

Manulife Shariah PRS - Growth Fund

Fund Details

Investment Objective

Manulife Shariah PRS – Growth Fund aims to facilitate accumulation of retirement savings* by providing capital growth over the long term.

** Please note that this is neither a capital guaranteed fund nor a capital protected fund; therefore, a member's capital is neither guaranteed nor protected.*

Investment Strategy

To achieve the objective of the Fund, the Provider will at all times invest a minimum of 30% up to a maximum of 70% of the Fund's NAV in Shariah-compliant equities and/or equity-related securities. That part of the Fund's NAV not invested in Shariah-compliant equities and/or equity-related securities will be invested in sukuk and Islamic money market instruments.

Further, the Fund may invest up to 30% of the Fund's NAV at any time in foreign markets which include but not limited to Asia Pacific region whenever opportunities arise. The Asia Pacific region would include but are not limited to Australia, Hong Kong, Indonesia, Philippines, Korea, India, Singapore, Taiwan and Thailand.

Distribution Policy

Incidental. All distributions, if any, will be automatically reinvested and distributed as additional Units of the Fund.

Key Data

| | |
|----------------------|--|
| Launch Date | 24 July 2013 |
| Initial Offer Price | RM0.5000 |
| Class A: Unit NAV | RM0.58 |
| Class C: Unit NAV | RM0.6021 |
| Fund Size | RM12.96 million |
| Units in Circulation | 22.35 million |
| Benchmark | 60% FBM EMAS Shariah Index + 40% Maybank 12-month Islamic Fixed Deposit - i rate |

Fees by the Provider of the Scheme

| | |
|-------------------|---|
| Sales Charge | Class A & B: Up to 2.00% of the NAV per unit Class C: Up to 3.00% of the NAV per unit |
| Management Fee | Class A: 2.25% p.a. of the NAV Class B: 1.50% p.a. of the NAV Class C: 1.50% p.a. of the NAV |
| Trustee Fee | Class A & B: 0.04% p.a. of the NAV Class C: 0.025% p.a. of the NAV |
| Redemption Charge | Class A & B: 3% of NAV per Unit for withdrawal in the 2nd year; 2% of NAV per Unit for withdrawal in the 3rd year; 1% of NAV per Unit for withdrawal in the 4th year; No Redemption Charge from the 5th year onwards. Class C: N/A |

Fees by the Private Pensor

| | |
|-----------------------------------|---|
| PPA Account Opening Fee | RM10.00 (one-off) |
| PPA Annual Fee ¹ | RM8.00 p.a. |
| PPA Pre-Retirement Withdrawal Fee | RM25.00 for each withdrawal |
| PPA Transfer Fee | RM25.00 for each withdrawal to another PRS provider |
| PPA Administration Fee | 0.04% p.a. of the NAV of the Fund |

Income Distribution

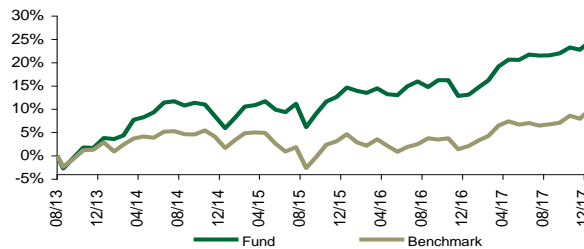
Manulife Shariah PRS - Growth Fund (Class A)

26 December, 2017 1.55 sen (gross)

Manulife Shariah PRS - Growth Fund (Class C)

