

This is a Private Retirement Scheme (“**PRS**”)
Product Highlights Sheet dated 31 January 2019.

Manulife PRS NESTEGG Series consisting of:

- **Manulife PRS-Growth Fund**
- **Manulife PRS-Moderate Fund**
- **Manulife PRS-Conservative Fund**

Responsibility Statement

This Product Highlights Sheet (“**PHS**”) has been reviewed and approved by the directors and/or persons approved by the Board of Manulife Asset Management Services Berhad (the “**Provider**”) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts which would make any statement in the PHS false or misleading.

Statement of Disclaimer

The Securities Commission Malaysia has approved *Manulife PRS NESTEGG Series* (the “**Scheme**”) and authorized *Manulife PRS-Growth Fund*, *Manulife PRS-Moderate Fund* and *Manulife PRS-Conservative Fund* (referred to as the “**Fund**” individually or “**Funds**” collectively), and a copy of this PHS has been lodged with the Securities Commission Malaysia.

The approval and authorisation, as well as the lodgement of this PHS, should not be taken to indicate that the Securities Commission Malaysia recommends the Scheme or the Funds of the Scheme, or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Provider, who is responsible for the Scheme and the Funds of the Scheme, and takes no responsibility for the contents of this PHS. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this PHS, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

This PHS only highlights the key features and risks of the Scheme and the Funds of the Scheme. Members are advised to request, read and understand the Disclosure Documents and its Supplemental Disclosure Documents before deciding to contribute into the Scheme/ Fund.

Brief Information on the Product

1. What is the Scheme and what are the Funds under the Scheme?

Manulife PRS NESTEGG Series (the “**Scheme**”) is a private retirement scheme (“**PRS**”) which is a voluntary investment scheme designed to facilitate accumulation of retirement savings. There are three (3) core funds under the Scheme, each catered for individuals with different risk profiles, namely:

- Manulife PRS-Growth Fund;
- Manulife PRS-Moderate Fund; and
- Manulife PRS-Conservative Fund.

Manulife Asset Management Services Berhad (the “**Provider**”) is the PRS Provider of the Scheme and the Funds of the Scheme.

Product Suitability

2. Who are these Funds suitable for?

Generally, these Funds are suitable for members who:

- seek an additional retirement savings scheme other than a mandatory retirement scheme;
- are not statutorily obliged to contribute to a mandatory retirement scheme; and
- are employers who wish to contribute on behalf of their employees having the characteristics mentioned below:

| Manulife PRS-Growth Fund | Manulife PRS-Moderate Fund | Manulife PRS-Conservative Fund |
|---|--|---|
| This Fund is suitable for members who have a moderate to high risk appetite and seek capital appreciation on their contributions. | This Fund is suitable for members who have a moderate risk appetite, seek capital appreciation on, and distribution of units from their contributions. | This Fund is suitable for members who have a low risk appetite and seek regular distribution of units from their contributions. |

