

**Manulife Global Fund**  
Société d'investissement à capital variable  
Registered office: 31, Z.A. Bourmicht, L-8070 Bertrange  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg B.26141

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

**Notice to Shareholders of the Manulife Global Fund – Russia Equity Fund  
("Notice")**

28 October 2019

Dear Shareholder

The board of directors (the "**Directors**") of Manulife Global Fund (the "**Company**") is writing to you to advise you of the proposed merger of Manulife Global Fund – Russia Equity Fund (the "**Russia Equity Fund**") into Manulife Global Fund – Emerging Eastern Europe Fund (the "**Emerging Eastern Europe Fund**") (the "**Merger**"). All changes set out in this letter take effect on 20 December 2019 (the "**Effective Date**"), unless specifically stated and this letter forms notice to Shareholders of that fact.

Words and phrases used in this Notice shall, unless otherwise provided, have the same meanings as are ascribed to them in the prospectus of the Company (the "**Prospectus**").

**1. Background / Rationale for the Merger**

As the Emerging Eastern Europe Fund's investment universe is already composed of listed equity and equity related securities of companies located in Russia, the Merger will provide Shareholders of the Russia Equity Fund with the benefit of investing in a broader range of assets and a more diversified strategy under the Emerging Eastern Europe Fund, which is not constrained to investing only in a single country. Current Shareholders of the Russia Equity Fund would therefore be subject to less exposure to the volatility risk, concentration risk and political risk associated with investing in Russia after the Merger. Further, by combining the portfolios and assets under management of the Russia Equity Fund and the Emerging Eastern Europe Fund into a single Sub-Fund, the Merger is expected to bring about economies of scale that may result from lower operating and administrative expenses.

Therefore, in accordance with Article 21 of the Company's Articles of Incorporation, the Directors believe that it is in the best interest of Shareholders to merge the Russia Equity Fund into the Emerging Eastern Europe Fund on the Effective Date.

**2. Main Features of the Russia Equity Fund and the Emerging Eastern Europe Fund**

Please refer to the Appendix for a comparison of investment objectives and policies, risk profiles and fees & expenses for the Russia Equity Fund and the Emerging Eastern Europe Fund.

While the Russia Equity Fund primarily invests in listed equity and equity related securities of companies located in Russia and other companies located outside Russia whose income is predominantly derived from Russia ("**Russian Securities**"), the Emerging Eastern Europe Fund primarily invests in equity and equity related securities which are listed or traded on the stock exchanges of Central and Eastern European countries, which is a wider geographical coverage of investments. The Emerging Eastern

Europe Fund is therefore exposed to the additional specific risk factors set out in the Appendix in connection with its investments in equity and equity related securities listed or traded on the stock exchanges of Central and Eastern European countries which includes, without limitation, a Geographic Concentration Risk of investing in Russia and Turkey.

The Investment Manager of both the Russia Equity Fund and the Emerging Eastern Europe Fund is Fiera Capital (UK) Limited.

Neither the Russia Equity Fund nor the Emerging Eastern Europe Fund uses financial derivative instruments (“**FDIs**”) extensively to achieve its investment objective or for investment purposes. However, both the Russia Equity Fund and the Emerging Eastern Europe Fund may from time to time, under normal circumstances, use FDIs for efficient portfolio management and hedging purposes. Both the Russia Equity Fund and the Emerging Eastern Europe Fund use the commitment approach to calculate global exposure.

As at 15 October 2019, the respective assets under management of the Russia Equity Fund and the Emerging Eastern Europe Fund were approximately USD 77.08 million and USD 88.78 million.

### **3. Changes to the Russia Equity Fund portfolio prior to the Merger**

Ten days prior to the Effective Date, the investment manager will commence repositioning the portfolio of the Russia Equity Fund in order to structure it appropriately for the Merger.

It is expected that by the Effective Date, the portfolio of the Russia Equity Fund will comprise of a percentage of Russian Securities in order to align with the corresponding percentage of Russian Securities in the Emerging Eastern Europe Fund. Therefore as of the date of this Notice it is expected that around 20% of the portfolio of the Russia Equity Fund will need to be disposed of and converted to liquid securities, such as cash and cash equivalents, so that upon the Effective Date, such Russian Securities and cash/cash equivalents will be transferred to the Emerging Eastern Europe Fund.

Therefore, during this period, the Russia Equity Fund will hold proportionately more liquid securities and less Russian Securities than before.

It is expected that the transaction costs of such rebalancing will be negligible.