26 December, 2017 1.60 sen (gross)

Fund Performance



Source: Lipper

Past performance is not necessarily indicative of future performance

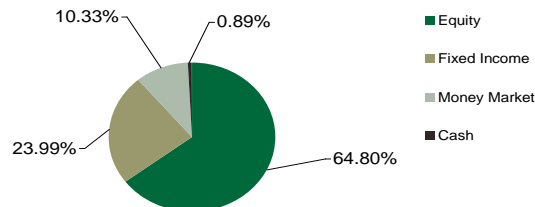
Performance Table

| | 1M | 3M | 6M | YTD | 1Y | Since Inception |
|-----------------------|------|------|------|-------|-------|-----------------|
| Fund Class A (%) | 1.46 | 2.08 | 2.33 | 10.08 | 10.08 | 24.53 |
| Benchmark Class A (%) | 1.88 | 2.68 | 2.88 | 7.66 | 7.66 | 9.96 |
| Fund Class C (%) | 1.54 | 2.29 | 2.73 | 10.98 | 10.98 | 11.40 |
| Benchmark Class C (%) | 1.88 | 2.68 | 2.88 | 7.66 | 7.66 | 7.55 |

Source: Lipper as at 31 December 2017

Fund performance is calculated on NAV to NAV. Past performance is not necessarily indicative of future performance. The benchmark return is in MYR terms.

Asset Allocation



Top Holdings

| Top Holdings | % |
|---|-------|
| Manulife Shariah - Dana Ekuiti | 38.18 |
| Manulife Investment As-Saad | 6.65 |
| Southern Power Generation 5.02 10/29/27 | 6.58 |
| Manulife Investment Al-Faid | 6.02 |
| Cahaya Mata Sarawak 4.8 05/05/2022 | 5.41 |
| Imtiaz Sukuk II Berhad 4.5 11/22/2019 | 5.35 |
| Manulife Investment Al-Ma'mun | 5.06 |
| Manulife Investment Shariah Asia-Pacific Fund | 5.02 |
| Manulife Investment Al-Fauzan | 4.01 |
| Daibochi Plastic & Packaging | 1.54 |

Manulife Shariah - Dana Sukuk

| | |
|-------------------|------------------|
| 26 November, 2015 | 1.15 sen (gross) |
| 28 November, 2016 | 1.30 sen (gross) |

Manulife Shariah PRS - Moderate Fund

Fund Details

Investment Objective

Manulife Shariah PRS – Moderate Fund aims to facilitate accumulation of retirement savings* through a combination of income# and capital growth over the long term.

* Please note that this is neither a capital guaranteed fund nor a capital protected fund; therefore, a member's capital is neither guaranteed nor protected.

Income declared will be reinvested in the form of additional Units issued to Members.

Investment Strategy

To achieve the objective of the Fund, the Provider will at all times invest a minimum of 40% up to a maximum of 60% of the Fund's NAV in Shariah-compliant equities and/or equity-related securities. That part of the Fund's NAV not invested in equities and/or equity-related securities will be invested in sukuk and Islamic money market instruments.

Further, the Fund may invest up to 30% of the Fund's NAV at any time in foreign markets which include but not limited to Asia Pacific region whenever opportunities arise. The Asia Pacific region would include but are not limited to Australia, Hong Kong, Indonesia, Philippines, Korea, India, Singapore, Taiwan and Thailand.

Distribution Policy

Once a year, if any. All distributions, if any, will be automatically reinvested and distributed as additional Units of the Fund.

Key Data

| | |
|----------------------|--|
| Launch Date | 24 July 2013 |
| Initial Offer Price | RM0.5000 |
| Class A: Unit NAV | RM0.5642 |
| Class C: Unit NAV | RM0.5866 |
| Fund Size | RM2.29 million |
| Units in Circulation | 4.06 million |
| Benchmark | 50% FBM EMAS Shariah Index + 50% Maybank 12-month Islamic Fixed Deposit - i rate |

Fees by the Provider of the Scheme

| | |
|-------------------|---|
| Sales Charge | Class A & B: Up to 2.00% of the NAV per unit Class C: Up to 3.00% of the NAV per unit |
| Management Fee | Class A: 2.25% p.a. of the NAV Class B: 1.50% p.a. of the NAV Class C: 1.50% p.a. of the NAV |
| Trustee Fee | Class A & B: 0.04% p.a. of the NAV Class C: 0.025% p.a. of the NAV |
| Redemption Charge | Class A & B: 3% of NAV per Unit for withdrawal in the 2nd year; 2% of NAV per Unit for withdrawal in the 3rd year; 1% of NAV per Unit for withdrawal in the 4th year; No Redemption Charge from the 5th year onwards. Class C: N/A |

