



# MANULIFE FUNDS

## Annual Report

 **Manulife Asset Management™**

For the financial year ended 31 December 2018

## **Manulife Funds**

**Manulife Singapore Bond Fund**

**Manulife Singapore Equity Fund**

**Manulife Asian Small Cap Equity Fund**

**Manulife Asia Pacific Investment Grade Bond Fund**

**Manulife Global Asset Allocation - Managed Growth Fund**

**Manulife Global Asset Allocation - Growth Fund**

**Manulife SGD Income Fund**

**GENERAL INFORMATION**

As at 31 December 2018

**MANAGER**

Manulife Asset Management (Singapore) Pte. Ltd.  
Company Registration Number: 200709952G

Registered and business address:

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Singapore 048424

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## **IMPORTANT INFORMATION**

The information in this document is prepared solely for general information purposes. It does not constitute an offer, invitation, solicitation or recommendation by or on behalf of Manulife Asset Management (Singapore) Pte. Ltd. (Company Registration No.: 200709952G) and its affiliates (the "Manager") to any person to buy or sell any fund and is no indication of trading intent in any fund managed by the Manager.

The information and views expressed herein are those of the Manager as of date of publication and are subject to change based on market and other conditions. The Manager expressly disclaims any responsibility for the accuracy and completeness of, and the requirement to update, such information. Any opinion, management forecast or estimate contained herein is based on information available as at the date of publication and is subject to changes at any time without notice. Opinions, forecasts and estimates, as well as the information contained herein relating to the historical performance of any fund are for information only and are not indicative of the future or likely performance.

Investments in any fund are not deposits in, guaranteed or insured by the Manager and involve risks. The value of units in any fund and any income accruing to it may fall or rise. Past performance does not guarantee future results. Investors should read the prospectus before deciding whether to subscribe for or purchase units in any fund. Copies of the prospectus can be obtained from the Manager or its distributors, for further details (including the risk factors) and charges.

The information provided herein does not take into account the suitability, investment objectives, financial situation or particular needs of any specific person. All overviews and commentaries 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 should seek professional advice for their particular situation. Investors should consider the suitability of any 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 fund.

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# Manager's Investment Report

## As at 31 December 2018

### Manulife Singapore Bond Fund ("The Fund")

#### Market Overview<sup>1</sup>

US treasury and Singapore sovereign yields ended 2018 broadly higher with the short-end rising as the Federal Reserve (Fed) continued normalising monetary conditions, hiking rates four times in 2018 in addition to further unwinding of its balance sheet. Longer end rates saw some volatility throughout the year with a strong US economy for most of 2018, slightly outweighing global growth concerns and geopolitical tensions towards the end of the year.

Major central banks across the globe continue to diverge in their policies; with the Bank of Japan (BoJ) and European Central Bank (ECB) remaining relatively accommodative due to weaker than expected economic figures while the Fed has continued tightening on the back of a relatively strong US economy. The Monetary Authority of Singapore (MAS) tightened monetary policy twice in 2018 by "slightly" increasing the slope of the Singapore dollar nominal effective exchange rate (SGD NEER) in April and October, but kept the midpoint and bandwidth of the band unchanged. Singapore's full year 2018 growth is expected to come in at 3.0 to 3.5%, in line with earlier forecasts despite the economy losing steam in 2018 amidst global geopolitical and trade uncertainties.

Credit wise, 2018 was a challenging environment for both Singapore and Asian US dollar credits throughout most of the year. Corporate spreads ended 2018 broadly wider, with investment grade spreads outperforming high yields spreads as investors rotated heavily out of lower quality, higher yielding issuers.

Global equities corrected significantly in 2018, with investors pricing in risks stemming from unabated trade and geopolitical tensions against a backdrop of the Fed intent on tightening monetary conditions. Oil ended the year weaker relative to where it started as the outlook for demand weakened even as supply held steady.

#### Fund Review

In 2018, the Fund returned 1.12% (NAV to NAV basis), underperforming the benchmark by 1.33%. The main detractor from performance was wider corporate spreads in both Asian US and Singapore dollar bonds and higher yields. However, that was partially offset by positive carry throughout the year.

#### Outlook

We expect global growth to moderate in 2019, especially in the US. The Fed has raised interest rates four times in 2018, on the back of strong economic growth, tight labour market and inflation on target. We are of the view that the Fed is approaching the end of its current interest rate hiking cycle and forecast another one to two hikes in 2019 before coming to a pause. This should provide some stability in US interest rates. In addition, while the US has entered into the late stage of the business cycle and are slated for slower growth in 2019, we do not think that it will tip over into a recession.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

Similarly, we expect Singapore's growth to moderate and inflation to ease in 2019. This is mainly due to increasing external headwinds and domestic structural challenges. Against this backdrop, there's a possibility that the tightening bias in monetary policy might be downshifted to neutral.

In terms of credits, Asia and Singapore corporate bonds have repriced in 2018 due to higher rates and wider credit spreads. As we start 2019, the yields and spreads available in Asia and Singapore credits remain elevated and as such we do see strong value in the market. While we recognise rising idiosyncratic risks and slowing growth in Asia, we also feel that the risk-reward for the better quality investment grade look favourable, particularly from a long-term perspective. We believe that bottom-up credit selection remains key to generating returns with opportunities to invest in better quality names at attractive valuations while actively avoiding the weakest credits.

# Manager's Investment Report

## As at 31 December 2018

### Manulife Singapore Equity Fund ("The Fund")

#### Market Overview<sup>1</sup>

For the period under review, the Singapore equity market declined by about 7.6%. Market sentiment was strong in the first half of the year with market making positive gains on expectations of global synchronous growth. However, a number of macro worries soon surfaced in the second half that resulted in a global market correction. Firstly, we had the escalation of the trade dispute between the US and China into a full trade war. Secondly, the continued interest rate hikes by the Federal Reserve and the flattening of the yield curve sparked concerns of imminent recessions in the US, despite a still robust economy. Finally, the steep correction in the US market in the final months of the year unnerved investors globally, and sent most markets into bear territory.

On the domestic front, economic data was resilient throughout the year, although the strength of the economy moderated somewhat in the second half. Sentiment was however, much more bearish, given the negative headlines of the trade war. One surprise was on the property market, where the authorities further tightened on property measures by increasing further transaction taxes on property transactions. This has quickly moderated the previously red hot property sector.

There were few gainers in the market marked by steep decline across multiple sectors. The gainers include Creative Technology on the launch of its new headphone products, Comfortdelgro on the consolidation of the private hire market where Grab and Uber agreed on a merger, and Capitalmall Trust on its defensive cash flow model. On the other hand, the losers were concentrated on the property names such as City Development and UOL Land given the punitive property measures, and the Offshore and Marine sector like Keppel Corp due to the decline in crude oil prices.

#### Fund Review

The Fund lagged the benchmark for the period under review. Key detractor to performance was our overweight on Technology sector such as Venture Corp as the stock fell on concerns over the trade war impacting the sector, despite positive earnings delivery. Positive contributors include Comfortdelgro which did well on sector consolidation.

#### Outlook

Looking ahead, the Ministry of Trade and Industry expects GDP growth to sustain at 1.5% to 3.5% for 2019<sup>2</sup>. We expect economic activities to moderate on slower global growth due to uncertainties linked to the trade war and higher interest rate. On sector preference, we are overweight on defensive quality names with bottom up drivers to create shareholder value. We see more value in selected sectors such as Consumer Staples, Healthcare, and Domestic Transport.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

<sup>2</sup> Source: Ministry of Trade, as of November 2018



# Manager's Investment Report

## As at 31 December 2018

### Manulife Asian Small Cap Equity Fund ("The Fund")

#### Market Overview<sup>1</sup>

Asia Pacific ex Japan small cap equity markets posted losses in 2018 on the back of increased Sino-US trade tensions, continued macro headwinds, and volatile global markets. Regional markets moved roughly sideways for the first half of the year, except for a sharp market correction in the US (February). In June, trade protectionism and geopolitical concerns sent Asian markets lower as the US announced tariffs on Chinese imports, and issues over Italy's 2019 budget emerged. Ongoing Sino-US trade tensions roiled regional markets for most of the second-half of 2018, leading both sides to impose escalating tranches of tariffs that caused risk-off sentiment until a "trade truce" was reached on the sidelines of the G-20 summit at the end of November. The normalisation of interest rates by the Federal Reserve Board (Fed), resulting in four interest rate hikes, led to higher Treasury yields and a stronger US dollar. These headwinds contributed to two emerging market sell-offs (May/June and August), which triggered substantial capital outflows, and currency weakness and interest rate hikes in certain Asian markets (running current account deficits). Higher oil prices, initially caused by US sanctions on Iran, raised inflationary pressures in regional net oil importers before retreating. Finally, concerns over decelerating global growth led to deep corrections in the US markets in October and December, leading Asian markets and 2019 regional earnings estimates sharply lower.

#### Fund Review

The primary driver of the underlying fund's detracting during the period was stock selection at the country and sector levels. Stock selection in Australia, South Korea and Singapore negatively impacted performance. During the year, the underlying fund reduced its weight in Australia to refocus on countries where we have country specialists and local investment teams with a focus on companies that have a strong domestic position with the potential to grow globally or those that operate in an oligopolistic environment. South Korean small caps were one of the worst performers globally in 2018, using the KOSDAQ as a proxy. The overweight in India and China also detracted from performance. Partly offsetting the detracting was stock selection in India and Indonesia and the underweight in Australia.

Detracting from performance was a raw wafer supplier based in Taiwan over concerns of slow demand and customers' conservative views on the future outlook which could trigger an inventory correction. However, we believe that the demand for its key product offering remains strong and that the market has overlooked the impact of the company's long-term agreements with its customers which should provide medium-term earnings visibility. Also negatively impacting performance was a Chinese operator of higher education schools over concerns of margin pressure from higher staff costs, slower school ramp up and higher than expected finance costs.

The top contributor was a company that meets the criteria of having a strong domestic position with the potential to grow globally - a South Korean active wear apparel manufacturer that reported earnings that were stronger than expected. The company not only has a strong domestic presence but is also showing strong growth in its overseas business, particularly in China. Another positive contributor was a best-in-class Chinese oncology company that announced a number of positive developments over the period. These include initiating a global phase three study for a new type of cancer drug under their strategic collaboration with one of the largest US healthcare companies and announcing an exclusive license agreement to commercialise a US oncology company's drug in Asia.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

## Outlook

The second half of 2018 saw a confluence of negative forces roiling in equity markets: There were concerns over the global growth outlook and emerging markets, a trade war between the world's largest economies, contraction in liquidity, and a general decline in earnings expectations. We are of the view that resolutions to trade tensions will require patience and macro and geopolitical risks remain around the world in 2019. That said, many of the impacts on trade are being priced in and regional policymakers and monetary authorities are increasingly aware of the risks to the downside and poised to act constructively. We will continue to seek attractive domestic opportunities and/or global niche markets with ideally oligopolistic market structures that minimise the initial impacts of trade frictions.

# Manager's Investment Report

## As at 31 December 2018

### Manulife Asia Pacific Investment Grade Bond Fund ("The Fund")

#### Market Overview<sup>1</sup>

In the US, the Federal Reserve Board (Fed) increased its federal funds target range four times over the year, each time by 25 basis points, to the target rate range between 2.25% and 2.50%. US Treasury yields were volatile and trended higher amid rising inflation expectations, volatility in broad emerging markets and rising US-China trade tensions. Towards the end of the year, US Treasury yields retraced to lower levels as post-meeting comments were not as dovish as some market participants had hoped, which led to underperformance in risk assets and safe haven flows. Overall, the 10-year US Treasury yield rose from 2.41% to 2.68% over the period.

In China, the economy showed further signs of deceleration amid continued China-US trade tensions. China's gross domestic product growth slowed to 6.5% in the third quarter, missing market expectations and registering the weakest year-over-year quarterly growth rate since 2009. Chinese government bond yields fell over the period as market participants expected the People's Bank of China to lean towards a monetary policy easing bias towards the end of the period. In India, with Reserve Bank of India (RBI) governor Urjit Patel announcing his resignation, market participants now expect the RBI to take a more dovish stance going forward. In Indonesia, Bank Indonesia raised its key interest rate six times as a means to defend its currency and stabilise their financial market. The Indonesian government also plans to introduce measures reducing imports in a bid to improve the country's external position. Indonesian government bond yields rose over the period amid selling by foreign investors.

Asian corporate credit markets saw small gains amid a volatile US Treasury yield environment. The JP Morgan Asian Investment Grade Corporate Bond Index returned 0.24% in US dollar terms.

The majority of Asian currencies, including the Singapore dollar, weakened against the US dollar amid a strong US dollar environment and Fed interest rate hikes. The Indian rupee was one of the worst performing currencies amid resurgent oil prices and a widening trade deficit.

#### Fund Review

The Fund's overall currency positioning contributed to performance. Its exposure to the US dollar was a notable contributor amid a strong US dollar environment. In addition, the Fund's overall security selection contributed positively towards performance; its bond holding in the Chinese chemical sector and Singapore banking sector were notable performers. On the other hand, its exposure to Indonesian local currency bonds detracted from performance.

#### Outlook

Heading into 2019, we are more optimistic in the view that market repricing in Asian bonds is nearing its end. We believe we may be approaching the end of the current cycle of interest rate increases, and that the Fed may raise interest rates one more time in the first half of 2019, which is what the market is roughly pricing in. Based on a scenario of moderating US growth, we do not believe that long-term US interest rates are likely to rise sharply for a prolonged period. However, the direction of interest rates is less certain for the second half of 2019.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

Asian bonds should be a key beneficiary of a moderating US growth trend, as investors who left the Asian region for US assets may return as the US growth rate slows and the interest rate differential with Asia narrows. From a regional perspective, Asian central banks may generally take more moderate stances as the focus may shift from external factors, such as US interest rate increases and volatility in broader emerging markets, to domestic factors, such as inflation and growth. We believe that the combination of strong fundamentals in Asia and the repricing of Asian bonds in 2018 should provide ample opportunities in Asian rates, credit and currencies in 2019.

# Manager's Investment Report

## As at 31 December 2018

### Manulife Global Asset Allocation - Managed Growth Fund ("The Fund")

#### Market Overview<sup>1</sup>

2018 was the worst year for US stocks since 2008 as it is the second year in the past decade that both the Dow Jones Industrial Average and the S&P 500® Index declined. December was particularly difficult, recording its worst showing month since 1931, when the market was careening toward the lows of the Great Depression. As represented by the S&P 500 index, US stocks fell 4.50% during the period. Foreign stocks in developed markets finished the year considerably behind their US counterparts. A stronger US dollar, especially in the second quarter, was a headwind for the group. Slowing economic growth in some key countries and the prospect of less-accommodative monetary policy by the European Central Bank also hampered returns. As represented by the MSCI EAFE index, this group fell 13.36% in 2018. Despite outperforming developed-market stocks in the fourth quarter, emerging-market equities fared relatively poorly for 2018 overall amid rising US interest rates, unfavourable currency movements, and weakening economic growth in China. As represented by the MSCI EM index, emerging market stocks fell -14.25%.

Within fixed income, economic strength led to four Federal Reserve Board (Fed) funds rate hikes within the US. The US 10-year Treasury yield ended the period at 2.68%, up from 2.41%, after peaking above 3% early in the fourth quarter. Corporate credit trailed government debt during the period, reflecting rising risk-aversion amongst market participants. Overall, the MSCI World Index registered a return of -8.20% in US dollar terms during the period while the Bloomberg Barclays Global Aggregate Index registered a return of -1.20% in US dollar terms.

#### Fund Review

During the trailing one-year period, the fund experienced negative performance. The Fund benefited from exposure to US core bonds but was hurt by exposure to European and US equities.

During the period, the Fund substantially increased exposure to US assets in both equity and fixed income as during most of the year, US assets experienced substantial positive price momentum relative to the assets of other regions.

#### Outlook

While the US stock market's fourth quarter swoon may not have pushed it officially into bear market territory, it did blunt the momentum of US stocks. Although US economic activity has shown some signs of slowing from recent elevated levels, most measures do not suggest a recession. And, while China has struggled to maintain desired growth levels and European debt and political dynamics have kept a lid on growth there, the primary drivers of market moves have had more to do with concerns over Fed policy and trade. While we do not believe the US has entered into a recession, the lagged effects of the Fed's policy moves and weakness in global growth could put pressure on corporate revenues. Market-based measures have quickly flipped from suggesting that the investing world expects rate hikes in 2019 to now expecting possible rate cuts. Statements from Fed officials, including Chair Jerome Powell following the December hike, indicate that deteriorating financial conditions could push the Fed to a more accommodative stance. Trade policy is a wild card that could dampen corporate investment and disrupt global supply chains. However, administration hardliners could take a back seat if President Trump feels that he needs to make a deal. Clear shifts in either Fed policy or trade tensions could trigger a return to risk-seeking which would likely drive prices for assets like stocks and corporate bonds higher.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

# Manager's Investment Report

## As at 31 December 2018

### Manulife Global Asset Allocation - Growth Fund ("The Fund")

#### Market Overview<sup>1</sup>

2018 was the worst year for US stocks since 2008 as it is the second year in the past decade that both the Dow Jones Industrial Average and the S&P 500® Index declined. December was particularly difficult, recording its worst showing month since 1931, when the market was careening toward the lows of the Great Depression. As represented by the S&P 500 index, US stocks fell 4.50% during the period. Foreign stocks in developed markets finished the year considerably behind their US counterparts. A stronger US dollar, especially in the second quarter, was a headwind for the group. Slowing economic growth in some key countries and the prospect of a less accommodative monetary policy by the European Central Bank also hampered returns. As represented by the MSCI EAFE index, this group fell 13.36% in 2018. Despite outperforming developed market stocks in the fourth quarter, emerging market equities fared relatively poorly for 2018 overall amid rising US interest rates, unfavourable currency movements, and weakening economic growth in China. As represented by the MSCI EM index, emerging market stocks fell -14.25%.

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#### Fund Review

During the trailing one-year period, the Fund experienced negative performance. The Fund benefited from exposure to US core bonds but was hurt by exposure to European and US equities.

During the period, the Fund substantially increased exposure to US assets in both equity and fixed income as during most of the year, US assets experienced substantial positive price momentum relative to the assets of other regions.

#### Outlook

While the US stock market's fourth quarter swoon may not have pushed it officially into bear market territory, it did blunt the momentum of US stocks. Although US economic activity has shown some signs of slowing from recent elevated levels, most measures do not suggest a recession. And, while China has struggled to maintain desired growth levels and European debt and political dynamics have kept a lid on growth there, the primary drivers of market moves have had more to do with concerns over Fed policy and trade. While we do not believe the US has entered into a recession, the lagged effects of the Fed's policy moves and weakness in global growth could put pressure on corporate revenues. Market-based measures have quickly flipped from suggesting that the investing world expects rate hikes in 2019 to now expecting possible rate cuts. Statements from Fed officials, including Chair Jerome Powell following the December hike, indicate that deteriorating financial conditions could push the Fed to a more accommodative stance. Trade policy is a wild card that could dampen corporate investment and disrupt global supply chains. However, administration hardliners could take a back seat if President Trump feels that he needs to make a deal. Clear shifts in either Fed policy or trade tensions could trigger a return to risk-seeking which would likely drive prices for assets like stocks and corporate bonds higher.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

# Manager's Investment Report

## As at 31 December 2018

### Manulife SGD Income Fund ("The Fund")

#### Market and Portfolio Overview<sup>1</sup>

US treasury and Singapore sovereign yields ended 2018 broadly higher with the short-end rising as the Federal Reserve (Fed) continued normalising monetary conditions, hiking rates four times in 2018 in addition to further unwinding of its balance sheet. Longer end rates saw some volatility throughout the year with a strong US economy for most of 2018 slightly outweighing global growth concerns and geopolitical tensions towards the end of the year.

Major central banks across the globe continue to diverge in their policies; with the Bank of Japan (BoJ) and European Central Bank (ECB) remaining relatively accommodative due to weaker than expected economic figures while the Fed has continued tightening on the back of a relatively strong US economy. The Monetary Authority of Singapore (MAS) tightened monetary policy twice in 2018 by "slightly" increasing the slope of the Singapore dollar nominal effective exchange rate (SGD NEER) in April and October, but kept the midpoint and bandwidth of the band unchanged. Singapore's full year 2018 growth is expected to come in at 3.0 – 3.5%, in line with earlier forecasts despite the economy losing steam in 2018 amidst global geopolitical and trade uncertainties.

Credit wise, 2018 was a challenging environment for both Singapore and Asian US dollar credits throughout most of the year. Corporate spreads ended 2018 broadly wider, with investment grade spreads outperforming high yields spreads as investors rotated heavily out of lower quality, higher yielding issuers.

Global equities corrected significantly in 2018, with investors pricing in risks stemming from unabated trade and geopolitical tensions against a backdrop of the Fed intent on tightening monetary conditions. Oil ended the year weaker relative to where it started as the outlook for demand weakened even as supply held steady.

#### Fund Review

The Fund's performance was negative (NAV to NAV basis) in 2018, primarily attributed to wider corporate spreads in both Singapore and Asian US dollar bonds as well as higher yields.

#### Outlook

We expect global growth to moderate in 2019, especially in the US. The Fed has raised interest rates four times in 2018, on the back of strong economic growth, tight labour market and inflation on target. We are of the view that the Fed is approaching the end of its current interest rate hiking cycle and forecast another one to two hikes in 2019 before coming to a pause. This should provide some stability in US interest rates. In addition, while the US has entered into the late stage of the business cycle and are slated for slower growth in 2019, we do not think that it will tip over into a recession.

Similarly, we expect Singapore's growth to moderate and inflation to ease in 2019. This is mainly due to increasing external headwinds and domestic structural challenges. Against this backdrop, there's a possibility that the tightening bias in monetary policy might be downshifted to neutral.

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<sup>1</sup> Source: Bloomberg and Manulife Asset Management, as of 31 December 2018

In terms of credits, Asia and Singapore corporate bonds have repriced in 2018 due to higher rates and wider credit spreads. As we start 2019, the yields and spreads available in Asia and Singapore credits remain elevated and as such we do see strong value in the market. While we recognise rising idiosyncratic risks and slowing growth in Asia, we also feel that the risk-reward for the better quality investment grade look favourable, particularly from a long-term perspective. We believe that bottom-up credit selection remains key to generating returns with opportunities to invest in better quality names at attractive valuations while actively avoiding the weakest credits.



## **Report of the Trustee**

### **For the financial year ended 31 December 2018**

The Trustee is under a duty to take into custody and hold the assets of the sub-funds of Manulife Funds, namely Manulife Singapore Bond Fund, Manulife Singapore Equity Fund, Manulife Asian Small Cap Equity Fund, Manulife Asia Pacific Investment Grade Bond Fund, Manulife Global Asset Allocation - Managed Growth Fund, Manulife Global Asset Allocation - Growth Fund and Manulife SGD Income Fund (collectively referred to as the "Funds") in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Funds during the year covered by these financial statements, set out on pages 20 to 134, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee

HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

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Authorised signatory  
18 March 2019

## **Statement by the Manager**

### **For the financial year ended 31 December 2018**

In the opinion of the directors of Manulife Asset Management (Singapore) Pte Ltd (the “Manager”), the accompanying financial statements set out on pages 20 to 134, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements in Unitholders’ Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of sub-funds of Manulife Funds, namely Manulife Singapore Bond Fund, Manulife Singapore Equity Fund, Manulife Asian Small Cap Equity Fund, Manulife Asia Pacific Investment Grade Bond Fund, Manulife Global Asset Allocation - Managed Growth Fund, Manulife Global Asset Allocation - Growth Fund and Manulife SGD Income Fund (collectively referred to as the “Funds”) as at 31 December 2018, and the financial performance and movements in unitholders’ funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Funds will be able to meet its financial obligations as and when they materialise.

For and on behalf of the directors of

MANULIFE ASSET MANAGEMENT (SINGAPORE) PTE. LTD.

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Chan Hock Fai  
Director

18 March 2019

# **Independent Auditor's Report to the Unitholders of Manulife Funds** (Constituted under a Trust Deed in the Republic of Singapore) **For the financial year ended 31 December 2018**

## **Opinion**

We have audited the financial statements of the sub-funds of Manulife Funds, namely Manulife Singapore Bond Fund, Manulife Singapore Equity Fund, Manulife Asian Small Cap Equity Fund, Manulife Asia Pacific Investment Grade Bond Fund, Manulife Global Asset Allocation - Managed Growth Fund, Manulife Global Asset Allocation - Growth Fund and Manulife SGD Income Fund (collectively referred to as the "Funds"), which comprise the Statement of Financial Position and Statement of Portfolio as at 31 December 2018, and the Statement of Total Return and Statement of Movements of Unitholders' Funds for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants so as to present fairly, in all material respects, the financial position and portfolio holdings of the Funds as at 31 December 2018 and the financial performance and movements in unitholders' funds for the year ended on that date.

## **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 section of our report. We are independent of 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**

The Funds' Manager (the "Manager") is responsible for other information which comprises the information on service providers, manager's investment report, report to unitholders and statement by the manager. The Fund's Trustee (the "Trustee") is responsible for other information which comprises report of the trustee. These other information 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.

## **Responsibilities of the Manager for the financial statements**

The Manager is responsible for the preparation of financial statements in accordance with the Recommendations of the Statement of Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Singapore Chartered Accountants, and for such internal controls as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager 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 the Manager either intends to terminate the Funds or to cease operations, or has no realistic alternative but to do so.

The Manager’s 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 Manager.
- Conclude on the appropriateness of Manager’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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee 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  
18 March 2019

**Financial Statements**  
**Statement of Total Return**  
**For the financial year ended 31 December 2018**

		<b>Manulife Singapore Bond Fund</b>	
		For the financial year from 01/01/2018 to 31/12/2018	For the financial year from 01/01/2017 to 31/12/2017
	Note	S\$	S\$
<b>INCOME</b>			
Interest income		941,626	634,294
<b>LESS: EXPENSES</b>			
Management fee	10	243,707	140,597
Less: Management fee rebate	10	(18,000)	-
Registration fee	10	15,707	12,132
Trustee fee	10	14,623	10,000
Valuation fee	10	12,998	10,000
Custodian fee	10	6,426	3,178
Audit fee		17,500	17,500
Transaction cost		5,002	1,248
Miscellaneous		16,527	12,673
		314,490	207,328
<b>NET INCOME</b>		627,136	426,966
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net gains on investments		2,493,559	151,018
Net (losses)/gains on financial derivatives		(124,375)	328,399
Net foreign exchange losses		(86,487)	(60,953)
		2,282,697	418,464
<b>TOTAL RETURN FOR THE FINANCIAL YEAR BEFORE INCOME TAX</b>		<b>2,909,833</b>	<b>845,430</b>
Less: Income tax expense	3	-	-
<b>TOTAL RETURN FOR THE FINANCIAL YEAR AFTER INCOME TAX</b>		<b>2,909,833</b>	<b>845,430</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Total Return**  
For the financial year ended 31 December 2018

		<b>Manulife Singapore Equity Fund</b>	
		For the financial year from 01/01/2018 to 31/12/2018	For the financial year from 01/01/2017 to 31/12/2017
	Note	S\$	S\$
<b>INCOME</b>			
Dividends		490,335	363,460
<b>LESS: EXPENSES</b>			
Management fee	10	170,109	175,332
Registration fee	10	13,281	10,990
Trustee fee	10	10,000	10,000
Valuation fee	10	10,000	10,000
Custodian fee	10	3,721	3,752
Audit fee		17,500	17,500
Transaction cost		50,189	25,773
Miscellaneous		17,398	19,894
		292,198	273,241
<b>NET INCOME</b>		198,137	90,219
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net (losses)/gains on investments		(1,462,875)	2,439,222
Net foreign exchange losses		(1,100)	(1,473)
		(1,463,975)	2,437,749
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR BEFORE INCOME TAX</b>		<b>(1,265,838)</b>	<b>2,527,968</b>
Less: Income tax expense	3	(287)	(1,132)
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR AFTER INCOME TAX</b>		<b>(1,266,125)</b>	<b>2,526,836</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Total Return**  
**For the financial year ended 31 December 2018**

		<b>Manulife Asian Small Cap Equity Fund</b>	
		For the financial year from 01/01/2018 to 31/12/2018	For the financial year from 01/01/2017 to 31/12/2017
	Note	S\$	S\$
<b>INCOME</b>			
Dividends		111,726	262,306
<b>LESS: EXPENSES</b>			
Management fee	10	206,141	212,380
Less: Management fee rebate	10	(60,000)	(63,000)
Registration fee	10	15,182	13,126
Trustee fee	10	16,866	17,376
Valuation fee	10	11,244	11,584
Custodian fee	10	600	330
Audit fee		17,500	17,500
Transaction cost		2,790	3,300
Miscellaneous		12,951	14,224
		223,274	226,820
<b>NET (EXPENSE)/INCOME</b>		(111,548)	35,486
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net (losses)/gains on investments		(9,525,288)	10,621,627
Net foreign exchange losses		(14,419)	(13,057)
		(9,539,707)	10,608,570
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR BEFORE INCOME TAX</b>		<b>(9,651,255)</b>	<b>10,644,056</b>
Less: Income tax expense	3	-	-
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR AFTER INCOME TAX</b>		<b>(9,651,255)</b>	<b>10,644,056</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*



**Financial Statements**  
**Statement of Total Return**  
**For the financial year ended 31 December 2018**

**Manulife Asia Pacific Investment**  
**Grade Bond Fund**

	Note	For the financial year from 01/01/2018 to 31/12/2018 S\$	For the financial year from 01/01/2017 to 31/12/2017 S\$
<b>INCOME</b>			
Interest income		6,913,705	3,457,099
Sundry Income		1,868	3,131
		<u>6,915,573</u>	<u>3,460,230</u>
<b>LESS: EXPENSES</b>			
Management fee	10	1,277,750	709,301
Less: Management fee rebate	10	-	(12,200)
Registration fee	10	28,543	22,781
Trustee fee	10	76,665	42,594
Valuation fee	10	68,147	37,910
Custodian fee	10	30,353	15,621
Audit fee		17,500	17,500
Transaction cost		3,010	8,050
Miscellaneous		57,057	65,365
		<u>1,559,025</u>	<u>906,922</u>
<b>NET INCOME</b>		<b>5,356,548</b>	<b>2,553,308</b>
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net losses on investments		(2,186,158)	(5,021,740)
Net (losses)/gains on financial derivatives		(3,643,613)	4,653,360
Net foreign exchange gains		187,766	92,358
		<u>(5,642,005)</u>	<u>(276,022)</u>
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR BEFORE INCOME TAX</b>		<b>(285,457)</b>	<b>2,277,286</b>
Less: Income tax expense	3	(68,122)	(30,471)
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR AFTER INCOME TAX</b>		<b>(353,579)</b>	<b>2,246,815</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Total Return**  
**For the financial year ended 31 December 2018**

<b>Manulife Global Asset Allocation - Managed Growth Fund</b>			
		For the financial year from 01/01/2018 to 31/12/2018 US\$	For the financial year from 01/01/2017 to 31/12/2017 US\$
	Note		
<b>INCOME</b>			
Dividends		224,768	296,102
Interest income		10,541	3,503
Sundry income		282	2,754
		<u>235,591</u>	<u>302,359</u>
<b>LESS: EXPENSES</b>			
Management fee	10	120,969	137,331
Less: Management fee rebate	10	(17,386)	(19,620)
Registration fee	10	18,464	14,955
Trustee fee	10	8,000	8,000
Valuation fee	10	8,000	7,788
Custodian fee	10	4,903	2,118
Audit fee		13,496	13,187
Transaction cost		10,115	13,657
Miscellaneous		24,674	23,423
		<u>191,235</u>	<u>200,839</u>
<b>NET INCOME</b>		<b>44,356</b>	<b>101,520</b>
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net (losses)/gains on investments		(852,630)	651,431
Net (losses)/gains on financial derivatives		(31,862)	187,845
Net foreign exchange (losses)/gains		(6,936)	12,750
		<u>(891,428)</u>	<u>852,026</u>
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR BEFORE INCOME TAX</b>		<b>(847,072)</b>	<b>953,546</b>
Less: Income tax expense	3	(2,924)	(41,169)
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR AFTER INCOME TAX</b>		<b>(849,996)</b>	<b>912,377</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Total Return**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation -  
Growth Fund**

	Note	For the financial year from 01/01/2018 to 31/12/2018 US\$	For the financial year from 01/01/2017 to 31/12/2017 US\$
<b>INCOME</b>			
Dividends		3,358,753	4,357,859
Interest income		134,559	35,596
Sundry income		3,247	3,977
		<u>3,496,559</u>	<u>4,397,432</u>
<b>LESS: EXPENSES</b>			
Management fee	10	2,233,411	2,434,594
Less: Management fee rebate	10	(119,376)	(156,040)
Registration fee	10	95,791	84,428
Trustee fee	10	74,447	81,153
Valuation fee	10	66,175	69,110
Custodian fee	10	18,764	8,780
Audit fee		17,278	16,883
Transaction cost		87,050	155,972
Miscellaneous		74,655	69,264
		<u>2,548,195</u>	<u>2,764,144</u>
<b>NET INCOME</b>		<b>948,364</b>	<b>1,633,288</b>
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net (losses)/gains on investments		(15,267,757)	15,840,019
Net gains on financial derivatives		737,769	1,361,075
Net foreign exchange losses		(136,349)	(452,376)
		<u>(14,666,337)</u>	<u>16,748,718</u>
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR BEFORE INCOME TAX</b>		<b>(13,717,973)</b>	<b>18,382,006</b>
Less: Income tax expense	3	(170,320)	(776,489)
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR AFTER INCOME TAX</b>		<b>(13,888,293)</b>	<b>17,605,517</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Total Return**  
**For the financial year ended 31 December 2018**

