

**Manulife Advanced Fund SPC (“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.

**Notice to Shareholders**

24 July 2013

Dear Shareholders,

**Re: Changes in relation to China A Segregated Portfolio (“China A Fund”), Renminbi Bond Segregated Portfolio (“Bond Fund”) and Global RMB Income Strategy Segregated Portfolio (“Global RMB Income Strategy Fund”) and General Updates**

We wish to advise you of the following changes to the China A Fund, the Bond Fund and the Global RMB Income Strategy Fund, as well as other general updates.

**(a) China A Fund**

**- Payment of redemption proceeds**

To allow the shortening of the redemption payment cycle in respect of the China A Fund for the majority of the redemption requests, and to align with updated QFII regulations (further explained in paragraph (d) below), which now permits weekly repatriation, with effect from 21 August 2013, payment of redemption proceeds for the China A Fund will be paid within 10 Business Days<sup>China A</sup> after the relevant Dealing Day<sup>China A</sup> instead of 7 Business Days<sup>China A</sup> after the end of the relevant calendar month when the redemption was effected.

**- Additional PRC Broker**

CITIC Securities Co., Ltd. (“**CITIC**”) has been appointed as an additional PRC Broker to facilitate trading of shares on the Shenzhen Stock Exchange (“**Shenzhen SE**”) only, in relation to the China A Fund.

UBS Securities Co. Limited (“**UBS**”) remains as the PRC broker for the China A Fund on the Shanghai Stock Exchange (“**Shanghai SE**”) only.

The appointment of CITIC as an additional PRC Broker in relation to the China A Fund will not result in (i) any increase in the ongoing fees payable by the China A Fund or the Shareholders of the China A Fund, or (ii) any change to the operations of the China A Fund.

**(b) Bond Fund**

China International Capital Corporation Limited (“**CICC**”) has been appointed as an additional PRC Broker to facilitate trading of shares on the Shanghai SE only, in relation to the Bond Fund.

UBS remains as the PRC Broker for the Bond Fund on both the Shanghai SE and the Shenzhen SE.

The appointment of CICC as an additional PRC Broker in relation to the Bond Fund will not result in (i) any increase in the ongoing fees payable by the Bond Fund or the Shareholders of the Bond Fund, or (ii) any change to the operations of the Bond Fund.

**(c) Global RMB Income Strategy Fund**

**- Switching**

Currently, switching from the Global RMB Income Strategy Fund to other Segregated Portfolios is not allowed.

To facilitate dealing in the Global RMB Income Strategy Fund, the Prospectus will be amended to provide that switching from a Class of the Global RMB Income Strategy Fund to an equivalent Class in another Segregated Portfolio (or vice versa) will be permitted, subject to compliance with minimum investment / holding requirements applicable to the Global RMB Income Strategy Fund and the relevant Segregated Portfolio. Notwithstanding the above, switching into (or from) either the China A Fund or the Bond Fund is not allowed, until and unless the Directors determine otherwise.

Accordingly, subject to launch of the new Asia-Pacific Equity Income Segregated Portfolio and with effect from 27 August 2013, switching from the Global RMB Income Strategy Fund into an equivalent Class of the new Asia-Pacific Equity Income Segregated Portfolio will be permitted. In addition, with effect from its' launch, switching from the new Asia-Pacific Equity Income Segregated Portfolio into an equivalent Class of the Global RMB Income Strategy Fund will be permitted.

The switching charge will be up to 1% of the Net Asset Value of the Shares being switched.

**(d) General**

**- QFII updates – China A Fund and Bond Fund (each a “Fund”)**

As an update, QFII regulations have been updated to allow investment capital to be repatriated on a weekly basis subject to a maximum monthly net repatriation of 20% of the Fund's Mainland China onshore assets as at the end of the preceding year (“**QFII Updates**”). Previously investment capital could only be repatriated on a monthly basis, subject to a maximum net repatriation of US\$50 million. Accordingly, the Prospectus will be updated with respect to each Fund, to reflect the QFII Updates.

The Prospectus will be updated to reflect the above changes.

Shareholders requiring further information about the matters set out in this Notice may contact the Sub-Administrator, Citibank International 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 all Class AA Shares), or telephone number (852) 2510 3055 or fax number (852) 2907 2076 (relating to all Class C, all 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**