

Date: 1 July 2022

Dear Valued Customer,

**Re: Manulife Asia Total Return Bond Fund
– Change to investment strategy of the Target Fund**

Thank you for investing with us.

Manulife Asia Total Return Bond Fund (“Fund”) is a feeder fund, which invests at least 95% of its net asset value in Share Class I3 Inc of Manulife Global Fund – Asia Total Return Fund (the “Target Fund”), while the balance of the Fund’s net asset value will be in cash, money market instruments (including fixed income securities which have a remaining maturity period of less than 365 days) and/or placement of deposits with financial institutions for liquidity purposes.

With effect from 18 July 2022, the Target Fund may invest up to 20% of its net assets in debt instruments with loss-absorption features (“LAP”), including, but not limited to, total loss-absorbing capacity eligible instruments, contingent convertible bonds, certain types of senior non-preferred debt and other similar instruments with write-down or bail-in features related to the issuers’ regulatory capital ratio (the “LAP Change”). These instruments may be subject to contingent write-down or contingent conversion to equity on the occurrence of trigger event(s).

The change in Target Fund investment strategy as disclosed above is essentially to allow greater flexibility in the investment selection to better achieve its investment objective and manage the risk and return profiles of the Target Fund.

Following the LAP Change, the Target Fund will be subject to additional risks associated with investment in LAP, but there will be no material change in the risk profile of the Target Fund. In addition, the risks associated with debt instruments of the Target Fund disclosure will also be enhanced to include sovereign debt risk and valuation risk.

We would also like to inform you that pursuant to the issuance of revised Securities Commission Malaysia’s Guidelines on Unit Trust Funds (“Guidelines”), the Target Fund’s additional investment restrictions will be removed in its entirety. The Target Fund will be invested in accordance to the investment restrictions as disclosed in the Target Fund section of the Master Prospectus. For more details on the additional investment restrictions that will be removed, please refer to the table in Appendix A.

Rest assured that there will be no changes to the investment objective or strategy of the Fund. A supplemental master prospectus will be issued to reflect the change.

There is no action required from you. Should you be of the view that the change would affect your decision to invest in the Fund, you may submit a request to redeem or to switch to other funds managed by us. Please contact Customer Service at 03-2719 9271 if you require any clarification or further information.

Thank you.

Note: This letter is computer generated and no signature is required.

| Section | Previous provision |
|--|--|
| <p>Chapter 2.3.2: The additional investment restrictions applicable to <i>Manulife Global Fund - Asia Total Return Fund</i> as disclosed in page 42</p> | <p>For the purpose of investment in respect of MGF-ATRF, the Investment Manager has confirmed the following:</p> <ul style="list-style-type: none"> a) All investments of MGF-ATRF are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. b) A transaction in OTC derivatives may only be entered where the counterparty is a financial institution with a minimum long-term rating provided by any domestic or global rating agency that indicates strong capacity for timely payment of financial obligations. In the event the rating of the counter-party falls below the minimum required, or the counter-party ceases to be rated, the Investment Manager should, within 6 months or sooner, take the necessary action to ensure that the requirements are complied with. c) The value of MGF-ATRF's investments in debentures issued by any single issuer must not exceed 20% of MGF-ATRF's net asset value. The limit may be increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer the highest safety for timely payment of interest and principal. d) The aggregate value of MGF-ATRF's investments in transferable securities, money market instruments, deposits and OTC derivatives issued by or placed with, as the case may be, any single issuer/ financial institution do not exceed 25% of MGF-ATRF's net asset value at all times. If the value of MGF-ATRF's investments, pursuant to item (c), is increased to 30%, the aggregate value of MGF-ATRF's investments must not exceed 30%. e) The value of MGF-ATRF's investments in debentures issued by the one group of companies must not exceed 30% of MGF-ATRF's net asset value. f) The time frame to rectify the breach due to the right of convertibility is not more than 1 month. g) The borrowings period of MGF-ATRF should not exceed 1 month and MGF-ATRF only borrows from financial institutions. h) MGF-ATRF does not write option derivatives. i) The use of derivatives is for hedging purposes only. j) MGF-ATRF will not invest in structured products. |