

18 March 2019

MANULIFE FUNDS NOTICE TO UNITHOLDERS

Dear Valued Unitholder

We, Manulife Asset Management (Singapore) Pte. Ltd., are the manager of the Manulife Singapore Bond Fund (“**MSBF**”), the Manulife Asian Small Cap Equity Fund (“**MASCEF**”), the Manulife Global Asset Allocation – Managed Growth Fund (“**MGAAMGF**”) and the Manulife Global Asset Allocation – Growth Fund (“**MGAAGF**”), which are sub-funds of the Manulife Funds (the “**Fund**”).

Thank you for investing in the MSBF, the MASCEF, the MGAAMGF and/or the MGAAGF. We wish to inform you of some upcoming changes to these sub-funds.

Clarification of investment focus of the MSBF

We wish to inform you that with effect from 30 April 2019, the description of the investment focus of the MSBF as set out in the prospectus of the Fund (the “**Prospectus**”) will be amended in the manner set out in Annex 1 of this notice.

The current investment focus of the MSBF provides the MSBF with the flexibility to invest up to 15% of its deposited property in real estate investment trusts (“**REITs**”) and up to 10% of its deposited property in other collective investment schemes (excluding REITs). We are amending the investment focus of the MSBF as the MSBF has thus far not invested in (and we do not intend for the MSBF to invest in) REITs and other collective investment schemes up to the specified limits.

Changes affecting the underlying funds of the MASCEF, the MGAAMGF and the MGAAGF

As you may be aware, the MASCEF currently invests all or substantially all its assets into share class I of the Manulife Global Fund – Asian Small Cap Equity Fund (a sub-fund of the Luxembourg-domiciled Manulife Global Fund (“**MGF**”)), while each of the MGAAMGF and the MGAAGF may, amongst other things, invest 30% or more of its asset value into the relevant share class of any of the following sub-funds of MGF (the “**MGF Sub-Funds**”):

- MGF – U.S. Special Opportunities Fund
- MGF – Asia Total Return Fund
- MGF – Strategic Income Fund
- MGF – U.S. Bond Fund
- MGF – U.S. Treasury Inflation-Protected Securities Fund
- MGF – American Growth Fund
- MGF – European Growth Fund
- MGF – Asian Equity Fund

Manulife Asset Management

We wish to inform you that there have been / will be certain changes taking place which affect the MGF Sub-Funds. Please refer to Annex 2 of this notice for information on these changes.

For the avoidance of any doubt, the changes set out in Annex 2 of this notice do not impact the investment objectives and/or investment policies of the MASCEF, the MGAAMGF, the MGAAGF or the MGF Sub-Funds.

An updated Prospectus reflecting amongst other things, the above changes, will be registered by the Monetary Authority of Singapore on or around 1 April 2019, and you may obtain copies of the same from our appointed distributors once available.

This notice is for your information only. No action is required on your part.

Should you have any queries regarding the above, please do not hesitate to contact the appointed distributors of the Fund from whom you purchased your units.

We would like to thank you for your continued support in the Fund.

Yours faithfully



Chan Hock Fai

Director

For and on behalf of

Manulife Asset Management (Singapore) Pte. Ltd.

ANNEX 1
Changes to the investment focus of the MSBF

Current investment focus	New investment focus
<p>The fixed income and money markets instruments that MSBF intends to invest in would include, but is not limited to Singapore government bonds, Singapore corporate bonds, foreign corporate bonds, asset backed securities, commercial paper, REITs and fixed deposits. Investment in REITs will not exceed 15% of the deposited property of the MSBF and investment in other collective investment schemes (excluding REITs) will not exceed 10% of the deposited property of the MSBF.</p>	<p>The fixed income and money markets instruments that MSBF intends to invest in would include, but is not limited to Singapore government bonds, Singapore corporate bonds, foreign corporate bonds, asset backed securities, commercial paper and fixed deposits. MSBF may also invest in collective investment schemes (including REITs). For so long as the MSBF is included under the Central Provident Fund (“CPF”) Investment Scheme, its investment in collective investment schemes (including REITs) will be subject to the CPF investment guidelines and restrictions.</p>

ANNEX 2

Changes affecting the MGF Sub-Funds

Appointment of management company

Currently, MGF is structured as a self-managed open-ended investment company under Luxembourg law.

The board of directors of MGF has decided that in order to optimise the overall management of the MGF and its sub-funds, Carne Global Fund Managers (Luxembourg) S.A. ("**Carne Luxembourg**") will be appointed as the management company of MGF, and as a result, MGF will cease to be a self-managed open-ended investment company. This change will take effect on 30 April 2019.

Carne Luxembourg is domiciled in and incorporated under the laws of the Grand Duchy of Luxembourg. It is regulated by the *Commission de Surveillance du Secteur Financier* of Luxembourg, and has been managing CISs or discretionary funds since 2009.

For the avoidance of any doubt, except for the appointment of Carne Luxembourg as the management company, all existing investment managers to whom investment management functions in respect of MGF have been delegated will remain unchanged upon the appointment of the management company, i.e. the existing investment managers for the relevant MGF Sub-Funds will remain unchanged.

Imposition of management company fee and additional expenses

In connection with the aforementioned appointment, each MGF sub-fund will additionally bear a management company fee of a maximum of 0.015% per annum, which is payable monthly and calculated on the average net assets of the MGF sub-fund for the relevant month. MGF will also pay any reasonable out-of-pocket expenses and other incidental operating expenses of Carne Luxembourg as the management company, which amount will be apportioned as between and borne by the MGF sub-funds pro rata to the net asset value of each MGF sub-fund. For the avoidance of any doubt, please note that the foregoing will apply to the MGF Sub-Funds.

Change of investment manager of the MGF – European Growth Fund

Separately, we wish to inform you that the investment manager of the MGF – European Growth Fund has been changed from Manulife Asset Management (Europe) Limited to T. Rowe Price International Ltd ("**T. Rowe**") with effect from 11 December 2018.

T.Rowe is domiciled in the United Kingdom and has been managing collective investment schemes or discretionary funds since 2000. It is authorised and regulated by the Financial Conduct Authority in the United Kingdom.