		<b>Manulife SGD Income Fund</b>	<b>Income Fund</b>
		For the financial year from 01/01/2018 to 31/12/2018	For the financial period from 21/11/2016 (Date of launch) to 31/12/2017
	Note	\$	\$
<b>INCOME</b>			
Interest income		44,528,089	20,224,478
Sundry income		184,157	45,509
		<u>44,712,246</u>	<u>20,269,987</u>
<b>LESS: EXPENSES</b>			
Management fee	10	8,274,422	3,747,872
Registration fee	10	58,653	48,742
Trustee fee	10	443,641	200,393
Valuation fee	10	478,115	217,170
Audit fee		17,000	17,000
Preliminary expenses		-	43,600
Transaction cost		15,643	36,045
Miscellaneous		934,996	389,257
		<u>10,222,470</u>	<u>4,700,079</u>
<b>NET INCOME</b>		<b>34,489,776</b>	<b>15,569,908</b>
<b>NET GAINS OR LOSSES ON VALUE OF INVESTMENTS AND FINANCIAL DERIVATIVES</b>			
Net losses on investments		(39,349,381)	(10,854,891)
Net (losses)/gains on financial derivatives		(10,536,430)	7,885,501
Net foreign exchange (losses)/gains		(1,647,285)	28,652
		<u>(51,533,096)</u>	<u>(2,940,738)</u>
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR/PERIOD BEFORE INCOME TAX</b>		<b>(17,043,320)</b>	<b>12,629,170</b>
Less: Income tax expense		-	-
<b>TOTAL (DEFICIT)/RETURN FOR THE FINANCIAL YEAR/PERIOD AFTER INCOME TAX</b>		<b>(17,043,320)</b>	<b>12,629,170</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Financial Position**  
**As at 31 December 2018**

		Manulife Singapore Bond Fund		Manulife Singapore Equity Fund	
	Note	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
<b>ASSETS</b>					
Portfolio of investments		105,276,482	16,760,955	9,920,806	11,599,811
Cash and bank balances	5	3,515,366	202,827	34,459	146,574
Margin deposit		265,644	130,855	-	-
Sales awaiting settlement		-	-	86,499	-
Receivables	6	995,722	195,247	26,863	53,846
Financial derivatives at fair value	8	113,651	24,497	-	-
<b>TOTAL ASSETS</b>		<b>110,166,865</b>	<b>17,314,381</b>	<b>10,068,627</b>	<b>11,800,231</b>
<b>LIABILITIES</b>					
Payables	7	330,703	41,375	48,578	47,951
Purchase awaiting settlement		2,870,275	-	88,664	23,189
Financial derivatives at fair value	8	177,224	2,694	-	-
<b>TOTAL LIABILITIES</b>		<b>3,378,202</b>	<b>44,069</b>	<b>137,242</b>	<b>71,140</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	9	<b>106,788,663</b>	<b>17,270,312</b>	<b>9,931,385</b>	<b>11,729,091</b>
		Manulife Asian Small Cap Equity Fund		Manulife Asia Pacific Investment Grade Bond Fund	
	Note	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
<b>ASSETS</b>					
Portfolio of investments		32,151,251	39,078,292	177,786,345	141,997,773
Cash and bank balances	5	459,592	795,900	5,691,859	2,817,424
Margin deposit		-	-	598,570	944,622
Sales awaiting settlement		44,995	168,529	-	-
Receivables	6	82,293	34,435	2,489,018	2,235,826
Financial derivatives at fair value	8	-	-	744,758	1,250,651
<b>TOTAL ASSETS</b>		<b>32,738,131</b>	<b>40,077,156</b>	<b>187,310,550</b>	<b>149,246,296</b>
<b>LIABILITIES</b>					
Payables	7	153,339	411,766	440,379	696,697
Purchase awaiting settlement		49,579	9,988	-	-
Financial derivatives at fair value	8	-	-	398,992	-
<b>TOTAL LIABILITIES</b>		<b>202,918</b>	<b>421,754</b>	<b>839,371</b>	<b>696,697</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	9	<b>32,535,213</b>	<b>39,655,402</b>	<b>186,471,179</b>	<b>148,549,599</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Financial Position**  
**As at 31 December 2018**

		<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		<b>Manulife Global Asset Allocation - Growth Fund</b>	
		31/12/2018	31/12/2017	31/12/2018	31/12/2017
		US\$	US\$	US\$	US\$
<b>ASSETS</b>					
Portfolio of investments		8,182,383	11,275,860	115,169,235	188,172,266
Cash and bank balances	5	2,286,280	247,879	16,735,054	6,848,388
Sales awaiting settlement		-	57,500	-	-
Margin deposit		70,554	33,273	2,713,171	1,305,380
Receivables	6	1,819	23,456	288,759	1,331,931
Financial derivatives at fair value	8	11,627	23,075	82,189	162,751
<b>TOTAL ASSETS</b>		<b>10,552,663</b>	<b>11,661,043</b>	<b>134,988,408</b>	<b>197,820,716</b>
<b>LIABILITIES</b>					
Payables	7	67,626	73,046	2,357,523	2,982,073
Purchase awaiting settlement		-	46,208	-	1,546,065
Financial derivatives at fair value	8	31	19	16,785	1,269
<b>TOTAL LIABILITIES</b>		<b>67,657</b>	<b>119,273</b>	<b>2,374,308</b>	<b>4,529,407</b>
<b>EQUITY</b>					
<b>Net assets attributable to unitholders</b>	9	<b>10,485,006</b>	<b>11,541,770</b>	<b>132,614,100</b>	<b>193,291,309</b>

		<b>Manulife SGD Income Fund</b>	
		31/12/2018	31/12/2017
		S\$	S\$
<b>ASSETS</b>			
Portfolio of investments		848,869,074	932,222,637
Cash and bank balances	5	6,327,488	26,635,569
Margin deposit		4,232,632	3,251,318
Cash collateral		54,520	-
Sales awaiting settlement		8,672,018	-
Receivables	6	9,785,111	15,922,575
Financial derivatives at fair value	8	3,012,853	3,934,759
<b>TOTAL ASSETS</b>		<b>880,953,696</b>	<b>981,966,858</b>
<b>LIABILITIES</b>			
Payables	7	10,164,811	12,110,312
Purchase awaiting settlement		1,700,377	5,710,746
Financial derivatives at fair value	8	3,191,506	1,353,780
<b>TOTAL LIABILITIES</b>		<b>15,056,694</b>	<b>19,174,838</b>
<b>EQUITY</b>			
<b>Net assets attributable to unitholders</b>	9	<b>865,897,002</b>	<b>962,792,020</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Movements of Unitholders' Funds**  
**For the financial year ended 31 December 2018**

		<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	Note	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		17,270,312	20,824,265	11,729,091	11,487,859
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		2,909,833	845,430	(1,266,125)	2,526,836
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		95,304,512	964,620	1,173,131	419,017
Cancellation of units		(8,695,994)	(5,364,003)	(1,704,712)	(2,704,621)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		86,608,518	(4,399,383)	(531,581)	(2,285,604)
Total increase/(decrease) in net assets attributable to unitholders		89,518,351	(3,553,953)	(1,797,706)	241,232
<b>Net assets attributable to unitholders at the end of the financial year</b>	9	<u>106,788,663</u>	<u>17,270,312</u>	<u>9,931,385</u>	<u>11,729,091</u>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Movements of Unitholders' Funds**  
**For the financial year ended 31 December 2018**

		Manulife Asian Small Cap Equity Fund		Manulife Asia Pacific Investment Grade Bond Fund	
	Note	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		39,655,402	38,218,312	148,549,599	63,304,163
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		(9,651,255)	10,644,056	(353,579)	2,246,815
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		11,118,439	4,727,012	89,366,046	122,168,732
Cancellation of units		(8,587,373)	(13,933,978)	(51,064,149)	(39,137,889)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		2,531,066	(9,206,966)	38,301,897	83,030,843
Distribution	4	-	-	(26,738)	(32,222)
Total (decrease)/increase in net assets attributable to unitholders		(7,120,189)	1,437,090	37,921,580	85,245,436
<b>Net assets attributable to unitholders at the end of the financial year</b>	9	<b>32,535,213</b>	<b>39,655,402</b>	<b>186,471,179</b>	<b>148,549,599</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*



**Financial Statements**  
**Statement of Movements of Unitholders' Funds**  
**For the financial year ended 31 December 2018**

		Manulife Global Asset Allocation - Managed Growth Fund		Manulife Global Asset Allocation - Growth Fund	
	Note	31/12/2018 US\$	31/12/2017 US\$	31/12/2018 US\$	31/12/2017 US\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		11,541,770	12,558,732	193,291,309	159,945,099
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		(849,996)	912,377	(13,888,293)	17,605,517
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		826,928	843,195	42,402,614	81,499,937
Cancellation of units		(655,870)	(2,334,577)	(77,674,686)	(53,114,264)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		171,058	(1,491,382)	(35,272,072)	28,385,673
Distribution	4	(377,826)	(437,957)	(11,516,844)	(12,644,980)
Total (decrease)/increase in net assets attributable to unitholders		(1,056,764)	(1,016,962)	(60,677,209)	33,346,210
<b>Net assets attributable to unitholders at the end of the financial year</b>	9	<u>10,485,006</u>	<u>11,541,770</u>	<u>132,614,100</u>	<u>193,291,309</u>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Movements of Unitholders' Funds**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**

		For the financial period from 21/11/2016 (Date of launch) to 31/12/2017
	31/12/2018	31/12/2017
	S\$	S\$
Note		
<b>Net assets attributable to unitholders at the beginning of the financial year/period</b>	962,792,020	-
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	(17,043,320)	12,629,170
<b>Unitholders' contributions/ (withdrawals)</b>		
Creation of units	263,906,985	1,041,539,487
Cancellation of units	(307,112,667)	(68,870,792)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(43,205,682)	972,668,695
Distribution	4 (36,646,016)	(22,505,845)
Total (decrease)/increase in net assets attributable to unitholders	(96,895,018)	962,792,020
<b>Net assets attributable to unitholders at the end of the financial year/period</b>	9 <b>865,897,002</b>	<b>962,792,020</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Bond Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary</b>			
<b>Fixed income securities</b>			
<b>Airlines</b>			
Singapore Airlines Ltd MTN (BR) 3.13% 17/11/2026	250,000	248,693	0.23
Singapore Airlines Ltd Ser EMTN (BR) 3.16% 25/10/2023	1,250,000	1,263,100	1.18
Singapore Airlines Ltd Ser MTN (BR) 3.035% 11/04/2025	250,000	248,080	0.23
Singapore Airlines MTN 3.75% 08/04/2024	250,000	259,232	0.24
Total Airlines		2,019,105	1.88
<b>Banks</b>			
Australia and New Zealand Banking Group EMTN VAR 23/03/2027	1,000,000	1,000,390	0.94
Bank of Philippine Island Ser EMTN 4.25% 04/09/2023	200,000	272,607	0.26
BNP Paribas EMTN (BR) Var 03/12/2025	1,000,000	1,013,470	0.95
CMHI Finance Bvi Co Ltd 4.375% 06/08/2023	200,000	274,360	0.26
HSBC Holdings Plc Ser EMTN Var Perpetual	250,000	250,013	0.23
Kasikornbank Pcl HK EMTN 3.256% 12/07/2023	200,000	266,173	0.25
National Australia Bank VAR 19/05/2028	1,000,000	1,014,700	0.95
Oversea-Chinese Banking Var Perpetual	1,250,000	1,259,137	1.18
Societe Generale EMTN (BR) 4.3% 19/05/2026	500,000	505,490	0.47
Standard Chartered PLC (BR) VAR 23/01/2026	500,000	507,380	0.48
Union Bank Of Philippines Ser EMTN 3.369% 29/11/2022	200,000	260,925	0.24
United Overseas Bank Ltd 4% 29/12/2049	750,000	759,082	0.71
United Overseas Bank Ltd MTN Var 22/05/2026	750,000	757,672	0.71
United Overseas Bank Ltd VAR Perpetual	250,000	253,933	0.24
Westpac Banking Corp EMTN (BR) Var 4% 12/08/2027	1,000,000	1,010,780	0.95
Total Banks		9,406,112	8.82
<b>Chemical</b>			
CNAC HK Finbridge Co Ltd 4.625% 14/03/2023	500,000	687,586	0.64
CNAC HK Finbridge Co Ltd 5.125% 14/03/2028	200,000	276,390	0.26
Total Chemical		963,976	0.90

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Bond Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>City Gas</b>			
Beijing Gas SG Capital 2.75% 31/05/2022	700,000	917,071	0.86
<b>Commercial Services</b>			
Korea Expressway Corp Ser 3.625% 22/10/2021	200,000	275,929	0.26
<b>Computers</b>			
Lenovo Group Ltd EMTN 3.875% 16/03/2022	200,000	255,377	0.24
<b>Construction</b>			
CRCC Yuxiang Ltd 3.5% 16/05/2023	700,000	938,868	0.88
<b>Diversified Resources</b>			
Wharf Finance No 1 Ltd EMTN (BR) 4.5% 20/07/2021	250,000	262,475	0.25
<b>Electronic</b>			
SPIC LUX LATAM RE ENER 4.65% 30/10/2023	492,000	671,986	0.63
<b>Finance</b>			
CDBL Funding 1 Ser EMTN 3% 24/04/2023	500,000	649,596	0.61
Charming Light Investment Ltd Ser EMTN 2.375% 30/08/2021	700,000	910,044	0.85
China Grt Wall Intl III Ser EMTN 3.125% 31/08/2022	700,000	924,289	0.87
Far East Horizon Ltd EMTN FRN 03/07/2021	200,000	271,918	0.25
Ford Motor Credit Co Llc 3.7% 11/03/2019	1,000,000	1,002,670	0.94
Hengjian Intl Invt Ltd 2.75% 11/07/2020	700,000	933,067	0.87
ICBCIL Finance Co Ltd EMTN FRN 15/05/2021	200,000	271,379	0.25
Temasek Financial (IV) Private Ltd 2.7% 25/10/2023	1,000,000	1,013,490	0.95
Value Success International EMTN 4.125% 06/09/2019	1,500,000	1,515,015	1.42
<b>Total Finance</b>		<b>7,491,468</b>	<b>7.01</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Bond Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Government</b>			
China Government Bond 4% 19/10/2048	200,000	272,446	0.26
Government of Singapore 2.375% 01/06/2025	4,240,000	4,346,466	4.07
Government of Singapore 2.625% 01/05/2028	5,092,000	5,347,720	5.01
Government of Singapore 2.75% 01/03/2046	3,610,000	3,845,589	3.60
Government of Singapore 2.75% 01/04/2042	8,254,000	8,766,904	8.21
Government of Singapore 2.75% 01/07/2023	450,000	466,447	0.44
Government of Singapore 2.875% 01/07/2029	360,000	387,623	0.36
Government of Singapore 2.875% 01/09/2030	2,575,000	2,774,073	2.60
Government of Singapore 3.375% 01/09/2033	7,234,000	8,243,071	7.72
Government of Singapore 3.5% 01/03/2027	1,598,000	1,781,690	1.67
Housing & Development Board Ser MTN (BR) 2.035% 16/09/2026	1,000,000	980,630	0.92
Housing & Development Berhad Ser MTN (BR) 2.55% 20/11/2023	2,000,000	2,043,660	1.91
Land Transport Authority 3.275% 29/10/2025	1,500,000	1,595,175	1.49
Land Transport Authority Ser EMTN (BR) 3.43 30/10/2053	750,000	779,280	0.73
Land Transport Authority Ser MTN (BR) 3.45% 30/07/2058	250,000	260,733	0.24
Mas Bill 167 Zcp 18/06/2019	2,900,000	2,872,813	2.69
Mas Bill 168 Zcp 21/05/2019	2,500,000	2,480,587	2.32
Mas Bill 28 Zcp 04/01/2019	4,000,000	3,999,580	3.75
Mas Bill 84 Zcp 01/03/2019	2,137,000	2,130,162	1.99
Mas Bill 84 Zcp 25/01/2019	4,500,000	4,494,285	4.21
Government of Singapore 2.25% 01/08/2036	3,861,000	3,833,857	3.59
US Treasury 3.125% 15/05/2048	110,000	153,387	0.14
Total Government		61,856,178	57.92
<b>Hotel</b>			
City Developments Ltd MTN (BR) 3.78% 21/10/2024	500,000	514,450	0.48
<b>Investment</b>			
HK Land Treasury EMTN (BR) 3.43% 14/05/2020	250,000	253,180	0.24
Huarong Finance 2017 Co 3.2% 27/04/2021	1,750,000	1,696,293	1.59
Total Investment		1,949,473	1.83

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Bond Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Metals</b>			
MCC Holding HK Corp Ltd 2.95% 31/05/2020	200,000	269,041	0.25
<b>Miscellaneous</b>			
SIHC International Capital 4.35% 26/09/2023	700,000	960,612	0.90
<b>Oil &amp; Gas</b>			
CNOOC Curtis Funding No.1 Pty Ltd Ser 4.5% 03/10/2023	700,000	982,050	0.92
SK Innovation Co Ltd 4.125% 13/07/2023	200,000	275,818	0.26
Talent Yield Investments 4.5% 25/04/2022	700,000	972,738	0.91
Total Oil & Gas		2,230,606	2.09
<b>Real Estate</b>			
China Overseas Finance Cayman VI Ltd 4.25% 08/05/2019	200,000	273,974	0.26
China Overseas Finance Ser A 3.95% 15/11/2022	500,000	680,076	0.64
City Developments Ltd MTN (BR) 3.48% 03/04/2023	250,000	253,275	0.24
City Developments Ltd MTN (BR) 3.9% 21/03/2024	250,000	258,257	0.24
City Developments Ltd Ser MTN (BR) 3% 02/04/2020	250,000	250,375	0.23
Lendlease Finance Ltd 3.9% 27/04/2027	250,000	235,910	0.22
Sun Hung Kai Properties Capital MTN (BR) 3.25% 20/05/2021	250,000	253,505	0.24
Total Real Estate		2,205,372	2.07

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Bond Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Real Estate Investment Trust</b>			
Ascendas Real Estate Investment TR MTN (BR) 3.14% 02/03/2025	250,000	250,275	0.23
Ascendas Real Estate Investment TR MTN (BR) 4% 03/02/2022	250,000	259,097	0.24
Ascendas Real Estate Investment Var Perpetual CapitaMall Trust 3.08% 20/02/2021	1,000,000	1,021,110	0.96
CCT MTN Pte Ltd MTN (BR) 2.77% 04/07/2022	250,000	249,997	0.23
CCT MTN Pte Ltd MTN 2.98% 14/02/2021	1,250,000	1,242,313	1.16
CCT MTN Pte Ltd Ser MTN (BR) 3.327% 21/03/2025	250,000	251,038	0.24
CMT MTN Pte Ltd MTN (BR) 3.2115% 09/11/2023	500,000	504,093	0.47
CMT MTN Pte Ltd Ser EMTN 3.2% 21/08/2025	1,000,000	1,012,030	0.95
Keppel REIT MTN Pte Ltd MTN (BR) 3.15% 11/02/2022	1,000,000	1,007,380	0.94
Mapletree Commercial Trust Series MTN (BR) 2.795% 15/11/2023	250,000	250,382	0.23
Mapletree Industrial Trust MTN 3.79% 02/03/2026	500,000	493,923	0.46
RCS Trust Ser EMTN 3.05% 04/09/2024	250,000	256,027	0.24
RCS Trust Ser MTN 2.6% 05/06/2023	750,000	749,625	0.70
RCS Trust Ser MTN 3.2% 14/03/2025	1,000,000	988,770	0.93
Starhill Global REIT Ser MTN (BR) 26/02/2021	250,000	250,465	0.23
Suntec REIT MTN Pte Ltd EMTN 3.35% 10/02/2020	1,000,000	1,010,910	0.95
	250,000	251,610	0.24
<b>Total Real Estate Investment Trust</b>		<b>10,049,045</b>	<b>9.40</b>
<b>Telecommunications</b>			
Starhub Ltd EMTN 3.55% 08/06/2026	250,000	250,408	0.23
<b>Transport</b>			
Singapore Post Ltd VAR Perpetual	1,250,000	1,276,325	1.20
<b>Utilities</b>			
Public Utilities Board (BR) 3.52% 26/10/2020	500,000	512,605	0.48
<b>Portfolio of investments</b>		<b>105,276,482</b>	<b>98.58</b>
<b>Accrued interest on fixed income securities</b>		<b>716,051</b>	<b>0.67</b>
<b>Other net assets</b>		<b>796,130</b>	<b>0.75</b>
<b>Net assets attributable to unitholders</b>		<b>106,788,663</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements  
Statement of Portfolio  
As at 31 December 2018**

**Manulife Singapore Bond Fund**

	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2017 %</b>
<b>By Industry - Primary (Summary)</b>		
<b>Fixed income securities</b>		
Airlines	1.88	1.47
Auto & Trucks	-	1.52
Banks	8.82	17.98
Chemical	0.90	1.55
City Gas	0.86	1.52
Commercial Services	0.26	-
Computers	0.24	-
Construction	0.88	-
Diversified resources	0.25	1.56
Electronic	0.63	-
Finance	7.01	7.58
Government	57.92	25.83
Hotel	0.48	-
Investments	1.83	4.41
Metals	0.25	1.54
Miscellaneous	0.90	-
Oil & gas	2.09	3.14
Real estate	2.07	9.20
Real estate investment trust	9.40	11.99
Retail	-	1.55
Telecommunications	0.23	3.09
Transport	1.20	1.53
Utilities	0.48	1.59
<b>Portfolio of investments</b>	<b>98.58</b>	<b>97.05</b>
<b>Accrued interest on fixed income securities</b>	<b>0.67</b>	<b>0.86</b>
<b>Other net assets</b>	<b>0.75</b>	<b>2.09</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*



**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Bond Fund**

	Fair value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Geography* - Secondary</b>			
<b>Fixed income securities</b>			
Australia	3,261,780	3.06	6.16
China	12,853,806	12.05	16.87
France	1,518,960	1.42	-
Great Britain	757,393	0.71	4.46
Hong Kong	3,266,350	3.06	4.61
Indonesia	-	-	1.55
Japan	-	-	1.54
Malaysia	-	-	1.58
Philippines	533,532	0.49	1.54
Singapore	81,110,684	75.94	54.30
South Korea	551,747	0.52	2.96
Thailand	266,173	0.25	-
United States of America	1,156,057	1.08	1.48
<b>Portfolio of investments</b>	<b>105,276,482</b>	<b>98.58</b>	<b>97.05</b>
<b>Accrued interest on fixed income securities</b>	<b>716,051</b>	<b>0.67</b>	<b>0.86</b>
<b>Other net assets</b>	<b>796,130</b>	<b>0.75</b>	<b>2.09</b>
<b>Net assets attributable to unitholders</b>	<b>106,788,663</b>	<b>100.00</b>	<b>100.00</b>

\* The securities are classified based on their country of risk. The definitions of "country of risk" are based on several criterion, that may include the country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue is derived, its reporting currency and other consideration.

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Singapore Equity Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary</b>			
<b>Equities</b>			
<b>Agriculture</b>			
Wilmar Intl Ltd	59,700	186,264	1.88
<b>Airlines</b>			
SATS Ltd	4,100	19,106	0.19
<b>Automotive</b>			
Memtech International Ltd	198,100	155,509	1.57
<b>Banks</b>			
DBS Group Holdings Ltd	80,160	1,898,990	19.12
Overseas Chinese Banking Corp Ltd	148,997	1,677,706	16.89
United Overseas Bank Ltd	60,197	1,479,040	14.89
Total Banks		5,055,736	50.90
<b>Electronic</b>			
Venture Corp Ltd	34,900	486,855	4.90
<b>Engineering</b>			
Singapore Technologies Engineering Ltd	143,500	500,815	5.04
<b>Entertainment</b>			
Genting Singapore Plc	417,200	406,770	4.10
<b>Finance</b>			
Singapore Exchange Ltd	9,800	70,070	0.71
<b>Food</b>			
Thai Beverage Public Company Limited	193,800	118,218	1.19
<b>Healthcare</b>			
Tianjin Zhong Xin Pharmaceutical Group Corp Ltd	231,800	268,552	2.70
<b>Real Estate</b>			
Capitaland Ltd	99,500	309,445	3.12
City Developments Ltd	9,600	77,952	0.78
UOL Group Ltd	48,604	300,859	3.03
Yanlord Land Group Ltd	192,000	234,240	2.35
Total Real Estate		922,496	9.28

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements  
Statement of Portfolio  
As at 31 December 2018**

**Manulife Singapore Equity Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Industry - Primary (continued)</b>			
<b>Equities (continued)</b>			
<b>Real Estate Investment Trust</b>			
Capitaland Commercial Trust	76,700	134,225	1.35
<b>Shipbuilding</b>			
Keppel Corp Ltd	34,200	202,122	2.04
<b>Telecommunications</b>			
Singapore Telecommunications Ltd	296,600	869,038	8.75
<b>Transport</b>			
Comfortdelgro Corp Ltd	244,200	525,030	5.29
<b>Portfolio of investments</b>		<b>9,920,806</b>	<b>99.89</b>
<b>Other net assets</b>		<b>10,579</b>	<b>0.11</b>
<b>Net assets attributable to unitholders</b>		<b>9,931,385</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements  
Statement of Portfolio  
As at 31 December 2018**

**Manulife Singapore Equity Fund**

	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2017 %</b>
<b>By Industry - Primary (Summary)</b>		
<b>Equities</b>		
Agriculture	1.88	1.92
Airlines	0.19	-
Automotive	1.57	2.52
Banks	50.90	40.57
Commercial Services	-	1.02
Electronic	4.90	2.02
Engineering	5.04	2.67
Entertainment	4.10	3.71
Finance	0.71	0.77
Food	1.19	1.59
Healthcare	2.70	1.18
Manufacturing	-	1.02
Real Estate	9.28	15.66
Real Estate Investment Trust	1.35	5.72
Restaurant	-	0.50
Shipbuilding	2.04	7.54
Telecommunications	8.75	8.64
Transport	5.29	1.85
<b>Portfolio of investments</b>	<b>99.89</b>	<b>98.90</b>
<b>Other net assets</b>	<b>0.11</b>	<b>1.10</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements  
Statement of Portfolio  
As at 31 December 2018**

**Manulife Singapore Equity Fund**

	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2017 %</b>
<b>By Geography* - Secondary</b>			
<b>Equities</b>			
China	268,552	2.70	-
Hong Kong		-	1.50
Singapore	9,534,036	96.00	95.81
Thailand	118,218	1.19	1.59
<b>Portfolio of investments</b>	<b>9,920,806</b>	<b>99.89</b>	<b>98.90</b>
<b>Other net assets</b>	<b>10,579</b>	<b>0.11</b>	<b>1.10</b>
<b>Net assets attributable to unitholders</b>	<b>9,931,385</b>	<b>100.00</b>	<b>100.00</b>

\* The securities are classified based on their country of risk. The definitions of "country of risk" are based on several criterion, that may include the country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue is derived, its reporting currency and other consideration.

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements  
Statement of Portfolio  
As at 31 December 2018**

**Manulife Asian Small Cap Equity Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2017 %</b>
<b>Underlying Funds</b>				
Manulife Global Fund – Asian Small Cap Equity Fund Class I	17,083,279	32,151,251	98.82	98.54
<b>Portfolio of investments</b>		<b>32,151,251</b>	<b>98.82</b>	<b>98.54</b>
<b>Other net assets</b>		<b>383,962</b>	<b>1.18</b>	<b>1.46</b>
<b>Net assets attributable to unitholders</b>		<b>32,535,213</b>	<b>100.00</b>	<b>100.00</b>

Manulife Asian Small Cap Equity Fund invests all or substantially all of its assets into the Manulife Global Fund – Asian Small Cap Equity Fund which is domiciled in Luxembourg and denominated in United States Dollars. Segment reporting is not meaningful.

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife Asia Pacific Investment Grade Bond Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary</b>			
<b>Fixed income securities</b>			
<b>Agriculture</b>			
Incitec Pivot Fin Llc Ser EMTN 3.95% 03/08/2027	1,975,000	2,479,842	1.33
IOI Investment EMTN 4.375% 27/06/2022	500,000	687,695	0.37
Total Agriculture		3,167,537	1.70
<b>Automotive</b>			
Hankook Tire Co Ltd 3.5% 30/01/2023	300,000	404,326	0.22
Weichai Intl HK Energy Var Perp	2,000,000	2,439,770	1.31
Total Automotive		2,844,096	1.53
<b>Autos &amp; Trucks</b>			
Hyundai Capital Services Ser Regs 3% 06/03/2022	1,600,000	2,123,390	1.14
<b>Banks</b>			
Barclays Plc Ser EMTN Var 23/05/2030	1,000,000	925,050	0.50
BDO Unibank Inc EMTN 2.625% 24/10/2021	900,000	1,177,546	0.63
BDO Unibank Inc Ser MTN 2.95% 06/03/2023	700,000	907,492	0.49
Busan Bank GMTN 3.625% 25/07/2026	1,800,000	2,267,322	1.22
China Construction Bank Asia Ser EMTN Var 20/08/2024	1,500,000	2,043,222	1.10
China Construction Bank VAR 12/11/2024	1,000,000	199,565	0.11
China Construction Bank VAR 13/05/2025	1,750,000	2,373,169	1.27
Chong Hing Bank Ltd Var 26/07/2027	1,600,000	2,112,465	1.13
CMB Wing Lung Bank Limited Ser (EMTN) Var 22/11/2027	1,075,000	1,406,184	0.75
Dah Sing Bank Ltd EMTN Var 30/11/2026	1,500,000	2,036,986	1.09
DBS Group Holdings Ltd GMTN Var Perp	900,000	1,177,632	0.63
HSBC Holdings Plc Ser EMTN Var Perpetual	250,000	250,013	0.13
ICICI Bank Ltd / Dubai Ser GMTN 3.25% 09/09/2022	1,600,000	2,111,549	1.13
Kasikornbank Pcl HK EMTN 3.256% 12/07/2023	1,700,000	2,262,474	1.21
Keb Hana Bank Ser Regs 2.125% 18/10/2021	1,600,000	2,104,461	1.13
Korea Development Bank Ser 7% 30/11/2022	28,800,000,000	2,565,075	1.38
LB Baden-Wuerttemberg Ser EMTN Var 18/05/2027	1,000,000	995,690	0.53
Oversea-Chinese Banking Var Perpetual	1,750,000	1,761,165	0.94
RHB Bank EMTN 2.503% 06/10/2021	800,000	1,057,541	0.57
Shinhan Bank GMTN Var 07/12/2026	1,600,000	2,154,423	1.16
Union Bank Of Philippines Ser EMTN 3.369% 29/11/2022	1,500,000	1,956,934	1.05
United Overseas Bank Ltd EMTN VAR 16/09/2026	1,600,000	2,161,391	1.16
United Overseas Bank Ltd VAR Perpetual	2,500,000	2,539,325	1.36
Total Banks		38,546,674	20.67

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	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Chemical</b>			
CNAC HK Finbridge Co Ltd 3.5% 19/07/2022	1,600,000	2,126,192	1.14
Fufeng Group Ltd 5.875% 28/08/2021	1,172,000	1,608,762	0.86
GC Treasury Centre Co Ltd	1,000,000	1,380,302	0.74
UPL Corp Ltd 4.5% 08/03/2028	1,300,000	1,619,352	0.87
Total Chemical		6,734,608	3.61
<b>City Gas</b>			
Beijing Gas SG Capital 2.75% 31/05/2022	1,600,000	2,096,163	1.12
Koera Gas Corp 4.25% 02/11/2020	1,600,000	2,220,327	1.19
Total City Gas		4,316,490	2.31
<b>Commercial Services</b>			
Adani Ports And Special Ser Regs 3.5% 29/07/2020	1,200,000	1,620,013	0.87
Adani Ports And Special Ser Regs 4% 30/07/2027	400,000	487,308	0.26
Total Commercial Services		2,107,321	1.13
<b>Computers</b>			
Tencent Holdings Ltd FRN 19/01/2023	600,000	807,030	0.43
<b>Construction</b>			
Alam Synergy Pte Ltd 6.95% 27/03/2020	800,000	1,037,243	0.56
Yongda Investment Ltd 3.75% 21/07/2020	1,600,000	2,155,623	1.15
Total Construction		3,192,866	1.71
<b>Electronics</b>			
Foxconn Far East Ltd EMTN 2.25% 23/09/2021	1,600,000	2,101,844	1.13
NTPC Ltd EMTN 4.25% 26/02/2026	1,600,000	2,091,736	1.12
SPIC LUX LATAM RE ENER 4.65% 30/10/2023	2,000,000	2,731,650	1.46
Total Electronics		6,925,230	3.71
<b>Engineering</b>			
Anhui Transportation HK 4.875% 13/09/2021	1,385,000	1,879,845	1.01
Dianjian Haiyu Ltd Ser EMTN Var Perpetual	1,600,000	2,012,050	1.08
Wuhan Metro Var Perpetual	1,597,000	2,188,716	1.17
Total Engineering		6,080,611	3.26

