

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.

**Notice to Shareholders
of the
Asia-Pacific Equity Income Fund**

23 January 2015

Dear Shareholders,

Re: Management Fee Reduction for 12 Months

We are pleased to inform you that the rates of the Management Fee for the following Classes of Shares of the Asia-Pacific Equity Income Fund (the “Fund”) will be reduced for a period of 12 months from 1 March 2015 to 29 February 2016 (both dates inclusive) (the “Fee Reduction Period”):

Table 1: Management Fee Reduction in the Classes of Shares of the Fund for 12 Months

Class of Shares	Normal Rate of Management Fee (as a % per annum of the NAV)	Reduced Rate of Management Fee (as a % per annum of the NAV)
Class AA (USD) Inc	1.75%	0.50%
Class AA (AUD) Inc Hedged	1.75%	0.50%
Class AA (HKD) Inc	1.75%	0.50%
Class C (USD) Inc	Up to 0.90%	0.50%
Class D (USD) Inc	1.10%	0.50%
Class T (USD) Inc	Up to 0.40%	0.17%

Apart from the fee reduction set out above, there is no variation to any other rights of the Shareholders. You will be deemed to have agreed with the Company in respect of the fee reduction set out above, unless your written objection is received by the Company within 30 days of the date of this Notice.

There is no amendment to the Prospectus and constitutive documents of the Company. After the expiration of the Fee Reduction Period, the rates of the Management Fee will resume to their normal rates as set out in Table 1 above and in the Prospectus of the Company, unless the Directors of the Company in their absolute discretion extend the Fee Reduction Period.

The fee reduction set out above does not amount to a material change to the Fund. There will be no material change or increase in the overall risk profile of the Fund following such fee reduction. Such fee reduction does not materially prejudice the rights or interests of the Shareholders.

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 and Class T Shares) at any time during normal local business hours.

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