Key Product Features

3. What am I contributing in?

| Fund name | Manulife PRS-Growth Fund | Manulife PRS-Moderate Fund | Manulife PRS-Conservative Fund |
|---------------------------------------|--|--|---|
| Fund category | Core (Growth) | Core (Moderate) | Core (Conservative) |
| Investment objective | The Fund aims to facilitate accumulation of retirement savings* by providing capital growth over the long-term. | The Fund aims to facilitate accumulation of retirement savings* through a combination of income# and capital growth over the long-term. | The Fund aims to provide steady returns whilst preserving* capital. |
| | <p>*Please note that the Funds are neither capital guaranteed nor capital protected funds. #Income declared will be reinvested in the form of additional units to members.</p> | | |
| Investment policy and strategy | <p>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 net asset value ("NAV") in equities and/or equity-related securities which would include the following:</p> <ul style="list-style-type: none"> ▪ securities of companies listed on Bursa Malaysia and/or any other exchanges of countries regulated by an authority which is a member of the International Organization of Securities Commissions ("IOSCO"); ▪ derivatives; and ▪ collective investment schemes ("CIS") which invest in equities and/or equity-related securities. <p>That part of the Fund's NAV not invested in equities and/or equity-related securities will be invested in fixed income instruments which would include the following:</p> <ul style="list-style-type: none"> ▪ corporate bonds and commercial papers carrying at least BBB3/ P2 rating by RAM Rating Services Berhad ("RAM") (or equivalent rating by Malaysian Rating Corporation Berhad ("MARC")); ▪ government bonds, treasury bills and other government approved or guaranteed bonds; ▪ deposits with financial institutions; ▪ money market instruments such as negotiable certificates of deposits and bankers' acceptances; and ▪ CISs which invest in fixed income instruments. <p>Further, the Fund may invest up to 30% of its NAV at any time in foreign markets such as the Asia Pacific region whenever opportunities arise. The Asia Pacific region would include but are not limited to Australia, Hong Kong, India, Indonesia, the Philippines, Singapore, South Korea, Taiwan and Thailand.</p> | <p>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 equities and/or equity-related securities which would include the following:</p> <ul style="list-style-type: none"> ▪ securities of companies listed on Bursa Malaysia and/or any other exchanges of countries regulated by an authority which is a member of the IOSCO; ▪ derivatives; and ▪ CISs which invest in equities and/or equity-related securities. <p>That part of the Fund's NAV not invested in equities and/or equity-related securities will be invested in fixed income instruments which would include the following:</p> <ul style="list-style-type: none"> ▪ corporate bonds and commercial papers carrying at least BBB3/ P2 rating by RAM (or equivalent rating by MARC); ▪ government bonds, treasury bills and other government approved or guaranteed bonds; ▪ deposits with financial institutions; ▪ money market instruments such as negotiable certificates of deposits and bankers' acceptances; and ▪ CISs which invest in fixed income instruments. | <p>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 fixed income instruments (of which a minimum of 20% will be invested in money market instruments) and a maximum of 20% of the Fund's NAV in Malaysian equities and/or equity-related securities.</p> <p>Fixed income instruments would include the following:</p> <ul style="list-style-type: none"> ▪ Malaysian corporate bonds and commercial papers carrying at least BBB3/ P2 rating by RAM (or equivalent rating by MARC); ▪ Malaysian government securities, treasury bills, Bank Negara Malaysia ("BNM") certificates/ bills, Malaysian government investment certificates and Cagamas notes/ bonds; ▪ other obligations issued or guaranteed by the Malaysian government, BNM, Malaysian state governments and Malaysian government-related agencies; ▪ deposits with Malaysian financial institutions; ▪ money market instruments such as negotiable certificates of deposits and bankers' acceptances issued by Malaysian financial institutions; and ▪ CISs which invest in Malaysian fixed income instruments. <p>The Fund may also invest up to 5% of its NAV at any time in fixed income instruments which are rated below BBB3/ P2 by RAM (or equivalent rating by MARC) and/or are unrated.</p> <p>Equities and/or equity-related securities would include the following:</p> <ul style="list-style-type: none"> ▪ securities of companies listed on Bursa Malaysia; ▪ warrants arising from corporate exercises; and ▪ CISs which invest in Malaysian equities and/or equity-related securities. |
| Asset allocation | <ul style="list-style-type: none"> ▪ 30% to 70% of the Fund's NAV in equities and/or equity-related securities; and ▪ the remainder in fixed income instruments including but not limited to money market | <ul style="list-style-type: none"> ▪ 40% to 60% of the Fund's NAV in equities and/or equity-related securities; and ▪ the remainder in fixed income instruments including but not limited to | <ul style="list-style-type: none"> ▪ Minimum 80% of the Fund's NAV in Malaysian fixed income instruments (such as bonds, money market instruments and deposits) of which at least 20% of the Fund's NAV will be |