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	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Finance</b>			
Azure Orbit Iv International Finance EMTN 3.5% 25/01/2021	500,000	674,273	0.36
China Overseas Grand Ocean Finance 4.875% 01/06/2021	2,200,000	2,990,024	1.60
China Merchants Finance EMTN 5% 04/05/2022	600,000	845,728	0.45
China Minmetals Corp Var 29/12/2049	1,300,000	1,605,146	0.86
CICC Hong Kong Finance 2016 MTN Ltd EMTN 2.75% 18/05/2019	250,000	339,731	0.18
CMHI Finance BVI Co Ltd 5% 06/08/2028	2,000,000	2,787,594	1.49
Far East Horizon Ltd EMTN FRN 03/07/2021	1,800,000	2,447,267	1.31
Ford Motor Credit Co Llc 3.7% 11/03/2019	1,000,000	1,002,670	0.54
Hysan (MTN) Ltd EMTN 3.5% 16/01/2023	1,793,000	2,439,093	1.31
ICBCIL Finance Co Ltd 3.25% 17/03/2020	1,600,000	2,175,632	1.17
Shinhan Financial Group Var Perpetual	1,485,000	2,010,939	1.08
SSG Resources Ltd 4.25% 04/10/2022	800,000	1,097,978	0.59
Swire Pacific MTN 4.5% 28/02/2022	1,600,000	2,253,842	1.21
Wharf Reic Finance BVI EMTN 3.5% 17/01/2028	1,900,000	2,474,821	1.33
<b>Total Finance</b>		<b>25,144,738</b>	<b>13.48</b>
<b>Food</b>			
Want Want China Finance 2.875% 27/04/2022	1,600,000	2,126,825	1.14
<b>Government</b>			
Export-Import Bank India 3.875% 01/02/2028	2,000,000	2,556,661	1.37
Export-Import Bank Korea 6.75% 09/08/2022	170,000,000	3,214,684	1.72
Export-Import Bank Korea Ser Regs 6.9% 08/01/2021	10,000,000,000	911,048	0.49
Government of Malaysia Ser 0111 4.16% 15/07/2021	3,400,000	1,135,998	0.61
Government of Malaysia Ser 415 4.254% 31/05/2035	1,500,000	475,531	0.26
Government of Philippines Ser 7-58 3.5% 21/04/2023	21,000,000	474,840	0.25
Indonesia Government Fr72 8.25% 15/05/2036	40,000,000,000	3,766,164	2.02
Indonesia Government International Bond Fr65 6.625% 15/05/2033	39,444,000,000	3,252,088	1.74
Indonesia Government Ser Fr78 8.25% 15/05/2029	30,000,000,000	2,901,398	1.56

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	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Government (continued)</b>			
Province of British Columbia 6.6% 09/01/2020	36,000,000	695,755	0.37
US Treasury 2.875% 15/08/2028	6,500,000	9,001,198	4.83
Total Government		28,385,365	15.22
<b>Hotel</b>			
GOHL Capital Ltd 4.25% 24/01/2027	1,300,000	1,671,761	0.90
<b>Household</b>			
Midea Invst Development EMTN 2.375% 03/06/2019	1,600,000	2,171,684	1.16
<b>Industrial</b>			
Doosan Heavy Industries & Construction 2.125% 27/04/2020	200,000	269,192	0.14
<b>Investment</b>			
GZ MTR Fin BVI Ser EMTN 3.375% 12/03/2020	1,200,000	1,611,900	0.86
Huarong Finance II Ser EMTN 4.875% 22/11/2026	1,000,000	1,301,665	0.70
Total Investment		2,913,565	1.56
<b>Iron &amp; Steel</b>			
Posco Series 4% 01/08/2023	903,000	1,241,109	0.67
<b>Metal</b>			
MCC Holding HK Corp Ltd 2.95% 31/05/2020	1,600,000	2,152,330	1.15
<b>Mining</b>			
Korea Resources Corp 4% 18/04/2023	1,000,000	1,373,734	0.74
<b>Miscellaneous</b>			
Sihc International Capital 3.95% 26/09/2021	787,000	1,068,503	0.57
Yancoal Intl Res Dev STP Perpetual	900,000	1,212,900	0.65
Total Miscellaneous		2,281,403	1.22

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	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Oil &amp; Gas</b>			
ENN Energy Holdings Ltd 3.25% 24/07/2022	800,000	1,061,804	0.57
ONGC Videsh Ltd 3.25% 15/07/2019	300,000	408,475	0.22
Pertamina 4.875% 03/05/2022	1,600,000	2,213,512	1.19
Reliance Holdings USA Inc 5.4% 14/02/2022	300,000	428,072	0.23
Thaioil Treasury Center 3.625% 23/01/2023	300,000	402,784	0.22
Thaioil Treasury Center 4.875% 23/01/2043	200,000	269,533	0.14
Yingde Gases Investment Ltd 6.25% 19/01/2023	900,000	1,150,031	0.62
Total Oil & Gas		5,934,211	3.19
<b>Real Estate</b>			
Central China Real Estate 8% 28/01/2020	800,000	1,091,054	0.59
China Overseas Finance 4.25% 26/04/2023	2,800,000	3,826,609	2.05
China SCE Property Holdings 7.45% 17/04/2021	650,000	871,553	0.47
Franshion Brilliant Ltd Var Perpetual	2,000,000	2,398,539	1.29
Lendlease Finance Ltd 3.9% 27/04/2027	500,000	471,820	0.25
Longfor Properties 4.5% 16/01/2028	200,000	238,184	0.13
Sino Ocean Group Holding FRN 31/07/2021	1,274,000	1,722,414	0.92
Swire Properties MTN Financing Ltd 2.75% 07/03/2020	300,000	405,666	0.22
Times China Holdings Ltd 6.25% 17/01/2021	200,000	263,059	0.14
Times China Holdings Ltd 7.85% 04/06/2021	500,000	667,073	0.36
Vanke Real Estate HK Ser (EMTN) 3.975% 09/11/2027	600,000	729,433	0.39
Yuzhou Properties Co Ltd 6.375% 06/03/2021	800,000	1,057,688	0.57
Total Real Estate		13,743,092	7.38
<b>Real Estate Investment Trust</b>			
CMT MTN Pte Ltd Ser EMTN 3.2% 21/08/2025	750,000	755,535	0.41
Mapletree Commercial Trust EMTN 3.6% 24/08/2020	250,000	253,040	0.14
Mapletree Logistics Trust Ser EMTN Var Perp 29/12/2049	750,000	726,825	0.39
Total Real Estate Investment Trust		1,735,400	0.94

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	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Supranational</b>			
Asian Development Bank Ser GMTN 6%	60,000,000	1,134,524	0.61
European Bk Recon & Dev 6.25% 25/07/2022	12,000,000,000	1,071,403	0.57
International Finance Corp Ser GMTN 6.3% 25/11/2024	58,000,000	1,080,756	0.58
Total Supranational		3,286,683	1.76
<b>Transport</b>			
SF Holding Investment 4.125% 26/07/2023	580,000	792,050	0.43
Singapore Post Ltd VAR Perpetual	500,000	510,530	0.27
Total Transport		1,302,580	0.70
<b>Utilities</b>			
CGNPC International Ltd 3.875% 11/09/2023	1,700,000	2,319,475	1.24
Perusahaan Listrik Negara 5.45% 21/05/2028	2,100,000	2,887,345	1.55
Total Utilities		5,206,820	2.79
<b>Portfolio of investments</b>		<b>177,786,345</b>	<b>95.34</b>
<b>Accrued interest on fixed income securities</b>		<b>2,101,219</b>	<b>1.13</b>
<b>Other net assets</b>		<b>6,583,615</b>	<b>3.53</b>
<b>Net assets attributable to unitholders</b>		<b>186,471,179</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

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**Manulife Asia Pacific Investment Grade Bond Fund**

	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Industry - Primary (Summary)</b>		
<b>Fixed income securities</b>		
Agriculture	1.70	2.25
Automotive	1.53	1.78
Autos & Trucks	1.14	1.42
Banks	20.67	29.31
Chemical	3.61	2.98
City Gas	2.31	3.87
Commercial Services	1.13	0.80
Computers	0.43	-
Construction	1.71	2.19
Electronics	3.71	2.90
Energy	-	0.47
Engineering	3.26	1.43
Finance	13.48	12.63
Food	1.14	1.71
Government	15.22	7.30
Hotel	0.90	1.67
Household	1.16	1.43
Industrial	0.14	0.90
Investment	1.56	2.01
Iron & Steel	0.67	-
Metal	1.15	1.43
Mining	0.74	-
Miscellaneous	1.22	2.83
Oil & gas	3.19	4.89
Petrochemical	-	0.94
Real Estate	7.38	2.01
Real Estate Investment Trust	0.94	0.68
Retail	-	0.81
Supranational	1.76	0.85
Telecom Service	-	0.45
Telecommunications	-	2.20
Transport	0.70	1.45
Utilities	2.79	-
<b>Portfolio of investments</b>	<b>95.34</b>	<b>95.59</b>
<b>Accrued interest on fixed income securities</b>	<b>1.13</b>	<b>0.91</b>
<b>Other net assets</b>	<b>3.53</b>	<b>3.50</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

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**Manulife Asia Pacific Investment Grade Bond Fund**

	Fair value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Geography* - Secondary</b>			
<b>Fixed income securities</b>			
Australia	2,951,662	1.58	3.61
British Virgin Islands	-	-	3.89
Canada	695,755	0.37	1.85
Cayman Islands	-	-	1.77
China	60,087,624	32.22	22.69
Germany	995,690	0.53	0.68
Great Britain	1,175,063	0.63	1.53
Hong Kong	21,403,358	11.48	14.57
India	9,703,814	5.20	8.43
Indonesia	16,057,750	8.62	4.18
Malaysia	6,126,504	3.30	4.69
Mauritius	1,619,352	0.87	-
Philippines	4,516,812	2.42	3.12
Singapore	9,885,443	5.30	3.65
South Korea	22,860,030	12.26	11.37
Supra-national	3,286,683	1.76	2.75
Taiwan	2,101,844	1.13	1.41
Thailand	4,315,093	2.31	2.23
United States of America	10,003,868	5.36	3.17
<b>Portfolio of investments</b>	<b>177,786,345</b>	<b>95.34</b>	<b>95.59</b>
<b>Accrued interest on fixed income securities</b>	<b>2,101,219</b>	<b>1.13</b>	<b>0.91</b>
<b>Other net assets</b>	<b>6,583,615</b>	<b>3.53</b>	<b>3.50</b>
<b>Net assets attributable to unitholders</b>	<b>186,471,179</b>	<b>100.00</b>	<b>100.00</b>

\* The securities are classified based on their country of risk. The definitions of "country of risk" are based on several criterion, that may include the country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue is derived, its reporting currency and other consideration.

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**Manulife Global Asset Allocation - Managed Growth Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Geography* - Primary</b>			
<b>Underlying Funds</b>			
<b>Hong Kong</b>			
Hang Seng Investment Index Fund Series - Hang			
Seng China Enterprises Index ETF	9,600	125,558	1.20
iShares MSCI Ac Asia Ex Japan Index ETF	36,600	221,816	2.11
Tracker Fund of Hong Kong ETF	69,500	231,242	2.21
Total Hong Kong		578,616	5.52
<b>Ireland</b>			
iShares \$ Corp Bond UCITS ETF USD Dist	3,464	374,562	3.57
iShares Core S&P 500 UCITS ETF USD Acc	1,604	393,525	3.75
iShares JP Morgan Em Local Government Bond UCITS ETF	11,952	702,598	6.70
iShares MSCI Ac Far East Ex-Japan UCITS ETF USD Dist ETF	2,017	99,378	0.95
Total Ireland		1,570,063	14.97
<b>Luxembourg</b>			
Manulife Global Fund - Asia Total Return Fund	261,727	275,807	2.63
Manulife Global Fund - Japanese Growth Fund	133,259	130,074	1.24
Manulife Global Fund - U.S. Bond Fund	1,090,816	1,008,569	9.62
Total Luxembourg		1,414,450	13.49

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**Manulife Global Asset Allocation - Managed Growth Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 US\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Geography* - Primary (continued)</b>			
<b>Portfolio of investments (continued)</b>			
<b>United States of America</b>			
Invesco QQQ Trust Series 1	494	76,205	0.73
iShare MSCI Singapore ETF	4,740	104,754	1.00
iShares Core S&P 500 ETF	314	79,006	0.75
iShares Lehman Aggregate Bond Fund ETF	7,510	799,740	7.63
iShares MSCI EM UCITS USD Dist ETF	3,607	136,110	1.30
iShares MSCI Indonesia ETF	2,936	72,872	0.70
iShares MSCI Philippines ETF	4,949	157,774	1.50
SPDR Bloomberg Barclays International Treasury Bond ETF	19,468	537,511	5.13
SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	20,913	642,029	6.12
SPDR Gold Shares ETF	1,794	217,523	2.07
SPDR S&P Homebuilders ETF	3,919	127,446	1.22
Utilities Select Sector SPDR Fund ETF	5,280	279,418	2.66
Vanguard Consumer Staples ETF	2,812	368,850	3.52
Vanguard Health Care ETF	768	123,341	1.18
Vanguard Real Estate ETF	4,283	319,383	3.05
Vanguard Short-Term Corporate Bond ETF	3,332	259,696	2.48
Vanguard Total Bond Market ETF	2,667	211,266	2.01
Vanguard Total International Bond ETF	1,960	106,330	1.01
Total United States of America		4,619,254	44.06
<b>Portfolio of investments</b>		<b>8,182,383</b>	<b>78.04</b>
<b>Other net assets</b>		<b>2,302,623</b>	<b>21.96</b>
<b>Net assets attributable to unitholders</b>		<b>10,485,006</b>	<b>100.00</b>

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**Manulife Global Asset Allocation - Managed Growth Fund**

	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Geography* - Primary (Summary)</b>		
<b>Underlying Funds</b>		
France	-	0.92
Germany	-	1.49
Hong Kong	5.52	5.43
Ireland	14.97	13.16
Luxembourg	13.49	16.61
United States of America	44.06	60.09
<b>Portfolio of investments</b>	<b>78.04</b>	<b>97.70</b>
<b>Other net assets</b>	<b>21.96</b>	<b>2.30</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

\* The securities are classified based on their country of risk. The definitions of "country of risk" are based on several criterion, that may include the country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue is derived, its reporting currency and other consideration.

	Fair Value as at 31/12/2018 US\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Industry - Secondary</b>			
<b>Underlying Funds</b>			
Unit trusts/mutual funds/exchange traded funds	8,182,383	78.04	97.70
<b>Portfolio of investments</b>	<b>8,182,383</b>	<b>78.04</b>	<b>97.70</b>
<b>Other net assets</b>	<b>2,302,623</b>	<b>21.96</b>	<b>2.30</b>
<b>Net assets attributable to unitholders</b>	<b>10,485,006</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
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**Manulife Global Asset Allocation - Growth Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 US\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Geography* - Primary</b>			
<b>Underlying Funds</b>			
<b>Hong Kong</b>			
Hang Seng Investment Index Fund Series - Hang			
Seng China Enterprises Index ETF	260,800	3,411,001	2.58
iShares MSCI Ac Asia Ex Japan Index ETF	1,007,600	6,106,589	4.60
Tracker Fund of Hong Kong ETF	1,811,000	6,025,602	4.54
Total Hong Kong		15,543,192	11.72
<b>Ireland</b>			
iShares Core S&P 500 UCITS ETF USD Acc	32,663	8,013,540	6.04
iShares JP Morgan Em Local Government Bond UCITS ETF	118,496	6,965,787	5.25
iShares MSCI AC Far East Ex-Japan UCITS ETF USD Dist ETF	56,232	2,770,551	2.09
SPDR S&P 500 UCITS ETF	10,378	2,594,098	1.96
Total Ireland		20,343,976	15.34
<b>Luxembourg</b>			
Manulife Global Fund - Japanese Growth Fund	3,669,789	3,582,081	2.70
Manulife Global Fund - U.S. Bond Fund	7,137,426	6,599,264	4.98
Total Luxembourg		10,181,345	7.68
<b>United States of America</b>			
Global X FTSE Southeast Asia ETF	6,138	93,544	0.07
iShare MSCI Singapore ETF	123,438	2,727,980	2.06
iShares \$ Corp Bond UCITS ETF USD Dist	31,301	3,384,577	2.55
iShares Core S&P 500 ETF	5,181	1,303,591	0.98
iShares Lehman Aggregate Bond Fund ETF	65,009	6,922,808	5.22
Ishares MSCI EM UCITS USD Dist ETF	93,774	3,538,562	2.67
Ishares MSCI Indonesia ETF	76,339	1,894,734	1.43
Ishares MSCI Philippines ETF	63,556	2,026,165	1.53
iShares US Technology ETF	8,125	1,299,431	0.98
SPDR Bloomberg Barclays International Treasury Bond ETF	102,248	2,823,067	2.13
SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	142,288	4,368,242	3.30
SPDR Gold Shares ETF	48,005	5,820,606	4.39
SPDR S&P Homebuilders ETF	101,857	3,312,390	2.50
Utilities Select Sector SPDR Fund ETF	151,640	8,024,789	6.05

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**Manulife Global Asset Allocation - Growth Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Geography* - Primary (continued)</b>			
<b>Underlying Funds (continued)</b>			
Vanguard consumer Staples ETF	54,440	7,140,895	5.38
Vanguard Health Care ETF	24,210	3,888,126	2.93
Vanguard Information Technology ETF	15,411	2,571,017	1.94
Vanguard Real Estate ETF	106,748	7,960,198	6.00
Total United State of America		69,100,722	52.11
			-
<b>Portfolio of investments</b>		<b>115,169,235</b>	<b>86.85</b>
<b>Other net assets</b>		<b>17,444,865</b>	<b>13.15</b>
<b>Net assets attributable to unitholders</b>		<b>132,614,100</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

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**Manulife Global Asset Allocation - Growth Fund**

	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Geography* - Primary (Summary)</b>		
<b>Underlying Funds</b>		
France	-	2.14
Germany	-	2.03
Hong Kong	11.72	10.28
Ireland	15.34	10.49
Luxembourg	7.68	10.07
United States of America	52.11	62.34
<b>Portfolio of investments</b>	<b>86.85</b>	<b>97.35</b>
<b>Other net assets</b>	<b>13.15</b>	<b>2.65</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

\* The securities are classified based on their country of risk. The definitions of "country of risk" are based on several criterion, that may include the country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue is derived, its reporting currency and other consideration.

	Fair Value as at 31/12/2018 US\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Industry - Secondary</b>			
<b>Underlying Funds</b>			
Unit trusts/mutual funds/exchange traded funds	115,169,235	86.85	97.35
<b>Portfolio of investments</b>	<b>115,169,235</b>	<b>86.85</b>	<b>97.35</b>
<b>Other net assets</b>	<b>17,444,865</b>	<b>13.15</b>	<b>2.65</b>
<b>Net assets attributable to unitholders</b>	<b>132,614,100</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

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**Manulife SGD Income Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary</b>			
<b>Fixed income securities</b>			
<b>Airlines</b>			
Singapore Airlines Ltd MTN (BR) 3.13% 17/11/2026	16,500,000	16,413,705	1.90
Singapore Airlines MTN 3.75% 08/04/2024	750,000	777,698	0.09
Total Airlines		17,191,403	1.99
<b>Automotive</b>			
Geely Automobile 3.625% 25/01/2023	3,000,000	4,007,220	0.46
<b>Banks</b>			
Australia and New Zealand Banking Group EMTN VAR 23/03/2027	14,500,000	14,505,655	1.68
Australia and New Zealand Banking Group Ser Regs VAR Perpetual	2,000,000	2,705,555	0.31
Bangko Sentral Ng Pilipinas A 8.6% 15/06/2027	4,169,000	7,224,991	0.83
Bangkok Bank Pub Co (HK) 9.025% 15/03/2029	6,040,000	10,681,448	1.23
Bank of China Hong Kong Ltd 5.55% 11/02/2020	3,166,000	4,401,909	0.51
Barclays Plc Ser EMTN Var 23/05/2030	6,000,000	5,550,300	0.64
BNP Paribas EMTN (BR) Var 03/12/2025	6,250,000	6,334,188	0.73
CMHI Finance BVI Co Ltd 4.375% 06/08/2023	1,271,000	1,743,555	0.20
DBS Group Holdings Ltd MTN Var 20/01/2028	8,500,000	8,680,030	1.00
DBS Group Holdings Ltd Var 11/12/2028	6,200,000	8,653,955	1.00
DBS Group Holdings Ltd Var Perpetual	1,000,000	1,007,030	0.12
HSBC Holdings Plc Ser EMTN Var Perpetual	8,500,000	8,500,425	0.98
LB Baden-Wuerttemberg Ser EMTN Var 18/05/2027	6,500,000	6,471,985	0.75
Macquarie Bank London Var Perpetual	1,500,000	1,752,999	0.20
Malayan Banking Berhad VAR 29/10/2026	500,000	675,690	0.08
National Australia Bank VAR 19/05/2028	14,250,000	14,459,475	1.67
Oversea-Chinese Banking Corp Ser 4.25% 19/06/2024	2,800,000	3,863,111	0.45
Oversea-Chinese Banking Var Perpetual	5,750,000	5,786,685	0.67
Oversea-Chinese Banking Var 15/10/2024	1,500,000	2,051,018	0.24
Shinhan Bank Ser GMTN 4.5% 26/03/2028	4,500,000	6,049,164	0.70
Societe Generale EMTN (BR) 4.3% 19/05/2026	6,250,000	6,318,625	0.73
Standard Chartered PLC (BR) VAR 23/01/2026	9,750,000	9,893,910	1.14
Union Bank Of Philippines Ser EMTN 3.369% 29/11/2022	2,000,000	2,609,245	0.30
United Overseas Bank Ltd EMTN Var Perpetual	1,500,000	1,891,510	0.22

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**Manulife SGD Income Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
United Overseas Bank Ltd MTN Var 22/05/2026	500,000	505,115	0.06
United Overseas Bank Ltd Ser MTN Var 27/02/2029	13,500,000	13,640,130	1.58
United Overseas Bank Ltd VAR Perpetual	8,750,000	8,887,638	1.03
Westpac Banking Corp EMTN (BR) Var 4% 12/08/2027	14,250,000	14,403,615	1.66
Westpac Banking Corp Var Perp	1,700,000	1,956,158	0.22
Woori Bank Ser Reg S EMTN 4.75% 30/04/2024	4,000,000	5,490,420	0.63
<b>Total Banks</b>		<b>186,695,534</b>	<b>21.56</b>
<b>Capital Equipment</b>			
WTT Investment Ltd Ser Regs 5.5% 21/11/2022	2,000,000	2,650,513	0.31
<b>Chemical</b>			
CNAC HK Finbridge Co Ltd 4.625% 14/03/2023	2,000,000	2,750,343	0.32
CNAC HK Finbridge Co Ltd 5.125% 14/03/2028	8,500,000	11,746,597	1.35
Fufeng Group Ltd 5.875% 28/08/2021	2,000,000	2,745,327	0.32
<b>Total Chemical</b>		<b>17,242,267</b>	<b>1.99</b>
<b>Commercial Services</b>			
Adani Ports And Special Ser Regs 4% 30/07/2027	4,000,000	4,873,079	0.56
<b>Computers</b>			
HT Global IT Solutions 7% 14/07/2021	1,000,000	1,374,926	0.16
<b>Construction</b>			
Leader Goal International Ltd Var Perpetual	5,000,000	6,363,506	0.73
<b>Diversified Resources</b>			
ABM Investama Tbk Pt Ser Regs 7.125% 01/08/2022	2,000,000	2,402,287	0.28
Hutchison Whampoa International Ltd 7.45% 24/11/2033	1,245,000	2,306,695	0.27
Wharf Finance No 1 Ltd EMTN (BR) 4.5% 20/07/2021	5,000,000	5,249,500	0.60
<b>Total Diversified Resources</b>		<b>9,958,482</b>	<b>1.15</b>

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**Manulife SGD Income Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Electronics</b>			
Listrindo Capital 4.95% 14/09/2026	3,500,000	4,251,708	0.49
SPIC LUX LATAM RE ENER 4.65% 30/10/2023	4,919,000	6,718,493	0.78
Total Electronics		10,970,201	1.27
<b>Energy</b>			
Concord New Energy Group 7.9% 23/01/2021	2,500,000	3,173,234	0.37
Greenko Dutch Bv Ser Regs 5.25% 24/07/2024	500,000	614,202	0.07
Indo Energy Finance II 6.375% 24/01/2023	3,500,000	4,478,307	0.52
Petron Corp Var Perpetual	1,500,000	1,896,856	0.22
Power Sector Assets & Liabilities Mangement 9.625% 15/05/2028	5,720,000	10,671,268	1.23
Total Energy		20,833,867	2.41
<b>Engineering</b>			
Chalieco Hong Kong Corp FRN Perpetual	2,200,000	2,998,600	0.35
GMR Hyderabad Internatio Ser Regs 4.25% 27/10/2027	3,000,000	3,389,147	0.39
Indika Energy Cap II Pte Ser Regs 6.875% 10/04/2022	2,000,000	2,705,555	0.31
Indika Energy III Pte Ser Regs 5.875% 09/11/2024	800,000	956,826	0.11
Total Engineering		10,050,128	1.16
<b>Finance</b>			
Azure Orbit IV International Finance EMTN 4% 25/01/2028	2,000,000	2,593,394	0.30
BOC Aviation Limited EMTN 3.93% 11/05/2025	4,500,000	4,681,980	0.54
Charming Light Investment Ltd Ser EMTN 2.375% 30/08/2021	350,000	455,022	0.05
Charming Light Invst Ltd EMTN 4.375% 21/12/2027	720,000	924,917	0.11
China Cinda Finance 2017 Ser EMTN 3.875% 08/02/2023	5,250,000	7,093,173	0.82
China Cinda Finance 5.625% 14/05/2024	2,500,000	3,580,235	0.41
China Grt Wall Intl III Ser EMTN 3.875% 31/08/2027	2,500,000	3,131,527	0.36
China Minmetals Corp Var 29/12/2049	4,000,000	4,938,912	0.57
Far East Horizon Ltd EMTN FRN 03/07/2021	2,100,000	2,855,144	0.33

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**Manulife SGD Income Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
ICBCIL Finance Co Ltd EMTN 3.625% 15/11/2027	2,000,000	2,522,109	0.29
ICBCIL Finance Co Ltd EMTN FRN 15/05/2021	1,400,000	1,899,651	0.22
Shinhan Financial Group Var Perpetual	1,782,000	2,413,127	0.28
Value Success International EMTN 4.125% 06/09/2019	12,500,000	12,625,125	1.46
Wheelock Finance Ltd EMTN 4.5% 02/09/2021	9,000,000	9,370,710	1.08
Total Finance		59,085,026	6.82
<b>Food</b>			
Health And Happiness H&H International Holdings Ltd 7.25% 21/06/2021	2,383,000	3,288,629	0.38
<b>Government</b>			
China Government Bond 4% 1 9/10/2048	2,545,000	3,466,875	0.40
Government of Indonesia 4.1% 24/04/2028	1,000,000	1,331,875	0.15
Government of Indonesia 5.875% 15/01/2024	2,000,000	2,913,413	0.34
Government of Indonesia 6.75% 15/01/2044	1,000,000	1,632,193	0.19
Government of Philippines 3.7% 02/02/2042	1,000,000	1,302,556	0.15
Mas Bill 168 Zcp 07/05/2019	5,000,000	4,966,900	0.57
Mas Bill 84 Zcp 01/03/2019	7,633,000	7,608,574	0.88
Socialist Republic of Vietnam 4.8% 19/11/2024	1,500,000	2,066,887	0.24
US Treasury 3.125% 15/05/2048	2,582,300	3,600,835	0.42
US Treasury Bond 6.375% 15/08/2027	1,850,000	3,240,359	0.37
US Treasury N/B 5% 15/05/2037	6,400,000	11,464,680	1.32
Total Government		43,595,147	5.03
<b>Hotel</b>			
Melco Resorts Finance 4.875% 06/06/2025	1,000,000	1,240,330	0.14
Studio City Co Ltd 5.875% 30/11/2019	900,000	1,237,434	0.14
Studio City Co Ltd 7.25% 30/11/2021	2,300,000	3,185,842	0.37
Total Hotel		5,663,606	0.65

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**Manulife SGD Income Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Insurance</b>			
CCB Life Insurance Var 21/04/2077	350,000	421,106	0.05
<b>Investment</b>			
Danga Capital Berhad 3.725% 11/08/2020	11,750,000	11,927,777	1.38
Huarong Finance 2017 Co 3.2% 27/04/2021	12,000,000	11,631,720	1.34
Huarong Finance 2017 Co 3.8% 07/11/2025	3,500,000	3,244,675	0.38
Minejesa Capital Bv Ser Regs 4.625% 10/08/2030	2,000,000	2,441,951	0.28
Total Investment		29,246,123	3.38
<b>Manufacturing</b>			
PB International BV 7.625% 26/01/2022	2,200,000	2,902,885	0.34
West China Cement Ltd 6.5% 11/09/2019	1,500,000	1,643,778	0.19
Total Manufacturing		4,546,663	0.53
<b>Metals</b>			
Abja Investment Co 5.95% 31/07/2024	2,000,000	2,671,480	0.31
JSW Steel Ltd 4.75% 12/11/2019	2,660,000	3,625,616	0.42
Total Metals		6,297,096	0.73
<b>Mining</b>			
FMG Resources Aug 2006 5.125% 15/05/2024	1,500,000	1,906,496	0.22
Press Metal Labuan Ltd 4.8% 30/10/2022	5,500,000	6,971,745	0.80
Vedanta Resources Plc 8.25% 07/06/2021	4,000,000	5,452,000	0.63
Total Mining		14,330,241	1.65
<b>Miscellaneous</b>			
Baidu Inc 3.875% 29/09/2023	4,000,000	5,440,575	0.63
Baidu Inc 4.375% 29/03/2028	2,000,000	2,673,865	0.31
Sinochem Overseas Capita 6.3% 12/11/2040	1,100,000	1,823,929	0.21
Yancoal Intl Res Dev STP Perpetual	1,600,000	2,156,266	0.25
Total Miscellaneous		12,094,635	1.40

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**Manulife SGD Income Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Oil &amp; Gas</b>			
China Oil & Gas Group Ltd 5% 07/05/2020	4,280,000	5,804,472	0.67
China Oil And Gas Group 4.625% 20/04/2022	2,000,000	2,586,293	0.30
CNOOC Curtis Funding No.1 Pty Ltd Ser 4.5% 03/10/2023	3,000,000	4,208,787	0.49
CNOOC Finance 2015 US 4.375% 02/05/2028	3,500,000	4,878,213	0.56
HPCL-Mittal Energy Ltd 5.25% 28/04/2027	2,000,000	2,453,400	0.28
Mega Advance Investments 6.375% 12/05/2041	2,595,000	4,341,932	0.50
Nexen Inc 6.4% 15/05/2037	1,300,000	2,172,945	0.25
Nexen Inc 7.5% 30/07/2039	1,900,000	3,609,407	0.42
Oil India Ltd 5.375% 17/04/2024	1,700,000	2,387,435	0.28
Pertamina Pero 4.3% 20/05/2023	2,000,000	2,691,925	0.31
Pertamina Persero 6.45% 30/05/2044	500,000	711,316	0.08
Pertamina Persero Pt 6.5% 07/11/2048	1,000,000	1,432,854	0.17
PTTEP Canada Intl Fin 6.35% 12/06/2042	1,500,000	2,448,289	0.28
Reliance Holdings USA Inc 6.25% 19/10/2040	1,000,000	1,567,068	0.18
Reliance Industries Ltd 4.875% 10/02/2045	925,000	1,212,475	0.14
Reliance Industries Ltd Ser 3.667% 30/11/2027	2,000,000	2,486,052	0.29
Sinopec Group Oversea 2013 5.375% 17/10/2043	1,000,000	1,550,408	0.18
Yingde Gases Investment Ltd 6.25% 19/01/2023	3,000,000	3,833,437	0.44
Total Oil & Gas		50,376,708	5.82
<b>Petrochemical</b>			
Chandra Asri Petrochemical 4.95% 08/11/2024	1,000,000	1,192,625	0.14
<b>Real Estate</b>			
Agile Group Holdings Ltd 5.125% 14/08/2022	2,500,000	3,058,231	0.35
China Overseas Finance 4.75% 26/04/2028	4,000,000	5,486,702	0.63
China Overseas Finance 5.35% 15/11/2042	400,000	565,967	0.06
China Overseas Finance Ky III 6.375% 29/10/2043	1,000,000	1,602,547	0.19
China SCE Property Holdings 10% 02/07/2020	3,000,000	4,216,781	0.49
China SCE Property Holdings 7.45% 17/04/2021	1,600,000	2,145,362	0.25
City Developments Ltd MTN (BR) 3.48% 15/06/2026	2,250,000	2,244,308	0.26
City Developments Ltd MTN (BR) 3.78% 21/10/2024	3,500,000	3,601,150	0.42
City Developments Ltd MTN (BR) 3.9% 21/03/2024	750,000	774,773	0.09
Country Garden Holdings 4.75% 17/01/2023	1,000,000	1,214,774	0.14
Country Garden Holdings 7.125% 27/01/2022	1,000,000	1,352,778	0.16
Country Garden Holdings 8% 27/01/2024	1,000,000	1,320,406	0.15
Franshion Development Ltd 6.75% 15/04/2021	3,498,000	4,989,890	0.58

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**Manulife SGD Income Fund**

