

Important Notes:

- 1 Manulife Global Fund – Preferred Securities Income Fund (“Manulife Preferred Securities Income Fund” or the “Fund”) invests primarily in preferred securities listed or traded on any regulated market in the world, including preferred stocks (including convertible preferred stocks) and subordinated debt securities, which exposes investors to fixed income and equity market risk, volatility and liquidity risk and currency risk. As the Fund may carry significant exposure to US-related issuers it may expose investors to geographical concentration risk.
- 2 The relevant distributing class of the Fund does not guarantee distribution of dividends, the frequency of distribution and the amount/rate of dividends. Dividends may be paid out of income, realized capital gains and/or out of capital of the Fund in respect of Inc share class(es). Dividends may be paid out of realized capital gains, capital and/or gross income while charging all or part of their fees and expenses to capital (i.e. payment of fees and expenses out of capital) in respect of MDIST (G) and R MDIST (G) share class(es). Dividends paid out of capital of the Fund amounts to a return or withdrawal of part of the amount of an investor’s original investment or from any capital gains attributable to that original investment and may result in an immediate decrease in the net asset value per share in respect of such class(es) of the Fund.
- 3 The Fund’s investment in fixed income and cash and cash equivalents is subject to credit risk, interest rate risk, credit rating and downgrading risk and high-yield bonds risk.
- 4 The Fund intends to use financial derivative instruments (“FDIs”) for investment, efficient portfolio management and/or hedging purposes. The use of FDIs exposes the Fund to additional risks, including volatility risk, management risk, market risk, credit risk and liquidity risk.
- 5 Investment involves risk. The Fund may expose its investors to capital loss. Investors should not make decisions based on this material alone and should read the offering document for details, including the risk factors, charges and features of the Fund and its share classes.
- 6 Given RMB is currently not a freely convertible currency, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. As offshore RMB (CNH) will be used for the valuation of RMB denominated Class(es), CNH rate may be at a premium or discount to the exchange rate for onshore RMB (CNY) and there may be significant bid and offer spreads and thus the value of the RMB denominated Class(es) will be subject to fluctuation. Any devaluation of RMB could adversely affect the value of investors’ investments in the RMB denominated Class(es) of the Fund.

**Manulife**

Investment Management

March 2024

Manulife Preferred Securities Income Fund



What are Preferred Securities?

Issued by corporates, preferred securities **rank between traditional bonds and common stocks in the capital structure** of a corporate. In the event of corporate financial distress or a bankruptcy, a company's preferred securities are senior to common stock but subordinated to traditional bond.

The preferred securities issuers are usually large and **highly regulated institutions** and/or companies with stable cash flows such as banks, utilities, and real-estate investment trusts (REITs).

* For illustrative purposes only in relation to the ICE BofA US All Capital Securities Index's holding and may be subject to change. It does not constitute an offer or an invitation by or on behalf of Manulife Investment Management to any person to buy or sell any particular securities or investment. This material should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any investment product or adopt any investment strategy. As of June 30, 2023.

Priority of dividends and claims



Examples of issuers*:



Banks, insurance companies and financial services

Bank of America Corporation, HSBC Holdings plc, Morgan Stanley, MetLife Inc.



Utilities

Dominion Energy Inc., DTE Energy Company, NextEra Energy Capital Holdings Inc.



Others

Vodafone Group Inc., Ford Motor Company, Brunswick Corporation

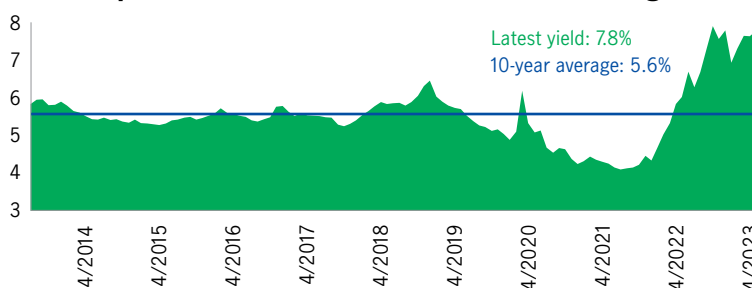
Major advantages of Preferred Securities

Inflation-hedging potential with compelling yields

With an average investment-grade rating, preferred securities now offer around 7.8% yield, the highest level in the past decade. Thanks to the higher credit spread, during the period of higher inflation over past 20 years*, preferred securities generally held up well with positive returns above US IG corporate bonds and US treasuries.

* Higher inflation refers to US CPI > 2% during 2002 to 2022, excluding GFC during Sep 2007 to Nov 2009.