| Fund name | Manulife PRS-Growth Fund | Manulife PRS-Moderate Fund | Manulife PRS-Conservative Fund |
|----------------------------|---|---|---|
| | instruments and deposits with financial institutions. | money market instruments and deposits with financial institutions. | invested in money market instruments; and <ul style="list-style-type: none"> maximum 20% of the Fund's NAV in Malaysian equities and/or equity-related securities. |
| | Note: The Provider will ensure that there is sufficient liquidity for the Funds to meet redemption requests. | | |
| Benchmark | 60% FTSE Bursa Malaysia KLCI Index + 40% Maybank 12-month fixed deposit rate. Note: Members should be aware that the risk profile of the Funds is not the same as the risk profile of its benchmark. | 50% FTSE Bursa Malaysia KLCI Index + 50% Maybank 12-month fixed deposit rate. | Maybank 12-month fixed deposit rate. |
| Base currency | Malaysian Ringgit ("RM") | | |
| Class(es) | Class A | Class B | Class C |
| Launch date | 19 November 2012 | 19 November 2012 | 28 April 2016 |
| Initial offer price | RM0.5000 | RM0.5000 | RM0.5000 |
| Financial year end | 31 August | | |
| Distribution policy | Incidental. All distributions, if any, will be automatically reinvested and distributed as additional units of the Fund. | Once a year, if any. All distributions, if any, will be automatically reinvested and distributed as additional units of the Fund. | |

Please refer to pages 5-6 for more details on **Fees, Charges & Transaction Information**.

4. Who am I investing with?

| | |
|-------------------------------|---|
| Provider/ Fund Manager | Manulife Asset Management Services Berhad |
| Trustee | HSBC (Malaysia) Trustee Berhad |

5. How does the Scheme work?

You can choose the Funds you would like to contribute in according to your risk profile. However, if you have not selected a Fund of your choice, your contributions will be automatically allocated for the purchase of units in a core fund depending on your age at the time of contribution (i.e. "Default Option") as shown in the following table:

| Name of Fund | Age at time of contribution |
|--------------------------------|-----------------------------|
| Manulife PRS-Growth Fund | Below 40 years of age |
| Manulife PRS-Moderate Fund | 40 to below 50 years of age |
| Manulife PRS-Conservative Fund | 50 years of age and above |

In addition to the table above, and provided no written notification to the contrary has been given to us, the first contribution made by or for you:

- if made within 30 days before you attain the age of 40 years, shall be allocated for the purchase of units in Manulife PRS-Moderate Fund; and
- if made within 30 days before you attain the age of 50 years, shall be allocated for the purchase of units in Manulife PRS-Conservative Fund.

When units are to be purchased with a contribution by an employer on your behalf as its employee, and regardless of whether those units are to be vested units or conditionally vested units, you shall have the right to choose the Funds to be purchased if you do not wish the units to be purchased under the Default Option.

Cooling-off right

You may exercise your cooling-off right within six (6) Business Days from the date of receipt of your application to contribute into a PRS for the first time. However, once you have exercised your cooling-off right, the cooling-off right will no longer be available for contributions made in other PRS.

Note: Cooling-off right is not applicable to the staff of a PRS provider, persons registered with a body approved by the Securities Commission Malaysia to deal in PRS, and an employer contributing on behalf of the employee.

Sub-accounts A and B

As the Scheme is designed for you to accumulate savings for your retirement needs, all contributions made by you will be channelled into two (2) sub-accounts:

- 70% of the units of each Fund in Sub-account A; and
- 30% of the units of each Fund in Sub-account B.

A contribution made by an employer on your behalf will be maintained in Sub-account A only, and:

- if not made subject to a vesting schedule, shall vest in you immediately upon receipt by us; and
- if made subject to a vesting schedule, shall vest in you according to the vesting schedule.

Please refer to pages 6-7 for more details on **Retirement & Pre-Retirement Withdrawal**.

Transfer your Fund(s) to another private retirement scheme operated by another PRS provider

You may request for redemption of units of the Fund held by you and then transfer the proceeds of such redemption to another PRS operated by another PRS provider one (1) year after the date of the your first contribution to the Scheme. Thereafter, you are allowed to perform one (1) transfer every calendar year on a per PRS provider basis. You may also consolidate all your contributions from the Funds managed by the Provider to be transferred to another fund managed by another PRS provider. For avoidance of doubt, the redemption proceeds from a Fund cannot be split into two (2) or more funds:

- If the redemption proceeds are realised from redemption of units in Sub-account A, such redemption proceeds will be used to create units in your Sub-account A of the other PRS fund operated by another PRS provider; and
- If the redemption proceeds are realised from redemption of units in Sub-account B, such redemption proceeds will be used to create units in the member's Sub-account B of the other PRS fund operated by another PRS provider.