	Holdings as at 31/12/2018	Fair Value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders as at 31/12/2018 %
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
KWG Property Holding Ltd 5.875% 10/11/2024	500,000	557,126	0.06
KWG Property Holding Ltd 6% 11/01/2022	2,500,000	3,126,381	0.36
Lendlease Finance Ltd 3.9% 27/04/2027	11,250,000	10,615,950	1.23
Longfor Properties 4.5% 16/01/2028	6,500,000	7,740,988	0.89
Pakuwon Prima 5% 14/02/2024	3,400,000	4,336,453	0.50
Powerlong Real Estate 6.95% 17/04/2021	1,950,000	2,480,957	0.29
RKI Overseas Finance 2016 (A) Ltd 5% 09/08/2019	400,000	541,450	0.06
Shimao Property Holdings 5.2% 30/01/2025	2,500,000	3,058,231	0.35
Shimao Property Holdings 4.75% 03/07/2022	500,000	641,993	0.07
Shimao Property Holdings Ltd 8.375% 10/02/2022	5,000,000	7,070,563	0.82
Times China Holdings Ltd 6.25% 17/01/2021	2,000,000	2,630,590	0.30
Times China Holdings Ltd 7.85% 04/06/2021	500,000	667,073	0.08
Vanke Real Estate HK Ser (EMTN) 3.975% 09/11/2027	4,000,000	4,862,884	0.56
Yanlord Land HK Co Ltd 5.875% 23/01/2022	4,500,000	6,023,036	0.70
Yuzhou Properties Co Ltd 6% 25/02/2022	3,500,000	4,391,746	0.51
Yuzhou Properties Co Ltd 6% 25/10/2023	250,000	290,397	0.03
Yuzhou Properties Co Ltd 6.375% 06/03/2021	1,000,000	1,322,110	0.15
<b>Total Real Estate</b>		<b>92,931,597</b>	<b>10.73</b>
<b>Real Estate Investment Trust</b>			
Ascendas Real Estate Investment TR MTN (BR) 3.14% 02/03/2025	8,500,000	8,509,350	0.98
Ascendas Real Estate Investment TR MTN (BR) 4% 03/02/2022	500,000	518,195	0.06
Ascendas Real Estate Investment Trust EMTN 3.2% 03/06/2022	750,000	760,020	0.09
Ascendas Real Estate Investment Var Perpetual	13,000,000	13,274,430	1.53
Ascendas REIT Ser MTN (BR) 2.47% 10/08/2023	2,750,000	2,694,092	0.31
CCT MTN Pte Ltd EMTN 2.96% 13/08/2021	5,000,000	5,022,550	0.58
CCT MTN Pte Ltd MTN (BR) 2.77% 04/07/2022	750,000	745,388	0.09
CCT MTN Pte Ltd MTN 3.17% 05/03/2024	10,000,000	10,026,500	1.16
CCT MTN Pte Ltd Ser MTN (BR) 3.327% 21/03/2025	3,000,000	3,024,555	0.35
CMT MTN Pte Ltd MTN (BR) 3.2115% 09/11/2023	6,500,000	6,578,195	0.76
CMT MTN Pte Ltd MTN (BR) 3.35% 07/07/2031	2,000,000	1,927,060	0.22
CMT MTN Pte Ltd MTN (BR) 3.48% 06/08/2024	1,000,000	1,024,530	0.12
CMT MTN Pte Ltd Ser EMTN 3.2% 21/08/2025	2,000,000	2,014,760	0.23
CMT MTN Pte Ltd Ser MTN (BR) 2.88% 10/11/2027	9,750,000	9,285,656	1.07

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife SGD Income Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
Keppel REIT MTN Pte Ltd MTN (BR) 3.15% 11/02/2022	3,000,000	3,004,590	0.35
Keppel REIT MTN Pte Ltd MTN (BR) 3.275% 08/04/2024	7,000,000	6,974,870	0.81
Mapletree Commercial Trust EMTN (BR) 3.11% 24/08/2026	16,750,000	16,418,183	1.90
Mapletree Commercial Trust Ser MTN 3.045% 27/08/2027	9,500,000	9,163,890	1.06
Mapletree Greater China Commercial Trust EMTN (BR) 3.2% 08/09/2021	2,500,000	2,519,550	0.29
Mapletree Greater China Commercial Trust EMTN (BR) 3.43% 09/03/2022	2,000,000	2,027,120	0.23
Mapletree Industrial Trust MTN 3.79% 02/03/2026	5,250,000	5,376,578	0.62
Mapletree Industrial Trust Ser MTN (BR) 3.02% 11/05/2023	2,000,000	1,992,400	0.23
Mapletree Logistics Trus Ser EMTN Var Perp 29/12/2049	5,750,000	5,572,325	0.64
RCS Trust Ser MTN 2.6% 05/06/2023	16,000,000	15,820,320	1.83
RCS Trust Ser MTN 3.2% 14/03/2025	4,000,000	4,007,440	0.46
Starhill Global Reit MTN (BR) 3.14% 03/10/2026	6,500,000	6,441,305	0.74
Starhill Global REIT MTN 3.4% 26/05/2023	2,250,000	2,279,362	0.26
Suntec REIT MTN Pte Ltd (Br) 3.4% 10/05/2023	5,000,000	5,014,300	0.58
Suntec REIT MTN Pte Ltd EMTN 3.35% 10/02/2020	500,000	503,220	0.06
Suntec REIT MTN Pte Ltd Ser MTN 2.85% 02/08/2023	4,500,000	4,402,890	0.51
Total Real Estate Investment Trust	5,000,000	156,923,624	18.12
<b>Telecommunications</b>			
Bharti Airtel International 5.35% 20/05/2024	3,500,000	4,681,053	0.54
Optus Finance Pty Ltd EMTN 3.24% 29/09/2022	1,500,000	1,529,070	0.18
Sing Telecommunications 7.375% 01/12/2031	1,640,000	2,970,617	0.34
Starhub Ltd EMTN 3.55% 08/06/2026	6,750,000	6,761,003	0.78
Starhub Ltd MTN 3.08% 12/09/2022	750,000	748,958	0.09
Starhub Ltd MTN Var Perpetual	11,500,000	11,179,610	1.29
TBG Global Pte Ltd 5.25% 10/02/2022	2,500,000	3,339,350	0.38
Total Telecommunications		31,209,661	3.60

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements  
Statement of Portfolio  
As at 31 December 2018**

**Manulife SGD Income Fund**

	<b>Holdings as at 31/12/2018</b>	<b>Fair Value as at 31/12/2018 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31/12/2018 %</b>
<b>By Industry - Primary (continued)</b>			
<b>Fixed income securities (continued)</b>			
<b>Transport</b>			
Singapore Post Ltd VAR Perpetual	13,750,000	14,039,575	1.62
<b>Utilities</b>			
Ausnet Services Holdings Pty Ltd FRN 07/09/2076	10,500,000	11,113,095	1.28
Perusahaan Gas Negara Reg 5.125% 16/05/2024	3,750,000	5,101,666	0.59
Perusahaan Listrik Negar 4.125% 15/05/2027	1,500,000	1,897,552	0.22
Perusahaan Listrik Negar 5.45% 21/05/2028	3,400,000	4,674,749	0.54
SPIC 2016 US Dollar Bond 3.875% 06/12/2026	2,000,000	2,673,197	0.31
State Grid Overseas Investment 4.25% 02/05/2028	2,000,000	2,775,536	0.32
Tenaga Nasional Berhad 7.5% 01/11/2025	1,950,000	3,180,091	0.37
Total Utilities		31,415,886	3.63
<b>Portfolio of investments</b>		<b>848,869,074</b>	<b>98.03</b>
<b>Accrued interest on fixed income securities</b>		<b>9,670,405</b>	<b>1.12</b>
<b>Other net assets</b>		<b>7,357,523</b>	<b>0.85</b>
<b>Net assets attributable to unitholders</b>		<b>865,897,002</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife SGD Income Fund**

	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Industry - Primary (Summary)</b>		
<b>Fixed income securities</b>		
Agriculture	-	0.14
Airlines	1.99	2.44
Automotive	0.46	0.13
Banks	21.56	25.34
Capital Equipment	0.31	0.17
Chemical	1.99	0.93
City Gas	-	0.56
Commercial Services	0.56	0.41
Computers	0.16	0.55
Construction	0.73	-
Diversified Resources	1.15	1.88
Electronics	1.27	0.63
Energy	2.41	1.00
Engineering	1.16	1.48
Finance	6.82	6.52
Food	0.38	0.48
Government	5.03	4.54
Hotel	0.65	1.75
Insurance	0.05	0.79
Investment	3.38	4.65
Iron and Steel	-	0.05
Machinery	-	0.36
Manufacturing	0.53	0.44
Metals	0.73	1.14
Mining	1.65	1.76
Miscellaneous	1.40	0.79
Oil & Gas	5.82	5.63
Petrochemical	0.14	-
Real Estate	10.73	15.07
Real Estate Investment Trust	18.12	6.89
Retail	-	0.42
Telecommunications	3.60	4.01
Transport	1.62	1.73
Utilities	3.63	4.14
<b>Portfolio of investments</b>	<b>98.03</b>	<b>96.82</b>
<b>Accrued interest on fixed income securities</b>	<b>1.12</b>	<b>1.13</b>
<b>Other net assets</b>	<b>0.85</b>	<b>2.05</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Financial Statements**  
**Statement of Portfolio**  
**As at 31 December 2018**

**Manulife SGD Income Fund**

	Fair value as at 31/12/2018 S\$	Percentage of total net assets attributable to unitholders at 31/12/2018 %	Percentage of total net assets attributable to unitholders at 31/12/2017 %
<b>By Geography* - Secondary</b>			
<b>Fixed income securities</b>			
Australia	74,948,068	8.65	9.69
British Virgin Islands	-	-	1.38
Canada	8,230,641	0.95	0.51
Cayman Islands	-	-	0.58
China	156,413,566	18.07	15.09
France	12,652,813	1.46	2.95
Germany	6,471,985	0.75	1.32
Great Britain	23,944,635	2.76	4.73
Hong Kong	93,019,894	10.73	8.09
India	35,220,865	4.07	4.66
Indonesia	48,953,539	5.66	7.12
Japan	-	-	0.61
Macau	-	-	0.25
Malaysia	22,755,303	2.63	4.26
Netherlands	2,441,951	0.28	1.14
Philippines	23,704,916	2.73	3.31
Singapore	288,658,697	33.36	26.39
South Korea	13,952,711	1.61	0.03
Sri Lanka	-	-	0.82
Thailand	10,681,448	1.23	1.71
United States of America	24,751,155	2.85	1.52
Vietnam	2,066,887	0.24	0.66
<b>Portfolio of investments</b>	<b>848,869,074</b>	<b>98.03</b>	<b>96.82</b>
<b>Accrued interest on fixed income securities</b>	<b>9,670,405</b>	<b>1.12</b>	<b>1.13</b>
<b>Other net assets</b>	<b>7,357,523</b>	<b>0.85</b>	<b>2.05</b>
<b>Net assets attributable to unitholders</b>	<b>865,897,002</b>	<b>100.00</b>	<b>100.00</b>

\* The securities are classified based on their country of risk. The definitions of "country of risk" are based on several criterion, that may include the country of domicile, the primary stock exchange on which it trades, the location from which the majority of its revenue is derived, its reporting currency and other consideration.

## Notes to the Financial Statements

### For the financial year ended 31 December 2018

#### 1. General

Manulife Funds is an open-ended umbrella unit trust constituted pursuant to a Trust Deed dated 22 June 2009 (and as amended and restated from time to time) (thereafter referred to as "Trust Deed") between HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") and Manulife Asset Management (Singapore) Pte. Ltd. (the "Manager"). The Deed is governed by the laws of the Republic of Singapore.

The financial statements for the Manulife Funds for the financial year ended 31 December 2018 have been prepared for the following 7 sub-funds (collectively referred to as the "Funds"):

(a) Manulife Singapore Bond Fund

The principal objective of the Manulife Singapore Bond Fund is to provide investors with a stable medium to long term return with capital preservation, through investing in primarily investment-grade Singapore dollars denominated fixed income and money markets instruments issued by Singapore and non-Singapore entities.

(b) Manulife Singapore Equity Fund

The investment objective of the Manulife Singapore Equity Fund is to achieve capital appreciation in the medium to long term by investing primarily in a diversified portfolio of equity and equity-related securities (a) issued by entities listed or to be listed on the Singapore Exchange Securities Trading Limited; (b) of entities domiciled or organised under the laws of Singapore or (c) of entities (whether domiciled or organised in Singapore or elsewhere) which in the opinion of the Manager, have significant assets, business, production activities, trading or other business interests in Singapore.

(c) Manulife Asian Small Cap Equity Fund

The investment objective of the Manulife Asian Small Cap Equity Fund is to provide long-term capital growth by investing all or substantially all its assets into share class I of the underlying fund Manulife Global Fund – Asian Small Cap. Equity Fund.

(d) Manulife Asia Pacific Investment Grade Bond Fund

The investment objective of the Manulife Asia Pacific Investment Grade Bond Fund is to maximize total returns from a combination of capital appreciation and income generation through investing primarily in a diversified portfolio of investment grade debt securities issued by governments, agencies, supra-nationals and corporate issuers in the Asia Pacific region.

(e) Manulife Global Asset Allocation - Managed Growth Fund

The investment objective of Manulife Global Asset Allocation - Managed Growth Fund is to achieve long term capital growth whilst also managing downside risk. The sub-fund aims to meet its objective by investing primarily in a managed portfolio of collective investment schemes (including exchange-traded funds ("ETFs") and real estate investment trusts ("REITs")) and cash. The sub-fund targets, at the end of each month, an asset allocation of up to 29.9% into schemes with underlying investments primarily in equities and REITs, if any. The rest of the assets are invested into cash and schemes with underlying investments primarily in bonds and/or money market instruments.



## Notes to the Financial Statements

### For the financial year ended 31 December 2018

(f) Manulife Global Asset Allocation - Growth Fund

The investment objective of Manulife Global Asset Allocation - Growth Fund is to achieve long term capital growth whilst also managing downside risk. The sub-fund aims to meet its objective by investing primarily in a managed portfolio of collective investment schemes including ETFs and REITs and cash. The sub-fund targets, at the end of each month, an asset allocation of up to 60% into schemes with underlying investments primarily in equities and REITs, if any. The rest of the assets are invested into cash and schemes with underlying investments primarily in bonds and/or money market instruments.

(g) Manulife SGD Income Fund

The investment objective of Manulife SGD Income Fund is to provide investors with long-term capital appreciation and/or income in SGD terms through investing primarily in Asian investment grade fixed income or debt securities. The sub-fund will invest in a diversified portfolio of primarily Asian investment grade fixed income or debt securities with a minimum credit rating of BBB- by Standard & Poor's, Baa3 by Moody's or BBB- by Fitch (or their respective equivalents) and cash. The type of debt securities that the Sub-Fund intends to invest in will be broadly diversified and would include, but is not limited to those issued by governments, agencies, supranationals and corporates, with no specific emphasis on any single country or sector. The sub-fund may employ derivatives for the purpose of hedging and/or efficient portfolio management.

## 2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

Financial statements are prepared based on the functional currency of the sub-funds. Other than the financial statements of Manulife Global Asset Allocation - Managed Growth Fund and Manulife Global Asset Allocation - Growth Fund that are expressed in United States Dollars (USD or US\$), the financial statements of other sub-funds are expressed in Singapore dollars (SGD or S\$).

(b) Income recognition

Dividend income is recorded gross in the financial statements in the accounting year which the security is quoted ex-dividend.

Interest income on deposits and fixed income securities is recognised on a time proportion basis using the effective interest method.

## Notes to the Financial Statements

### For the financial year ended 31 December 2018

(c) Distribution policy

The Manager on behalf of the Trustee shall have absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid out on the distribution date.

Distributions are accrued for at the reporting date if the Manager has discretion to declare distributions without the need for unitholders' or trustee's approval and where a constructive or legal obligation has been provided.

(d) Basis of valuation of investments

Investments of the Funds are stated at the current last traded market price at the Statement of Financial Position date. Investments in non-exchange traded funds are stated at the net asset value of the underlying funds at the Statement of Financial Position date for reporting purpose.

(e) Foreign currency translation

Foreign currency monetary assets and liabilities are translated into functional currency of the sub-funds at the rates of exchange ruling at the end of the reporting period. Foreign currency transactions during the financial year are converted into functional currency of the sub-funds at the rates of exchange ruling on the transaction dates.

Foreign exchange gains or losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at the end of the reporting period are taken to the Statement of Total Return.

(f) Financial assets at fair value through profit or loss

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade dates. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net changes in fair value of investments are included in the Statement of Total Return in the financial year in which they arise. The resultant unrealised gains and losses are taken to the Statement of Total Return.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price, and taken up directly in the Statement of Total Return.

## Notes to the Financial Statements

### For the financial year ended 31 December 2018

(g) Financial derivative instruments

The Funds may invest in financial derivative instruments. Such contracts are stated at fair value at the end of the reporting period. The net resultant profit or loss is included in the Statement of Total Return.

(h) Expenses charged to the sub-funds

Most expenses are charged directly to the Statements of Total Return against the value of the respective sub-funds. The Manager may, at its own discretion, bear certain expenses relating to the sub-funds.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(j) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Funds considers its investment in the investee fund to be investment in unconsolidated structured entities. The Funds invests in the investee fund whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The investee fund are managed by related asset managers and apply various investment strategies to accomplish their respective investment objectives. The investee fund finances their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Funds holds redeemable shares in each of its investee fund.

The change in fair value of the investee fund is included in the Statement of Total Return in "Net gains/losses on investments".

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

(k) Taxation

The Funds are designated unit trusts and therefore, the following income is exempted from tax in accordance with Section 35(12) of the Income Tax Act:

- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities and transactions in foreign exchange, futures, forwards, swaps and options relating to securities, financial indices, interest rates and currencies;
- (ii) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act); and
- (iii) distribution from foreign unit trusts and dividend derived from outside Singapore and received in Singapore.

**3. Income Tax**

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	For the financial year from 01/01/2018 to 31/12/2018 S\$	For the financial year from 01/01/2017 to 31/12/2017 S\$	For the financial year from 01/01/2018 to 31/12/2018 S\$	For the financial year from 01/01/2017 to 31/12/2017 S\$
Singapore income tax	-	-	287	1,132

  

	<b>Manulife Asian Small Cap Equity Fund</b>		<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	
	For the financial year from 01/01/2018 to 31/12/2018 S\$	For the financial year from 01/01/2017 to 31/12/2017 S\$	For the financial year from 01/01/2018 to 31/12/2018 S\$	For the financial year from 01/01/2017 to 31/12/2017 S\$
Singapore income tax	-	-	475	-
Foreign income tax	-	-	67,647	30,471
	-	-	68,122	30,471

  

	<b>Manulife Global Allocation - Managed Growth Fund</b>		<b>Manulife Global Asset Allocation - Growth Fund</b>	
	For the financial year from 01/01/2018 to 31/12/2018 US\$	For the financial year from 01/01/2017 to 31/12/2017 US\$	For the financial year from 01/01/2018 to 31/12/2018 US\$	For the financial year from 01/01/2017 to 31/12/2017 US\$
Foreign income tax	2,924	41,169	170,320	776,489

The taxation charge comprised Singapore and overseas tax deducted at source and withholding tax in respect of dividend and interest income received.

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**4. Distribution to unitholders**

**Manulife Asia Pacific Investment Grade Bond Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-MDis</b>			
15 January 2018	29 January 2018	0.003	3,484
15 February 2018	02 March 2018	0.003	2,245
15 March 2018	29 March 2018	0.003	2,275
16 April 2018	30 April 2018	0.003	2,272
15 May 2018	30 May 2018	0.003	2,312
18 June 2018	02 July 2018	0.003	2,333
16 July 2018	30 July 2018	0.003	1,938
15 August 2018	30 August 2018	0.003	1,980
17 September 2018	01 October 2018	0.003	2,006
15 October 2018	29 October 2018	0.003	1,977
15 November 2018	29 November 2018	0.003	1,965
18 December 2018	02 January 2019	0.029	1,951
			<u>26,738</u>

**Manulife Asia Pacific Investment Grade Bond Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-MDis</b>			
15 January 2017	31 January 2017	0.003	2,244
15 February 2017	01 March 2017	0.003	2,324
15 March 2017	29 March 2017	0.003	2,298
17 April 2017	02 May 2017	0.003	2,431
15 May 2017	29 May 2017	0.003	2,482
15 June 2017	30 June 2017	0.003	2,495
17 July 2017	31 July 2017	0.003	2,542
15 August 2017	29 August 2017	0.003	2,682
15 September 2017	29 September 2017	0.003	2,968
16 October 2017	30 October 2017	0.003	3,159
15 November 2017	29 November 2017	0.003	3,332
15 December 2017	02 January 2018	0.003	3,265
			<u>32,222</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation - Managed Growth Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD</b>				
15 January 2018	29 January 2018	0.003	0.002	25,628
15 February 2018	02 March 2018	0.003	0.002	25,240
15 March 2018	29 March 2018	0.003	0.002	25,099
16 April 2018	30 April 2018	0.003	0.002	25,268
15 May 2018	30 May 2018	0.003	0.002	25,145
18 June 2018	02 July 2018	0.003	0.002	24,614
16 July 2018	30 July 2018	0.003	0.002	24,684
15 August 2018	30 August 2018	0.003	0.002	24,641
17 September 2018	01 October 2018	0.003	0.002	24,541
15 October 2018	29 October 2018	0.003	0.002	24,140
15 November 2018	29 November 2018	0.003	0.002	23,942
18 December 2018	02 January 2019	0.003	0.002	23,862
				<u>296,804</u>

**Manulife Global Asset Allocation - Managed Growth Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD</b>				
15 January 2017	31 January 2017	0.003	0.002	25,243
15 February 2017	01 March 2017	0.003	0.002	24,647
15 March 2017	29 March 2017	0.003	0.002	24,657
17 April 2017	02 May 2017	0.003	0.002	24,492
15 May 2017	29 May 2017	0.003	0.002	24,853
15 June 2017	30 June 2017	0.003	0.002	24,964
17 July 2017	31 July 2017	0.003	0.002	25,170
15 August 2017	29 August 2017	0.003	0.002	25,164
15 September 2017	29 September 2017	0.003	0.002	25,332
16 October 2017	30 October 2017	0.003	0.002	25,383
15 November 2017	29 November 2017	0.003	0.002	25,185
15 December 2017	02 January 2018	0.003	0.002	25,355
				<u>300,445</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation - Managed Growth Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD Hedged</b>				
15 January 2018	29 January 2018	0.003	0.002	7,553
15 February 2018	02 March 2018	0.003	0.002	6,968
15 March 2018	29 March 2018	0.003	0.002	6,969
16 April 2018	30 April 2018	0.003	0.002	7,010
15 May 2018	30 May 2018	0.003	0.002	6,616
18 June 2018	02 July 2018	0.003	0.002	6,390
16 July 2018	30 July 2018	0.003	0.002	6,344
15 August 2018	30 August 2018	0.003	0.002	6,184
17 September 2018	01 October 2018	0.003	0.002	6,237
15 October 2018	29 October 2018	0.003	0.002	6,113
15 November 2018	29 November 2018	0.002	0.002	6,047
18 December 2018	02 January 2019	0.002	0.002	6,028
				<u>78,459</u>

**Manulife Global Asset Allocation - Managed Growth Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD Hedged</b>				
15 January 2017	31 January 2017	0.003	0.002	8,042
15 February 2017	01 March 2017	0.003	0.002	8,129
15 March 2017	29 March 2017	0.003	0.002	8,071
17 April 2017	02 May 2017	0.003	0.002	8,106
15 May 2017	29 May 2017	0.003	0.002	7,797
15 June 2017	30 June 2017	0.003	0.002	7,689
17 July 2017	31 July 2017	0.003	0.002	7,833
15 August 2017	29 August 2017	0.003	0.002	7,016
15 September 2017	29 September 2017	0.003	0.002	7,207
16 October 2017	30 October 2017	0.003	0.002	7,301
15 November 2017	29 November 2017	0.003	0.002	7,323
15 December 2017	02 January 2018	0.003	0.002	7,421
				<u>91,935</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation - Managed Growth Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis USD</b>			
15 January 2018	29 January 2018	0.003	219
15 February 2018	02 March 2018	0.003	216
15 March 2018	29 March 2018	0.003	221
16 April 2018	30 April 2018	0.003	221
15 May 2018	30 May 2018	0.003	218
18 June 2018	02 July 2018	0.003	215
16 July 2018	30 July 2018	0.003	214
15 August 2018	30 August 2018	0.003	211
17 September 2018	01 October 2018	0.003	211
15 October 2018	29 October 2018	0.003	208
15 November 2018	29 November 2018	0.003	205
18 December 2018	02 January 2019	0.025	204
			<u>2,563</u>

**Manulife Global Asset Allocation - Managed Growth Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis USD</b>			
15 January 2017	31 January 2017	0.003	3,974
15 February 2017	01 March 2017	0.003	3,875
15 March 2017	29 March 2017	0.003	3,886
17 April 2017	02 May 2017	0.003	3,908
15 May 2017	29 May 2017	0.003	3,945
15 June 2017	30 June 2017	0.003	3,683
17 July 2017	31 July 2017	0.003	3,701
15 August 2017	29 August 2017	0.003	3,700
15 September 2017	29 September 2017	0.003	3,732
16 October 2017	30 October 2017	0.003	3,740
15 November 2017	29 November 2017	0.003	3,707
15 December 2017	02 January 2018	0.003	3,726
			<u>45,577</u>



**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation - Growth Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD Hedged</b>				
15 January 2018	29 January 2018	0.005	0.004	110,250
15 February 2018	02 March 2018	0.005	0.004	110,767
15 March 2018	29 March 2018	0.005	0.004	112,430
16 April 2018	30 April 2018	0.005	0.004	115,531
15 May 2018	30 May 2018	0.005	0.004	111,803
18 June 2018	02 July 2018	0.005	0.004	110,725
16 July 2018	30 July 2018	0.005	0.004	106,565
15 August 2018	30 August 2018	0.005	0.003	100,594
17 September 2018	01 October 2018	0.005	0.003	95,423
15 October 2018	29 October 2018	0.005	0.003	90,733
15 November 2018	29 November 2018	0.004	0.003	79,650
18 December 2018	02 January 2019	0.004	0.003	78,983
				<u>1,223,454</u>

**Manulife Global Asset Allocation - Growth Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD Hedged</b>				
15 January 2017	31 January 2017	0.005	0.004	130,808
15 February 2017	01 March 2017	0.005	0.004	128,181
15 March 2017	29 March 2017	0.005	0.004	124,857
17 April 2017	02 May 2017	0.005	0.004	120,193
15 May 2017	29 May 2017	0.005	0.004	112,415
15 June 2017	30 June 2017	0.005	0.004	116,439
17 July 2017	31 July 2017	0.005	0.004	109,395
15 August 2017	29 August 2017	0.005	0.004	107,151
15 September 2017	29 September 2017	0.005	0.004	108,541
16 October 2017	30 October 2017	0.005	0.004	103,054
15 November 2017	29 November 2017	0.005	0.004	102,753
15 December 2017	02 January 2018	0.005	0.004	104,239
				<u>1,368,026</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation - Growth Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD</b>				
15 January 2018	29 January 2018	0.005	0.004	1,036,990
15 February 2018	02 March 2018	0.005	0.004	986,853
15 March 2018	29 March 2018	0.005	0.004	948,210
16 April 2018	30 April 2018	0.005	0.004	900,967
15 May 2018	30 May 2018	0.005	0.004	873,407
18 June 2018	02 July 2018	0.005	0.004	839,163
16 July 2018	30 July 2018	0.005	0.004	823,557
15 August 2018	30 August 2018	0.005	0.004	794,601
17 September 2018	01 October 2018	0.005	0.004	780,095
15 October 2018	29 October 2018	0.005	0.004	745,889
15 November 2018	29 November 2018	0.005	0.004	719,754
18 December 2018	02 January 2019	0.005	0.004	696,000
				<u>10,145,486</u>

**Manulife Global Asset Allocation - Growth Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis SGD</b>				
15 January 2017	31 January 2017	0.006	0.004	798,623
15 February 2017	01 March 2017	0.006	0.004	817,504
15 March 2017	29 March 2017	0.006	0.004	849,340
17 April 2017	02 May 2017	0.006	0.004	869,253
15 May 2017	29 May 2017	0.006	0.004	907,272
15 June 2017	30 June 2017	0.006	0.004	931,836
17 July 2017	31 July 2017	0.006	0.004	961,098
15 August 2017	29 August 2017	0.006	0.004	966,386
15 September 2017	29 September 2017	0.006	0.004	973,728
16 October 2017	30 October 2017	0.006	0.004	976,267
15 November 2017	29 November 2017	0.005	0.004	974,994
15 December 2017	02 January 2018	0.005	0.004	994,519
				<u>11,020,820</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Global Asset Allocation - Growth Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis USD</b>			
15 January 2018	29 January 2018	0.005	17,012
15 February 2018	02 March 2018	0.005	14,966
15 March 2018	29 March 2018	0.005	14,560
16 April 2018	30 April 2018	0.005	14,565
15 May 2018	30 May 2018	0.005	14,438
18 June 2018	02 July 2018	0.005	12,598
16 July 2018	30 July 2018	0.005	12,462
15 August 2018	30 August 2018	0.005	10,077
17 September 2018	01 October 2018	0.005	9,982
15 October 2018	29 October 2018	0.005	9,518
15 November 2018	29 November 2018	0.005	8,914
18 December 2018	02 January 2019	0.004	8,812
			<u>147,904</u>

**Manulife Global Asset Allocation - Growth Fund**  
**For the financial year ended 31 December 2017**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution amount US\$
<b>Class A-MDis USD</b>			
15 January 2017	31 January 2017	0.005	27,073
15 February 2017	01 March 2017	0.005	26,977
15 March 2017	29 March 2017	0.005	26,086
17 April 2017	02 May 2017	0.005	24,618
15 May 2017	29 May 2017	0.005	21,148
15 June 2017	30 June 2017	0.005	20,976
17 July 2017	31 July 2017	0.005	19,863
15 August 2017	29 August 2017	0.005	18,834
15 September 2017	29 September 2017	0.005	18,694
16 October 2017	30 October 2017	0.005	18,630
15 November 2017	29 November 2017	0.005	18,067
15 December 2017	02 January 2018	0.005	15,168
			<u>256,134</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-QDis SGD</b>			
15 March 2018	29 March 2018	0.010	1,816,273
18 June 2018	02 July 2018	0.010	1,693,091
17 September 2018	01 October 2018	0.010	1,504,996
18 December 2018	02 January 2019	0.010	1,421,139
			<u>6,435,499</u>

**Manulife SGD Income Fund**  
**For the financial period from 21 November 2016 (Date of launch) to 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-QDis SGD</b>			
15 March 2017	29 March 2017	0.005	167,633
15 June 2017	30 June 2017	0.010	566,009
15 September 2017	29 September 2017	0.013	1,301,301
15 December 2017	02 January 2018	0.013	1,889,919
			<u>3,924,862</u>

**Manulife SGD Income Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class B-QDis SGD</b>			
17 September 2018	01 October 2018	0.010	20,879
18 December 2018	02 January 2019	0.010	20,386
			<u>41,265</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**  
**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class C-QDis SGD</b>			
15 March 2018	29 March 2018	0.010	6,775,719
18 June 2018	02 July 2018	0.010	6,054,766
17 September 2018	01 October 2018	0.010	5,556,576
18 December 2018	02 January 2019	0.096	5,205,587
			<u>23,592,648</u>

**Manulife SGD Income Fund**  
**For the financial period from 21 November 2016 (Date of launch) to 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class C-QDis SGD</b>			
15 March 2017	29 March 2017	0.005	585,103
15 June 2017	30 June 2017	0.010	2,105,910
15 September 2017	29 September 2017	0.013	4,870,622
15 December 2017	02 January 2018	0.013	7,343,459
			<u>14,905,094</u>

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class D-QDis SGD</b>			
15 March 2018	29 March 2018	0.010	41,183
18 June 2018	02 July 2018	0.010	37,143
17 September 2018	01 October 2018	0.010	36,928
18 December 2018	02 January 2019	0.010	36,483
			<u>151,737</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**

**For the financial period from 21 November 2016 (Date of launch) to 31 December 2017**

Record Date	Payment Date	Distribution rate S\$ per units	Distribution amount S\$
<b>Class D-QDis SGD</b>			
29 March 2017	29 March 2017	0.010	3,025
15 June 2017	30 June 2017	0.010	39,713
			<u>42,738</u>

**Manulife SGD Income Fund**

**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-QDis USD Hedged</b>				
15 March 2018	29 March 2018	0.010	0.013	211,767
18 June 2018	02 July 2018	0.010	0.013	211,719
17 September 2018	01 October 2018	0.010	0.013	194,752
18 December 2018	02 January 2019	0.010	0.013	186,853
				<u>805,091</u>

**Manulife SGD Income Fund**

**For the financial period from 21 November 2016 (Date of launch) to 31 December 2017**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-QDis USD Hedged</b>				
15 March 2017	29 March 2017	0.005	0.007	2,986
15 June 2017	30 June 2017	0.010	0.014	31,446
15 September 2017	29 September 2017	0.013	0.017	172,756
15 December 2017	02 January 2018	0.013	0.017	241,361
				<u>448,549</u>

**Manulife SGD Income Fund**

**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class C-QDis USD Hedged</b>				
15 March 2018	29 March 2018	0.010	0.013	1,408,299
18 June 2018	02 July 2018	0.010	0.013	1,400,843
17 September 2018	01 October 2018	0.010	0.013	1,317,532
18 December 2018	02 January 2019	0.010	0.013	1,216,846
				<u>5,343,520</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**

**For the financial period from 21 November 2016 (Date of launch) to 31 December 2017**

Record Date	Payment Date	Distribution rate US\$ per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class C-QDis USD Hedged</b>				
15 March 2017	29 March 2017	0.005	0.007	104,195
15 June 2017	30 June 2017	0.010	0.014	422,055
15 September 2017	29 September 2017	0.013	0.017	1,043,182
15 December 2017	02 January 2018	0.013	0.017	1,574,471
				<u>3,143,903</u>

**Manulife SGD Income Fund**

**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate AUD per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class A-QDis AUD Hedged</b>				
15 March 2018	29 March 2018	0.010	0.010	2,468
18 June 2018	02 July 2018	0.010	0.010	5,343
17 September 2018	01 October 2018	0.010	0.010	5,251
18 December 2018	02 January 2019	0.010	0.010	4,159
				<u>17,221</u>

**Manulife SGD Income Fund**

**For the financial year ended 31 December 2018**

Record Date	Payment Date	Distribution rate AUD per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class C-QDis AUD Hedged</b>				
15 March 2018	29 March 2018	0.010	0.010	67,423
18 June 2018	02 July 2018	0.010	0.010	64,930
17 September 2018	01 October 2018	0.010	0.010	63,869
18 December 2018	02 January 2019	0.010	0.009	62,814
				<u>259,036</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**

**For the financial period from 21 November 2016 (Date of launch) to 31 December 2017**

Record Date	Payment Date	Distribution rate AUD per units	Distribution rate S\$ per units	Distribution amount S\$
<b>Class C-QDis AUD Hedged</b>				
15 September 2017	29 September 2017	0.011	0.012	18,030
15 December 2017	02 January 2018	0.010	0.010	22,669
				<u>40,699</u>

Other than sub-funds reported above, the Manager did not propose any distribution to unitholders for other sub-funds for the financial year ended 31 December 2018 (2017: Nil).