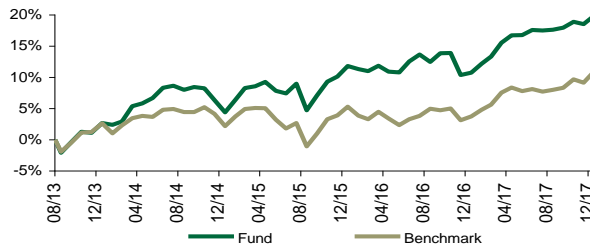
Fees by the Private Pension Administrator (PPA)

| | |
|-----------------------------------|---|
| PPA Account Opening Fee | RM10.00 (one-off) |
| PPA Annual Fee ¹ | RM8.00 p.a. |
| PPA Pre-Retirement Withdrawal Fee | RM25.00 for each withdrawal |
| PPA Transfer Fee | RM25.00 for each withdrawal to another PRS provider |
| PPA Administration Fee | 0.04% p.a. of the NAV of the Fund |

Income Distribution

| | |
|---|------------------|
| Manulife Shariah PRS - Moderate Fund (Class A) | |
| 26 December, 2017 | 1.16 sen (gross) |
| Manulife Shariah PRS - Moderate Fund (Class C) | |
| 26 December, 2017 | 1.20 sen (gross) |

Fund Performance



Source: Lipper

Past performance is not necessarily indicative of future performance

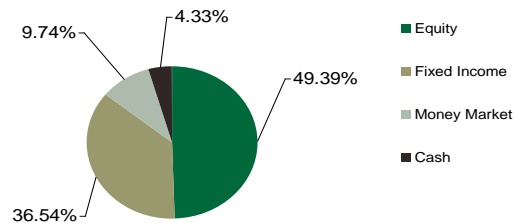
Performance Table

| | 1M | 3M | 6M | YTD | 1Y | Since Inception |
|-----------------------|------|------|------|------|------|-----------------|
| Fund Class A (%) | 1.10 | 1.60 | 1.91 | 8.23 | 8.23 | 19.84 |
| Benchmark Class A (%) | 1.61 | 2.37 | 2.66 | 6.89 | 6.89 | 10.89 |
| Fund Class C (%) | 1.18 | 1.80 | 2.32 | 9.09 | 9.09 | 9.63 |
| Benchmark Class C (%) | 1.61 | 2.37 | 2.66 | 6.89 | 6.89 | 7.20 |

Source: Lipper as at 31 December 2017

Fund performance is calculated on NAV to NAV. Past performance is not necessarily indicative of future performance. The benchmark return is in MYR terms.

Asset Allocation



Top Holdings

| | % |
|---|-------|
| Manulife Shariah - Dana Ekuiti | 28.19 |
| Manulife Investment As-Saad | 9.95 |
| Manulife Investment Al-Ma'mun | 9.74 |
| Southern Power Generation 5.02 10/29/27 | 9.52 |
| Cahaya Mata Sarawak 4.8 05/05/2022 | 8.62 |
| Imtiaz Sukuk II Berhad 4.5 11/22/2019 | 8.45 |
| Manulife Investment Shariah Asia-Pacific Fund | 4.02 |
| Manulife Investment Al-Fauzan | 4.02 |
| Manulife Investment Al-Faid | 4.02 |
| Pestech International Berhad | 0.94 |

Income Distribution

| | |
|-------------------|------------------|
| 26 November, 2015 | 0.85 sen (gross) |
| 28 November, 2016 | 1.30 sen (gross) |

Manulife Shariah PRS - Conservative Fund

Fund Details

Investment Objective

Manulife Shariah PRS – Conservative Fund aims to provide steady returns whilst preserving* capital.

* Please note that this is neither a capital guaranteed fund nor a capital protected fund; therefore, a member's capital is neither guaranteed nor protected.

