-expected financial results, which also affected the sub-fund's holding. Concerns around skilled nursing operators have weighed on these REITs because the potential for renegotiation of lease terms has increased.

Market Outlook And Investment Strategy***

The sub-fund's portfolio manager (PM) believes the outlook for the real estate sector remains positive. In the PM's view, the current economic growth outlook is such that major central banks should continue to employ a balanced approach to interest rates. Inflation remains relatively low and stable – the PM therefore believes that interest rates should remain lower in the near-term as well, to help ensure that the overall improvement of economic conditions is sustainable.

In the US, optimism remains high surrounding economic growth as many of the potential Trump administration policies are supportive of growth, such as the recently passed tax bill that lowered both corporate and personal taxes. In the US, we believe interest rate changes should continue at their current pace, with any future increases based on demonstrated strengthening in the economy. This may cause some volatility in the real estate sector throughout the year. However, the PM believes that interest rates measured on an improving economy should ultimately benefit the sector. In Europe, the PM believes that the ongoing Brexit negotiations between the UK and the EU will keep both the Bank of England and the ECB on alert, as the final agreements remain unclear.

In the PM's view, valuations in the sector overall remain attractive as property companies in many regions continue to trade at discounts to their respective net asset values. Even with the recent interest rate increase, they remain near historically low levels. The PM believes the sector represents an attractive opportunity for income-oriented investors as well those who are risk averse in the current environment. Institutional investors remain interested in the sector, which may help maintain valuations. This has been evident as mergers and acquisitions activity has re-emerged in the sector.

Real estate fundamentals continue to be stable or improving in most markets as supply remains relatively low. Expectations for improving economic conditions should continue to support the sector, especially given the current supply situation, which should lead to higher occupancy and rents. In the PM's view, the expected rise in interest rates should not be negative for real estate if rates are hiked in response to stronger economic growth. That increased demand for properties and higher rents should alleviate the impact of higher interest rates. Property values could also be driven by the lack of supply over the past few years, as low growth and an uncertain environment has restrained development, while at the same time investor demand for quality assets remains strong.

The PM believes the sector continues to offer an attractive dividend yield that compares favourably with other yield securities. The PM continues to maintain underweight positions in Europe and Japan and an overweight position in the US. The PM's slight underweight position in European property companies is the result of an overall valuation difference compared to other regions. The PM favours the Nordic, Irish, Italian, and German real estate markets within Europe. The portfolio's overweight position in the US is owing to stronger property fundamentals and the relative positive outlook on economic growth.

The PM continues to seek out attractive opportunities that trade at what the PM deems to be significant discounts to their net asset value. The current share prices and yields they offer appear to remain at attractive levels, and the PM maintains a positive view on the sector overall.

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
Simon Property Group Inc.	823,816	5.26
Prologis Inc.	452,365	2.89
Digital Realty Trust Inc.	432,741	2.76
Mitsubishi Estate Company Limited	365,818	2.34
Mitsui Fudosan Company Limited	347,842	2.23
Sun Hung Kai Properties Limited	333,751	2.14
Essex Property Trust Inc.	321,067	2.05
GGP Inc.	319,684	2.04
Daito Trust Construction Company Limited	306,292	1.96
Unibail-Rodamco SE	302,799	1.94

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
Simon Property Group Inc.	757,390	5.01
Prologis Inc.	473,100	3.13
Mitsubishi Estate Company Limited	438,605	2.90
Digital Realty Trust Inc.	401,499	2.65
Mitsui Fudosan Company Limited	359,137	2.37
Essex Property Trust Inc.	355,982	2.35

Vornado Realty Trust	335,159	2.21
Boston Properties Inc.	327,153	2.16
Sun Hung Kai Properties Limited	303,293	2.00
Daito Trust Construction Company Limited	301,169	1.99

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions

Not Applicable

G) Expense Ratio***

31 December 2017 : 2.32%
31 December 2016 : 2.29%

HI) Turnover Ratio***

31 December 2017 : 17.11%
31 December 2016 : 6.86%

J) Any material information that shall adversely impact the valuation of the Fund

Not Applicable

I) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager, Manulife Asset Management (U.S.) Limited.

Manulife Global Fund – Japanese Growth Fund

Fund Objective

The Fund aims to achieve growth principally from a portfolio of Japanese stocks with the emphasis on larger companies. Scope exists for a proportion of the Fund to be invested in warrants. It should be noted that the value of assets invested in warrants is subject to greater fluctuations, warrants being more volatile than ordinary shares.