**5. Cash and bank balances**

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$	S\$	S\$	S\$

Held with a related company  
of the Trustee:

- Cash and bank balances	<u>3,515,366</u>	<u>202,827</u>	<u>34,459</u>	<u>146,574</u>
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	<b>Manulife Asian Small Cap Equity Fund</b>		<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$	S\$	S\$	S\$

Held with a related company  
of the Trustee:

- Cash and bank balances	<u>459,592</u>	<u>795,900</u>	<u>5,691,859</u>	<u>2,817,424</u>
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	<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		<b>Manulife Global Asset Allocation - Growth Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	US\$	US\$	US\$	US\$

Held with a related company  
of the Trustee:

- Cash and bank balances	<u>336,280</u>	<u>247,879</u>	<u>3,735,054</u>	<u>4,947,250</u>
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Held with other financial  
institutions:

- Fixed deposits	<u>1,950,000</u>	<u>-</u>	<u>13,000,000</u>	<u>1,901,138</u>
	<u>2,286,280</u>	<u>247,879</u>	<u>16,735,054</u>	<u>6,848,388</u>



**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife SGD Income Fund**  
31/12/2018      31/12/2017  
S\$                      S\$

Held with a related company  
of the Trustee:

- Cash and bank balances	6,327,488	26,635,569
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As at 31 December 2018, Manulife Global Asset Allocation - Managed Growth Fund has fixed deposits with financial institutions. The weighted average effective interest rate is 2.30% (2017: Nil) per annum, maturing 4 days (2017: Nil) from the end of the reporting period.

As at 31 December 2018, Manulife Global Asset Allocation - Growth Fund has fixed deposits with financial institutions. The weighted average effective interest rate is 2.38% (2017: 1.38%) per annum, maturing 4 days (2017: 5 days) from the end of the reporting period.

**6. Receivables**

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$	S\$	S\$	S\$
Dividend receivable	-	-	18,999	25,274
Interest receivable	716,051	149,211	-	-
Amount receivable from unitholders	279,671	46,036	7,864	28,572
Other receivable	-	-	-	-
	<u>995,722</u>	<u>195,247</u>	<u>26,863</u>	<u>53,846</u>

  

	<b>Manulife Asian Small Cap Equity Fund</b>		<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$	S\$	S\$	S\$
Interest receivable	-	-	2,101,219	1,350,947
Amount receivable from unitholders	82,288	33,963	387,799	884,879
Other receivable	5	472	-	-
	<u>82,293</u>	<u>34,435</u>	<u>2,489,018</u>	<u>2,235,826</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		<b>Manulife Global Asset Allocation - Growth Fund</b>	
	31/12/2018 US\$	31/12/2017 US\$	31/12/2018 US\$	31/12/2017 US\$
Dividend receivable	71	2,618	14,766	50,615
Interest receivable	510	13	3,967	748
Amount receivable from unitholders	-	19,175	258,098	1,261,772
Other receivable	1,238	1,650	11,928	18,796
	<b>1,819</b>	<b>23,456</b>	<b>288,759</b>	<b>1,331,931</b>
	<b>Manulife SGD Income Fund</b>		<b>Manulife SGD Income Fund</b>	
	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
Interest receivable			9,670,405	10,892,268
Amount receivable from unitholders			105,441	5,029,094
Other receivable			9,265	1,213
			<b>9,785,111</b>	<b>15,922,575</b>

The carrying amounts of receivables approximate their fair values. These receivables are not secured on any collateral.

**7. Payables**

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
Amount payable to unitholders	229,558	596	360	311
Accrued management fees	67,807	11,025	12,784	14,955
Accrued trustee fees	4,068	1,485	5,280	2,939
Other payables and accruals	29,270	28,269	30,154	29,746
	<b>330,703</b>	<b>41,375</b>	<b>48,578</b>	<b>47,951</b>
	<b>Manulife Asian Small Cap Equity Fund</b>		<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	
	31/12/2018 S\$	31/12/2017 S\$	31/12/2018 S\$	31/12/2017 S\$
Amount due to unitholders	111,694	367,004	278,601	557,415
Accrued management fees	15,290	18,018	118,431	92,794
Accrued trustee fees	1,251	1,474	7,106	5,568
Other payables and accruals	25,104	25,270	36,241	40,920
	<b>153,339</b>	<b>411,766</b>	<b>440,379</b>	<b>696,697</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		<b>Manulife Global Asset Allocation - Growth Fund</b>	
	31/12/2018 US\$	31/12/2017 US\$	31/12/2018 US\$	31/12/2017 US\$
Amount due to unitholders	30,945	33,164	2,158,123	2,705,897
Accrued management fees	9,826	11,457	155,473	218,940
Accrued trustee fees	3,453	1,726	5,182	7,298
Other payables and accruals	23,402	26,699	38,745	49,938
	<u>67,626</u>	<u>73,046</u>	<u>2,357,523</u>	<u>2,982,073</u>

	<b>Manulife SGD Income Fund</b>	
	31/12/2018 S\$	31/12/2017 S\$
Amount payable to unitholders	2,737,352	2,029,357
Accrued management fees	621,840	673,107
Accrued trustee fees	33,339	36,080
Other payables and accruals	6,772,280	9,371,768
	<u>10,164,811</u>	<u>12,110,312</u>

The carrying amounts of payables approximate their fair values. The amounts are unsecured, interest-free and repayable on demand.

**8. Financial Derivative at Fair Value**

**Manulife Singapore Bond Fund**

	<b>Notional Principal S\$</b>	<b>Fair value assets S\$</b>	<b>Fair value liabilities S\$</b>
<b>31 December 2018</b>			
Forward foreign exchange contracts	13,868,664	113,651	-
Futures contracts	9,230,841	-	177,224
		<u>113,651</u>	<u>177,224</u>
<b>31 December 2017</b>			
Forward foreign exchange contracts	3,643,460	24,497	-
Futures contracts	500,023	-	2,694
		<u>24,497</u>	<u>2,694</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**Manulife Asia Pacific Investment Grade Bond Fund**

	<b>Notional Principal S\$</b>	<b>Fair value assets S\$</b>	<b>Fair value liabilities S\$</b>
<b>31 December 2018</b>			
Forward foreign exchange contracts	147,694,599	744,758	-
Futures contracts	26,210,175	-	398,992
		<u>744,758</u>	<u>398,992</u>
<b>31 December 2017</b>			
Forward foreign exchange contracts	114,099,098	1,115,686	-
Futures contracts	28,621,855	134,965	-
		<u>1,250,651</u>	<u>-</u>

**Manulife Global Asset Allocation - Managed Growth Fund**

	<b>Notional Principal US\$</b>	<b>Fair value assets US\$</b>	<b>Fair value liabilities US\$</b>
<b>31 December 2018</b>			
Forward foreign exchange contracts	2,087,474	11,627	31
<b>31 December 2017</b>			
Forward foreign exchange contracts	2,568,317	23,075	19

**Manulife Global Asset Allocation - Growth Fund**

	<b>Notional Principal US\$</b>	<b>Fair value assets US\$</b>	<b>Fair value liabilities US\$</b>
<b>31 December 2018</b>			
Forward foreign exchange contracts	14,280,955	82,189	3,554
Futures contracts	2,742,544	-	13,231
		<u>82,189</u>	<u>16,785</u>
<b>31 December 2017</b>			
Forward foreign exchange contracts	18,352,827	162,751	1,269

**Manulife SGD Income Fund**

	<b>Notional Principal S\$</b>	<b>Fair value assets S\$</b>	<b>Fair value liabilities S\$</b>
<b>31 December 2018</b>			
Forward foreign exchange contracts	578,642,497	3,012,853	1,003,212
Futures contracts	151,111,808	-	1,974,666
Swap contracts	30,000,000	-	213,628
		<u>3,012,853</u>	<u>3,191,506</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Notional Principal S\$	Fair value assets S\$	Fair value liabilities S\$
<b>31 December 2017</b>			
Forward foreign exchange contracts	593,458,431	3,763,744	1,227,868
Futures contracts	148,011,083	171,016	125,912
		<u>3,934,760</u>	<u>1,353,780</u>

Maturity dates of the financial derivatives of the Funds as at the financial year end date are as follows:

	<b>31/12/2018</b>	<b>31/12/2017</b>
<b>Manulife Singapore Bond Fund</b>		
Forward foreign exchange contracts	29 January 2019	26 January 2018
Futures contracts	20 March 2019 and 29 March 2019	20 March 2018
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
Forward foreign exchange contracts	28 January 2019	19 January 2018
Futures contracts	20 March 2019	20 March 2018 and 29 March 2018
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		
Forward foreign exchange contracts	31 January 2019	31 January 2018
<b>Manulife Global Asset Allocation - Growth Fund</b>		
Forward foreign exchange contracts	31 January 2019	31 January 2018
Futures contracts	15 March 2019	-
<b>Manulife SGD Income Fund</b>		
Forward foreign exchange contracts	26 January 2018, 29 January 2019, and 28 February 2019	31 January 2018 and 27 February 2018
Futures contracts	20 March 2019 and 29 March 2019	20 March 2018 and 29 March 2018
Swap contracts	20 March 2024 and 20 March 2029	-

There are no outstanding forward exchange contracts as at 31 December 2018 for other sub-funds.

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**9. Units in issue**

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	31/12/2018 Class A	31/12/2017 Class A	31/12/2018 Class A	31/12/2017 Class A
Units at the beginning of the financial year	13,821,885	17,394,887	7,705,560	9,361,422
Units created	77,723,412	775,612	759,150	287,946
Units cancelled	(7,041,342)	(4,348,614)	(1,121,639)	(1,943,808)
<b>Units at the end of the financial year</b>	<b>84,503,955</b>	<b>13,821,885</b>	<b>7,343,071</b>	<b>7,705,560</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>106,788,663</b>	<b>17,270,312</b>	<b>9,931,385</b>	<b>11,729,091</b>
<b>Net asset value per unit (\$\$)</b>	<b>1.263</b>	<b>1.249</b>	<b>1.352</b>	<b>1.522</b>
			<b>Manulife Asian Small Cap Equity Fund</b>	
			31/12/2018 Class A	31/12/2017 Class A
Units at the beginning of the financial year			30,306,370	38,515,804
Units created			9,095,922	4,145,619
Units cancelled			(6,923,117)	(12,355,053)
<b>Units at the end of the financial year</b>			<b>32,479,175</b>	<b>30,306,370</b>
<b>Net assets attributable to unitholders (\$\$)</b>			<b>32,535,213</b>	<b>39,655,402</b>
<b>Net asset value per unit (\$\$)</b>			<b>1.001</b>	<b>1.308</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
	31/12/2018 Class A	31/12/2018 Class A-MDis	31/12/2018 Class B
Units at the beginning of the financial year	129,370,365	1,218,878	-
Units created	79,397,445	293,451	-
Units cancelled	(44,764,408)	(835,464)	-
<b>Units at the end of the financial year</b>	<b>164,003,402</b>	<b>676,865</b>	<b>-</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>185,819,106</b>	<b>652,073</b>	<b>-</b>
<b>Net asset value per unit (\$\$)</b>	<b>1.133</b>	<b>0.963</b>	<b>-</b>
	<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
	31/12/2017 Class A	31/12/2017 Class A-MDis	31/12/2017 Class B
Units at the beginning of the financial year	47,871,931	684,101	8,563,000
Units created	107,099,773	977,879	-
Units cancelled	(25,601,339)	(443,102)	(8,563,000)
<b>Units at the end of the financial year</b>	<b>129,370,365</b>	<b>1,218,878</b>	<b>-</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>147,326,064</b>	<b>1,223,535</b>	<b>-</b>
<b>Net asset value per unit (\$\$)</b>	<b>1.138</b>	<b>1.003</b>	<b>-</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

<b>Manulife Global Asset Allocation - Managed Growth Fund</b>				
	31/12/2018 Class A- MDis SGD	31/12/2018 Class A-MDis SGD Hedged	31/12/2018 Class A- MDis USD	31/12/2018 Class A-SGD
Units at the beginning of the financial year	11,673,332	3,654,014	74,679	241,704
Units created	714,652	214,764	7,303	228,765
Units cancelled	(246,791)	(524,336)	-	(158,980)
<b>Units at the end of the financial year</b>	<b>12,141,193</b>	<b>3,344,442</b>	<b>81,982</b>	<b>311,489</b>
<b>Net assets attributable to unitholders (US\$)</b>	<b>8,135,499</b>	<b>2,065,543</b>	<b>69,705</b>	<b>214,259</b>
<b>Net asset value per unit (US\$)</b>	<b>0.670</b>	<b>0.617</b>	<b>0.850</b>	<b>0.687</b>
<b>Net asset value per unit (S\$)</b>	<b>0.914</b>	<b>0.842</b>	<b>NA</b>	<b>0.936</b>
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>				
	31/12/2017 Class A- MDis SGD	31/12/2017 Class A-MDis SGD Hedged	31/12/2017 Class A- MDis USD	31/12/2017 Class A- MDis USD
Units at the beginning of the financial year	11,676,395	4,168,455	1,476,321	-
Units created	494,087	369,155	44,411	246,845
Units cancelled	(497,150)	(883,596)	(1,446,053)	(5,141)
<b>Units at the end of the financial year</b>	<b>11,673,332</b>	<b>3,654,014</b>	<b>74,679</b>	<b>241,704</b>
<b>Net assets attributable to unitholders (US\$)</b>	<b>8,705,736</b>	<b>2,586,692</b>	<b>70,671</b>	<b>178,671</b>
<b>Net asset value per unit (US\$)</b>	<b>0.745</b>	<b>0.707</b>	<b>0.946</b>	<b>0.739</b>
<b>Net asset value per unit (S\$)</b>	<b>0.996</b>	<b>0.946</b>	<b>NA</b>	<b>0.987</b>



**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

<b>Manulife Global Asset Allocation - Growth Fund</b>				
	31/12/2018	31/12/2018	31/12/2018	31/12/2018
	Class A- MDis SGD	Class A-MDis SGD Hedged	Class A- MDis USD	Class A- SGD
Units at the beginning of the financial year	247,409,579	27,443,108	2,968,307	678,066
Units created	50,131,085	11,119,521	800,808	1,729,006
Units cancelled	(101,797,692)	(14,339,907)	(1,791,451)	(327,309)
<b>Units at the end of the financial year</b>	<b>195,742,972</b>	<b>24,222,722</b>	<b>1,977,664</b>	<b>2,079,763</b>
<b>Net assets attributable to unitholders (US\$)</b>	<b>116,368,547</b>	<b>13,258,214</b>	<b>1,488,212</b>	<b>1,499,127</b>
<b>Net asset value per unit (US\$)</b>	<b>0.594</b>	<b>0.547</b>	<b>0.752</b>	<b>0.720</b>
<b>Net asset value per unit (S\$)</b>	<b>0.810</b>	<b>0.747</b>	<b>NA</b>	<b>0.981</b>

<b>Manulife Global Asset Allocation - Growth Fund</b>				
	31/12/2017	31/12/2017	31/12/2017	31/12/2017
	Class A- MDis SGD	Class A-MDis SGD Hedged	Class A- MDis USD	Class A- SGD
Units at the beginning of the financial year	196,177,780	36,462,161	5,497,123	4,548
Units created	105,562,179	8,166,760	1,244,333	2,067,289
Units cancelled	(54,330,380)	(17,185,813)	(3,773,149)	(1,393,771)
<b>Units at the end of the financial year</b>	<b>247,409,579</b>	<b>27,443,108</b>	<b>2,968,307</b>	<b>678,066</b>
<b>Net assets attributable to unitholders (US\$)</b>	<b>172,034,364</b>	<b>18,111,296</b>	<b>2,612,288</b>	<b>533,361</b>
<b>Net asset value per unit (US\$)</b>	<b>0.695</b>	<b>0.659</b>	<b>0.880</b>	<b>0.786</b>
<b>Net asset value per unit (S\$)</b>	<b>0.929</b>	<b>0.882</b>	<b>NA</b>	<b>1.051</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	<b>Manulife SGD Income Fund</b>				
	31/12/2018 Class A- SGD	31/12/2018 Class A-QDis SGD	31/12/2018 Class C- SGD	31/12/2018 Class C-QDis SGD	31/12/2018 Class D- SGD
Units at the beginning of the financial year	22,823,491	151,708,534	38,574,845	587,977,195	624,831
Units created	7,337,681	57,194,316	5,754,973	153,427,802	10,759
Units cancelled	(5,686,296)	(60,065,356)	(12,267,720)	(198,819,109)	(250,756)
<b>Units at the end of the financial year</b>	<b>24,474,876</b>	<b>148,837,494</b>	<b>32,062,098</b>	<b>542,585,888</b>	<b>384,834</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>25,196,099</b>	<b>140,981,428</b>	<b>33,070,986</b>	<b>516,117,537</b>	<b>387,606</b>
<b>Net asset value per unit (\$\$)</b>	<b>1.029</b>	<b>0.947</b>	<b>1.031</b>	<b>0.951</b>	<b>1.007</b>
	<b>Manulife SGD Income Fund</b>				
	31/12/2018 Class D-QDis SGD	31/12/2018 Class A-QDis USD Hedged	31/12/2018 Class C-QDis USD Hedged	31/12/2018 Class C-QDis AUD Hedged	31/12/2018 Class A-QDis AUD Hedged
Units at the beginning of the financial year	3,728,290	14,217,630	93,753,913	2,167,285	244,650
Units created	551,073	4,266,594	19,994,494	4,517,355	443,895
Units cancelled	(457,527)	(4,353,730)	(22,230,330)	-	(244,650)
<b>Units at the end of the financial year</b>	<b>3,821,836</b>	<b>14,130,494</b>	<b>91,518,077</b>	<b>6,684,640</b>	<b>443,895</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>3,625,570</b>	<b>18,290,988</b>	<b>119,709,995</b>	<b>6,087,441</b>	<b>402,559</b>
<b>Net asset value per unit (\$\$)</b>	<b>0.948</b>	<b>1.294</b>	<b>1.308</b>	<b>0.910</b>	<b>0.906</b>
<b>Net asset value per unit (US\$)</b>	<b>NA</b>	<b>0.949</b>	<b>0.959</b>	<b>NA</b>	<b>NA</b>
<b>Net asset value per unit (AUD)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>0.949</b>	<b>0.945</b>

**Notes to the Financial Statements**  
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**Manulife SGD Income Fund**  
31/12/2018  
Class B-Qdis  
SGD

Units at the beginning of the financial year	-
Units created	2,253,059
Units cancelled	(187,641)
<b>Units at the end of the financial year</b>	<b>2,065,418</b>
<b>Net assets attributable to Unitholders (\$\$)</b>	<b>2,026,793</b>
<b>Net asset value per unit (\$\$)</b>	<b>0.981</b>

	<b>Manulife SGD Income Fund</b>				
	31/12/2017 Class A- SGD	31/12/2017 Class A-QDis SGD	31/12/2017 Class C- SGD	31/12/2017 Class C-QDis SGD	31/12/2017 Class D- SGD
Units at the beginning of the financial period	-	-	-	-	-
Units created	28,125,595	174,417,826	41,892,370	616,517,581	624,831
Units cancelled	(5,302,104)	(22,709,292)	(3,317,525)	(28,540,386)	-
<b>Units at the end of the financial period</b>	<b>22,823,491</b>	<b>151,708,534</b>	<b>38,574,845</b>	<b>587,977,195</b>	<b>624,831</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>23,974,272</b>	<b>152,639,802</b>	<b>40,517,080</b>	<b>592,891,111</b>	<b>638,924</b>
<b>Net asset value per unit (\$\$)</b>	<b>1.050</b>	<b>1.006</b>	<b>1.050</b>	<b>1.008</b>	<b>1.022</b>

**Notes to the Financial Statements**  
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<b>Manulife SGD Income Fund</b>					
	31/12/2017	31/12/2017	31/12/2017	31/12/2017	31/12/2017
	Class D-QDis		Class A-QDis		Class
	SGD		USD Hedged		A-QDis AUD
			USD Hedged		Hedged
Units at the beginning of the financial period	-	-	-	-	-
Units created	3,928,091	14,693,913	98,665,621	2,167,285	244,650
Units cancelled	(199,801)	(476,283)	(4,911,708)	-	-
<b>Units at the end of the financial period</b>	<b>3,728,290</b>	<b>14,217,630</b>	<b>93,753,913</b>	<b>2,167,285</b>	<b>244,650</b>
<b>Net assets attributable to unitholders (\$\$)</b>	<b>3,738,007</b>	<b>19,065,103</b>	<b>126,798,535</b>	<b>2,273,212</b>	<b>255,974</b>
<b>Net asset value per unit (\$\$)</b>	<b>1.002</b>	<b>1.340</b>	<b>1.352</b>	<b>1.048</b>	<b>1.046</b>
<b>Net asset value per unit (US\$)</b>	<b>NA</b>	<b>1.003</b>	<b>1.011</b>	<b>NA</b>	<b>NA</b>
<b>Net asset value per unit (AUD)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>1.003</b>	<b>1.000</b>

The following classes are offered in the respective sub-funds:

<b>Sub-Funds / Classes</b>	<b>A</b>	<b>B</b>
Manulife Singapore Bond Fund	✓	✓
Manulife Singapore Equity Fund	✓	✓
Manulife Asian Small Cap Equity Fund	✓	✓

<b>Sub-Funds / Classes</b>	<b>Accumulation classes</b>		<b>Distribution classes</b>		
	<b>A</b>	<b>B</b>	<b>A-MDis</b>	<b>A-MDis USD Hedged</b>	<b>B-MDis</b>
Manulife Asia Pacific Investment Grade Bond Fund	✓	✓	✓	✓	✓

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

Sub-Funds / Classes	Accumulation classes		
	A - SGD	B - SGD	A - SGD Hedged
Manulife Global Asset Allocation - Managed Growth Fund	√	√	√
Manulife Global Asset Allocation - Growth Fund	√	√	√

Sub-Funds / Classes	Distribution classes		
	A-Mdis SGD	A-MDis SGD Hedged	A-MDis USD
Manulife Global Asset Allocation - Managed Growth Fund	√	√	√
Manulife Global Asset Allocation - Growth Fund	√	√	√

Sub-Funds / Classes	Accumulation classes			
	A-SGD	B-SGD	C-SGD	D-SGD
Manulife SGD Income Fund	√	√	√	√

Sub-Funds / Classes	Distribution classes				
	A - QDis SGD	A-QDis USD Hedged	A-QDis SGD	B-QDis SGD	C-QDis SGD
Manulife SGD Income Fund	√	√	√	√	√
	C - QDis USD Hedged	C - QDis CAD	C - QDis AUD Hedged	C - QDis EUR Hedged	D - QDis SGD
	√	√	√	√	√

Classes of units may differ in terms of the rate of management fee and the minimum threshold amounts relating to subscription and redemption. During the financial year, only Class A units were issued for Manulife Singapore Bond Fund, Manulife Singapore Equity Fund and Manulife Asian Small Cap Equity Fund.

As for Manulife Asia Pacific Investment Grade Bond Fund, Class A, Class A-MDis and Class B were issued during the financial period.

In addition, units of Class A-SGD, Class A-MDis SGD, Class A-MDis SGD Hedged and Class A-MDis USD were issued for Manulife Global Asset Allocation - Managed Growth Fund and Manulife Global Asset Allocation - Growth Fund. Class A-SGD was newly issued for Manulife Global Asset Allocation - Managed Growth fund for the financial year.

## Notes to the Financial Statements

### For the financial year ended 31 December 2018

For Manulife SGD Income Fund, Class A-SGD, Class C-SGD, Class D-SGD, Class A-QDis SGD, Class A-QDis USD Hedged, Class A-QDis AUD Hedged, Class B-QDis SGD, Class C-QDis AUD Hedged, Class C-QDis SGD, Class D-QDis SGD were issued during the year.

For Manulife Asian Small Mid Cap Equity Fund, there are no differences in the net asset value per unit for subscription and redemptions of units and net asset value per unit for reporting purposes.

The differences in the net assets attributable to unitholders per unit for subscriptions and redemptions of units and for reporting purpose are as follows:

<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		
	31/12/2018	31/12/2018
	S\$	S\$
	Class A-MDis	Class A-MDis
	MDis SGD	SGD Hedged
Net assets attributable to unitholders per unit per financial statements	0.914	0.842
Effect of adopting bid prices at fair value	-	-
Effect of movement in the net asset value between the last dealing date and the financial year end date	(0.001)	(0.001)
Net assets attributable to unitholders per unit for issuing/redeeming	0.913	0.841

<b>Manulife Global Asset Allocation - Growth Fund</b>		
	31/12/2018	31/12/2018
	S\$	S\$
	Class A-MDis	Class A-MDis
	SGD Hedged	SGD
Net assets attributable to unitholders per unit per financial statements	0.747	0.981
Effect of adopting bid prices at fair value	-	-
Effect of movement in the net asset value between the last dealing date and the financial year end date	(0.001)	0.001
Net assets attributable to unitholders per unit for subscription/redeeming	0.746	0.982

## 10. Related party transactions

As at 31 December 2018 and 2017, the Manager of the Funds is Manulife Asset Management (Singapore) Pte. Ltd. and the Trustee and Custodian is HSBC Institutional Trust Services (Singapore) Limited ("HTSG"). The management fee, trustee fee, custodian fee, registrar fee and valuation fee paid or payable by the Funds are related party transactions and are shown in the Statement of Total Return.

## Notes to the Financial Statements

### For the financial year ended 31 December 2018

#### 11. Financial risk management

The Funds' activities expose them to a variety of market risk (including price risk, interest rate risk and currency risk), credit risk and liquidity risk. The Funds' overall risk management programme seeks to minimise potential adverse effects on the Funds' financial performance. The Funds may use financial futures contracts, options and/or currency forward contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Funds' risk exposures. The Manager continually monitors the Funds' exposure to risk and appropriate procedures are in place to manage the risks.

There has been no change to the Funds' exposure to these financial risks or the manner in which the Manager manages and measures the risks.

The following is a summary of the main risks and risk management policies:

##### (a) Market risk

Market risk is the risk of potential adverse changes to the value of financial instruments due to changes in market conditions such as interest rates, credit spreads, exchange rates, and other indirect observables such as volatilities and correlations.

The Funds' investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net assets value of the Funds. Guidelines are set to reduce the Funds' risk exposures to market volatility such as diversifying the portfolio by investing across various industries.

The Funds distinguish market risk as follows:

- Price risk
- Interest rate risk
- Currency risk

##### (i) Price risk

Price risk primarily results from exposure to volatility of equity prices or future cash flows of a financial instrument, other than those arising from interest rate risk or currency risk.

Manulife Singapore Bond Fund and the Manulife Asia Pacific Investment Grade Bond Fund do not hold any equities as of 31 December 2018 (2017: Nil) and therefore are not exposed to significant amount of risk arising from changes in equity prices.

The investments in Manulife Singapore Equity Fund, Manulife Global Asset Allocation - Managed Growth Fund, Manulife Global Asset Allocation - Growth Fund and Manulife SGD Income Fund are subject to normal market fluctuations and the risks inherent in investing in equities markets. The exposure to price risk is managed by constructing a diversified portfolio from which the Manager expects the underlying securities it invests in to perform differently in reaction to different risk influences.

**Notes to the Financial Statements**  
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The Manulife Asian Small Cap Equity Fund is a feeder fund that invests all or substantially all of its assets into the underlying funds whose investment objectives are disclosed in Note 1 above. The investments held by the sub-fund in the underlying funds are subject to the fluctuations in the quoted net assets value of the underlying funds. Such risk is primarily managed by the respective managers of the underlying funds.

The analysis below is performed for Manulife Singapore Equity Fund, Manulife Global Asset Allocation - Managed Growth Fund, Manulife Global Asset Allocation - Growth Fund and Manulife SGD Income Fund for reasonably possible movements in the stock market with all other variables held constant, showing the impact on net assets attributable to unitholders.

	Change in variable	Impact on net assets attributable to unitholders	
		2018	2017
		S\$	S\$

**Manulife Singapore Equity Fund**

Stock market	+10%	992,081	1,159,981
	-10%	(992,081)	(1,159,981)

	Change in variable	Impact on net assets attributable to unitholders	
		2018	2017
		US\$	US\$

**Manulife Global Asset Allocation - Managed Growth Fund**

Stock market	+10%	818,238	1,127,586
	-10%	(818,238)	(1,127,586)

	Change in variable	Impact on net assets attributable to unitholders	
		2018	2017
		US\$	US\$

**Manulife Global Asset Allocation - Growth Fund**

Stock market	+10%	11,516,924	18,817,227
	-10%	(11,516,924)	(18,817,227)

	Change in variable	Impact on net assets attributable to unitholders	
		2018	2017
		US\$	US\$

**Manulife SGD Income Fund**

Stock market	+10%	84,886,907	93,222,264
	-10%	(84,886,907)	(93,222,264)

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.



**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

The majority of the financial assets and liabilities of Manulife Singapore Equity Fund, Manulife Asian Small Cap Equity Fund, Manulife Global Asset Allocation - Managed Growth Fund and Manulife Global Asset Allocation - Growth Fund are non-interest bearing. As a result, they are not subject to significant amount of risk due to fluctuations in the prevailing levels of market interest rates. Hence, no separate sensitivity analysis has been presented.

Manulife Singapore Bond Fund, Manulife Asia Pacific Investment Grade Bond Fund and Manulife SGD Income Fund invest primarily in fixed income securities which are subjected to interest rate fluctuations. In general, the prices of fixed income securities rise when interest rate falls, and fall when the interest rate rises. The Manager will regularly assess the economic condition, monitor changes in interest rates outlook and take appropriate measures accordingly to control the impact of interest rate risk.

The table below summaries the sub-funds' exposure to interest rate risks, categorised by interest rate types.

	Variable rates S\$	Fixed rates S\$	Non-interest bearing S\$	Total S\$
<b>Manulife Singapore Bond Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments	11,172,779	94,103,703	-	105,276,482
Cash and bank balances	-	-	3,515,366	3,515,366
Margin deposit	265,644	-	-	265,644
Receivables	-	-	995,722	995,722
Financial derivatives at fair value			113,651	113,651
<b>Total</b>	<b>11,438,423</b>	<b>94,103,703</b>	<b>4,624,739</b>	<b>110,166,865</b>
<b>Liabilities</b>				
Payables	-	-	330,703	330,703
Purchase awaiting settlement			2,870,275	2,870,275
Financial derivatives at fair value	-	-	177,224	177,224
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,378,202</b>	<b>3,378,202</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Variable rates S\$	Fixed rates S\$	Non-interest bearing S\$	Total S\$
<b>Manulife Singapore Bond Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	2,868,065	13,892,890	-	16,760,955
Cash and bank balances	-	-	202,827	202,827
Margin deposit	130,855	-	-	130,855
Receivables	-	-	195,247	195,247
Financial derivatives at fair value	-	-	24,497	24,497
<b>Total</b>	<b>2,998,920</b>	<b>13,892,890</b>	<b>422,571</b>	<b>17,314,381</b>
<b>Liabilities</b>				
Payables	-	-	41,375	41,375
Financial derivatives at fair value	-	-	2,694	2,694
<b>Total</b>	<b>-</b>	<b>-</b>	<b>44,069</b>	<b>44,069</b>
	Variable rates S\$	Fixed rates S\$	Non-interest bearing S\$	Total S\$

<b>Manulife Asia Pacific Investment Grade Bond Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments	42,218,406	135,567,939	-	177,786,345
Cash and bank balances	-	-	5,691,859	5,691,859
Margin deposit	598,570	-	-	598,570
Receivables	-	-	2,489,018	2,489,018
Financial derivatives at fair value	-	-	744,758	744,758
<b>Total</b>	<b>42,816,976</b>	<b>135,567,939</b>	<b>8,925,635</b>	<b>187,310,550</b>
<b>Liabilities</b>				
Payables	-	-	440,379	440,379
Financial derivatives at fair value	-	-	398,992	398,992
<b>Total</b>	<b>-</b>	<b>-</b>	<b>839,371</b>	<b>839,371</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Variable rates S\$	Fixed rates S\$	Non-interest bearing S\$	Total S\$
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**Manulife Asia Pacific Investment Grade Bond Fund**

**31 December 2017**

**Assets**

Portfolio of investments	32,876,948	109,120,825	-	141,997,773
Cash and bank balances	-	-	2,817,424	2,817,424
Margin deposit	944,622	-	-	944,622
Receivables	-	-	2,235,826	2,235,826
Financial derivatives at fair value	-	-	1,250,651	1,250,651
<b>Total</b>	<b>33,821,570</b>	<b>109,120,825</b>	<b>6,303,901</b>	<b>149,246,296</b>

**Liabilities**

Payables	-	-	696,697	696,697
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	Variable rates S\$	Fixed rates S\$	Non-interest bearing S\$	Total S\$
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**Manulife SGD Income Fund**

**31 December 2018**

**Assets**

Portfolio of investments	228,195,845	620,673,229	-	848,869,074
Cash and bank balances	-	-	6,327,488	6,327,488
Margin deposit	4,232,632	-	-	4,232,632
Cash collateral	-	-	54,520	54,520
Sales awaiting settlement	-	-	8,672,018	8,672,018
Receivables	-	-	9,785,111	9,785,111
Financial derivatives at fair value	-	-	3,012,853	3,012,853
<b>Total</b>	<b>232,428,477</b>	<b>620,673,229</b>	<b>27,851,990</b>	<b>880,953,696</b>

**Liabilities**

Payables	-	-	10,164,811	10,164,811
Purchase awaiting settlement	-	-	1,700,377	1,700,377
Financial derivatives at fair value	-	-	3,191,506	3,191,506
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15,056,694</b>	<b>15,056,694</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Variable rates S\$	Fixed rates S\$	Non-interest bearing S\$	Total S\$
<b>Manulife SGD Income Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	287,633,004	644,589,633	-	932,222,637
Cash and bank balances	-	-	26,635,569	26,635,569
Margin deposit	3,251,318	-	-	3,251,318
Receivables	-	-	15,922,575	15,922,575
Financial derivatives at fair value	-	-	3,934,759	3,934,759
<b>Total</b>	<b>290,884,322</b>	<b>644,589,633</b>	<b>46,492,903</b>	<b>981,966,858</b>
<b>Liabilities</b>				
Payables	-	-	12,110,312	12,110,312
Purchase awaiting settlement	-	-	5,710,746	5,710,746
Financial derivatives at fair value	-	-	1,353,780	1,353,780
<b>Total</b>	<b>-</b>	<b>-</b>	<b>19,174,838</b>	<b>19,174,838</b>

The analysis below is performed on assets that affect the mark-to-market valuation of the investment portfolio for Manulife Singapore Bond Fund, Manulife Asia Pacific Investment Grade Bond Fund and Manulife SGD Income Fund for reasonably possible movements in the interest rate with all other variables held constant, showing the impact on net assets attributable to unitholders.

