

News Release

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Manulife Investment Management (M) Berhad launches Manulife Shariah Indonesia Equity Fund to help investors capture Indonesia's vast growth potential

Kuala Lumpur – Manulife Investment Management (M) Berhad announced today the launch of Manulife Shariah Indonesia Equity Fund (the “Fund”), the first Shariah-compliant Indonesian equity fund in Malaysia, that aims to capture the growth potential in Southeast Asia’s largest economy¹. The Fund will invest at least 70% to 98% of the Fund’s net asset value (“NAV”) in a diversified portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities of companies in the Indonesia market. The remainder of the Fund’s NAV will be in cash, Islamic money market instruments, general investment accounts and/or Islamic deposits for liquidity purposes.

Jason Chong, CEO, Manulife Investment Management (M) Berhad said: “We are pleased to offer Malaysia investors a gateway to Shariah-compliant investments in Indonesia through the launch of the Manulife Shariah Indonesia Equity Fund. Despite the ongoing battle against Covid-19 and uncertainty surrounding the global economy, Indonesia’s economy has managed to keep recovering steadily since the pandemic hit two years ago. Domestically, the Indonesia equity market has rebounded strongly. The Jakarta Composite Index grew 81.6% between the period March 2020 to May 2022². Foreign direct investment (FDI) in the country rose nearly 40% annually in the April-June period this year to 163.2 trillion rupiah³ (USD 10.89 billion), the biggest climb in the past decade. Increased FDIs will not only improve capital flow but also result in economic growth through multiple channels, such as increasing government revenue via increases in tax revenues.”

Ng Chze How, Head of Retail Wealth Distribution, Manulife Investment Management (M) Berhad said: “Emerging markets will continue to be the growth engine of the global economy. By 2050, Indonesia could be the world’s fourth largest economy (based on GDP at PPPs)⁴. Four key themes⁵ are expected to drive Indonesia’s long-term economic growth, namely strong economic fundamentals, favourable demographics, abundance of natural resources and supportive government policies. The Manulife Shariah Indonesia Equity Fund [also] allows investors to enjoy peace of mind with Shariah-compliant investments by taking a two-level screening of the companies it invests in – business activity

¹ The World Bank, last updated 5 April 2022

² Bloomberg, as of 1 June 2022

³ Reuters, as of 20 July 2022

⁴ PwC “The World in 2050” report, 2017. GDP at PPP: gross domestic product at purchasing power parity adjusts for price level differences across countries and provides a better measure of the volume of goods and services produced in an economy.

⁵ Manulife Investment Management, 2022

screening and financial ratios screening.”

The key themes driving Indonesia’s long-term economic growth include the following:

- **Strong economic fundamentals** – the Indonesian economy is expected to maintain recovery momentum, with GDP projection growth at 4.4-6.1% in 2022⁶, supported by a stable rupiah and sovereign rating upgrades.
- **Favourable demographics** – With a population of more than 270 million⁷ as of mid-2020, not only is Indonesia the most populous country in Southeast Asia⁸, it is also the 4th most populous country⁹ and the most populous Muslim country in the world⁷. Indonesia has a young population, with a median age of 29.7 years¹⁰. The populous and young demographics provide the country with a huge domestic consumer market, a ready labour market and strong productivity to drive economic growth.
- **Abundance of natural resources** – Indonesia is a beneficiary of a global transition to renewable energy / decarbonization as it exports metals such as nickel, bauxite and copper¹¹ used in renewable energy supply chains. The country also benefits from its position as a major commodity exporter against a backdrop of surging commodity prices in recent months. This contributed tremendously to its rapid economic recovery post-pandemic and should continue to fuel economic growth moving forward.
- **Supportive government policies** - The Indonesian government has formulated policies to spur structural reform of the country’s manufacturing and trades, while simultaneously improving the overall investment climate. Examples of these include policies to develop its downstream natural resources in order to stimulate value-added exports¹², plans to develop an integrated electric vehicle industry ecosystem¹¹ and plans to construct the world’s largest green industrial park in North Kalimantan¹³.

Manulife Investment Management Indonesia serves as the adviser to the Fund. Serving the Indonesia market since 1996, Manulife Investment Management Indonesia is one of the largest investment managers in the mutual fund industry in Indonesia and has received various prestigious industry awards over the years, including Fund House of the Year in Indonesia from AsianInvestor (2018, 2019 and 2022) and Best Fund House in Indonesia from Asia Asset Management (2018, 2020 and 2021).

The Fund is suitable for investors who seek capital appreciation, prefer Shariah-compliant investment, have a long-term investment horizon and wish to seek investment exposure in the Indonesia market. The

⁶ GDP projection based on Bloomberg forecast as of 24 February 2022.

⁷ United Nations, Department of Economic and Social Affairs, Population Division (2019).

⁸ WorldAtlas, April 2021.

⁹ UN Statistics; United Nations; 2005

¹⁰ Worldometer - Countries in the world by population (2022).

¹¹ WorldAtlas, “What are the major natural resources of Indonesia?”, October 2018.

¹² CLSA research report: Indonesia electric vehicles, 23 March 2021.

¹³ ASEAN Briefing from Dezan Shira & Associates: Indonesia to Construct World’s Largest Green Industrial Park, 24 December 2021.

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minimum initial investment of the Fund is RM1,000 and minimum additional investment of RM100. The Fund is now available for subscription through the unit trust advisers of Manulife Investment Management (M) Berhad.

For more information about the Manulife Shariah Indonesia Equity Fund, please visit manulifeim.com.my.

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About Manulife Investment Management (M) Berhad

Manulife Investment Management (M) Berhad Registration No: 200801033087 (834424-U) (“Manulife IM (Malaysia)”) is a wholly owned subsidiary of Manulife Holdings Berhad (listed on Bursa Malaysia), which is majority owned by Canada-based Manulife Financial Corporation. Manulife IM (Malaysia) offers a comprehensive range of more than 60 unit trust and PRS funds in the asset classes of equity, fixed income and money market. Since 2010, Manulife IM (Malaysia) has received 48 awards in total; with the four most significant house awards being won in 2017 & 2018, namely the Best Overall Award Malaysia Provident for EPF-Approved Funds by The Edge | Thomson Reuters Lipper Fund Awards 2017, the Most Outstanding Islamic Asset Management Company by KLIFF Islamic Finance Awards 2017, Top Investment House Malaysia - Rank 5 in Asian Local Currency Bonds by The Asset Benchmark Research Awards 2017 and the Best Group Over 3 Years - Mixed Assets by Thomson Reuters Lipper Global Islamic Fund Award 2018. Visit us online at manulifeinvestment.com.my.

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The above information has not been reviewed by the Securities Commission Malaysia (SC) and is subject to the relevant warning, disclaimer, qualification or terms and conditions stated herein. Investors are advised to read and understand the contents of the Prospectus of Manulife Shariah Indonesia Equity Fund dated 18 August 2022 and all the respective Product Highlights Sheet(s) (collectively, the “Offering Documents”), obtainable at our offices or website, before

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