Investment Strategy

To achieve the objective of the Fund, the Provider will at all times invest a minimum of 80% of the Fund's NAV in Malaysian sukuk (of which a minimum of 20% will be invested in Islamic money market instruments) and a maximum of 20% of the Fund's NAV in Malaysian Shariah-compliant equities and/or equity-related securities.

The Fund may also invest up to 5% of the Fund's NAV at any time in sukuk and/or Islamic money market instruments which are rated below A3/P2 by RAM (or equivalent rating by MARC) and/or are unrated.

Distribution Policy

Once a year, if any. All distributions, if any, will be automatically reinvested and distributed as additional Units of the Fund.

Key Data

| | |
|----------------------|---|
| Launch Date | 24 July 2013 |
| Initial Offer Price | RM0.5000 |
| Class A: Unit NAV | RM0.5069 |
| Class C: Unit NAV | RM0.5204 |
| Fund Size | RM0.45 million |
| Units in Circulation | 0.89 million |
| Benchmark | Maybank 12-month Islamic Fixed Deposit - i rate |

Fees by the Provider of the Scheme

| | |
|-------------------|---|
| Sales Charge | Class A & B: Up to 2.00% of the NAV per unit Class C: Up to 3.00% of the NAV per unit |
| Management Fee | Class A: 2.25% p.a. of the NAV Class B: 1.50% p.a. of the NAV Class C: 1.50% p.a. of the NAV |
| Trustee Fee | Class A & B: 0.04% p.a. of the NAV Class C: 0.025% p.a. of the NAV |
| Redemption Charge | Class A & B: 3% of NAV per Unit for withdrawal in the 2nd year; 2% of NAV per Unit for withdrawal in the 3rd year; 1% of NAV per Unit for withdrawal in the 4th year; No Redemption Charge from the 5th year onwards. Class C: N/A |

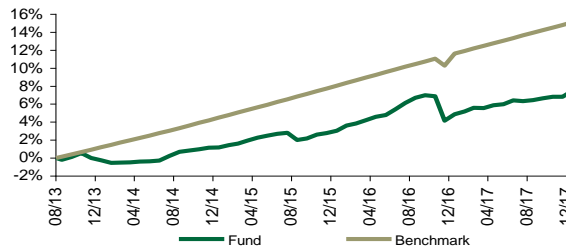
Fees by the Private Pension Administrator (PPA)

| | |
|-----------------------------------|---|
| PPA Account Opening Fee | RM10.00 (one-off) |
| PPA Annual Fee ¹ | RM8.00 p.a. |
| PPA Pre-Retirement Withdrawal Fee | RM25.00 for each withdrawal |
| PPA Transfer Fee | RM25.00 for each withdrawal to another PRS provider |
| PPA Administration Fee | 0.04% p.a. of the NAV of the Fund |

Income Distribution

| | |
|---|------------------|
| Manulife Shariah PRS - Conservative Fund (Class A) | |
| 26 December, 2017 | 0.60 sen (gross) |
| Manulife Shariah PRS - Conservative Fund (Class C) | |
| 26 December, 2017 | 0.61 sen (gross) |

Fund Performance



Source: Lipper

Past performance is not necessarily indicative of future performance

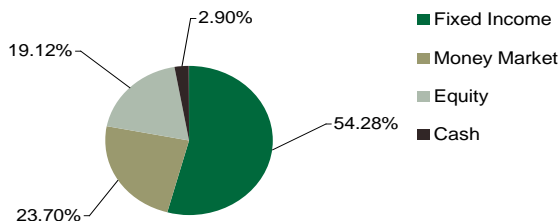
Performance Table

| | 1M | 3M | 6M | YTD | 1Y | Since Inception |
|-----------------------|------|------|------|------|------|-----------------|
| Fund Class A (%) | 0.61 | 0.79 | 1.01 | 2.48 | 2.48 | 7.48 |
| Benchmark Class A (%) | 0.26 | 0.77 | 1.55 | 3.12 | 3.12 | 15.10 |
| Fund Class C (%) | 0.67 | 1.00 | 1.41 | 3.30 | 3.30 | 3.73 |
| Benchmark Class C (%) | 0.26 | 0.77 | 1.55 | 3.12 | 3.12 | 5.38 |

Source: Lipper as at 31 December 2017

Fund performance is calculated on NAV to NAV. Past performance is not necessarily indicative of future performance. The benchmark return is in MYR terms.