Please note that transfer to another PRS operated by another PRS provider is not permitted for conditionally vested units. For the avoidance of doubt, transfer of units of the Fund to another individual or member is not allowed.

Multiple classes of units

Each Fund has three classes of units (Class A, Class B and Class C) which are distinguished by the amount of sales charge, redemption charge, switching fee, transfer fee and amount of management fee imposed by the Provider on each of those classes of units.

On the 10th anniversary of the date the first contribution was made by or on behalf of a member holding Class A units of a Fund, the Class A units of such Fund held by a member will automatically be converted into Class B units of such Fund at no cost to the member. Accordingly, any subsequent contributions by or on behalf of the member after the said 10th anniversary will be utilised towards the purchase of Class B units of the Funds. For the avoidance of doubt, the date the first contribution was made shall be the earliest date the first contribution was made to the Scheme or to any other PRS operated by the Provider.

The details and differences of the classes of units of the Funds are explained in the Disclosure Document and Supplemental Disclosure Documents.

Switching

Switching of vested units and/or conditionally vested units in a Fund may only be done with the units of any other Funds within the Scheme or funds in another PRS operated by the Provider.

For Class C units, however, switching of units can only be done within the same class of units. You are not allowed to switch your vested units and/or conditionally vested units from Class C units to Class A or Class B units.

Key Risks

6. What are the key risks associated with these Funds?

Company specific risks

This is the risk of investing in a specific company. Any changes to the business performance of the company, consumer tastes and demand, lawsuits, competitive operating environment, and management practices in a specific company in which the Funds invest in may cause fluctuations in the share price of that company, thus affecting the value of the Funds' investments.

Credit/ default risk

Investments in fixed income instruments such as debentures and money market instruments are subject to the risk of non-payment and/or untimely payment of the principal amount as well as the coupon/ interest when they fall due. Credit/ default risk is assessed based on the issuer's overall ability to meet its obligations when they fall due. An issuer suffering an adverse change in its financial condition could have the credit rating of the debentures and money market instruments lowered, leading to greater price volatility of the debentures and money market instruments. A downgrade of the credit rating of debentures and money market instruments may also offset the debentures' and money market instruments' liquidity, making it more difficult to sell and causing greater volatility on the Funds' valuation.

CISs risk

As the Funds may invest in other CIS, the Funds are exposed to the risk faced by the CIS that the Funds invest in. Any adverse effect suffered by the CIS such as an event of default in its underlying investments, may cause the NAV of the CIS to decline and consequently affect the Funds' performance.

Risks applicable to *Manulife PRS-Growth Fund* and *Manulife PRS-Moderate Fund*

Country risk

As the Funds may invest in foreign markets, the Funds will be exposed to risks applicable to the countries that it invests in. The Provider will give due consideration to the risk factors such as currency stability, political, regulatory, legal and economic environment before any investments are made in the foreign country.

Currency risk

This risk is associated with investments denominated in currencies different from the base currency of the Funds. As the Funds are denominated in RM, investments in foreign markets will cause the Funds to be exposed to currency risks. When foreign currencies move unfavourably against the RM, these investments may face currency loss in addition to any capital gains or losses, which may affect the NAV of the Funds and consequently, the unit price of the Funds. Such movements in the foreign currency rates will also impact the amount of income that the Funds may be able to declare. The Provider may manage this risk by hedging the foreign currency exposure.

Derivatives risk

Depending on the prevailing market circumstances at a particular point in time, the Provider may choose to use financial derivatives for hedging and risk reduction purposes to protect the Funds from anticipated detrimental movements in the underlying markets or investments. While the use of derivatives can be beneficial, it also involves special risks, including but not limited to:

- the risk of loss from default by the counterparty, typically as a consequence of insolvency or failed settlement; and
- the risk of the supply and demand factors in the derivatives market and in other related markets impacting the liquidity of the derivatives market adversely, which in turn would adversely affect the derivatives pricing and the Funds.

