

Manulife Advanced Fund SPC (the "Company")
P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

This document is important and requires your immediate attention. If in doubt, you should seek independent legal, financial or other professional advice. The Directors of the Company accept full responsibility for the accuracy of the information contained in this Notice and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

Words and phrases used in this Notice shall, unless otherwise provided, have the same meanings as ascribed to them in the Prospectus of the Company dated September 2017, as amended or supplemented from time to time (altogether the "Prospectus").

Notice to Shareholders

15 January 2018

Dear Shareholders,

We write to advise you of the following updates.

- 1. Enhanced Option for Switching - Manulife Advanced Fund SPC - Asia Pacific Income and Growth Segregated Portfolio and Manulife Advanced Fund SPC - U.S. Bank Equity Segregated Portfolio (each a "Segregated Portfolio" and collectively "Segregated Portfolios")**

For Shareholders of the Segregated Portfolios, we are pleased to offer you an enhanced option to switch all or part of your Shares of the relevant Segregated Portfolio into the same Class in another Segregated Portfolio or a Class within the same category whether in the same Segregated Portfolio or in another Segregated Portfolio (or vice versa), subject to compliance with minimum investment/holding requirements applicable to the relevant Segregated Portfolio with effect from 8 January 2018. For the purpose of switching, Shares of Class AA (USD) Inc, Class AA (AUD) Inc Hedged, Class AA (CAD) Inc Hedged and/or Class AA (HKD) Inc (collectively, the "**AA Classes**") shall be deemed to be within the same category and may be switched to Shares of any of the AA Classes whether in the same Segregated Portfolio or another Segregated Portfolio.

Where a switching application from the Shares in one AA Class to Shares of another AA Class which are denominated in a different currency ("**New Shares**") is concerned, the Company will effect any conversion of redemption proceeds into the applicable currency of denomination of the New Shares at such exchange rate which the Company considers appropriate. All bank charges and costs of converting into the relevant currency of denomination will be deducted from the redemption proceeds and the resulting net amount in the relevant currency of denomination will be invested in the New Shares.

Please refer to the First Supplement and the section headed "6.2 Redemptions and Switching (if allowed)" of the Prospectus for details.

- 2. General Updates - Appointment and Resignation of Company and Investment Manager Directors**

Endre Pedersen has been appointed as a Director of the Company with effect from 1 January 2018. Wendy Lim has resigned as a Director of the Company with effect from 31 December 2017.

Kenneth Dai has been appointed as a Director of the Investment Manager with effect from 1 January 2018. Philip Witherington has resigned as a Director of the Investment Manager with effect from 1 January 2018.

Enquiries

The Prospectus has been updated accordingly by way of a First Supplement (as necessary) to reflect the above updates and is available at the office of the Investment Manager and the Investment Manager's website at www.manulifefunds.com.hk[◊].

Shareholders requiring further information about the matters set out in this Notice may contact the Sub-Administrator, Citibank Europe plc, Luxembourg Branch on telephone number (352) 45 14 14 258 or fax number (352) 45 14 14 332, or the General Adviser and Distributor, Manulife Asset Management (Hong Kong) Limited, on telephone number (852) 2108 1110 or fax number (852) 2810 9510 (relating to Class AA Shares), or telephone number (852) 2510 3055 or fax number (852) 2907 2076 (relating to Class C, Class D, Class I and Class P Shares) at any time during normal local business hours.

**For and on behalf of the Board
Manulife Advanced Fund SPC**

[◊] This website has not been reviewed by the SFC.