	Changes in interest rate	Impact on net assets attributable to unitholders 2018 S\$	2017 S\$
<b>Manulife Singapore Bond Fund</b>			
Increasing interest rate	+0.5%	(3,788,066)	(733,968)
Decreasing interest rate	-0.5%	4,104,383	815,555
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>			
Increasing interest rate	+0.5%	(5,141,112)	(4,393,769)
Decreasing interest rate	-0.5%	5,478,049	4,849,194
<b>Manulife SGD Income Fund</b>			
Increasing interest rate	+0.5%	(29,034,776)	(36,865,871)
Decreasing interest rate	-0.5%	31,177,501	41,058,241

(iii) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

Manulife Singapore Bond Fund, Manulife Singapore Equity Fund, Manulife Asian Small Cap Equity Fund, Manulife Asia Pacific Investment Grade Bond Fund and Manulife SGD Income Fund hold monetary assets and liabilities that are denominated in currencies other than SGD. As such, these sub-funds may be affected favourably or unfavourably by exchange rates regulations or changes in the exchange rates between SGD and such other currencies.

On the other hand, Manulife Global Asset Allocation - Managed Growth Fund and Manulife Global Asset Allocation - Growth Fund hold monetary assets and liabilities that are denominated in currencies other than USD. As such, these sub-funds may be affected favourably or unfavourably by exchange rates regulations or changes in the exchange rates between USD and such other currencies.

The tables below summarise the exposure to key currencies at the end of the financial year/period for Manulife Singapore Bond Fund, Manulife Singapore Equity Fund, Manulife Asian Small Cap Equity Fund, Manulife Asia Pacific Investment Grade Bond Fund, Manulife Global Asset Allocation - Managed Growth Fund, Manulife Global Asset Allocation - Growth Fund and Manulife SGD Income Fund.

	SGD S\$	USD S\$	Total S\$
<b>Manulife Singapore Bond Fund</b>			
<b>31 December 2018</b>			
<b>Assets</b>			
Portfolio of investments	91,378,775	13,897,707	105,276,482
Cash and bank balances	3,381,070	134,296	3,515,366
Margin deposit	-	265,644	265,644
Receivables	870,839	124,883	995,722
<b>Total</b>	<b>95,630,684</b>	<b>14,422,530</b>	<b>110,053,214</b>
<b>Liabilities</b>			
Payables	330,180	523	330,703
Purchase awaiting settlement	2,870,275	-	2,870,275
<b>Total</b>	<b>3,200,455</b>	<b>523</b>	<b>3,200,978</b>
<b>Net financial assets</b>	<b>92,430,229</b>	<b>14,422,007</b>	<b>106,852,236</b>
<b>Fair value of financial derivatives</b>	<b>13,868,664</b>	<b>(13,932,237)</b>	<b>(63,573)</b>
<b>Currency exposure</b>	<b>106,298,893</b>	<b>489,770</b>	

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	SGD S\$	USD S\$	Others S\$	Total S\$
<b>Manulife Singapore Bond Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	12,233,089	4,279,741	248,125	16,760,955
Cash and bank balances	141,206	61,621	-	202,827
Margin deposit	-	130,855	-	130,855
Receivables	108,118	74,661	12,468	195,247
<b>Total</b>	<b>12,482,413</b>	<b>4,546,878</b>	<b>260,593</b>	<b>17,289,884</b>
<b>Liabilities</b>				
Payables	41,327	48	-	41,375
<b>Total</b>	<b>41,327</b>	<b>48</b>	<b>-</b>	<b>41,375</b>
<b>Net financial assets</b>	<b>12,441,086</b>	<b>4,546,830</b>	<b>260,593</b>	<b>17,248,509</b>
<b>Fair value of financial derivatives</b>	<b>3,643,460</b>	<b>(3,621,657)</b>	<b>-</b>	<b>21,803</b>
<b>Currency exposure</b>	<b>16,084,546</b>	<b>925,173</b>	<b>260,593</b>	
		SGD S\$	USD S\$	Total S\$
<b>Manulife Singapore Equity Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments		9,652,254	268,552	9,920,806
Cash and bank balances		34,323	136	34,459
Sales awaiting settlement		86,499	-	86,499
Receivables		26,863	-	26,863
<b>Total</b>		<b>9,799,939</b>	<b>268,688</b>	<b>10,068,627</b>
<b>Liabilities</b>				
Payables		47,744	834	48,578
Purchase awaiting settlement		88,664	-	88,664
<b>Total</b>		<b>136,408</b>	<b>834</b>	<b>137,242</b>
<b>Net financial assets</b>		<b>9,663,531</b>	<b>267,854</b>	
<b>Currency exposure</b>		<b>9,663,531</b>	<b>267,854</b>	

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	SGD S\$	USD S\$	Total S\$
<b>Manulife Singapore Equity Fund</b>			
<b>31 December 2017</b>			
<b>Assets</b>			
Portfolio of investments	11,423,877	175,934	11,599,811
Cash and bank balances	146,574	-	146,574
Receivables	53,846	-	53,846
<b>Total</b>	<b>11,624,297</b>	<b>175,934</b>	<b>11,800,231</b>
<b>Liabilities</b>			
Payables	47,639	313	47,952
Purchase awaiting settlement	23,189	-	23,189
<b>Total</b>	<b>70,828</b>	<b>313</b>	<b>71,141</b>
<b>Net financial assets</b>	<b>11,553,469</b>	<b>175,621</b>	
<b>Currency exposure</b>	<b>11,553,469</b>	<b>175,621</b>	
	SGD S\$	USD S\$	Total S\$

<b>Manulife Asian Small Cap Equity Fund</b>			
<b>31 December 2018</b>			
<b>Assets</b>			
Portfolio of investments	-	32,151,251	32,151,251
Cash and bank balances	459,592	-	459,592
Sales awaiting settlement	-	44,995	44,995
Receivables	82,293	-	82,293
<b>Total</b>	<b>541,885</b>	<b>32,196,246</b>	<b>32,738,131</b>
<b>Liabilities</b>			
Payables	152,918	421	153,339
Purchase awaiting settlement	-	49,579	49,579
<b>Total</b>	<b>152,918</b>	<b>50,000</b>	<b>202,918</b>
<b>Net financial assets</b>	<b>388,967</b>	<b>32,146,246</b>	
<b>Currency exposure</b>	<b>388,967</b>	<b>32,146,246</b>	

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

		SGD S\$	USD S\$	Total S\$
<b>Manulife Asian Small Cap Equity Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments		-	39,078,292	39,078,292
Cash and bank balances		795,900	-	795,900
Sales awaiting settlement		-	168,529	168,529
Receivables		34,435	-	34,435
<b>Total</b>		<b>830,335</b>	<b>39,246,821</b>	<b>40,077,156</b>
<b>Liabilities</b>				
Payables		411,765	-	411,765
Purchase awaiting settlement		-	9,988	9,988
<b>Total</b>		<b>411,765</b>	<b>9,988</b>	<b>421,753</b>
<b>Net financial assets</b>		<b>418,570</b>	<b>39,236,833</b>	
<b>Currency exposure</b>		<b>418,570</b>	<b>39,236,833</b>	
	SGD S\$	USD S\$	Others S\$	Total S\$
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments	10,191,663	144,715,853	22,878,829	177,786,345
Cash and bank balances	1,209,494	3,414,326	1,068,039	5,691,859
Margin deposit	-	598,570	-	598,570
Receivables	476,914	1,625,119	386,985	2,489,018
<b>Total</b>	<b>11,878,071</b>	<b>150,353,868</b>	<b>24,333,853</b>	<b>186,565,792</b>
<b>Liabilities</b>				
Payables	440,243	136	-	440,379
<b>Total</b>	<b>440,243</b>	<b>136</b>	<b>-</b>	<b>440,379</b>
<b>Net financial assets</b>	<b>11,437,828</b>	<b>150,353,732</b>	<b>24,333,853</b>	<b>186,125,413</b>
<b>Fair value of financial derivatives</b>	<b>147,694,599</b>	<b>(147,348,833)</b>	<b>-</b>	<b>345,766</b>
<b>Currency exposure</b>	<b>159,132,427</b>	<b>3,004,899</b>	<b>24,333,853</b>	



**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	SGD S\$	USD S\$	Others S\$	Total S\$
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	6,896,853	119,816,205	15,284,715	141,997,773
Cash and bank balances	2,572,931	79,960	164,533	2,817,424
Margin deposit	-	944,622	-	944,622
Receivables	933,238	1,039,569	263,019	2,235,826
<b>Total</b>	<b>10,403,022</b>	<b>121,880,356</b>	<b>15,712,267</b>	<b>147,995,645</b>
<b>Liabilities</b>				
Payable	696,388	309	-	696,697
<b>Total</b>	<b>696,388</b>	<b>309</b>	<b>-</b>	<b>696,697</b>
<b>Net financial assets</b>	<b>9,706,634</b>	<b>121,880,047</b>	<b>15,712,267</b>	<b>147,298,948</b>
<b>Fair value of financial derivatives</b>	<b>114,099,098</b>	<b>(112,848,447)</b>	<b>-</b>	<b>1,250,651</b>
<b>Currency exposure</b>	<b>123,805,732</b>	<b>9,031,600</b>	<b>15,712,267</b>	
	SGD US\$	USD US\$	Others US\$	Total US\$
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments	-	7,603,767	578,616	8,182,383
Cash and bank balances	15,624	2,041,279	229,377	2,286,280
Margin deposits	-	46,795	23,759	70,554
Sales awaiting settlement	-	-	-	-
Receivables	65	1,754	-	1,819
<b>Total</b>	<b>15,689</b>	<b>9,693,595</b>	<b>831,752</b>	<b>10,541,036</b>
<b>Liabilities</b>				
Payables	48,619	19,007	-	67,626
<b>Total</b>	<b>48,619</b>	<b>19,007</b>	<b>-</b>	<b>67,626</b>
<b>Net financial assets</b>	<b>(32,930)</b>	<b>9,674,588</b>	<b>831,752</b>	<b>10,473,410</b>
<b>Fair value of financial derivatives</b>	<b>2,077,912</b>	<b>(2,066,316)</b>	<b>-</b>	<b>11,596</b>
<b>Currency exposure</b>	<b>2,044,982</b>	<b>7,608,272</b>	<b>831,752</b>	

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	SGD US\$	USD US\$	Others US\$	Total US\$
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	-	10,371,157	904,703	11,275,860
Cash and bank balances	38,854	128,200	80,825	247,879
Sales awaiting settlement	-	57,500	-	57,500
Receivables	19,193	4,263	-	23,456
<b>Total</b>	<b>58,047</b>	<b>10,596,703</b>	<b>983,218</b>	<b>11,637,968</b>
<b>Liabilities</b>				
Payables	52,351	20,695	-	73,046
Purchase awaiting settlement	-	46,208	-	46,208
<b>Total</b>	<b>52,351</b>	<b>66,903</b>	<b>-</b>	<b>119,254</b>
<b>Net financial assets</b>	<b>5,696</b>	<b>10,529,800</b>	<b>983,218</b>	<b>11,518,714</b>
<b>Fair value of financial derivatives</b>	<b>2,563,858</b>	<b>(2,540,802)</b>	<b>-</b>	<b>23,056</b>
<b>Currency exposure</b>	<b>2,569,554</b>	<b>7,988,998</b>	<b>983,218</b>	
	SGD US\$	USD US\$	Others US\$	Total US\$

<b>Manulife Global Asset Allocation - Growth Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments	-	97,031,945	18,137,290	115,169,235
Cash and bank balances	70,721	16,269,297	395,036	16,735,054
Margin deposit	-	1,914,232	798,939	2,713,171
Receivables	263,556	25,203	-	288,759
<b>Total</b>	<b>334,277</b>	<b>115,240,677</b>	<b>19,331,265</b>	<b>134,906,219</b>
<b>Liabilities</b>				
Payables	2,179,990	177,533	-	2,357,523
<b>Total</b>	<b>2,179,990</b>	<b>177,533</b>	<b>-</b>	<b>2,357,523</b>
<b>Net financial assets</b>	<b>(1,845,713)</b>	<b>115,063,144</b>	<b>19,331,265</b>	<b>132,548,696</b>
<b>Fair value of financial derivatives</b>	<b>12,998,570</b>	<b>(12,933,166)</b>	<b>-</b>	<b>65,404</b>
<b>Currency exposure</b>	<b>11,152,857</b>	<b>102,129,978</b>	<b>19,331,265</b>	

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	SGD US\$	USD US\$	Others US\$	Total US\$
<b>Manulife Global Asset Allocation - Growth Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	-	160,226,065	27,946,201	188,172,266
Cash and bank balances	225,579	5,659,317	963,492	6,848,388
Margin deposit	-	1,248,760	56,620	1,305,380
Receivables	1,266,621	65,310	-	1,331,931
<b>Total</b>	<b>1,492,200</b>	<b>167,199,452</b>	<b>28,966,313</b>	<b>197,657,965</b>
<b>Liabilities</b>				
Purchase awaiting settlement	-	1,546,065	-	1,546,065
Payables	2,732,517	249,556	-	2,982,073
<b>Total</b>	<b>2,732,517</b>	<b>1,795,621</b>	<b>-</b>	<b>4,528,138</b>
<b>Net financial assets</b>	<b>(1,240,317)</b>	<b>165,403,831</b>	<b>28,966,313</b>	<b>193,129,827</b>
<b>Fair value of financial derivatives</b>	<b>17,875,150</b>	<b>(17,713,668)</b>	<b>-</b>	<b>161,482</b>
<b>Currency exposure</b>	<b>16,634,833</b>	<b>147,690,163</b>	<b>28,966,313</b>	
	SGD S\$	USD S\$	Others S\$	Total S\$
<b>Manulife SGD Income Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
Portfolio of investments	432,974,286	415,894,788	-	848,869,074
Cash and bank balances	1,497,253	4,801,450	28,785	6,327,488
Margin deposit	-	4,232,632	-	4,232,632
Cash collateral	-	54,520	-	54,520
Sales awaiting settlement	4,140,704	4,531,314	-	8,672,018
Receivables	4,042,307	5,742,804	-	9,785,111
<b>Total</b>	<b>442,654,550</b>	<b>435,257,508</b>	<b>28,785</b>	<b>877,940,843</b>
<b>Liabilities</b>				
Purchase awaiting settlement	-	1,700,377	-	1,700,377
Payables	8,287,147	1,811,956	65,708	10,164,811
<b>Total</b>	<b>8,287,147</b>	<b>3,512,333</b>	<b>65,708</b>	<b>11,865,188</b>
<b>Net financial assets</b>	<b>434,367,403</b>	<b>431,745,175</b>	<b>(36,923)</b>	<b>866,075,655</b>
<b>Fair value of financial derivatives</b>	<b>273,247,954</b>	<b>(279,963,458)</b>	<b>6,536,851</b>	<b>(178,653)</b>
<b>Currency exposure</b>	<b>707,615,357</b>	<b>151,781,717</b>	<b>6,499,928</b>	

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	SGD S\$	USD S\$	Others S\$	Total S\$
<b>Manulife SGD Income Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
Portfolio of investments	488,603,995	443,618,642	-	932,222,637
Cash and bank balances	25,839,442	774,303	21,824	26,635,569
Margin deposit	-	3,251,318	-	3,251,318
Receivables	7,708,283	8,214,258	34	15,922,575
<b>Total</b>	<b>522,151,720</b>	<b>455,858,521</b>	<b>21,858</b>	<b>978,032,099</b>
<b>Liabilities</b>				
Purchase awaiting settlement	804,866	4,905,880	-	5,710,746
Payables	10,277,761	1,809,625	22,926	12,110,312
<b>Total</b>	<b>11,082,627</b>	<b>6,715,505</b>	<b>22,926</b>	<b>17,821,058</b>
<b>Net financial assets</b>	<b>511,069,093</b>	<b>449,143,016</b>	<b>(1,068)</b>	<b>960,211,041</b>
<b>Fair value of financial derivatives</b>	<b>294,667,906</b>	<b>(294,635,746)</b>	<b>2,548,819</b>	<b>2,580,979</b>
<b>Currency exposure</b>	<b>805,736,999</b>	<b>154,507,270</b>	<b>2,547,751</b>	
		Changes in variable	Impact on net assets attributable to unitholders 2018	2017
			S\$	S\$
<b>Manulife Singapore Bond Fund</b>				
USD and other currencies strengthened against SGD		+10%	(48,977)	(118,577)
USD and other currencies weakened against SGD		-10%	48,977	118,577
<b>Manulife Singapore Equity Fund</b>				
USD strengthened against SGD		+10%	(26,785)	(17,562)
USD weakened against SGD		-10%	26,785	17,562
<b>Manulife Singapore Money Market Fund</b>				
SGD strengthened against USD		+10%	-	-
SGD weakened against USD		-10%	-	-
<b>Manulife Asian Small Cap Equity Fund</b>				
USD strengthened against SGD		+10%	(3,214,625)	(3,923,683)
USD weakened against SGD		-10%	3,214,625	3,923,683

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

<b>Manulife Asia Pacific Investment Grade Bond Fund</b>			
	Changes in	Impact on net assets	
	variable	attributable to unitholders	
		2018	2017
		US\$	US\$
USD and other currencies strengthened against SGD	+10%	(2,733,875)	(2,474,387)
USD and other currencies weakened against SGD	-10%	2,733,875	2,474,387
<b>Manulife SGD Income Fund</b>			
SGD strengthened against USD	+10%	(15,178,172)	15,450,727
SGD weakened against USD	-10%	15,178,172	(15,450,727)
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>			
SGD and other currencies strengthened against USD	+10%	(760,827)	(798,900)
SGD and other currencies weakened against USD	-10%	760,827	798,900
<b>Manulife Global Asset Allocation - Growth Fund</b>			
SGD and other currencies strengthened against USD	+10%	(10,212,998)	(14,769,016)
SGD and other currencies weakened against USD	-10%	10,212,998	14,769,016

**(b) Liquidity risk**

Liquidity risk is the risk that the Funds will encounter difficulty in settling a liability, including redemption requests.

Liquidity risk exists when a particular investment is difficult to purchase or sell. These circumstances could prevent the Funds from promptly liquidating unfavourable positions and therefore resulting in losses to the Funds and corresponding decreases in the net assets value per unit.

The Funds are exposed to daily cash redemption of units in the Funds. The Funds invest the majority of its assets in investments that are traded in active markets and can be readily disposed of. Investments which are neither listed nor quoted are restricted to a maximum of 10% of the total number of units in issue.

The Manager has the option to limit redemption orders to 10% of the total number of units in issue, with the approval of the Trustee. In this event, the limitation will apply pro-rata so that all unitholders of the relevant class or classes wishing to redeem units in that fund on that dealing day will redeem the same proportion by value of such units, and units not redeemed will be carried forward for redemption, subject to the same limitation, on the next dealing day.

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

The tables below analyse the Funds' financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is insignificant.

	Less than 3 months S\$	Total S\$
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**Manulife Singapore Bond Fund**

**31 December 2018**

**Liabilities**

Payables	330,703	330,703
Purchase awaiting settlement	2,870,275	2,870,295
Financial derivatives at fair value	177,224	177,224
	<u>3,378,202</u>	<u>3,378,202</u>

	Less than 3 months S\$	Total S\$
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**Manulife Singapore Bond Fund**

**31 December 2017**

**Liabilities**

Payables	41,375	41,375
Financial derivatives at fair value	2,694	2,694
	<u>44,069</u>	<u>44,069</u>

	Less than 3 months S\$	Total S\$
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**Manulife Singapore Equity Fund**

**31 December 2018**

**Liabilities**

Payables	48,578	48,578
Purchase awaiting settlement	88,664	88,664
	<u>137,242</u>	<u>137,242</u>

	Less than 3 months S\$	Total S\$
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**Manulife Singapore Equity Fund**

**31 December 2017**

**Liabilities**

Payables	47,951	47,951
Purchase awaiting settlement	23,189	23,189
	<u>71,140</u>	<u>71,140</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Less than 3 months S\$	Total S\$
<b>Manulife Asian Small Cap Equity Fund</b>		
<b>31 December 2018</b>		
<b>Liabilities</b>		
Payables	153,339	153,339
Purchase awaiting settlement	49,579	49,579
	<u>202,918</u>	<u>202,918</u>

	Less than 3 months S\$	Total S\$
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<b>Manulife Asian Small Cap Equity Fund</b>		
<b>31 December 2017</b>		
<b>Liabilities</b>		
Payables	411,766	411,766
Purchase awaiting settlement	9,988	9,988
	<u>421,754</u>	<u>421,754</u>

	Less than 3 months S\$	Total S\$
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<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
<b>31 December 2018</b>		
<b>Liabilities</b>		
Payables	440,379	440,379
Financial derivatives at fair value	398,992	398,992
	<u>839,371</u>	<u>839,371</u>

	Less than 3 months S\$	Total S\$
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<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
<b>31 December 2017</b>		
<b>Liabilities</b>		
Payables	696,697	696,697

	Less than 3 months US\$	Total US\$
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<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		
<b>31 December 2018</b>		
<b>Liabilities</b>		
Payables	67,626	67,626
Financial derivatives at fair value	31	31
	<u>67,657</u>	<u>67,657</u>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Less than 3 months US\$	Total US\$
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		
<b>31 December 2017</b>		
<b>Liabilities</b>		
Payables	73,046	73,046
Purchase awaiting settlement	46,208	46,208
Financial derivatives at fair value	19	19
	<b>119,273</b>	<b>119,273</b>

	Less than 3 months US\$	Total US\$
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<b>Manulife Global Asset Allocation - Growth Fund</b>		
<b>31 December 2018</b>		
<b>Liabilities</b>		
Payables	2,357,523	2,357,523
Financial derivatives at fair value	16,785	16,785
	<b>2,374,308</b>	<b>2,374,308</b>

	Less than 3 months US\$	Total US\$
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<b>Manulife Global Asset Allocation - Growth Fund</b>		
<b>31 December 2017</b>		
<b>Liabilities</b>		
Payables	2,982,073	2,982,073
Purchase awaiting settlement	1,546,065	1,546,065
Financial derivatives at fair value	1,269	1,269
	<b>4,529,407</b>	<b>4,529,407</b>

	Less than 3 months US\$	Total US\$
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<b>Manulife SGD Income Fund</b>		
<b>31 December 2018</b>		
<b>Liabilities</b>		
Payables	10,164,811	10,164,811
Purchase awaiting settlement	1,700,377	1,700,377
Financial derivatives at fair value	3,191,506	3,191,506
	<b>15,056,694</b>	<b>15,056,694</b>



**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Less than 3 months US\$	Total US\$
<b>Manulife SGD Income Fund</b>		
<b>31 December 2017</b>		
<b>Liabilities</b>		
Payables	12,110,312	12,110,312
Purchase awaiting settlement	5,710,746	5,710,746
Financial derivatives at fair value	1,353,780	1,353,780
	<b>19,174,838</b>	<b>19,174,838</b>

(c) Credit Risk

Credit risk is the risk that counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties are approved;
- ensuring that transactions are undertaken with a large number of counterparties; and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

The Funds do not have a significant concentration of credit risk that arises from an exposure to a single issuer or counterparty. Furthermore, the Funds do not have a material exposure to group of counterparties which are expected to be affected similarly by changes in economic or other conditions.

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Manulife Singapore Bond Fund and Manulife Asia Pacific Investment Grade Bond Fund invest primarily in fixed income securities which are subjected to credit risk. The table below analyses the investments of these 2 sub-funds by credit ratings.

The table below analyses the Funds' investments by credit ratings.

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
% of net asset value	%	%	%	%
<b>Fixed income securities by S&amp;P credit rating category</b>				
AAA	0.95	-	1.19	1.67
AA	0.26	-	-	1.33
AA-	-	-	1.19	1.49
A+	1.16	4.62	1.56	2.27
A	1.39	1.50	1.31	0.45
A-	3.60	6.13	6.00	7.94
BBB+	7.67	7.63	12.14	10.22
BBB	5.67	12.25	6.58	8.64
BBB-	2.15	3.01	14.21	14.77
BB+	-	-	-	1.03
BB-	-	-	0.65	-
B+	-	-	1.77	0.82
B	-	-	1.16	0.73
Not rated	75.73	61.91	*47.58	44.23
<b>Portfolio of investments</b>	<b>98.58</b>	<b>97.05</b>	<b>95.34</b>	<b>95.59</b>

	<b>Manulife SGD Income Fund</b>	
	31/12/2018	31/12/2017
% of net asset value	%	%
<b>Fixed income securities by S&amp;P credit rating category</b>		
AAA	-	-
AA	-	0.65
AA-	-	-
A+	2.56	1.71
A	1.17	1.04
A-	4.57	4.60
BBB+	7.99	5.41
BBB	14.82	16.29
BBB-	7.45	6.54
BB+	1.52	2.32
BB	3.90	3.83
BB-	3.26	4.04
B+	2.08	3.60
B	1.69	1.91
B-	-	0.45
Not rated	47.02	44.06
<b>Portfolio of investments</b>	<b>98.03</b>	<b>96.45</b>

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

\* The Fund primarily invests in diversified portfolio of investment grade debt securities with a minimum credit rating of BBB- and above by Standard and Poor's ("S&P") and other equivalent ratings. Based on S&P ratings in the table above, unrated bonds amounted to 47.58% of NAV as at 31 December 2018. If ratings from Fitch and Moody's are used for these unrated bonds, the total unrated and non-investment grade bonds amounted to 2.52% of the NAV as at 31 December 2018.

The tables below summarise the credit rating of banks in which the Funds' cash and bank balances are held as at 31 December 2018 and 31 December 2017.

	<b>Manulife Singapore Bond Fund</b>		<b>Manulife Singapore Equity Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
% of net asset value	%	%	%	%

**By S&P credit rating category**

AA-	3.29	1.17	0.35	1.25
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	<b>Manulife Asian Small Cap Equity Fund</b>		<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
% of net asset value	%	%	%	%

**By S&P credit rating category**

AA-	1.41	2.01	3.05	1.90
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	<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		<b>Manulife Global Asset Allocation - Growth Fund</b>	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
% of net asset value	%	%	%	%

**By S&P credit rating category**

AA-	21.81	2.15	12.62	3.54
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	<b>Manulife SGD Income Fund</b>	
	31/12/2018	31/12/2017
% of net asset value	%	%

**By S&P credit rating category**

AA-	0.73	2.77
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(d) Fair values of financial assets and liabilities

The financial assets and liabilities of the Funds comprise investments, receivables, cash and bank balances, financial derivatives at fair value and payables. The fair values of these financial assets and liabilities of the Funds as at the end of the reporting period approximate their carrying amounts as shown in the Statement of Financial Position.

## Notes to the Financial Statements

### For the financial year ended 31 December 2018

#### Fair value hierarchy

The Funds classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Funds can access at the measurement date

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities and exchange traded derivatives. The Funds do not adjust the quoted prices for these instruments.

- (ii) Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds and over-the-counter derivatives.

Forward foreign exchange contracts are valued using valuation techniques with market observable inputs at the reporting date. The most frequently applied valuation techniques include forward pricing models. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates.

- (iii) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. The level 3 equity amount consists of a single private equity position. The main inputs into the Funds' valuation model for this investment include earnings multiples and discounted cash flows.

#### Determination of fair value

- (i) Fair value of financial instruments that are carried at fair value

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, comprise active listed equities and exchange traded derivatives. The Funds do not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices in these inactive markets, dealers' quotations or alternate pricing sources supported by observable inputs are classified within Level 2. These include investment-grade corporate bonds and over-the-counter derivatives.

- (ii) Fair value of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

The carrying amounts of cash and bank balances, purchases and sales awaiting settlement, receivables and payables are reasonable approximation of fair values due to their short-term nature.

The following table shows an analysis of financial assets and liabilities carried at fair value by level of fair value hierarchy:

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife Singapore Bond Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Fixed income securities	- 105,276,482		-	105,276,482
Forward foreign exchange contracts	- 113,651		-	113,651
	- 105,390,133		-	105,390,133

<b>Financial liabilities designated at fair value through profit or loss</b>				
Futures contracts	177,224	-	-	177,224

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
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<b>Manulife Singapore Bond Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Fixed income securities	- 16,760,955		-	16,760,955
Forward foreign exchange contracts	- 24,497		-	24,497
	- 16,785,452		-	16,785,452

<b>Financial liabilities designated at fair value through profit or loss</b>				
Futures contracts	2,694	-	-	2,694

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife Singapore Equity Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Equity securities	9,920,806	-	-	9,920,806

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife Singapore Equity Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Equity securities	11,599,811	-	-	11,599,811

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife Asian Small Cap Equity Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Unit trusts/mutual funds	-	32,151,251	-	32,151,251

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife Asian Small Cap Equity Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Unit trusts/mutual funds	-	39,078,292	-	39,078,292

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Fixed income securities	- 177,786,345		-	177,786,345
Forward foreign exchange contracts	- 744,758		-	744,758
Futures contracts	-	-	-	-
	- 178,531,103		-	178,531,103
<b>Financial liabilities designated at fair value through profit or loss</b>				
Futures contracts	398,992	-	-	398,992
	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$

<b>Manulife Asia Pacific Investment Grade Bond Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Fixed income securities	- 141,997,773		-	141,997,773
Forward foreign exchange contracts	- 1,115,686		-	1,115,686
Futures contracts	134,965	-	-	134,965
	134,965	143,113,459	-	143,248,424

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Unit trusts/mutual funds/exchange traded funds	6,767,933	1,414,450	-	8,182,383
Forward foreign exchange contracts	-	11,627	-	11,627
	<u>6,767,933</u>	<u>1,426,077</u>	<u>-</u>	<u>8,194,010</u>
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward foreign exchange contracts	-	31	-	31
	<u>Level 1 US\$</u>	<u>Level 2 US\$</u>	<u>Level 3 US\$</u>	<u>Total US\$</u>

**Manulife Global Asset Allocation - Managed Growth Fund**

**31 December 2017**

**Assets**

**Financial assets designated at fair value through profit or loss**

Unit trusts/mutual funds/exchange traded funds	9,358,112	1,917,748	-	11,275,860
Forward foreign exchange contracts	-	23,075	-	23,075
	<u>9,358,112</u>	<u>1,940,823</u>	<u>-</u>	<u>11,298,935</u>

**Financial liabilities designated at fair value through profit or loss**

Forward foreign exchange contracts	-	19	-	19
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**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>Manulife Global Asset Allocation - Growth Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Unit trusts/mutual funds/				
exchange traded funds	104,987,890	10,181,345	-	115,169,235
Forward foreign exchange				
contracts	-	82,189	-	82,189
	<u>104,987,890</u>	<u>10,263,534</u>	<u>-</u>	<u>115,251,424</u>
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward foreign exchange	-	3,554	-	3,554
contracts				
Futures contracts	13,231	-	-	13,231
	<u>13,231</u>	<u>3,554</u>	<u>-</u>	<u>16,785</u>
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$

<b>Manulife Global Asset Allocation - Growth Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Unit trusts/mutual funds/				
exchange traded funds	168,709,986	19,462,280	-	188,172,266
Forward foreign exchange				
contracts	-	162,751	-	162,751
	<u>168,709,986</u>	<u>19,625,031</u>	<u>-</u>	<u>188,335,017</u>
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward foreign exchange				
contracts	-	1,269	-	1,269

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife SGD Income Fund</b>				
<b>31 December 2018</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Fixed income securities	- 848,869,074		-	848,869,074
Forward foreign exchange contracts	- 3,012,853		-	3,012,853
	- 851,881,927		-	851,881,927
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward foreign exchange contracts	- 1,003,212		-	1,003,212
Futures contracts	1,974,666	-	-	1,974,666
Swap contracts	- 213,628		-	213,628
	1,974,666	1,216,840	-	3,191,506
	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Manulife SGD Income Fund</b>				
<b>31 December 2017</b>				
<b>Assets</b>				
<b>Financial assets designated at fair value through profit or loss</b>				
Fixed income securities	- 932,222,637		-	932,222,637
Forward foreign exchange contracts	- 3,763,744		-	3,763,744
Futures contracts	171,016	-	-	171,016
	171,016	935,986,381	-	936,157,397
<b>Financial liabilities designated at fair value through profit or loss</b>				
Forward foreign exchange contracts	- 1,227,868		-	1,227,868
Futures contracts	125,912	-	-	125,912
	125,912	1,227,868	-	1,353,780

(d) Capital management

The Funds' capital is represented by the net assets attributable to unitholders. The Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Funds' investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

**12. Credit facility**

The Funds have credit facilities with HSBC as at 31 December 2018.