### **4. No changes to the Emerging Eastern Europe Fund**

There will be no re-positioning in respect of the Emerging Eastern Europe Fund portfolio to accommodate the Merger and the Emerging Eastern Europe Fund will continue to adhere to its existing investment objective and policy upon the Merger taking effect.

### **5. The Merger**

The Russia Equity Fund will be closed to subscription, redemption and switching requests from 1.00 p.m. Luxembourg time (and in the case of Hong Kong Shareholders, 5.00 p.m. Hong Kong Time) on 16 December 2019 (the “**Dealing Cut-Off Point**”). Subscriptions in the Russia Equity Fund after the Dealing Cut-Off Point will be rejected. For the avoidance of doubt, with effect from the date of this Notice, the Russia Equity Fund is no longer allowed to be marketed to the public and shall not accept subscriptions from new investors. At the close of business on the Effective Date, the assets and liabilities of the Russia Equity Fund will be merged into the assets and liabilities of the Emerging Eastern Europe Fund.

## 6. Impact to Shareholders of the Russia Equity Fund

At the close of business on the Effective Date, Shareholders of the Russia Equity Fund who have not exercised their right to redeem or switch their Shares will become Shareholders of the Emerging Eastern Europe Fund and the Russia Equity Fund will cease to exist.

The Shareholders of the Russia Equity Fund will receive a number of Shares of the corresponding Class in the Emerging Eastern Europe Fund (as set out below), the total number of which will be determined by multiplying the number of Shares held in the relevant Class in the Russia Equity Fund by the exchange ratio. The exchange ratio will be calculated for each Class by dividing the Net Asset Value per Share of such Class in the Russia Equity Fund calculated on the Effective Date by the Net Asset Value per Share in the corresponding Share Class in the Emerging Eastern Europe Fund calculated at the same time on the Effective Date. For the purpose of calculating the Net Asset Value per Share, the rules laid down in the Articles of Incorporation of the Company will apply to determine the value of the assets and liabilities of the Russia Equity Fund.

Shareholders of the Russia Equity Fund will then be notified of their holding in the Emerging Eastern Europe Fund via a contract note and a merger confirmation letter both to be issued on the Effective Date, as well as reflected in their next monthly shareholders' statement which is usually sent to Shareholders on the seventh Business Day of each month.

Details of the Classes and form of Shares that will be issued in the Emerging Eastern Europe Fund in place of Shareholders' existing Shares in the Russia Equity Fund are set out below:

Russia Equity Fund		Emerging Eastern Europe Fund	
Share Class	ISIN	Corresponding Share Class	ISIN
Class AA	LU0314102079	Class AA	LU0196876865

## 7. Costs of the Merger

All costs of the Merger including legal, administrative, advisory costs and transaction costs associated with the transfer of assets and liabilities of the Russia Equity Fund to the Emerging Eastern Europe Fund will be borne by the general distributor of the Company, Manulife Investment Management International Holdings Limited (previously known as Manulife Asset Management International Holdings Limited). For avoidance of doubt, transaction costs associated with trading the portfolio of the Russia Equity Fund will continue to be charged to such Sub-Fund until the Effective Date. No subscription fees will be levied on Shareholders by the Emerging Eastern Europe Fund as a result of the Merger.

All formation expenses in respect of the Russia Equity Fund have been fully amortised.

No other costs of the Merger will be attributed to the Russia Equity Fund.

## 8. Shareholders Rights

### *Redemption and Switch of Shares*

If you do not wish to participate in the Merger, you may apply to redeem your Shares in the Russia Equity Fund or switch them into Shares of one or more of the other Sub-Funds of the Company (in the case of Hong Kong Shareholders, which are authorised by the Securities and Futures Commission of Hong Kong

(“SFC”) for sale to the public in Hong Kong<sup>1</sup>) in accordance with the provisions of the Prospectus (and in the case of Hong Kong Shareholders, the Hong Kong Covering Document), free of any switching or redemption charges. Such redemption and/or switching requests will be accepted up to the Dealing Cut-Off Point. After the Dealing Cut-Off Point, redemption and/or switching requests received will be rejected and if you have not redeemed or switched your Shares, the Merger as described above in the section titled “Impact on the Shareholders of the Russia Equity Fund” will be binding on you. Dealing in Shares in the Emerging Eastern Europe Fund will begin the next Dealing Day after the Effective Date in accordance with the provisions of the Prospectus (and in the case of Hong Kong Shareholders, the Hong Kong Covering Document).