Investment And Market Review***

The market rose strongly over the year, driven by the buoyant domestic economy and strong demand for Japanese exports, especially in technology and factory automation. The domestic economy continued to strengthen with the consumer price index (CPI) ex fresh foods rising to 0.9%, its highest level since the consumption tax hike in April 2014. The labour market continued to tighten with the unemployment rate falling to 2.8% by the end of the year.

The best performing sectors were oil, airlines, and electronics. The worst performers were utilities, real estate, and brokers. The strength of the electronics sector was driven by the demand for smartphone components, as well as new demand for sensors and other devices in autos. Utilities were weak due to the rising oil price as well as further delays in reopening the country's nuclear reactors.

The best performing stock in the Topix 500 Index was Yaskawa Electric, which saw strong demand for its robots in factory automation, especially in China. The weakest stocks were utility stocks Toho Gas and Hokuriku Electric Power. Subaru was also a weak performer after strong outperformance in previous years. This auto stock has been heavily dependent on strong demand for its family cars in the US, but demand started to slow last year after US annualised car sales peaked out.

Portfolio Review***

The sub-fund's strongest performers were a recruitment service provider, an electronics corporation, and a sensing technologies manufacturer. The weakest contributors were a real estate developer and two manufacturers in the auto sector. The recruitment service provider had an excellent year benefiting from a tight domestic labour market and rapid growth in Indeed, its global recruitment website. However, the sub-fund suffered from some of its holdings in the auto sector, which never fully recovered from the threat of the US border tax adjustment earlier in the year.

Market Outlook And Investment Strategy***

2017 has been a strong year for both the Japanese economy and the equity market. After a weak start due to conservative forecasts based on a stronger currency, the market rallied on upward earnings revisions driven by demand for machinery and technology exports, as well as support from both the domestic economy and a weaker currency.

The sub-fund's portfolio manager (PM) expects the market will continue to drive upwards on the back of further upward earnings revisions. A reflationary domestic economy would be supportive of the financial sector. Domestic demand from construction and other sectors in the run-up to the Tokyo Olympics in 2020, combined with the tight labour market, should lead to further pressures on the inflation rate. The Bank of Japan may come under greater scrutiny next year. The direction of monetary policy may depend on whether there is a change of leadership in April 2018.

Japan remains the cheapest developed market on both price-to-earnings and price-to-book. Japan's return on equity (ROE) has also been steadily improving and currently stands at 8%. The PM believes this could reach 10% by 2018. Although this is still below the US (13%), it is on a faster growth path. One of the drivers for higher ROE is the record level of share buybacks. Most Japanese corporates have a net cash position giving them ample opportunity to make further buybacks in 2017.

Note: All data sources from Bloomberg

Manulife Global Fund – Japanese Growth Fund

Schedule of Investments

A) Top 10 Holdings as at 31 December 2017***

Securities	Market Value (US$)	% of NAV
Sumitomo Mitsui Financial Group, Inc.	2,692,200.61	4.59
Mitsui Fudosan Co., Ltd.	2,602,330.18	4.43
Panasonic Corporation	2,549,293.90	4.34
Sanwa Holdings Corporation	2,099,643.15	3.58
Japan Tobacco Inc.	2,033,875.80	3.46
Dai-ichi Life Holdings,Inc.	2,003,199.41	3.41
SoftBank Group Corp.	1,955,827.76	3.33
Hoya Corporation	1,793,565.87	3.06
KDDI Corporation	1,790,000.47	3.05
Mitsubishi UFJ Financial Group, Inc.	1,729,094.40	2.95

Top 10 Holdings as at 31 December 2016***

Securities	Market Value (US$)	% of NAV
Sumitomo Mitsui Financial Group Inc.	3,239,609	6.28
Nissan Motor Company Limited	2,573,625	4.99
Mitsui Fudosan Company Limited	2,340,187	4.53
KDDI Corp.	2,162,367	4.19
Dai-ichi Mutual Life Insurance Company	2,125,274	4.12
Matsushita Electric Industrial Company Limited	2,028,606	3.93
Softbank Corp.	1,762,581	3.41
Shionogi & Company Limited	1,597,042	3.09
Mitsubishi Ufj Financial Group Inc.	1,574,946	3.05
Recruit Holdings Company Limited	1,562,731	3.03

Note: Any differences in the percentage of the Net Asset figures are the result of rounding.