	31/12/2018	31/12/2017
Manulife Singapore Bond Fund	S\$600,000	S\$600,000
Manulife Singapore Equity Fund	S\$600,000	S\$600,000
Manulife Singapore Money Market Fund	S\$400,000	S\$400,000
Manulife Asian Small Cap Equity Fund	US\$1,000,000	US\$1,000,000
Manulife Asia Pacific Investment Grade Bond Fund	US\$800,000	US\$800,000
Manulife Global Asset Allocation - Managed Growth Fund	US\$1,000,000	US\$1,000,000
Manulife Global Asset Allocation - Growth Fund	US\$1,000,000	US\$1,000,000
Manulife SGD Income Fund	S\$1,500,000	S\$1,500,000

The above credit facilities are secured by way of floating charge over any utilised amounts. The credit facilities are not utilised as at year ended 31 December 2018.

**13. Financial ratios**

	For the financial year ended 31/12/2018	For the financial year ended 31/12/2017
<b>Manulife Singapore Bond Fund</b>		
Expense Ratio (%)	0.95	1.10
Class A		
Turnover Ratio (%)	173.26	30.48
Total operating expenses (\$\$)	308,744	206,006
Average daily net asset value (\$\$)	32,504,058	23,058,915
Lesser of purchases or sales of underlying investments (\$\$)	56,318,021	5,712,055
Average daily net asset value (\$\$)	32,504,058	18,739,761
<b>Manulife Singapore Equity Fund</b>		
Expense Ratio (%)	2.06	2.06
Class A		
Turnover Ratio (%)	103.70	32.12
Total operating expenses (\$\$)	233,739	240,812
Average daily net asset value (\$\$)	11,339,285	12,400,006
Lesser of purchases or sales of underlying investments (\$\$)	11,759,002	3,753,671
Average daily net asset values (\$\$)	11,339,285	11,687,338

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	For the financial year ended 31/12/2018	For the financial year ended 31/12/2017
<b>Manulife Asian Small Cap Equity Fund</b>		
Expense ratio (%)		
Class A	1.87	1.87
Turnover ratio (%)	8.38	4.88
Total operating expenses (\$\$)	220,484	223,521
Average daily net asset values (\$\$)	37,472,819	39,746,683
Lesser of purchases or sales of underlying investments (\$\$)	3,141,116	1,886,045
Average daily net asset values (\$\$)	37,472,819	38,611,413
Weighted average of the underlying funds' unaudited expense ratio (%)	1.28	1.29
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
Expense Ratio (%)		
Class A	0.91	0.95
Class A-MDis	0.91	0.96
Class B	-	-
Turnover Ratio (%)	41.31	78.69
Total operating expenses (\$\$)		
Class A	1,541,854	887,134
Class A-MDis	6,605	8,689
Class B	-	150
Average daily net asset values (\$\$)		
Class A	169,625,631	93,768,129
Class A-MDis	728,061	903,759
Class B	-	9,703,791
Lesser of purchases or sales of underlying investments (\$\$)	70,367,529	74,530,796
Average daily net asset values (\$\$)	170,353,692	94,710,704
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>		
Expense Ratio (annualised) (%)		
Class A-MDis SGD	1.94	1.96
Class A-MDis SGD Hedged	1.94	1.96
Class A-MDis USD	1.94	1.96
Class A-SGD	1.94	1.92
Turnover Ratio (%)	205.25	311.75
Total operating expenses (US\$)		
Class A-MDis SGD	139,173	128,214
Class A-MDis SGD Hedged	36,901	38,984
Class A-MDis USD	1,200	19,015
Class A-SGD	3,166	740.00

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	For the financial year ended 31/12/2018	For the financial year ended 31/12/2017
<b>Manulife Global Asset Allocation - Managed Growth Fund (Continued)</b>		
Average daily net asset values (US\$)		
Class A-MDis SGD	8,482,342	8,567,180
Class A-MDis SGD Hedged	2,248,588	2,603,581
Class A-MDis USD	73,192	1,269,307
Class A-SGD	192,890	53,185.00
Weighted average of the underlying funds' unaudited expense ratio (%)	0.30	0.46
Lesser of purchases or sales of underlying investments (US\$)	22,571,710	38,939,871
Average daily net asset value (US\$)	10,997,012	12,490,700
<b>Manulife Global Asset Allocation - Growth Fund</b>		
Expense Ratio (annualised) (%)		
Class A-MDis SGD	1.73	1.90
Class A SGD	1.73	1.88
Class A-MDis SGD Hedged	1.73	1.90
Class A-MDis USD	1.73	1.91
Turnover Ratio (%)	254.05	394.00
Total operating expenses (US\$)		
Class A-MDis SGD	2,133,924	2,264,066
Class A SGD	14,296	4,690
Class A-MDis SGD Hedged	258,563	280,491
Class A-MDis USD	30,907	52,806
Average daily net asset values (US\$)		
Class A-MDis SGD	144,854,250	157,015,023
Class A SGD	971,669	329,828
Class A-MDis SGD Hedged	17,553,589	19,423,328
Class A-MDis USD	2,097,388	3,654,049
Weighted average of the underlying funds' unaudited expense ratio (%)	0.26	0.46
Lesser of purchases or sales of underlying investments (US\$)	420,397,336	710,866,641
Average daily net asset value (US\$)	165,476,896	180,422,228

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	For the financial year ended 31/12/2018	For the financial period from 21/11/2016 (Date of launch) to 31/12/2017
<b>Manulife SGD Income Fund</b>		
Expense ratio (annualised %) (excluding preliminary expenses)		
Class A-QDis SGD	1.19	1.19
Class A-SGD	1.19	1.18
Class A-QDis USD Hedged	1.19	1.18
Class A-QDis AUD Hedged	1.19	1.20
Class B-QDis SGD	0.19	-
Class C-QDis SGD	0.99	0.99
Class C-QDis USD Hedged	0.99	0.99
Class C-SGD	0.99	0.99
Class C-QDis AUD Hedged	0.99	0.99
Class D-QDis SGD	0.69	0.70
Class D-SGD	0.69	0.69
Expense ratio (annualised %) (including preliminary expenses)		
Class A-QDis SGD	1.19	1.20
Class A-SGD	1.19	1.19
Class A-QDis USD Hedged	1.19	1.19
Class A-QDis AUD Hedged	1.19	1.20
Class B-QDis SGD	0.19	-
Class C-QDis SGD	0.99	1.00
Class C-QDis USD Hedged	0.99	1.00
Class C-SGD	0.99	1.00
Class C-QDis AUD Hedged	0.99	1.00
Class D-QDis SGD	0.69	0.71
Class D-SGD	0.69	0.70
Turnover ratio (%)	70.02%	45.58%
Total operating expenses (\$\$) (excluding preliminary expenses)		
Class A-QDis SGD	1,910,416	889,801
Class A-SGD	295,699	129,135
Class A-QDis USD Hedged	238,395	97,415
Class A-QDis AUD Hedged	5,285	388
Class B-QDis SGD	3,540	-

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

	For the financial year ended 31/12/2018	For the financial period from 21/11/2016 (Date of launch) to 31/12/2017
<b>Manulife SGD Income Fund (continued)</b>		
Class C-QDis SGD	5,905,344	2,670,481
Class C-QDis USD Hedged	1,317,482	550,857
Class C-SGD	392,218	243,334
Class C-QDis AUD Hedged	60,174	8,064
Class D-QDis SGD	26,047	4,458
Class D-SGD	3,798	1,147
Total operating expenses (\$\$) (including preliminary expenses)		
Class A-QDis SGD	1,910,416	897,105
Class A-SGD	295,699	130,208
Class A-QDis USD Hedged	238,395	98,224
Class A-QDis AUD Hedged	5,285	391
Class B-QDis SGD	3,540	-
Class C-QDis SGD	5,905,344	2,696,851
Class C-QDis USD Hedged	1,317,482	556,328
Class C-SGD	392,218	245,746
Class C-QDis AUD Hedged	60,174	8,143
Class D-QDis SGD	26,047	4,520
Class D-SGD	3,798	1,163
Average daily net asset values (\$\$)		
Class A-QDis SGD	160,348,660	67,030,076
Class A-SGD	24,810,805	9,942,773
Class A-QDis USD Hedged	20,008,157	8,886,130
Class A-QDis AUD Hedged	442,573	251,302
Class B-QDis SGD	1,831,039	-
Class C-QDis SGD	595,727,043	242,013,944
Class C-QDis USD Hedged	132,907,650	52,275,357
Class C-SGD	39,574,769	24,901,483
Class C-QDis AUD Hedged	6,054,933	1,385,072
Class D-QDis SGD	3,767,097	1,073,300
Class D-SGD	549,750	283,988
Lesser of purchases or sales of underlying investments (\$\$)	690,077,906	182,278,401
Average daily net asset values (\$\$)	985,555,597	399,875,432

**Notes to the Financial Statements**  
**For the financial year ended 31 December 2018**

Expense ratio is calculated in accordance with Investment Management Association of Singapore (“IMAS”) Guidelines for the Disclosure of Expense Ratios. The calculation of the expense ratio was based on total operating expenses divided by the average daily net asset values. The expense ratio does not include (where applicable) brokerage and other transaction costs, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source arising out of income received. The Funds do not pay any performance fees.

Turnover ratio is calculated in accordance with the formula stated in the “Code on Collective Investment Schemes”. Turnover ratio is calculated based on the lesser of purchases or sales of underlying investments expressed as a percentage of average daily net asset values.



**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation**

**Manulife Singapore Bond Fund**

	<b>Fair value as at 31/12/2018 S\$</b>	<b>Percentage of net asset value 31/12/2018 %</b>
<b><u>By Country</u></b>		
Australia	3,261,780	3.06
China	12,853,806	12.05
France	1,518,960	1.42
Great Britain	757,393	0.71
Hong Kong	3,266,350	3.06
Philippines	533,532	0.49
Singapore	81,110,684	75.94
South Korea	551,747	0.52
Thailand	266,173	0.25
United States of America	1,156,057	1.08
<b>Portfolio of investments</b>	<b>105,276,482</b>	<b>98.58</b>
<b>Accrued interest on fixed income securities</b>	<b>716,051</b>	<b>0.67</b>
<b>Other net assets</b>	<b>796,130</b>	<b>0.75</b>
<b>Net assets attributable to unitholders</b>	<b>106,788,663</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Singapore Bond Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Industry</u></b>		
Airlines	2,019,105	1.88
Banks	9,406,112	8.82
Chemical	963,976	0.90
City Gas	917,071	0.86
Commercial Services	275,929	0.26
Computers	255,377	0.24
Construction	938,868	0.88
Diversified Resources	262,475	0.25
Electronic	671,986	0.63
Finance	7,491,468	7.01
Government	61,856,178	57.92
Hotel	514,450	0.48
Investment	1,949,473	1.83
Metals	269,041	0.25
Miscellaneous	960,612	0.90
Oil & Gas	2,230,606	2.09
Real Estate	2,205,372	2.07
Real Estate Investment Trust	10,049,045	9.40
Telecommunications	250,408	0.23
Transport	1,276,325	1.20
Utilities	512,605	0.48
<b>Portfolio of investments</b>	<b>105,276,482</b>	<b>98.58</b>
<b>Accrued interest on fixed income securities</b>	<b>716,051</b>	<b>0.67</b>
<b>Other net assets</b>	<b>796,130</b>	<b>0.75</b>
<b>Net assets attributable to unitholders</b>	<b>106,788,663</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Singapore Bond Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Asset Class</u></b>		
Fixed income securities	105,276,482	98.58
<b>Portfolio of investments</b>	<b>105,276,482</b>	<b>98.58</b>
Accrued interest on fixed income securities	716,051	0.67
Other net assets	796,130	0.75
<b>Net assets attributable to unitholders</b>	<b>106,788,663</b>	<b>100.00</b>
<b><u>By Credit Rating*</u></b>		
AAA	1,013,490	0.95
AA	275,929	0.26
A+	1,235,555	1.16
A	1,485,171	1.39
A-	3,844,799	3.60
BBB+	8,172,564	7.67
BBB	6,046,021	5.67
BBB-	2,292,368	2.15
Not rated	80,910,585	75.73
<b>Portfolio of investments</b>	<b>105,276,482</b>	<b>98.58</b>
Accrued interest on fixed income securities	716,051	0.67
Other net assets	796,130	0.75
<b>Net assets attributable to unitholders</b>	<b>106,788,663</b>	<b>100.00</b>

\* Credit ratings by Standard & Poor's

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Singapore Equity Fund**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
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**By Country**

**Equities**

China	268,552	2.70
Singapore	9,534,036	96.00
Thailand	118,218	1.19

<b>Portfolio of investments</b>	<b>9,920,806</b>	<b>99.89</b>
<b>Other net assets</b>	<b>10,579</b>	<b>0.11</b>

<b>Net assets attributable to unitholders</b>	<b>9,931,385</b>	<b>100.00</b>
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**By Industry**

Agriculture	186,264	1.88
Airlines	19,106	0.19
Automotive	155,509	1.57
Banks	5,055,736	50.90
Electronics	486,855	4.90
Engineering	500,815	5.04
Entertainment	406,770	4.10
Finance	70,070	0.71
Food	118,218	1.19
Healthcare	268,552	2.70
Real Estate	922,496	9.28
Real Estate Investment Trust	134,225	1.35
Shipbuilding	202,122	2.04
Telecommunications	869,038	8.75
Transport	525,030	5.29

<b>Portfolio of investments</b>	<b>9,920,806</b>	<b>99.89</b>
<b>Other net assets</b>	<b>10,579</b>	<b>0.11</b>

<b>Net assets attributable to unitholders</b>	<b>9,931,385</b>	<b>100.00</b>
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**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Singapore Equity Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
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**By Asset Class**

Equities	9,920,806	99.89
<b>Portfolio of investments</b>	<b>9,920,806</b>	<b>99.89</b>
<b>Other net assets</b>	<b>10,579</b>	<b>0.11</b>
<b>Net assets attributable to unitholders</b>	<b>9,931,385</b>	<b>100.00</b>

**By Credit Rating**

Not applicable

**Manulife Asian Small Cap Equity Fund**

**By Country**

Luxembourg	32,151,251	98.82
<b>Portfolio of investments</b>	<b>32,151,251</b>	<b>98.82</b>
<b>Other net assets</b>	<b>383,962</b>	<b>1.18</b>
<b>Net assets attributable to unitholders</b>	<b>32,535,213</b>	<b>100.00</b>

**By Industry**

Unit trusts/mutual funds	32,151,251	98.82
<b>Portfolio of investments</b>	<b>32,151,251</b>	<b>98.82</b>
<b>Other net assets</b>	<b>383,962</b>	<b>1.18</b>
<b>Net assets attributable to unitholders</b>	<b>32,535,213</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Asian Small Cap Equity Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Asset Class</u></b>		
Unit trusts/mutual funds	32,151,251	98.82
<b>Portfolio of investments</b>	<b>32,151,251</b>	<b>98.82</b>
<b>Other net assets</b>	<b>383,962</b>	<b>1.18</b>
<b>Net assets attributable to unitholders</b>	<b>32,535,213</b>	<b>100.00</b>

**By Credit rating**

Not applicable

**Manulife Asia Pacific Investment Grade Bond Fund**

**By Country**

Australia	2,951,662	1.58
Canada	695,755	0.37
China	60,087,624	32.22
Germany	995,690	0.53
Great Britain	1,175,063	0.63
Hong Kong	21,403,358	11.48
India	9,703,814	5.20
Indonesia	16,057,750	8.62
Malaysia	6,126,504	3.30
Mauritius	1,619,352	0.87
Philippines	4,516,812	2.42
Singapore	9,885,443	5.30
South Korea	22,860,030	12.26
Supra-National	3,286,683	1.76
Taiwan	2,101,844	1.13
Thailand	4,315,093	2.31
United States Of America	10,003,868	5.36
<b>Portfolio of investments</b>	<b>177,786,345</b>	<b>95.34</b>
<b>Accrued interest on fixed income securities</b>	<b>2,101,218</b>	<b>1.13</b>
<b>Other net assets</b>	<b>6,583,616</b>	<b>3.53</b>
<b>Net assets attributable to unitholders</b>	<b>186,471,179</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Asia Pacific Investment Grade Bond Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Industry</u></b>		
Agriculture	3,167,537	1.70
Automotive	2,844,096	1.53
Autos & Trucks	2,123,390	1.14
Banks	38,546,674	20.67
Chemical	6,734,608	3.61
City Gas	4,316,490	2.31
Commercial Services	2,107,321	1.13
Computers	807,030	0.43
Construction	3,192,866	1.71
Electronics	6,925,230	3.71
Engineering	6,080,611	3.26
Finance	25,144,738	13.48
Food	2,126,825	1.14
Government	28,385,365	15.22
Hotel	1,671,761	0.90
Household	2,171,684	1.16
Industrial	269,192	0.14
Investment	2,913,565	1.56
Iron & Steel	1,241,109	0.67
Metals	2,152,330	1.15
Mining	1,373,734	0.74
Miscellaneous	2,281,403	1.22
Oil & Gas	5,934,211	3.19
Real Estate	13,743,092	7.38
Real Estate Investment Trust	1,735,400	0.94
Supranational	3,286,683	1.76
Transport	1,302,580	0.70
Utilities	5,206,820	2.79
<b>Portfolio of investments</b>	<b>177,786,345</b>	<b>95.34</b>
<b>Accrued interest on fixed income securities</b>	<b>2,101,219</b>	<b>1.13</b>
<b>Other net assets</b>	<b>6,583,615</b>	<b>3.53</b>
<b>Net assets attributable to unitholders</b>	<b>186,471,179</b>	<b>100.00</b>
<b><u>By Asset Class</u></b>		
Fixed income securities	177,786,345	95.34
<b>Portfolio of investments</b>	<b>177,786,345</b>	<b>95.34</b>
<b>Accrued interest on fixed income securities</b>	<b>2,101,219</b>	<b>1.13</b>
<b>Other net assets</b>	<b>6,583,615</b>	<b>3.53</b>
<b>Net assets attributable to unitholders</b>	<b>186,471,179</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Asia Pacific Investment Grade Bond Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Credit Rating*</u></b>		
AAA	2,215,280	1.19
AA-	2,220,327	1.19
A+	2,911,491	1.56
A	2,442,237	1.31
A-	11,187,834	6.00
BBB+	22,630,305	12.14
BBB	12,275,995	6.58
BBB-	26,493,881	14.21
BB-	1,212,900	0.65
B+	3,298,773	1.77
B	2,171,855	1.16
Not rated	88,725,467	47.58
<b>Portfolio of investments</b>	<b>177,786,345</b>	<b>95.34</b>
<b>Accrued interest on fixed income securities</b>	<b>2,101,219</b>	<b>1.13</b>
<b>Other net assets</b>	<b>6,583,615</b>	<b>3.53</b>
<b>Net assets attributable to unitholders</b>	<b>186,471,179</b>	<b>100.00</b>

\* Credit ratings by Standard & Poor's

**Manulife Global Asset Allocation - Managed Growth Fund**

	Fair value as at 31/12/2018 US\$	Percentage of net asset value 31/12/2018 %
<b><u>By Country</u></b>		
Hong Kong	578,616	5.52
Ireland	1,570,063	14.97
Luxembourg	1,414,450	13.49
United States Of America	4,619,254	44.06
<b>Portfolio of investments</b>	<b>8,182,383</b>	<b>78.04</b>
<b>Other net assets</b>	<b>2,302,623</b>	<b>21.96</b>
<b>Net assets attributable to unitholders</b>	<b>10,485,006</b>	<b>100.00</b>



**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Global Asset Allocation - Managed Growth Fund (continued)**

	Fair value as at 31/12/2018 US\$	Percentage of net asset value 31/12/2018 %
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**By Industry**

Unit trusts/mutual funds/exchange-traded funds	8,182,383	78.04
<b>Portfolio of investments</b>	<b>8,182,383</b>	<b>78.04</b>
<b>Other net assets</b>	<b>2,302,623</b>	<b>21.96</b>
<b>Net assets attributable to unitholders</b>	<b>10,485,006</b>	<b>100.00</b>

**By Asset Class**

Unit trusts/mutual funds/exchange-traded funds	8,182,383	78.04
<b>Portfolio of investments</b>	<b>8,182,383</b>	<b>78.04</b>
<b>Other net assets</b>	<b>2,302,623</b>	<b>21.96</b>
<b>Net assets attributable to unitholders</b>	<b>10,485,006</b>	<b>100.00</b>

**By Credit Rating**

Not applicable

**Manulife Global Asset Allocation - Growth Fund**

	Fair value as at 31/12/2018 US\$	Percentage of net asset value 31/12/2018 %
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**By Country**

Hong Kong	15,543,192	11.72
Ireland	20,343,976	15.34
Luxembourg	10,181,345	7.68
United States of America	69,100,722	52.11
<b>Portfolio of investments</b>	<b>115,169,235</b>	<b>86.85</b>
<b>Other net assets</b>	<b>17,444,865</b>	<b>13.15</b>
<b>Net assets attributable to unitholders</b>	<b>132,614,100</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife Global Asset Allocation - Growth Fund (continued)**

	Fair value as at 31/12/2018 US\$	Percentage of net asset value 31/12/2018 %
<b><u>By Industry</u></b>		
Unit trusts/mutual funds/exchange-traded funds	115,169,235	86.85
<b>Portfolio of investments</b>	<b>115,169,235</b>	<b>86.85</b>
<b>Other net assets</b>	<b>17,444,865</b>	<b>13.15</b>
<b>Net assets attributable to unitholders</b>	<b>132,614,100</b>	<b>100.00</b>
<b><u>By Asset Class</u></b>		
Unit trusts/mutual funds/exchange-traded funds	115,169,235	86.85
<b>Portfolio of investments</b>	<b>115,169,235</b>	<b>86.85</b>
<b>Other net assets</b>	<b>17,444,865</b>	<b>13.15</b>
<b>Net assets attributable to unitholders</b>	<b>132,614,100</b>	<b>100.00</b>
<b><u>By Credit Rating</u></b>	Not applicable	

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife SGD Income Fund**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Country</u></b>		
Australia	74,948,068	8.65
Canada	8,230,641	0.95
China	156,413,566	18.07
France	12,652,813	1.46
Germany	6,471,985	0.75
Great Britain	23,944,635	2.76
Hong Kong	93,019,894	10.73
India	35,220,865	4.07
Indonesia	48,953,539	5.66
Malaysia	22,755,303	2.63
Netherlands	2,441,951	0.28
Philippines	23,704,916	2.73
Singapore	288,658,697	33.36
South Korea	13,952,711	1.61
Thailand	10,681,448	1.23
United States of America	24,751,155	2.85
Vietnam	2,066,887	0.24

<b>Portfolio of investments</b>	<b>848,869,074</b>	<b>98.03</b>
<b>Accrued interest on fixed income securities</b>	<b>9,670,405</b>	<b>1.12</b>
<b>Other net assets</b>	<b>7,357,523</b>	<b>0.85</b>

<b>Net assets attributable to unitholders</b>	<b>865,897,002</b>	<b>100.00</b>
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**By Industry**

Airlines	17,191,403	1.99
Automotive	4,007,220	0.46
Banks	186,695,534	21.56
Capital Equipment	2,650,513	0.31
Chemical	17,242,267	1.99
Commercial Services	4,873,079	0.56
Computers	1,374,926	0.16
Construction	6,363,506	0.73
Diversified Resources	9,958,482	1.15
Electronics	10,970,201	1.27

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife SGD Income Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b><u>By Industry (continued)</u></b>		
Energy	20,833,867	2.41
Engineering	10,050,128	1.16
Finance	59,085,026	6.82
Food	3,288,629	0.38
Government	43,595,147	5.03
Hotel	5,663,606	0.65
Insurance	421,106	0.05
Investment	29,246,123	3.38
Manufacturing	4,546,663	0.53
Metals	6,297,096	0.73
Mining	14,330,241	1.65
Miscellaneous	12,094,635	1.40
Oil & Gas	50,376,708	5.82
Petrochemical	1,192,625	0.14
Real Estate	92,931,597	10.73
Real Estate Investment Trust	156,923,624	18.12
Telecommunications	31,209,661	3.60
Transport	14,039,575	1.62
Utilities	31,415,886	3.63
<b>Portfolio of investments</b>	<b>848,869,074</b>	<b>98.03</b>
<b>Accrued interest on fixed income securities</b>	<b>9,670,405</b>	<b>1.12</b>
<b>Other net assets</b>	<b>7,357,523</b>	<b>0.85</b>
<b>Net assets attributable to unitholders</b>	<b>865,897,002</b>	<b>100.00</b>
<b><u>By Asset Class</u></b>		
Fixed income securities	848,869,074	98.03
<b>Portfolio of investments</b>	<b>848,869,074</b>	<b>98.03</b>
<b>Accrued interest on fixed income securities</b>	<b>9,670,405</b>	<b>1.12</b>
<b>Other net assets</b>	<b>7,357,523</b>	<b>0.85</b>
<b>Net assets attributable to unitholders</b>	<b>865,897,002</b>	<b>100.00</b>

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**1 Investment allocation (continued)**

**Manulife SGD Income Fund (continued)**

	Fair value as at 31/12/2018 S\$	Percentage of net asset value 31/12/2018 %
<b>By Credit Rating*</b>		
A+	22,165,913	2.56
A	10,137,325	1.17
A-	39,600,471	4.57
BBB+	69,184,815	7.99
BBB	128,365,998	14.82
BBB-	64,535,188	7.45
BB+	13,245,985	1.52
BB	33,741,642	3.90
BB-	28,193,490	3.26
B+	17,992,110	2.08
B	14,600,071	1.69
Not rated	407,106,066	47.02
<b>Total Debt Securities</b>	<b>848,869,074</b>	<b>98.03</b>

\* Credit ratings by Standard & Poor's

**2 Top 10 Holdings**  
**Manulife Singapore Bond Fund**  
**As at 31 December 2018**

	Fair value S\$	Percentage of net asset value %
Government of Singapore 2.75% 01/04/2042	8,766,904	8.21
Government of Singapore 3.375% 01/09/2033	8,243,071	7.72
Government of Singapore 2.625% 01/05/2028	5,347,720	5.01
Mas Bill 84 Zcp 25/01/2019	4,494,285	4.21
Government of Singapore 2.375% 01/06/2025	4,346,466	4.07
Mas Bill 28 Zcp 04/01/2019	3,999,580	3.75
Government of Singapore 2.75% 01/03/2046	3,845,589	3.60
Singapore Government 2.25% 01/08/2036	3,833,857	3.59
Mas Bill 167 Zcp 18/06/2019	2,872,813	2.69
Government of Singapore 2.875% 01/09/2030	2,774,073	2.60

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**2 Top 10 Holdings (continued)**

**Manulife Singapore Bond Fund**  
**As at 31 December 2017**

	<b>Fair value</b> <b>S\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
Government of Singapore 2.75% 01/04/2042	1,581,420	9.16
Government of Singapore 3.375% 01/09/2033	1,317,806	7.63
Government of Singapore 2.875% 01/09/2030	707,065	4.09
Government of Singapore 2.75% 01/03/2046	670,723	3.88
CNOOC Finance 2012 Ltd 3.875% 02/05/2022	276,088	1.60
Ausnet Services Holdings Pty Ltd FRN 07/09/2076	275,358	1.59
Malayan Banking Berhad VAR 29/10/2026	273,681	1.58
China Overseas Finance Cayman VI Ltd 4.25% 08/05/2019	272,650	1.58
Proven Glory Capital Ltd Ser EMTN 4% 21/02/2027	271,623	1.57
Wharf Finance No 1 Ltd EMTN (BR) 4.5% 20/07/2021	268,995	1.56

**Manulife Singapore Equity Fund**  
**As at 31 December 2018**

	<b>Fair value</b> <b>S\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
DBS Group Holdings Ltd	1,898,990	19.12
Overseas Chinese Banking Corp Ltd	1,677,706	16.89
United Overseas Bank Ltd	1,479,040	14.89
Singapore Telecommunications Ltd	869,038	8.75
Comfortdelgro Corp Ltd	525,030	5.29
Singapore Technologies Engineering Ltd	500,815	5.04
Venture Corp Ltd	486,855	4.90
Genting Singapore Plc	406,770	4.10
Capitaland Ltd	309,445	3.12
UOL Group Ltd	300,859	3.03

**Manulife Singapore Equity Fund**  
**As at 31 December 2017**

	<b>Fair value</b> <b>S\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
DBS Group Holdings Ltd	1,979,551	16.88
Overseas Chinese Banking Corp Ltd	1,524,887	13.00
United Overseas Bank Ltd	1,253,651	10.69
Singapore Telecommunications Ltd	920,703	7.85
Keppel Corp Ltd	690,900	5.89
UOL Group Ltd	545,540	4.65
CapitaLand Ltd	459,959	3.92
City Developments Ltd	439,648	3.75
Genting Singapore Plc	435,051	3.71
Singapore Technologies Engineering Ltd	313,612	2.67

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**2 Top 10 Holdings (continued)**

**Manulife Asian Small Mid Cap Fund (Underlying Fund)**  
**As at 31 December 2018**

	<b>Fair value US\$</b>	<b>Percentage of net asset value %</b>
Manulife Global Fund —Asian Small Cap Equity Fund		
Far Eastone Telecommunications Company Limited	5,431,030	2.55
Egis Technology Inc.	4,414,050	2.07
Mapletree Greater China Company	3,698,256	1.73
Bizlink Holding Inc.	3,570,932	1.68
Vitzrocell Company Limited	3,584,387	1.68
Fila Korea Limited	3,516,873	1.65
Colgate-Palmolive Company	3,409,061	1.60
Alkem Laboratories Limited	3,350,133	1.58
Rbl Bank Limited	3,324,753	1.57
Hkbn Limited	3,300,278	1.55

**Manulife Asian Small Mid Cap Fund (Underlying Fund)**  
**As at 31 December 2017**

	<b>Fair value US\$</b>	<b>Percentage of net asset value %</b>
Manulife Global Fund —Asian Small Cap Equity Fund		
Vitzrocell Company Limited	7,933,169	2.64
Magnachip Semiconductor Corp.	6,000,765	2.01
Beigene Limited - ADR	4,596,525	1.54
Xinyi Glass Holdings Limited	4,593,514	1.53
Inari Amertron Bhd	4,201,489	1.40
Hutchison China Meditech Limited	4,027,557	1.35
Yangtze Optical Fibre & Cable Joint Stock Limited - H	3,707,515	1.24
Speedcast International Limited	3,643,591	1.22
Silergy Corp.	3,610,414	1.21
Afterpay Touch Group Limited	3,451,849	1.16

**Manulife Asia Pacific Investment Grade Bond Fund**  
**As at 31 December 2018**

	<b>Fair value S\$</b>	<b>Percentage of net asset value %</b>
US Treasury 2.875% 15/08/2028	9,001,198	4.83
China Overseas Finance 4.25% 26/04/2023	3,826,609	2.05
Indonesia Government Fr72 8.25% 15/05/2036	3,766,164	2.02
Indonesia Government International Bond Fr65 6.625% 15/05/2033	3,252,088	1.74
Export-Import Bank Korea 6.75% 09/08/2022	3,214,684	1.72
CH Ovs Grand Oce Finance 4.875% 01/06/2021	2,990,024	1.60
Indonesia Government Ser Fr78 8.25% 15/05/2029	2,901,398	1.56
Perusahaan Listrik Negar 5.45% 21/05/2028	2,887,345	1.55
CMHI Finance BVI Co Ltd 5% 06/08/2028	2,787,594	1.49
SPIC LUX LATAM RE ENER 4.65% 30/10/2023	2,731,650	1.46

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**2 Top 10 Holdings (continued)**

**Manulife Asia Pacific Investment Grade Bond Fund**  
**As at 31 December 2017**

	<b>Fair value</b> <b>S\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
US Treasury N/B 2.25% 15/11/2027	3,688,941	2.48
Korea Development Bank Ser 7% 30/11/2022	2,829,895	1.91
Incitec Pivot Fin Llc Ser EMTN 3.95% 03/08/2027	2,648,509	1.78
Weichai Intl Hk Energy Var Perp 29/12/2049	2,639,390	1.78
Bharti Airtel International 5.35% 20/05/2024	2,594,955	1.75
GOHL Capital Ltd 4.25% 24/01/2027	2,475,485	1.67
Hysan (MTN) Ltd EMTN 3.5% 16/01/2023	2,443,034	1.64
China Construction Bank VAR 13/05/2025	2,361,163	1.59
Busan Bank GMTN 3.625% 25/07/2026	2,334,485	1.57
Bluestar Financial Holdings Ltd Var Perp	2,305,958	1.55