If you choose to redeem your Shares, the redemption proceeds will be paid to you in accordance with the provisions of the Prospectus (and in the case of Hong Kong Shareholders, the Hong Kong Covering Document). If you choose to switch your Shares to a holding in a different Sub-Fund of the Company, the proceeds will be utilised to purchase Shares in the Sub-Fund(s) specified by you at the Subscription Price applicable to that Sub-Fund in accordance with the provisions of the Prospectus (and in the case of Hong Kong Shareholders, the Hong Kong Covering Document).

**Any switching or redemption of your Shares may affect your tax position. You should therefore seek guidance from your professional advisers on any applicable taxes in the jurisdiction of your respective incorporation, establishment, citizenship, domicile or residence.**

*Right to obtain further information*

Key Investor Information Documents (“KIIDs”)<sup>2</sup> for the Emerging Eastern Europe Fund are available at: [www.manulifeglobalfund.com](http://www.manulifeglobalfund.com). For Hong Kong shareholders, the Company’s updated Prospectus, Hong Kong Covering Document and Product Key Facts Statements are available as set out below.

You may obtain, upon request, a copy of the report of the auditor on the Merger as well as a copy of the common terms of merger. Both are available at the registered office of the Company.

## **9. Suitability**

The Directors have not examined the suitability of an investment in the Emerging Eastern Europe Fund versus your individual needs or risk tolerance. In order for you to consider whether the Emerging Eastern Europe Fund is appropriate for you, we strongly recommend that you read the Prospectus of the Company (and in the case of Hong Kong Shareholders, also the Hong Kong Covering Document) and relevant KIID<sup>2</sup>. Please contact your independent adviser if you have any doubts as to the level of risk you wish to take.

## **10. Taxation**

The tax consequences of the Merger may vary for individual Shareholders depending on the tax laws in the jurisdiction of your respective incorporation, establishment, citizenship, domicile or residence. Any switching or redemption of your Shares may affect your tax position. You should therefore seek guidance

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<sup>1</sup> The SFC’s authorisation is not a recommendation or endorsement of the Company or its Sub-Funds nor does it guarantee the commercial merits of the Company or its Sub-Funds or their performance. It does not mean the Company or its Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

<sup>2</sup> KIIDs or references to SRRRI (which is the risk reward indicator in the KIID) are not relevant for (and will not be distributed to) Hong Kong Shareholders. Accordingly, the SFC has not reviewed the contents of the KIID website which contains information regarding Sub-Funds not authorised by the SFC.

from your professional advisers on any applicable taxes in the jurisdiction of your respective incorporation, establishment, citizenship, domicile or residence.

For Hong Kong Shareholders only: Ordinarily, the Merger should not have any tax implications for Hong Kong Shareholders. Generally, no tax will be payable by Hong Kong Shareholders in respect of dividends or other income distributions of the Company or in respect of any capital gains arising on a sale, realisation or other disposal of Shares of the Company, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong. However, Hong Kong Shareholders are advised to seek specific tax advice based on their specific circumstances.

## **11. General Information**

For Hong Kong Shareholders only: The Company's Prospectus, the Hong Kong Covering Document and the Product Key Facts Statement of the Sub-Funds (the "**Hong Kong Offering Documents**") will be available from the office of the Hong Kong Representative and at [www.manulifefunds.com.hk](http://www.manulifefunds.com.hk)<sup>3</sup>. The updated version of the Hong Kong Offering Documents reflecting the Merger will be made available in due course.

Shareholders requiring further information about any of the matters set out in this Notice may contact the Administrator of the Company, Citibank Europe plc, Luxembourg Branch, at telephone number (352) 45 14 14 316 or fax number (352) 45 14 14 850 or the Hong Kong Distributor, Manulife Investment Management (Hong Kong) Limited (previously known as Manulife Asset Management (Hong Kong) Limited, at telephone number (852) 2108 1110 or fax number (852) 2810 9510 at any time during normal business hours.

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Notice is in accordance with the facts and does not omit anything likely to affect the import of such information as at the date of this Notice. The Directors accept responsibility for the accuracy of the contents of this Notice accordingly.

Yours faithfully

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**Board of Directors**

**For and on behalf of Manulife Global Fund**

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<sup>3</sup> This website has not been reviewed by the SFC.