B) Exposure to Derivatives

i) Market value of derivative contracts
Not Applicable

ii) Net gains/losses on derivative contracts realised
Not Applicable

iii) Net gains/losses on outstanding derivative contracts
Not Applicable

C) Amount and percentage of NAV invested in collective investment schemes

Not Applicable

D) Amount and percentage of debt to NAV

Not Applicable

E) Total amount of Subscriptions and Redemptions

Not Applicable

F) Amount of related-party transactions

Not Applicable

G) Expense Ratio***

31 December 2017 : 1.81%
31 December 2016 : 1.85%

H) Turnover Ratio***

31 December 2017 : 47.71%
31 December 2016 : 217.04%

I) Any material information that shall adversely impact the valuation of the Fund

Not Applicable

J) Soft dollar commissions/ arrangements

Not Applicable

Note: ***Information given is provided by the Fund Manager, Manulife Asset Management (Hong Kong) Limited.

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Financial Statements

for the Period 1 January to 31 December 2017

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- Capital Account
- Notes to the Accounts
- Independent Auditor's Report

Statement Of Assets And Liabilities
As At 31 December 2017

	SRP Aggressive US$	SRP Balanced US$	SRP Growth US$
INVESTMENTS			
Cash and Cash Equivalents	-	132,508	236,704
Value of Investment in Unit Trusts	46,271,974	6,516,339	23,504,039
Currency Forward	-	-	-
Value of Investments	**46,271,974**	**6,648,847**	**23,740,743**
OTHER ASSETS			
Due from Brokers for investment sales	-	-	-
Total Assets	**46,271,974**	**6,648,847**	**23,740,743**
LIABILITIES			
Due to Brokers for investment purchases	-	-	-
Other liabilities	(81,722)	(10,212)	(36,906)
Value of Fund as at 31 December 2017	**46,190,252**	**6,638,635**	**23,703,837**

Capital Account For The Period 1 January 2017 To 31 December 2017

	SRP Aggressive US$	SRP Balanced US$	SRP Growth US$
Value of Fund as at 1 January 2017	**45,671,942**	**6,739,149**	**23,821,426**
Amount paid (by)/to the fund for (liquidation)/ creation of units	(5,951,313)	(640,529)	(2,684,811)
Investment income	430,403	142,009	385,520
Net realised gain/(loss) on sale of investments	-	-	-
Unrealised appreciation/(loss) in value of investment during the period	6,988,994	520,293	2,616,357
Exchange gain/(loss)	-	-	-
Fund income/(expenses)	(949,774)	(122,287)	(434,655)
Value of Fund as at 31 December 2017	**46,190,252**	**6,638,635**	**23,703,837**

Notes To The Accounts

1. Significant Accounting Policies

(a) Basis of Accounting
The accounts of the SRP Lifestyle Portfolio Funds (US$) are prepared under the historical cost convention except for the investments which are stated at market value. As the SRP Lifestyle Portfolio Funds are denominated in the United States dollars, the annual report is expressed in United States dollars.

(b) Cash and Cash equivalents
Cash and cash equivalents comprise cash deposited with financial institutions that are subject to an insignificant risk of changes in value.

(c) Investments
Unit trusts are valued at the market prices on 31 December 2017.

(d) Investment Income
Dividend income is taken up in the financial statements when it is declared payable.

Interest income is recognised using the effective interest method.

(e) Foreign Currencies
Transactions arising in foreign currencies during the period are converted at rates closely approximating those ruling on the transaction dates. Foreign currencies denominated monetary assets and liabilities are translated into local currency at exchange rates ruling on the financial statement date. All exchange differences arising from conversion are included in the capital account.

(f) Realised Gain/(Loss) on Sale of Investments
Gain/(loss) on sale of investments is determined at average cost and includes realised foreign exchange gains and losses.

2. Units

The number of units issued as of valuation date 31 December 2017:

SRP Aggressive (US$)	34,220,641.36835
SRP Balanced (US$)	4,780,259.34849
SRP Growth (US$)	16,799,686.18406

3. Expense ratio

The audited expense ratio as of valuation date 31 December 2017:

SRP Aggressive (US$)	3.71%
SRP Balanced (US$)	3.35%
SRP Growth (US$)	3.43%

Expense ratio is calculated in accordance with Investment Management Association of Singapore ("IMAS") Guidelines for the Disclosure of Expense Ratios.