Asset Allocation



Top 10 Holdings

| Top 10 Holdings | % |
|---|-------|
| Manulife Investment Al-Ma'mun | 23.70 |
| Manulife Investment Al-Faid | 19.12 |
| Manulife Investment As-Saad | 14.94 |
| Southern Power Generation 5.02 10/29/27 | 13.58 |
| Cahaya Mata Sarawak 4.8 05/05/2022 | 13.27 |
| Intiaz Sukuk II Berhad 4.5 11/22/2019 | 12.5 |

Income Distribution

| | |
|-------------------|------------------|
| 26 November, 2015 | 1.50 sen (gross) |
| 28 November, 2016 | 0.85 sen (gross) |

Market Review & Outlook**Market Review****Equity**

The FBM KLCI concluded 2017 at 1,796.81, which is a full year gain of 9.45% and 4.60% m-o-m from year-end window dressing. This trend was in line with the global and regional markets on the back of positive economic and political news flow. The key development during the month was the signing of the Republican tax reform bill into law in the US. This is Trump's first major victory in his first year in office. In addition, the US continued to exhibit a robust labour market, reinforcing the Federal Reserve's third interest rate hike in 2017 to 1.50%. In Asia, Japan continued its economic revival, registering its seventh consecutive quarter of GDP growth (3Q17: 0.6% q-o-q) and its central bank reassuring the markets that it intends to maintain its dovish stance.

For the month, Malaysia saw net inflows of RM218.9 mil, a sharp reversal after four months of net outflows. The FBM KLCI ended the month higher by 4.60% m-o-m, to close at 1,796.81. The top performers were mainly the Banking stocks as the market started to rally on the back of positive developments in the US. The main laggards in the month were mostly the defensive stocks. Looking at the broader market, the FBM KLCI out-performed the FBM 100 and FBM Small Cap Index, which increased by 4.51% and 1.57% respectively.

Sukuk

US Treasury (UST) yield curve flattened as short dated yields trended higher 10bps as players continued pricing in gradual rate hikes. The long-awaited tax reforms were finally passed after going through house and senate votes. The Fed hiked rates by 25bps to 1.25-1.50% in Dec FOMC meeting as widely expected. Fed raised the 2018 GDP projection to 2.2-2.6% from 2.0-2.3% done in Sep. Dot-plot projection continued signaling three hikes in 2018. Apart from the uncertain nature of the Trump's administration, US lawmakers are required to pass a spending plan by 19 Jan to avoid government shutdown, as the temporary funding extension expires. In addition, there are also potential heightening of risks from Iran political unrest and North Korea's threat.

The Malaysian Government Securities (MGS) yield curve shifted down slightly with the 3-year and 5-year MGS yields down 8bps and 7bps. 10-year MGS yield recorded higher 2 bps. The short to medium duration MGS gained together with MYR supported by foreign demand.

The MYR corporate bond secondary market activities were relatively slower. The flows were driven by portfolio rebalancing activities coupled with bargain hunting.

Manulife Shariah PRS-Growth Fund (MSPG)

In December 2017, the Fund registered a return of 1.46%, underperforming the benchmark's return of 1.88%. Performance was dragged by its underlying equity funds in Manulife Investment Al-Fauzan and Manulife Shariah A-PC.

Manulife Shariah PRS-Moderate Fund (MSPM)

In December 2017, the Fund registered a return of 1.10%, underperforming the benchmark's return of 1.61%. Performance was dragged by its underlying equity funds in Manulife Investment Al-Fauzan and Manulife Shariah A-PC.

Manulife Shariah PRS-Conservative Fund (MSPC)

In December 2017, the Fund generated a return of 0.61%, outperforming its benchmark return of 0.26%. The outperformance was due primarily to the Fund's overweight position in Equities investments.