It is important to note that investments of the Funds carry risks and that the above list of risks may not be exhaustive. While every care will be taken by the Provider to mitigate the risk from becoming a reality, you are advised that it is not always possible to protect investments against all risks. Further, different asset classes generally exhibit different levels of risk. If in doubt, you are advised to read the Disclosure Document and Supplemental Disclosure Documents, or consult a professional adviser.

Fees, Charges and Transaction Information

7. What are the fees and charges involved?

There are fees and charges involved and you are advised to consider it before contributing to the Scheme.

Fees directly incurred and payable to the PPA

| | |
|--|---|
| PPA account opening fee | RM10.00 (one-off) |
| PPA annual fee | RM8.00 per annum. 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. |
| PPA pre-retirement withdrawal fee | RM25.00 for each withdrawal*. This withdrawal fee is applicable if you want to withdraw from your Sub-account B. |
| PPA transfer fee (to another PRS provider) | RM25.00 for each transfer*. This transfer fee is applicable if you want to transfer to a PRS operated by another PRS provider. |

*Subject to any other circumstances as may be specified by the PPA.

Fees and charges directly incurred and payable to the Provider

| Fund class | Class A | Class B | Class C |
|---|--|---------|--|
| Sales charge | <ul style="list-style-type: none">▪ A sales charge of up to 2.00% of NAV per unit will be imposed on walk-in contributors.▪ If contributions are made through our authorised Institutional PRS Advisers or PRS consultants, the sales charge will be waived. The sales charge is negotiable. | | A sales charge of up to 3.00% of NAV per unit will be imposed. |
| Redemption charge | A redemption charge will be imposed at the following rates: <ul style="list-style-type: none">▪ 3.00% of NAV per unit for withdrawal in the 2nd year after the first contribution to the Scheme;▪ 2.00% of NAV per unit for withdrawal in the 3rd year after the first contribution to the Scheme;▪ 1.00% of NAV per unit for withdrawal in the 4th year after the first contribution to the Scheme; and▪ no redemption charge will be imposed from the 5th year after the first contribution to the Scheme. The redemption charge will be retained by the Provider. The Provider has the discretion to waive the redemption charge. Note: Redemption charge is applicable upon any withdrawal from the Scheme (except for circumstances where a member reaches retirement age, passes away, permanently departs from Malaysia or has permanent total disablement, serious disease or mental disability) or upon any transfer to another PRS operated by another PRS provider. | | No redemption charge will be imposed on the redemption of Class C units. |
| Switching fee (between Funds of the Scheme or between a Fund of the Scheme and any other fund in another PRS operated by the Provider) | Members may switch: <ul style="list-style-type: none">▪ between Funds of the Scheme;▪ between a Fund of the Scheme and any other fund in another scheme operated by the Provider; and▪ from Class A or Class B units to Class C units. However, switching from Class C units to Class A or Class B units is not allowed. No switching fee will be imposed on the first 12 switching transactions made during a calendar year. For each subsequent switching transaction made during the same calendar year, the Provider will impose the following fee on the member: <ul style="list-style-type: none">▪ RM25.00 per switch between Funds of the Scheme or between a Fund of the Scheme and any other fund in another scheme operated by the Provider.▪ 3% of the amount switched out from Class A or Class B units to Class C units. | | For each subsequent switching transaction made within the same class of units during the same calendar year, a switching fee of RM25.00 will be imposed by the Provider on the member. |

| Fund class | Class A | Class B | Class C |
|--------------|---|---------|---|
| | The Provider may at its discretion, waive the switching fee based on the terms and conditions as may be determined from time to time. | | |
| Transfer fee | <ul style="list-style-type: none"> No transfer fee will be imposed on a request to transfer to another PRS operated by another PRS provider. However, a redemption charge will be imposed on a member which rate will depend on the number of years the member has contributed to the Scheme. | | A transfer fee of RM25.00 will be imposed on a request to transfer to another PRS operated by another PRS provider. |