**Manulife Global Asset Allocation - Managed Growth Fund**  
**As at 31 December 2018**

	<b>Fair value</b> <b>US\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
Manulife Global Fund - U.S. Bond Fund	1,008,569	9.62
iShares Lehman Aggregate Bond Fund ETF	799,740	7.63
iShares JP Morgan Em Local Government Bond UCITS ETF	702,598	6.70
SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	642,029	6.12
SPDR Bloomberg Barclays International Treasury Bond ETF	537,511	5.13
iShares Core S&P 500 UCITS ETF USD Acc	393,525	3.75
iShares \$ Corp Bond UCITS ETF USD Dist	374,562	3.57
Vanguard Consumer Staples ETF	368,850	3.52
Vanguard Real Estate ETF	319,383	3.05
Utilities Select Sector SPDR Fund ETF	279,418	2.66

**Manulife Global Asset Allocation - Managed Growth Fund**  
**As at 31 December 2017**

	<b>Fair value</b> <b>US\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
Manulife Global Fund - U.S. Bond Fund	1,026,009	8.89
Ishares 1-3 Year Treasury Bond ETF	878,916	7.62
Ishares \$ Corp Bond Ucits ETF USD Dist	861,670	7.47
Vanguard Intermediate-Term Corporate Bond ETF	684,438	5.93
SPDR Bloomberg Barclays International Treasury Bond ETF	669,470	5.80
Vanguard Short-Term Corporate Bond ETF	592,450	5.13
iShares 3-7 Year Treasury Bond ETF	591,499	5.12
Ishares J.P. Morgan Usd Em Bond Ucits ETF USD Dist	579,852	5.02
Manulife Global Fund - Asia Total Return Fund	557,628	4.83
Vaneck Vectors J.P. Morgan Em Local Currency Bond ETF	473,437	4.10



**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**2 Top 10 Holdings (continued)**

**Manulife Global Asset Allocation - Growth Fund**  
**As at 31 December 2018**

	<b>Fair value US\$</b>	<b>Percentage of net asset value %</b>
Utilities Select Sector SPDR Fund ETF	8,024,789	6.05
iShares Core S&P 500 UCITS ETF USD Acc	8,013,540	6.04
Vanguard Real Estate ETF	7,960,198	6.00
Vanguard Consumer Staples ETF	7,140,895	5.38
iShares JP Morgan Em Local Government Bond UCITS ETF	6,965,787	5.25
iShares Lehman Aggregate Bond Fund ETF	6,922,808	5.22
Manulife Global Fund - U.S. Bond Fund	6,599,264	4.98
iShares MSCI Ac Asia Ex Japan Index ETF	6,106,589	4.60
Tracker Fund of Hong Kong ETF	6,025,602	4.54
SPDR Gold Shares ETF	5,820,606	4.39

**Manulife Global Asset Allocation - Growth Fund**  
**As at 31 December 2017**

	<b>Fair value US\$</b>	<b>Percentage of net asset value %</b>
Ishares J.P. Morgan USD Em Bond Ucits ETF USD Dist	11,363,245	5.88
SPDR Bloomberg Barclays International Treasury Bond ETF	9,560,924	4.95
iShares US Technology ETF	9,099,982	4.71
Ishares 1-3 Year Treasury Bond ETF	8,684,177	4.49
Vaneck Vectors J.P. Morgan Em Local Currency Bond ETF	8,542,196	4.42
Ishares Iboxx \$ High Yield Corp Bond ETF	7,755,669	4.01
PowerShares Senior Loan Portfolio ETF	7,727,962	4.00
Tracker Fund Of Hong Kong	7,711,141	3.99
Ishares \$ Corp Bond Ucits ETF USD Dist	6,964,669	3.60
Manulife Global Fund - U.S. Bond Fund	6,713,380	3.47

**Manulife SGD Income Fund**  
**As at 31 December 2018**

	<b>Fair value S\$</b>	<b>Percentage of net asset value %</b>
Mapletree Commercial Trust EMTN (BR) 3.11% 24/08/2026	16,418,183	1.90
Singapore Airlines Ltd MTN (BR) 3.13% 17/11/2026	16,413,705	1.90
RCS Trust Ser MTN 2.6% 05/06/2023	15,820,320	1.83
Australia and New Zealand Banking Group EMTN VAR 23/03/2027	14,505,655	1.68
National Australia Bank VAR 19/05/2028	14,459,475	1.67
Westpac Banking Corp EMTN (BR) Var 4% 12/08/2027	14,403,615	1.66
Singapore Post Ltd VAR Perpetual	14,039,575	1.62
United Overseas Bank Ltd Ser MTN Var 27/02/2029	13,640,130	1.58
Ascendas Real Estate Investment Var Perpetual	13,274,430	1.53
Value Success International EMTN 4.125% 06/09/2019	12,625,125	1.46

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**2 Top 10 Holdings (continued)**

**Manulife SGD Income Fund**  
**As at 31 December 2017**

	<b>Fair value</b> <b>S\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
Value Success International EMTN 4.125% 06/09/2019	17,006,880	1.77
Danga Capital Berhad 3.725% 11/08/2020	16,981,140	1.76
Singapore Post Ltd VAR Perpetual	16,663,500	1.73
Mapletree Commercial Trust EMTN (BR) 3.11% 24/08/2026	16,626,188	1.73
Singapore Airlines Ltd MTN (BR) 3.13% 17/11/2026	16,554,363	1.72
Bangkok Bank Pub Co (HK) 9.025% 15/03/2029	16,471,795	1.71
United Overseas Bank Ltd Ser MTN Var 27/02/2029	16,220,925	1.68
Rcs Trust Ser Mtn 2.6% 05/06/2023	16,174,560	1.68
Australia and New Zealand Banking Group EMTN VAR 23/03/2027	16,024,210	1.66
National Australia Bank VAR 19/05/2028	15,996,488	1.66

**3 Exposure to Financial Derivatives**

**Manulife Singapore Bond Fund**

	<b>Market Value</b> <b>S\$</b>	<b>Percentage of</b> <b>net asset value</b> <b>%</b>
Forward foreign exchange contracts as at 31 December 2018	113,651	0.11
Futures contracts as at 31 December 2018	(177,224)	(0.17)
Net losses on forward foreign exchange contracts realised for period ended 31 December 2018	(26,589)	
Net losses on futures contracts realised for period ended 31 December 2018	(34,213)	
Net gains on outstanding forward foreign exchange contracts marked to market as at 31 December 2018	113,651	
Net losses on outstanding futures marked to market as at 31 December 2018	(177,224)	

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**3 Exposure to Financial Derivatives (continued)**

<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	<b>Market Value S\$</b>	<b>Percentage of net asset value %</b>
Forward foreign exchange contracts as at 31 December 2018	744,758	0.40
Futures contracts as at 31 December 2018	(398,992)	(0.21)
Net losses on forward foreign exchange contracts realised for period ended 31 December 2018	(4,585,842)	
Net gains on futures contracts realised for period ended 31 December 2018	596,463	
Net gains on outstanding forward foreign exchange contracts marked to market as at 31 December 2018	744,758	
Net losses on outstanding futures marked to market as at 31 December 2018	(398,992)	
<b>Manulife Global Asset Allocation - Managed Growth Fund</b>	<b>Market Value US\$</b>	<b>Percentage of net asset value %</b>
Forward foreign exchange contracts as at 31 December 2018	11,596	0.11
Futures contracts as at 31 December 2018	-	-
Net losses on forward foreign exchange contracts realised for period ended 31 December 2018	(67,491)	
Net gains on futures contracts realised for period ended 31 December 2018	24,033	
Net gains on outstanding forward foreign exchange contracts marked to market as at 31 December 2018	11,596	

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**3 Exposure to Financial Derivatives (continued)**

<b>Manulife Global Asset Allocation - Growth Fund</b>	<b>Market Value US\$</b>	<b>Percentage of net asset value %</b>
Forward foreign exchange contracts as at 31 December 2018	78,635	0.06
Net losses on forward foreign exchange contracts realised for period ended 31 December 2018	(680,135)	
Net gains on futures contracts realised for period ended 31 December 2018	1,352,500	
Net gain on outstanding forward foreign exchange contracts marked to market as at 31 December 2018	78,635	
Net losses on outstanding futures marked to market as at 31 December 2018	(13,231)	
<b>Manulife SGD Income Fund</b>	<b>Market Value S\$</b>	<b>Percentage of net asset value %</b>
Forward foreign exchange contracts as at 31 December 2018	2,009,642	0.23
Futures contracts as at 31 December 2018	(1,974,666)	(0.23)
Swap contracts as at 31 December 2018	(213,628)	(0.02)
Net losses on forward foreign exchange contracts realised for period ended 31 December 2018	(11,021,294)	
Net losses on futures contracts realised for period ended 31 December 2018	(585,552)	
Net gains on swap contracts realised for period ended 31 December 2018	1,249,067	
Net gains on outstanding forward foreign exchange contracts marked to market as at 31 December 2018	2,009,642	
Net losses on outstanding futures marked to market as at 31 December 2018	(1,974,666)	
Net losses on outstanding swaps marked to market as at 31 December 2018	(213,628)	
The other sub-funds do not have any exposure to financial derivatives for the period ended 31 December 2018		

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**For the financial year ended 31 December 2018**

**4 Global exposure to Financial Derivatives**

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of;

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) the sum of the values of cash collateral received pursuant to:
  - (i) the reduction of exposure to counterparties of over-the-counter ("OTC") financial derivatives; and
  - (ii) efficient portfolio management ("EPM") techniques relating to securities lending and repurchase transactions, and that are reinvested.

**5 Collateral**

The Funds do not have any collateral holding as at 31 December 2018.

**6 Securities Lending or Repurchase Transactions**

The Funds do not have any securities lending arrangements or repurchase transactions as at 31 December 2018.

**7 Investment in other unit trusts, mutual funds and collective investment schemes**

**Manulife Singapore Bond Fund**

	Percentage of	
	Fair Value	Net asset value
As at 31 December 2018	S\$	%
Ascendas Real Estate Investment TR MTN (BR) 3.14% 02/03/2025	250,275	0.23
Ascendas Real Estate Investment TR MTN (BR) 4% 03/02/2022	259,097	0.24
Ascendas Real Estate Investment Var Perpetual	1,021,110	0.96
CapitaMall Trust 3.08% 20/02/2021	249,997	0.24
CCT MTN Pte Ltd MTN (BR) 2.77% 04/07/2022	1,242,313	1.16
CCT MTN Pte Ltd MTN 2.98% 14/02/2021	251,038	0.24
CCT MTN Pte Ltd Ser MTN (BR) 3.327% 21/03/2025	504,093	0.47
CMT MTN Pte Ltd MTN (BR) 3.2115% 09/11/2023	1,012,030	0.95
CMT MTN Pte Ltd Ser EMTN 3.2% 21/08/2025	1,007,380	0.94
Keppel REIT MTN Pte Ltd MTN (BR) 3.15% 11/02/2022	250,382	0.23
Mapletree Commercial Trus Series MTN (BR) 2.795% 15/11/2023	493,923	0.46
Mapletree Industrial Trust MTN 3.79% 02/03/2026	256,027	0.24
RCS Trust Ser EMTN 3.05% 04/09/2024	749,625	0.70
RCS Trust Ser MTN 2.6% 05/06/2023	988,770	0.93
RCS Trust Ser MTN 3.2% 14/03/2025	250,465	0.23
Starhill Global REIT Ser MTN (BR) 26/02/2021	1,010,910	0.95
Suntec REIT MTN Pte Ltd EMTN 3.35% 10/02/2020	251,610	0.24

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**7 Investment in other unit trusts, mutual funds and collective investment schemes (continued)**

**Manulife Asian Small Cap Equity Fund**

	<b>Fair Value</b>	<b>Percentage of</b>
<b>As at 31 December 2018</b>	<b>\$</b>	<b>Net asset value</b>
		<b>%</b>
Manulife Global Fund – Asian Small Cap Equity Fund Class I	32,151,251	98.82

**Manulife Asia Pacific Investment Grade Bond Fund**

	<b>Fair Value</b>	<b>Percentage of</b>
<b>As at 31 December 2018</b>	<b>\$</b>	<b>Net asset value</b>
		<b>%</b>
CMT MTN Pte Ltd Ser EMTN 3.2% 21/08/2025	755,535	0.41
Mapletree Commercial Trust EMTN 3.6% 24/08/2020	253,040	0.14
Mapletree Logistics Trust Ser EMTN Var Perp 29/12/2049	726,825	0.39

**Manulife Global Asset Allocation - Managed Growth Fund**

	<b>Fair Value</b>	<b>Percentage of</b>
<b>As at 31 December 2018</b>	<b>US\$</b>	<b>Net asset value</b>
		<b>%</b>
Hang Seng Investment Index Fund Series - Hang Seng China Enterprises Index ETF	125,558	1.20
Invesco QQQ Trust Series 1	76,205	0.73
iShares MSCI Singapore ETF	104,754	1.00
iShares \$ Corp Bond UCITS ETF USD Dist	374,562	3.57
iShares Core S&P 500 ETF	79,006	0.75
iShares Core S&P 500 UCITS ETF USD Acc	393,525	3.75
iShares JP Morgan Em Local Government Bond UCITS ETF	702,598	6.70
iShares Lehman Aggregate Bond Fund ETF	799,740	7.63
iShares MSCI Ac Asia Ex Japan Index ETF	221,816	2.11
iShares MSCI Ac Far East Ex-Japan UCITS ETF USD Dist ETF	99,378	0.95
iShares MSCI EM UCITS USD Dist ETF	136,110	1.30
iShares MSCI Indonesia ETF	72,872	0.70

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**7 Investment in other unit trusts, mutual funds and collective investment schemes (continued)**

**Manulife Global Asset Allocation - Managed Growth Fund (continued)**

<b>As at 31 December 2018 (Continued)</b>	<b>Fair Value US\$</b>	<b>Percentage of Net asset value %</b>
iShares MSCI Philippines ETF	157,774	1.50
Manulife Global Fund - Asia Total Return Fund	275,807	2.63
Manulife Global Fund - Japanese Growth Fund	130,074	1.24
Manulife Global Fund - U.S. Bond Fund	1,008,569	9.62
SPDR Bloomberg Barclays International Treasury Bond ETF	537,511	5.13
SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	642,029	6.12
SPDR Gold Shares ETF	217,523	2.07
SPDR S&P Homebuilders ETF	127,446	1.22
Tracker Fund of Hong Kong ETF	231,242	2.21
Utilities Select Sector SPDR Fund ETF	279,418	2.66
Vanguard Consumer Staples ETF	368,850	3.52
Vanguard Health Care ETF	123,341	1.18
Vanguard Real Estate ETF	319,383	3.05
Vanguard Short-Term Corporate Bond ETF	259,696	2.48
Vanguard Total Bond Market ETF	211,266	2.01
Vanguard Total International Bond ETF	106,330	1.01

**Manulife Global Asset Allocation - Growth Fund**

<b>As at 31 December 2018</b>	<b>Fair Value US\$</b>	<b>Percentage of Net asset value %</b>
Global X FTSE Southeast Asia ETF	93,544	0.07
Hang Seng Investment Index Fund Series - Hang Seng China Enterprises Index ETF	3,411,001	2.58
iShares MSCI Singapore ETF	2,727,980	2.06
iShares \$ Corp Bond UCITS ETF USD Dist	3,384,577	2.55
iShares Core S&P 500 ETF	1,303,591	0.98
iShares Core S&P 500 UCITS ETF USD Acc	8,013,540	6.04
iShares JP Morgan Em Local Government Bond UCITS ETF	6,965,787	5.25
iShares Lehman Aggregate Bond Fund ETF	6,922,808	5.22
iShares MSCI Ac Asia Ex Japan Index ETF	6,106,589	4.60
iShares MSCI AC Far East Ex-Japan UCITS ETF USD Dist ETF	2,770,551	2.09
iShares MSCI EM UCITS USD Dist ETF	3,538,562	2.67
iShares MSCI Indonesia ETF	1,894,734	1.43
iShares MSCI Philippines ETF	2,026,165	1.53
iShares US Technology ETF	1,299,431	0.98
Manulife Global Fund - Japanese Growth Fund	3,582,081	2.70

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**7 Investment in other unit trusts, mutual funds and collective investment schemes (continued)**

**Manulife Global Asset Allocation - Growth Fund (continued)**

	<b>Fair Value</b>	<b>Percentage of</b>
<b>As at 31 December 2018</b>	<b>US\$</b>	<b>Net asset value</b>
		<b>%</b>
Manulife Global Fund - U.S. Bond Fund	6,599,264	4.98
SPDR Bloomberg Barclays International Treasury Bond ETF	2,823,067	2.13
SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	4,368,242	3.30
SPDR Gold Shares ETF	5,820,606	4.39
SPDR S&P 500 UCITS ETF	2,594,098	1.96
SPDR S&P Homebuilders ETF	3,312,390	2.50
Tracker Fund of Hong Kong ETF	6,025,602	4.54
Utilities Select Sector SPDR Fund ETF	8,024,789	6.05
Vanguard Consumer Staples ETF	7,140,895	5.38
Vanguard Health Care ETF	3,888,126	2.93
Vanguard Information Technology ETF	2,571,017	1.94
Vanguard Real Estate ETF	7,960,198	6.00

**Manulife SGD Income Fund**

	<b>Fair Value</b>	<b>Percentage of</b>
<b>As at 31 December 2018</b>	<b>S\$</b>	<b>Net asset value</b>
		<b>%</b>
Ascendas Real Estate Investment TR MTN (BR) 3.14% 02/03/2025	8,509,350	0.98
Ascendas Real Estate Investment TR MTN (BR) 4% 03/02/2022	518,195	0.06
Ascendas Real Estate Investment Trust EMTN 3.2% 03/06/2022	760,020	0.09
Ascendas Real Estate Investment Var Perpetual	13,274,430	1.53
Ascendas REIT Ser MTN (BR) 2.47% 10/08/2023	2,694,092	0.31
CCT MTN Pte Ltd EMTN 2.96% 13/08/2021	5,022,550	0.58
CCT MTN Pte Ltd MTN (BR) 2.77% 04/07/2022	745,388	0.09
CCT MTN Pte Ltd MTN 3.17% 05/03/2024	10,026,500	1.16
CCT MTN Pte Ltd Ser MTN (BR) 3.327% 21/03/2025	3,024,555	0.35
CMT MTN Pte Ltd MTN (BR) 3.2115% 09/11/2023	6,578,195	0.76
CMT MTN Pte Ltd MTN (BR) 3.35% 07/07/2031	1,927,060	0.22
CMT MTN Pte Ltd MTN (BR) 3.48% 06/08/2024	1,024,530	0.12
CMT MTN Pte Ltd Ser EMTN 3.2% 21/08/2025	2,014,760	0.23
CMT MTN Pte Ltd Ser MTN (BR) 2.88% 10/11/2027	9,285,656	1.07
Keppel REIT MTN Pte Ltd MTN (BR) 3.15% 11/02/2022	3,004,590	0.35
Keppel REIT MTN Pte Ltd MTN (BR) 3.275% 08/04/2024	6,974,870	0.81
Mapletree Commercial Trust EMTN (BR) 3.11% 24/08/2026	16,418,183	1.90
Mapletree Commercial Trust Ser MTN 3.045% 27/08/2027	9,163,890	1.06
Mapletree Greater China Commercial Trust EMTN (BR) 3.2% 08/09/2021	2,519,550	0.29
Mapletree Greater China Commercial Trust EMTN (BR) 3.43% 09/03/2022	2,027,120	0.23
Mapletree Industrial Trust MTN 3.79% 02/03/2026	5,376,578	0.62
Mapletree Industrial Trust Ser MTN (BR) 3.02% 11/05/2023	1,992,400	0.23
Mapletree Logistics Trust Ser EMTN Var Perp 29/12/2049	5,572,325	0.64
RCS Trust Ser MTN 2.6% 05/06/2023	15,820,320	1.83



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**7 Investment in other unit trusts, mutual funds and collective investment schemes (continued)**

**Manulife Global Asset Allocation - Growth Fund (continued)**

RCS Trust Ser MTN 3.2% 14/03/2025	4,007,440	0.46
Starhill Global REIT MTN (BR) 3.14% 03/10/2026	6,441,305	0.74
Starhill Global REIT MTN 3.4% 26/05/2023	2,279,362	0.26
Suntec REIT MTN Pte Ltd (Br) 3.4% 10/05/2023	5,014,300	0.58
Suntec REIT MTN Pte Ltd EMTN 3.35% 10/02/2020	503,220	0.06
Suntec REIT MTN Pte Ltd Ser MTN 2.85% 02/08/2023	4,402,890	0.51

**8 Borrowings**

The Funds do not have any borrowings as at 31 December 2018.

**9 Amount of Redemptions and Subscriptions**

**For financial period ended 31 December 2018**

	<b>Subscriptions</b>	<b>Redemptions</b>
Manulife Singapore Bond Fund (\$)	95,304,512	(8,695,994)
Manulife Singapore Equity Fund (\$)	1,173,131	(1,704,712)
Manulife Asian Small Cap Equity Fund (\$)	11,118,439	(8,587,373)
Manulife Asia Pacific Investment Grade Bond Fund (\$)	89,366,046	(51,064,149)
Manulife Global Asset Allocation — Managed Growth Fund (US\$)	826,928	(655,870)
Manulife Global Asset Allocation — Growth Fund (US\$)	42,402,614	(77,674,686)
Manulife SGD Income Fund (S\$)	263,906,985	(307,112,667)

**10 Related Party Transactions**

As at 31 December 2018 and 2017, the Manager of the Funds is Manulife Asset Management (Singapore) Pte. Ltd. and the Trustee and Custodian is HSBC Institutional Trust Services (Singapore) Limited ("HTSG"). The management fee, trustee fee, custodian fee, registrar fee and valuation fee paid or payable by the Funds are related party transactions and are shown in the Statement of Total Return.

**Report to Unitholders**  
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**11 Performance**

**Manulife Singapore Bond Fund**

<b>Class A</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	2.85	3.50
6-month	3.44	4.24
1-year	1.12	2.45
3-year	3.08	3.25
5-year	3.33	2.86
Since inception	2.54	2.53

Benchmark: Markit iBoxx ALBI Singapore Government

Inception date: 14 September 2009

Source: Manulife Asset Management (Singapore)

**Manulife Singapore Equity Fund**

<b>Class A</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-9.08	-6.94
6-month	-9.63	-4.71
1-year	-11.17	-7.57
3-year	3.94	6.21
5-year	1.21	2.70
Since inception	3.30	4.68

Benchmark: MSCI Singapore Index

Inception date: 14 September 2009

Source: Manulife Asset Management (Singapore)

**Manulife Asian Small Cap Equity Fund**

<b>Class A</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-12.04	-9.78
6-month	-20.05	-12.70
1-year	-23.47	-16.00
3-year	-1.14	2.00
5-year	-0.34	2.97
Since inception	0.02	2.80

Benchmark: MSCI Asia Pacific ex Japan Small Cap Index

Inception date: 28 October 2013

Source: Manulife Asset Management (Singapore)

**Report to Unitholders**  
**For the financial year ended 31 December 2018**

**11 Performance (continued)**

**Manulife Asia Pacific Investment Grade Bond Fund**

<b>Class A</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	1.43	1.03
6-month	1.61	1.25
1-year	-0.44	-0.35
3-year	1.80	2.64
5-year	N/A	N/A
Since inception	2.56	3.54

Benchmark: 70% JP Morgan Asia Credit Investment Grade Index (SGD Hedged) and 30% JP Morgan Emerging Local Markets Index Plus Asia (SGD)

Inception date: 21 January 2014

Source: Manulife Asset Management (Singapore)

<b>Class A-MDis</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	1.43	1.03
6-month	1.61	1.25
1-year	-0.46	-0.35
3-year	1.77	2.64
5-year	N/A	N/A
Since inception	2.54	3.54

Benchmark : 70% JP Morgan Asian Credit Index "JACI" Investment Grade (SGD-Hedged) 30%

JP Morgan Emerging Local Markets Index Plus "ELMI+" Asia (SGD)

Inception date : 21 January 2014

Source : Manulife Asset Management (Singapore)

**Manulife Global Asset Allocation - Managed Growth Fund**

<b>Class A-MDis SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-3.76	N/A
6-month	-3.72	N/A
1-year	-5.07	N/A
3-year	-1.52	N/A
5-year	N/A	N/A
Since inception	1.17	N/A

Benchmark : NIL

Inception date : 9 October 2014

Source : Manulife Asset Management (Singapore)

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**11 Performance (continued)**

**Manulife Global Asset Allocation - Managed Growth Fund (continued)**

<b>Class A-MDis SGD Hedged</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-3.81	N/A
6-month	-4.16	N/A
1-year	-7.93	N/A
3-year	-0.80	N/A
5-year	N/A	N/A
Since inception	-0.78	N/A

Benchmark : NIL

Inception date : 9 October 2014

Source : Manulife Asset Management (Singapore)

<b>Class A-MDis USD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-3.55	N/A
6-month	-3.67	N/A
1-year	-6.95	N/A
3-year	0.18	N/A
5-year	N/A	N/A
Since inception	-1.03	N/A

Benchmark : NIL

Inception date : 28 May 2015

Source : Manulife Asset Management (Singapore)

<b>Class A-SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-3.80	N/A
6-month	-3.70	N/A
1-year	-5.07	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	-3.28	N/A

Benchmark : NIL

Inception date : 18 January 2017

Source : Manulife Asset Management (Singapore)

**Report to Unitholders**  
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**11 Performance (continued)**

**Manulife Global Asset Allocation - Growth**

<b>Class A-MDis SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-6.01	N/A
6-month	-5.64	N/A
1-year	-6.48	N/A
3-year	-1.05	N/A
5-year	N/A	N/A
Since inception	1.67	N/A

Benchmark : NIL

Inception date : 9 October 2014

Source : Manulife Asset Management (Singapore)

<b>Class A-MDis SGD Hedged</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-6.04	N/A
6-month	-6.01	N/A
1-year	-9.28	N/A
3-year	-0.34	N/A
5-year	NA	N/A
Since inception	-0.30	N/A

Benchmark : NIL

Inception date : 9 October 2014

Source : Manulife Asset Management (Singapore)

<b>Class A-MDis USD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-5.87	N/A
6-month	-5.60	N/A
1-year	-8.34	N/A
3-year	0.30	N/A
5-year	N/A	N/A
Since inception	-0.42	N/A

Benchmark : NIL

Inception date : 13 March 2015

Source : Manulife Asset Management (Singapore)

<b>Class A-SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	-6.12	N/A
6-month	-5.67	N/A
1-year	-6.57	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	-0.84	N/A

Benchmark : NIL

Inception date : 2 November 2016

Source : Manulife Asset Management (Singapore)

**Report to Unitholders**  
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**11 Performance (continued)**

**Manulife SGD Income Fund**

Class A-SGD

	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.00	N/A
6-month	0.59	N/A
1-year	-2.00	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	1.37	N/A

Benchmark : NIL

Inception date : 24 November 2016

Source : Manulife Asset Management (Singapore)

**Class A-QDis SGD**

	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.06	N/A
6-month	0.54	N/A
1-year	-2.00	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	1.23	N/A

Benchmark : NIL

Inception date : 18 November 2016

Source : Manulife Asset Management (Singapore)

**Class A-QDis USD Hedged**

	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.17	N/A
6-month	0.76	N/A
1-year	-1.50	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	1.46	N/A

Benchmark : NIL

Inception date : 26 January 2017

Source : Manulife Asset Management (Singapore)

**Class A-QDis AUD Hedged**

	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.06	N/A
6-month	0.75	N/A
1-year	-1.62	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	-1.44	N/A

Benchmark : NIL

Inception date : 14 November 2017

Source : Manulife Asset Management (Singapore)

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**11 Performance (continued)**

**Manulife SGD Income Fund (continued)**

<b>Class C-SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.10	N/A
6-month	0.68	N/A
1-year	-1.81	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	1.55	N/A

Benchmark : NIL

Inception date : 4 January 2017

Source : Manulife Asset Management (Singapore)

<b>Class C-QDis SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.06	N/A
6-month	0.66	N/A
1-year	-1.78	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	1.44	N/A

Benchmark : NIL

Inception date : 18 November 2016

Source : Manulife Asset Management (Singapore)

<b>Class C-QDis USD Hedged</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.17	N/A
6-month	0.87	N/A
1-year	-1.25	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	1.88	N/A

Benchmark : NIL

Inception date : 6 December 2016

Source : Manulife Asset Management (Singapore)

<b>Class C-QDis AUD Hedged</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.17	N/A
6-month	0.86	N/A
1-year	-1.50	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	0.57	N/A

Benchmark : NIL

Inception date : 31 May 2017

Source : Manulife Asset Management (Singapore)

**Report to Unitholders**  
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**11 Performance (continued)**

**Manulife SGD Income Fund (continued)**

<b>Class D-SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.20	N/A
6-month	0.80	N/A
1-year	-1.47	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	0.44	N/A

Benchmark : NIL

Inception date : 1 June 2017

Source : Manulife Asset Management (Singapore)

<b>Class D-QDis SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.17	N/A
6-month	0.76	N/A
1-year	-1.51	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	0.44	N/A

Benchmark : NIL

Inception date : 29 May 2017

Source : Manulife Asset Management (Singapore)

<b>Class B-QDis SGD</b>	<b>Returns (%)</b>	<b>Benchmark (%)</b>
3-month	0.29	N/A
6-month	1.10	N/A
1-year	N/A	N/A
3-year	N/A	N/A
5-year	N/A	N/A
Since inception	0.09	N/A

Benchmark : NIL

Inception date : 3 April 2018

Source : Manulife Asset Management (Singapore)

Returns are calculated on a bid-to-bid basis with dividends reinvested at bid price. The inception dates for the Funds were stated as above. Since inception, figures are calculated from the first full month of investment.



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12	Expense Ratio	2018 %	2017 %
	<b>Manulife Singapore Bond Fund</b>		
	Class A	0.95	1.10
	<b>Manulife Singapore Equity Fund</b>		
	Class A	2.06	2.06
	<b>Manulife Asian Small Cap Equity Fund</b>		
	Class A	1.87	1.87
	Expense ratio for Manulife Global Fund —Asian Small Cap Equity Fund	1.30	1.31
	<b>Manulife Asia Pacific Investment Grade Bond Fund</b>		
	Class A	0.91	0.95
	Class A-MDis	0.91	0.96
	Class B		-
	<b>Manulife Global Asset Allocation      Managed Growth Fund</b>		
	Class A-MDis SGD	1.94	1.96
	Class A-MDis SGD Hedged	1.94	1.96
	Class A-MDis USD	1.94	1.96
	Class A-SGD	1.94	1.92
	<b>Manulife Global Asset Allocation — Growth Fund</b>		
	Class A-MDis SGD	1.73	1.90
	Class A-MDis SGD Hedged	1.73	1.90
	Class A-MDis USD	1.73	1.91
	Class A SGD	1.73	1.88
	<b>Manulife SGD Income Fund</b>		
	Expense ratio (annualised %)		
	<i>Excluding preliminary expenses</i>		
	Class A-QDis SGD	1.19	1.19
	Class A-SGD	1.19	1.18
	Class A-QDis USD Hedged	1.19	1.18
	Class A-QDis AUD Hedged	1.19	1.20
	Class B-QDis SGD	0.19	N.A
	Class C-QDis SGD	0.99	0.99
	Class C-QDis USD Hedged	0.99	0.99
	Class C-SGD	0.99	0.99
	Class C-QDis AUD Hedged	0.99	0.99
	Class D-QDis SGD	0.69	0.70
	Class D-SGD	0.69	0.69

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**12 Expense Ratio (continued)**

	<b>2018</b> %	<b>2017</b> %
<i>Including preliminary expenses</i>		
Class A-QDis SGD	1.19	1.20
Class A-SGD	1.19	1.19
Class A-QDis USD Hedged	1.19	1.19
Class A-QDis AUD Hedged	1.19	1.20
Class B-QDis SGD	0.19	N.A
Class C-QDis SGD	0.99	1.00
Class C-QDis USD Hedged	0.99	1.00
Class C-SGD	0.99	1.00
Class C-QDis AUD Hedged	0.99	1.00
Class D-QDis SGD	0.69	0.71
Class D-SGD	0.69	0.70

Expense ratio is calculated in accordance with Investment Management Association of Singapore ("IMAS") Guidelines for the Disclosure of Expense Ratios. The expense ratio does not (where applicable) brokerage and other transaction costs, foreign exchange gains/losses, front or include back end loads arising from the purchase or sale of other funds and tax deducted at source arising out of income received. The Funds do not pay any performance fees.

**13 Turnover ratio**

	<b>2018</b> %	<b>2017</b> %
<b>Manulife Singapore Bond Fund</b>	173.26	30.48
<b>Manulife Singapore Equity Fund</b>	103.70	32.12
<b>Manulife Asian Small Cap Equity Fund</b>	8.38	4.88
Turnover ratio for Manulife Global Fund —Asian Small Cap Equity Fund	315.45	265.13
<b>Manulife Asia Pacific Investment Grade Bond Fund</b>	41.31	78.69
<b>Manulife Global Asset Allocation — Managed Growth Fund</b>	205.25	311.75
<b>Manulife Global Asset Allocation — Growth Fund</b>	254.05	394.00
<b>Manulife SGD Income Fund</b>	70.02	45.58

The turnover ratio states the number of times per year that a dollar of assets is reinvested, as defined in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average net asset value.

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**14 Other material information**

There is no other material information that will adversely impact the valuation of the Funds.

**15 Soft dollar commission /arrangement**

The Manager does not receive any soft dollar commission or enter into any soft dollar arrangement in the management of the Funds.