Yield of preferred securities rose to historical high levels

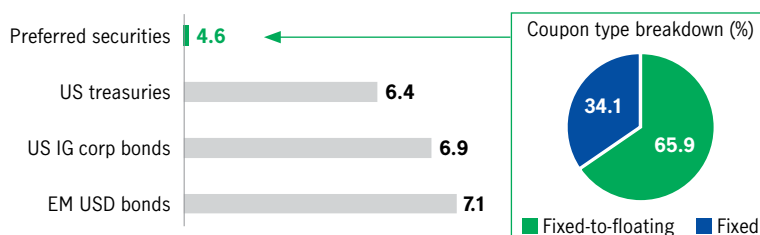


Source: Bloomberg, as of June 30, 2023. Preferred securities are represented by ICE BofA US All Capital Securities Index. The above yield to maturity does not represent the distribution yield of the Fund and is not an accurate reflection of the actual return that an investor will receive in all cases. A positive distribution yield does not imply a positive return. For illustrative purposes only. Past performance is not indicative of future performance.

Interest rate risk mitigation

Predominated by fixed-to-floating rate securities, preferred securities are less sensitive to rising interest rates (i.e. shorter duration) compared to other investment-grade bonds. Fixed-to-floating preferreds can offer coupon protection from rising rates as the variable coupon type securities can capture higher coupon when rates rise.

Duration of investment-grade fixed income assets

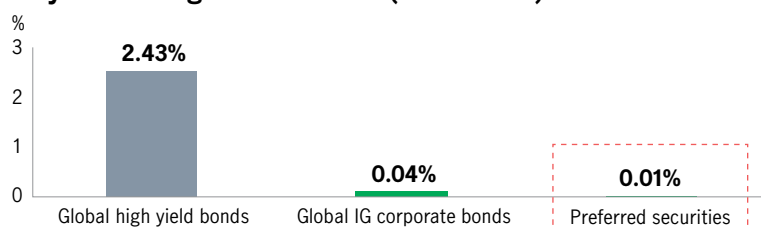


Source: Bloomberg, as of June 30, 2023. Preferred securities are represented by ICE BofA US All Capital Securities Index; US treasuries are represented by ICE BofA US Treasury & Agency Index; US IG Corp bonds are represented by ICE BofA US Corporate Index; EM USD bonds represented by ICE BofA Emerging Market External Sovereign Index. For illustrative purposes only. Past performance is not indicative of future performance. Due to rounding, the total may not be equal to 100%.

Downside buffer with higher quality

Preferred securities are well positioned to help buffer economic slowdown as near 90% of preferred issuers are rated as investment grade and are generally well-established, high-quality companies with solid balance sheets. Historically, the default rate of preferred securities was much lower than global high yield bonds.

10-year average default rate (2012-2022)



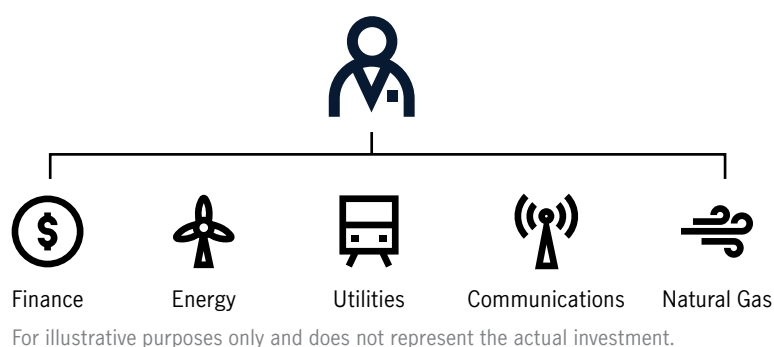
Source: Global high yield bonds are represented by ICE BofA Global High Yield Index; Global IG corporate bonds represented by ICE BofA Global Corporate Bond Index; Preferred securities are represented by ICE BofA US All Capital Securities Index. Default rates for global high yield bonds and global IG corporate bonds sourced from Moody's, as of December 31, 2022. Preferred default rates for preferred securities were calculated by Manulife Investment Management based on ICE BofA US All Capital Securities Index, as of December 31, 2022. Calculated annually. Past performance is not indicative of future performance.

Manulife Preferred Securities Income Fund

Aims to deliver consistent income plus a balanced sector positioning

Manulife Preferred Securities Income Fund aims to offer monthly distributions with potential capital growth. Compared to broad preferred market, the Fund is more diversified positioned, with focus on utilities, energy and financials sectors, which could be better-positioned in a high inflation and low growth environment.

The Fund adopts dynamic strategies to respond to the changing macroeconomic environment by flexibly allocating into various types of preferred securities, e.g., institutional/retail, fixed-to-floating/fixed and convertible/non-convertible. The Fund also actively manages portfolio duration in accordance with the interest rate cycle.