Fees indirectly incurred and paid by the Funds

| Fund class | Class A | Class B | Class C |
|------------------------|---|---|---|
| Annual management fee | 2.25% per annum of the NAV attributable to this Class of units of the Fund. | 1.50% per annum of the NAV attributable to this Class of units of the Fund. | Up to 1.50% per annum of the NAV attributable to this Class of units of the Fund. |
| Annual trustee fee | 0.04% per annum of the NAV of the Fund. The annual trustee fee does not include any foreign sub-custodian fees and charges (if any). | | |
| PPA administration fee | 0.04% per annum of the NAV of the Fund. The PPA administration fee will be charged by the Administrator to the Fund. | | |

You can also compare the fees and charges of other private retirement schemes by visiting the PPA's website, www.ppa.my. All fees and charges payable to the Provider, Trustee and PPA are subject to goods and services tax as may be imposed by the Government of Malaysia from time to time, at the prevailing rate.

Increase in fees and charges

| Fees and charges payable to us | Fees and charges payable to the Fund |
|---|--|
| You will be notified of any increase in the fees and charges payable to us, such as the sales charge, redemption charge, switching fee and transfer fee, by way of a replacement/ supplemental disclosure document stating the higher rate and its effective date; the higher fees and charges will be effective 30 days after the date of issuance of the replacement/ supplemental disclosure document. | You will be notified of any increase in the management fee and trustee fee, which are charged to the Fund, by way of a letter and a replacement/ supplemental disclosure document stating the higher rate and its effective date; the higher fees and charges will be effective 90 days after the date of issuance of the replacement/ supplemental disclosure document. |

Transaction details

| | |
|---------------------------------|--|
| Cut-off time | 12.30 p.m. on a business day. |
| Minimum initial contribution | RM100 or such amount as the Provider may decide from time to time. |
| Minimum additional contribution | RM100 or such amount as the Provider may decide from time to time. |
| Minimum switching amount | 200 units or such other amount as the Provider may decide from time to time. |
| Minimum holding balance | 100 units or such other amount as the Provider may decide from time to time. Please note that the minimum holding refers to the total number of units of each Fund in your Sub-account A. |
| Minimum withdrawal | 200 units or such other amount as the Provider may decide from time to time. |
| Minimum transfer amount | 200 units or such other amount as the Provider may decide from time to time. |

YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

8. How often are valuations available?

The valuation of the Funds are carried out daily at the end of the business day. The Funds' NAV per unit will be available on the Provider's website: www.manulifeinvestment.com.my.

Retirement and Pre-Retirement Withdrawal

9. Retirement withdrawal

You may fully or partially withdraw from both Sub-accounts A and B without incurring any tax penalty after reaching the retirement age of fifty five (55) years or any other age as may be specified by the Securities Commission Malaysia.

10. Pre-retirement withdrawal

Pre-retirement withdrawal from Sub-account A is not allowed. You may fully or partially withdraw from Sub-account B under the following circumstances:

- the first request for withdrawal from one or more PRS (including the Scheme) may only be made after one year has elapsed from the date the first contribution to the Scheme by or for you (vested units);
- subsequent requests for partial withdrawals from one or more PRS (including the Scheme) may only be made once in each following calendar year; and
- the withdrawal amount will be subject to a tax penalty of 8% by the Inland Revenue Board of Malaysia, which will be deducted by the Provider from the withdrawal amount prior to paying out the withdrawal proceeds from the Scheme.

11. Withdrawal due to permanent departure from Malaysia

Aside from (9) and (10) above, in the event of your permanent departure from Malaysia, you can only perform a full withdrawal and the tax penalty on withdrawal amount will be waived.

12. Withdrawal due to permanent total disablement, serious disease and/or mental disability

Aside from (9) and (10) above, in the event of you being certified by a medical practitioner as having permanent total disablement, serious disease or mental disability, you can only perform a full withdrawal and the tax penalty on withdrawal amount will be waived.

13. Withdrawal due to death

Aside from (9) and (10) above, in the event of your death, full or partial withdrawals may be requested by your nominee, executor or the trustee or administrator of your estate and the tax penalty on withdrawal amount will be waived.