Market Review & Outlook**Market Outlook****Equity**

Global growth continues to be synchronized and broad based. Rate hike in the US remains as evidence to the overall improvement in the US economy. Fed raised the US 2018 GDP growth to 2.5%, up from previous forecast of 2.1%; while GDP forecast for 2019 was revised upwards to 2.1% from previous expectation of 2.0%, referencing a potential lift in economic activity at the back of the US tax reform. Recent inflation readings were below Fed's target of 1.9%, reemphasizing Fed's accommodative and gradual stance in the monetary policy tightening.

On Europe front, ECB opted to keep interest rates unchanged. Similarly to the US, ECB upgraded its 2018 GDP forecast to 2.3% from 1.8% previously, but expressed some concern over inflation. That said, ECB is likely to remain gradual in its normalization of monetary policy. The ongoing economic expansion in the Euro area is expected to continue to be supported by the ECB's monetary policy measures. Over in Asia, even though China's economic growth slowed but steady deceleration will continue in 2018 as policymakers continue to rebalance the country's economic model, its equity market will continue to benefit from the stabilization of the Chinese economy, with growth still promising, supported by ongoing modest fiscal expansion.

Locally, the Malaysian market has shown some positive signs. Both domestic and foreign participation are increasing and gradually shifting back to the market. Stronger external demand and infrastructure spending will continue to support economic growth. Thematic plays on GE14, interest rate hike and infrastructure spending are key positive themes increasingly boosting market sentiment. Undemanding market valuation against regional peers should continue to attract more foreign interest in addition to favorable uptrend of the Ringgit and crude oil. We continue to stay invested and focus on companies that demonstrate growth and strong cash flows.

Sukuk

We believe external factors will continue to be key drivers of the local bond market. These include monetary policies of major global and regional economies and US fiscal policies. We also remain vigilant on China's deleveraging process as well as geopolitical developments.

Within Malaysia, there may be more local political noises as the national election approaches. In any case, the market anticipates at least a 25 bps hike in the OPR given the continuous strong GDP growth trend. That said, we anticipate some support for short term MGS given foreign inflow into MGS markets, which is driven by expectation of MYR appreciation. Over the longer term, we expect yields to move rangebound with upward bias due the expectation of OPR hike as well as possible foreign flow reversal as MYR becomes more expensive.

We expect demand for corporate bonds continue to improve as yields remain attractive and wider credit spreads against MGS will provide some upside gain owing to improved credit risk appetite. Overall, we expect slight bearish bias for the local bond market over longer term. We will continue to invest in selected higher yielding credits to ride through the rising interest rate cycle.

Important Information

¹ No annual fee will be charged during the 1st year of the opening of a private pension account; there will also be no annual fee payable if no contributions are made during a calendar year.

This factsheet is prepared for information purpose only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Members are advised to read and understand the contents of the Manulife Shariah PRS NESTEGG Series Replacement Disclosure Document dated 1 August 2017, which has been registered with the Securities Commission who takes no responsibility for its contents, before investing. Application for units can only be made on receipt of the Application Form referred to and accompanying the Disclosure Document which can be obtained at the Provider's registered office or any of the Manulife Support Centres. Members are further advised to read and understand the Product Highlights Sheet (PHS) before making any investment decision. The PHS is available and members have the right to request for a PHS from the Provider. Members should consider the fees and charges involved and note that prices may go down as well as up. Where a unit split/distribution is declared, you are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, the value of your investment in Malaysian ringgit will remain unchanged after the distribution of the additional units. The NAV disclosed hereof may differ from actual final NAV due to certain adjustments. The Provider wishes to highlight the specific risks of the Funds which are company specific risk, credit/default risk, collective investment scheme risk, country risk, currency risk, derivative risk and reclassification of Shariah status risk. The information herein is not and should not be construed as an offer or solicitation, or recommendation to acquire or dispose of any investment and should not be considered as investment advice. Any person considering an investment should seek independent advice on the suitability or otherwise of the particular investment.

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