Dividend schedule

Record date	Ex-dividend date	Ex-dividend NAV*	AA (USD) MDIST (G)	
			Dividend per share	Annualized dividend yield*
11/30/2023	12/1/2023	\$0.7901	0.0049	7.78%
10/31/2023	11/2/2023	\$0.7688	0.0049	8.01%
9/29/2023	10/2/2023	\$0.7845	0.0049	7.84%

(The distribution yield is not guaranteed. Distribution may be paid out of capital. Refer to Important Note 2)

* Source: Manulife Investment Management, as of November 30, 2023, refers only to Class AA (USD) MDIST(G). Annualized yield = $[(1 + \text{distribution per unit/ex-dividend NAV})^{\text{distribution frequency per annum}} - 1]$, the annualized dividend yield is calculated on the basis of the latest relevant dividend distribution and dividend reinvested, and may be higher or lower than the actual annual dividend yield. Please note that dividend is not guaranteed, and a positive dividend yield does not imply a positive return. Dividend yield increases sharply due to the significant drop in NAV. Please refer to www.manulifefunds.com.hk for the historical distribution yield records. Past performance is not indicative of future performance.

Manulife Investment Management's expertise

30+ years

investment experience by US based lead manager¹

160+

global fixed income investment experts²

USD 4.8 billion

AUM in preferred securities³, one of the key players in the market

¹ Source: Manulife Investment Management, as of June 30, 2023.

² Source: Manulife Investment Management, as of March 31, 2023. Manulife Investment Management's global investment professional team includes expertise from several Manulife IM affiliates and joint ventures; not all entities represent all asset classes.

³ Source: Manulife Investment Management, data as of March 31, 2023.



Joseph Bozoyan

US-based portfolio manager on the Preferred Income Management Team at Manulife Investment Management

Previously a managing director and senior investment analyst on Manulife's Intrinsic Value Team

Q: How did the preferred securities market perform in February 2024?

A: The U.S. bond market¹ remained on a downward trajectory in February as bond yields moved higher. A string of stronger-than-expected economic reports – including robust employment growth and an improving housing market – and an uptick in the inflation rate led investors to push back their expectations for a near-term interest rate cut by the U.S. Federal Reserve (Fed). Several Fed officials confirmed this view, indicating they are in no hurry to begin lowering interest rates. As a result, the market began pricing in an initial interest rate cut for June rather than in March.

U.S. bond yields rose for the month, with the most significant increases occurring in the one- to five-year maturity segment. Preferred securities posted strong relative returns for the month with 0.86% return¹. Retail preferreds outperformed with a 1.26% return¹.

Q: What has been driving the Fund's performance in February 2024?

A: The Fund posted a positive return² in February 2024. Positive name and issue selection within the consumer cyclical sector was the leading contributor to relative performance. The Fund also benefitted from security selection in the energy and insurance sectors. Further, the Fund's security selection in preferred stock was the top asset class contributor.

The largest detractor was security selection in the banking sector. Other detractors include security selection in the communications and government-sponsored sectors. Further, the Fund's slight overweight in mandatory convertible preferreds was the top asset class detractor.

Q: What is your investment outlook for the Fed's policy this year?

A: The Fed's recent signal of a pivot in monetary policy cements the completion of the central bank's interest rate hiking phase. In terms of potential rate cuts, we believe it's more likely that the Fed begins trimming interest rates in the middle part of 2024 rather than in the early months of the year, and it's still not out of the question for rates to remain elevated for an extended period of time. Historically preferred performed strongly following previous Fed rate pauses. We believe preferred offers relatively attractive yield with less credit risk as an investment-grade asset class and the defensive positioning of the Fund should be able to help navigate the economic cycles.

Unless otherwise stated, all information sources are from Manulife Investment Management, as of February 29, 2024. The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline or other expectations, and is only as current as of the date indicated. There is no assurance that such events will occur, and may be significantly different than that shown here.

¹ Source: Bloomberg, as of February 29, 2024. U.S. Bond market measured by Bloomberg US Agg Bond TR USD Index. Preferred securities measured by ICE BofA US All Cap Index. Retail preferreds measured by ICE BofA Core Plus Fixed Rate Preferred Securities Index. Past performance is not indicative of further performance.

² Source: Manulife Investment Management, as of February 29, 2024. Fund performance applies only to AA (USD) MDIST (G) class, as of February 29, 2024. All the performance figures are on NAV to NAV basis, in base currency with dividend reinvested. Performance of AA (USD) MDIST (G) class: 0.56% (1 month); 6.54% (3 months); 6.90% (6 months); 2.44% (year to date); 4.48% (1 yr), -0.22% (3 year annualized), 2.65% (5 year annualized), 2.60% (since inception annualized). AA (USD) MDIST (G) class performance information for past five calendar years: 7.62% (2023); -14.98% (2022); 4.79% (2021) ; 3.55% (2020) ; 21.07% (2019). Inception date: September 11, 2018. Investment involves risk. Past Performance is not indicative of future performance.

Issued by Manulife Investment Management (Hong Kong) Limited.

This material has not been reviewed by the Securities and Futures Commission (SFC).