14. Payment of withdrawal proceeds

Upon receiving a complete withdrawal request from you or authorization from PPA, we will pay the withdrawal proceeds (after deducting any applicable redemption charge and/or tax penalty) to you within 10 calendar days. We will only accept withdrawal requests submitted by you or the PPA (for withdrawals due to death, permanent total disablement, serious disease and/or mental disability). We will only pay the withdrawal proceeds directly to you or in the event of your death, proceeds will be paid either to your nominee, executor, trustee or administrator of your estate.

15. What taxes apply?

As an individual, you will be entitled to a tax relief of up to RM3,000 in respect of contribution made to the Scheme. This is effective from year assessment 2012 until year assessment 2021. You will not be entitled for any deduction on the contributions made by your employer, if any, on your behalf.

Employers are given a tax deduction of up to 19% of the employees' remuneration under Section 34(4) of the MITA for contributions made by the employers to an approved scheme. The tax deduction on contributions made by employers on behalf of employees to a PRS is effective from year assessment 2012.

Pre-retirement withdrawals from Sub-account B will be subject to a tax penalty of 8% by the Inland Revenue Board of Malaysia, which will be deducted by the Provider from the withdrawal amount prior to paying out the withdrawal proceeds from the Scheme. However, withdrawals upon reaching the retirement age, or due to death, permanent departure from Malaysia, permanent total disablement, serious disease or mental disability will not be subject to any tax.

Fund Performance

16. Average Total Return for Financial Year Ended 31 October 2018

Basis of calculation

$$\text{Average Total Return} = \frac{\text{Annualised Total Return}}{[(1 + \text{Total return for the period})^{(\text{Actual no. of days in a year} \div \text{No. of days during the period})} - 1]} \times 100\%$$

| Returns in RM (%) | | 1-Year | 3-Year | 5-Year |
|--------------------------------|-----------|--------|--------|--------|
| Manulife PRS-Growth Fund | Class A | (4.16) | 3.67 | 3.06 |
| | Class C | (3.40) | N/A | N/A |
| | Benchmark | 3.03 | 3.83 | 1.99 |
| Manulife PRS-Moderate Fund | Class A | (2.94) | 3.20 | 2.58 |
| | Class C | (2.16) | N/A | N/A |
| | Benchmark | 3.10 | 3.75 | 2.21 |
| Manulife PRS-Conservative Fund | Class A | 0.85 | 2.18 | 2.46 |
| | Class C | 1.65 | N/A | N/A |
| | Benchmark | 3.25 | 3.21 | 3.22 |

17. Annual Total Return for Financial Year Ended 31 October 2018

Basis of calculation

$$\text{Annual Total Return} = \frac{(\text{NAV}_t - \text{NAV}_{t-1})}{\text{NAV}_{t-1}}$$

NAV_t denotes NAV at the end of the period.
NAV_{t-1} denotes NAV at the beginning of the period.

| Returns in RM (%) | | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|-----------|---------|------|--------|--------|------|--------|
| Manulife PRS-Growth Fund | Class A | 4.36* | 9.54 | (4.75) | 7.51 | 8.12 | (4.16) |
| | Benchmark | 4.86* | 6.09 | (7.08) | 3.80 | 4.67 | 3.03 |
| | Class C | N/A | N/A | N/A | 1.66** | 8.99 | (3.40) |
| | Benchmark | N/A | N/A | N/A | 0.57** | 4.67 | 3.03 |
| For the financial year ended 31 August 2018, the Fund's Class A return decreased by 4.16% while Class C return decreased by 3.40%, compared with its benchmark return which increased by 3.03%. | | | | | | | |
| Manulife PRS-Moderate Fund | Class A | 2.68* | 7.19 | (3.58) | 6.68 | 6.14 | (2.94) |
| | Benchmark | 4.47* | 5.61 | (5.40) | 3.72 | 4.41 | 3.10 |
| | Class C | N/A | N/A | N/A | 1.55** | 6.96 | (2.16) |
| | Benchmark | N/A | N/A | N/A | 0.66** | 4.41 | 3.10 |
| For the financial year ended 31 August 2018, the Fund's Class A return decreased by 2.94% while Class C return decreased by 2.16%, compared with its benchmark return which increased by 3.10%. | | | | | | | |
| Manulife PRS-Conservative Fund | Class A | (2.32)* | 4.16 | 1.61 | 4.60 | 1.12 | 0.85 |
| | Benchmark | 2.45* | 3.17 | 3.30 | 3.28 | 3.10 | 3.25 |
| | Class C | N/A | N/A | N/A | 1.98** | 1.98 | 1.65 |
| | Benchmark | N/A | N/A | N/A | 1.10** | 3.10 | 3.25 |
| For the financial year ended 31 August 2018, the Fund's Class A return increased by 0.85% while Class C return increased by 1.65%, compared with its benchmark return which increased 3.25%. | | | | | | | |