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Statement Of Assets And Liabilities As At 31 December 2017

	S$ SRP Balanced S$	S$ SRP Growth S$
INVESTMENTS		
Cash and Cash Equivalents	515,334	1,081,008
Value of Investment in Unit Trusts	25,382,027	107,754,771
Currency Forward	200,235	843,460
Value of Investments	**26,097,596**	**109,679,239**
OTHER ASSETS		
Due from Brokers for investment sales	982	4,323
Total Assets	**26,098,578**	**109,683,562**
LIABILITIES		
Due to Brokers for investment purchases	-	(247,614)
Other liabilities	(42,023)	(179,875)
Value of Fund as at 31 December 2017	**26,056,555**	**109,256,073**

Capital Account For The Period 1 January 2017 To 31 December 2017

	S$ SRP Balanced S$	S$ SRP Growth S$
Value of Fund as at 1 January 2017	**26,566,780**	**110,011,564**
Amount paid (by)/to the fund for (liquidation)/ creation of units	(1,969,670)	(9,826,441)
Investment income	540,204	1,740,212
Net realised gain/(loss) on sale of investments	-	-
Unrealised appreciation/(loss) in value of investment during the period	1,416,258	9,411,184
Exchange gain/(loss)	-	-
Fund (expenses)/income	(497,017)	(2,080,446)
Value of Fund as at 31 December 2017	**26,056,555**	**109,256,073**

Notes To The Accounts

1. Significant Accounting Policies

(a) Basis of Accounting
The accounts of the SRP Lifestyle Portfolio Funds (S$), expressed in Singapore dollars, are prepared under the historical cost convention except for the investments and derivatives which are stated at market value.

(b) Cash and Cash equivalents
Cash and cash equivalents comprise cash deposited with financial institutions that are subject to an insignificant risk of changes in value.

(c) Investments and derivatives
Unit trusts and derivatives are valued at the market prices on 31 December 2017.

(d) Investment Income
Dividend income is taken up in the financial statements when it is declared payable.

Interest income is recognised using the effective interest method.

(e) Foreign Currencies
Transactions arising in foreign currencies during the period are converted at rates closely approximating those ruling on the transaction dates. Foreign currencies denominated monetary assets and liabilities are translated into local currency at exchange rates ruling on the financial statement date. All exchange differences arising from conversion are included in the capital account.

(f) Realised Gain/(Loss) on Sale of Investments
Gain/(loss) on sale of investments is determined at average cost and includes realised foreign exchange gains and losses.

2. Units

The number of units issued as of valuation date 31 December 2017:

S$ SRP Balanced (S$)	18,651,659.53866
S$ SRP Growth (S$)	74,737,190.26969

3. Expense ratio

The audited expense ratio as of valuation date 31 December 2017:

S$ SRP Balanced (S$)	3.44%
S$ SRP Growth (S$)	3.53%

Expense ratio is calculated in accordance with Investment Management Association of Singapore ("IMAS") Guidelines for the Disclosure of Expense Ratios.

Independent Auditor's Report
For The Year Ended 31 December 2017

REPORT TO THE BOARD OF DIRECTORS
OF MANULIFE (SINGAPORE) PTE. LTD.

Report On The Audit Of The Financial Statements

Opinion

We have audited the accompanying financial statements of the investment-linked sub-funds ("Funds") of Manulife (Singapore) Pte. Ltd. (the "Company"), which comprise the statement of assets and liabilities as at 31 December 2017, the Capital Account for the financial year then ended, and notes to the accounts, including a summary of significant accounting policies set out in Note 1 to the accounts.

In our opinion, the accompanying financial statements of the Funds of the Company for the financial year ended 31 December 2017, are properly drawn up in accordance with the stated accounting policies set out in Note 1 to the accounts.

Basis For Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of the Funds section of our report. We are independent of the Company and the Funds in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for other information. The other information comprises the Message from the President and Chief Executive Officer, and fund reports included in pages 1 to 34, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the accounts, which describes the basis of accounting. The financial statements are prepared to assist the Company to comply with the requirements of the Monetary Authority of Singapore ("MAS") Notice 307 Investment-Linked Life Insurance Policies. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the use of the Company. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the stated accounting policies, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

29 March 2018

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MCI (P) 101/03/2018