*For the financial period from 19 November 2012 (commencement date) to 31 August 2013.

**For the financial period from 28 April 2016 (commencement date) to 31 August 2016.

■ PAST PERFORMANCE OF THE FUNDS ARE NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

18. Portfolio Turnover Ratio ("PTR")

| Financial Year End (FYE) | 2016 | 2017 | 2018 |
|---|------|------|------|
| Manulife PRS-Growth Fund | 0.66 | 1.36 | 1.23 |
| The PTR for FYE2018 was 1.23 times and was lower than FYE2017 mainly due to the increase in average NAV. | | | |
| Manulife PRS-Moderate Fund | 0.63 | 1.55 | 1.03 |
| The PTR for FYE2018 was 1.03 times and was lower than FYE2017 mainly due to the decrease in trading activities. | | | |
| Manulife PRS-Conservative Fund | 0.99 | 2.96 | 0.79 |
| The PTR for FYE2018 was 0.79 times and was lower than FYE2017 mainly due to the decrease in trading activities. | | | |

19. Income Distribution per unit

| Financial Year End (FYE) | 2016 | | 2017 | | 2018 | |
|---|---------|---------|---------|---------|---------|---------|
| Gross distribution per unit (sen) | Class A | Class C | Class A | Class C | Class A | Class C |
| Manulife PRS-Growth Fund | 2.25 | - | 1.30 | - | 1.40 | 1.45 |
| Manulife PRS-Moderate Fund | 1.50 | - | 1.40 | - | 1.05 | 1.09 |
| Manulife PRS-Conservative Fund | 1.50 | - | 1.05 | - | 0.61 | 0.63 |
| Net distribution per unit (sen) | Class A | Class C | Class A | Class C | Class A | Class C |
| Manulife PRS-Growth Fund | 2.25 | - | 1.30 | - | 1.40 | 1.45 |
| Manulife PRS-Moderate Fund | 1.50 | - | 1.40 | - | 1.05 | 1.09 |
| Manulife PRS-Conservative Fund | 1.50 | - | 1.05 | - | 0.61 | 0.63 |
| Distribution was reinvested into additional units in the respective Funds at the NAV per unit on the distribution date. | | | | | | |

Contact Information

20. Who should I contact for further information or to lodge a complaint?

- i) For internal dispute resolution, you may contact us:

Manulife Asset Management Services Berhad

13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur.

Tel : 03-2719 9228
Fax : 03-2094 7654
Email : MY_CustomerService@manulife.com
Website : www.manulifeinvestment.com.my

- ii) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Center (SIDREC):

Securities Industries Dispute Resolution Center (SIDREC)

Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur.

Phone : 03-2282 2280
Fax : 03-2282 3855
Email : info@sidrec.com.my

- iii) Even if you have initiated a dispute resolution process with SIDREC, you may also direct your complaint to the SC. To make a complaint, please contact the SC's Consumer & Investor Office:

Consumer & Investor Office

Securities Commission Malaysia

No. 3, Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur.

Phone : 03-6204 8999 (Aduan Hotline)
Fax : 03-6204 8991
Email : aduan@seccom.com.my
Online complaint form available at www.sc.com.my

- iv) Federation of Investment Managers Malaysia (FiMM)'s Complaints Bureau:

Legal, Secretariat & Regulatory Affairs

Federation of Investment Managers Malaysia

19-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur.

Phone : 03-2092 3800
Fax : 03-2093 2700
Email : complaints@fimm.com.my
Online complaint form available at www.fimm.com.my