## Appendix

<b>Russia Equity Fund (Merging Fund)</b>	<b>Emerging Eastern Europe Fund (Receiving Fund)</b>
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Portfolio Details		
Fund Range	Manulife Global Fund	Manulife Global Fund
Investment Manager	Fiera Capital (UK) Limited	Fiera Capital (UK) Limited
Sub-Fund Launch Date	19 November 2007	2 May 1997
Base Currency	USD	USD
AUM (as at 15 October 2019)	USD 77.08 million	USD 88.78 million
Investment Objectives and Policies		
Investment Objective	<p>Russia Equity Fund aims to provide long term capital growth for those who hold a long term investment view and who are prepared to accept significant fluctuations in the value of their investments in order to achieve long term returns.</p> <p>It is intended that the investments will be made on a diversified basis. At least 70% of the Sub-Fund's net assets will be invested in equity and equity related securities of companies located in Russia and other companies located outside Russia whose income is predominantly derived from Russia, all of which in accordance with the regulations, are listed or traded on regulated markets. Such equity and equity related securities include common stocks, preferred stocks and depositary receipts. The Sub-Fund may also invest in other countries in the Commonwealth of Independent States*. The remaining assets of the Sub-Fund may include bonds (which may be below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard &amp; Poor's or Fitch) or unrated) and deposits.</p> <p>* Current members as at the date of this shareholder notice are Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan and Ukraine.</p>	<p>Emerging Eastern Europe Fund aims to achieve capital growth through investing at least 70% of its net assets in equity and equity related securities which are listed or traded on the stock exchanges of Central and Eastern European countries, including, without limitation, those in Austria, Bulgaria, Croatia, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Romania, Russia, Slovak Republic, Slovenia, and Turkey. Such equity and equity related securities include common stocks, preferred stocks and depositary receipts.</p>

Investment Policy	<p>The Russia Equity Fund focuses on equities in Russia. The Investment Manager identifies company by the disciplined implementation through a rigorous bottom-up investment process – an active research-based process.</p> <p>The portfolio is constructed subject to the investment restrictions after taking into account of risk factors such as liquidity, qualitative risk (i.e. the quality of a particular investment or the management of an investee company), market risk, statistical risk (i.e. the overall risk relative to the benchmark, as measured by the tracking error using the Barra model/the composition of risk between, for example, stock selection and sector selection).</p> <p>For funds investing directly in Russia, investment in securities listed on either the Russian Trading Stock Exchange or the Moscow Interbank Currency Exchange is considered to be an investment in regulated markets not falling within the 10% limit referred to in the Prospectus. The Directors shall verify whether the markets on which the pre-mentioned securities are listed or traded qualify as regulated markets.</p>	Investment in Russian securities which are traded only in Russia (other than those listed or traded on either the Russian Trading Stock Exchange or the Moscow Interbank Currency Exchange) will, at no time, represent more than 10% of the Sub-Fund's net assets.
Permissible Concentrations	While the Sub-Fund will invest in accordance with its investment objective and strategy, save for the foregoing and subject to applicable laws and regulations, the Sub-Fund is not otherwise subject to any limitation on the portion of its net assets that may be invested in any one country or sector and in issuers of any market capitalisation. Due to the nature of the investment portfolio of the Sub-Fund, securities of small and medium sized companies may represent, at times, more than 30% of the net assets of the Sub-Fund.	While the Sub-Fund will invest in accordance with its investment objective and strategy, subject to applicable laws and regulations, the Sub-Fund is not otherwise subject to any limitation on the portion of its net assets that may be invested in any one country or sector and in issuers of any market capitalisation. Hence, the Sub-Fund may invest more than 30% of its net assets in issuers located in any of Russia and Turkey, and due to the nature of the investment portfolio of the Sub-Fund, securities of small and medium sized companies may represent, at times, more than 30% of the net assets of the Sub-Fund.
Denomination of Sub-Fund investments	The Sub-Fund's investments may be denominated in any currency	The Sub-Fund's investments may be denominated in any currency.
Below Investment Grade Sovereign Debt	It is not the intention of the Sub-Fund to invest more than 10% of its net assets in securities issued, or guaranteed, by any single sovereign (including the relevant government, public or local authority) which has a credit rating that is below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch).	It is not the intention of the Sub-Fund to invest more than 10% of its net assets in securities issued, or guaranteed, by any single sovereign (including the relevant government, public or local authority) which has a credit rating that is below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch).

Securities Lending, Repurchase, Reverse Repurchase, and similar Over-the-Counter transactions.	The Sub-Fund does not currently intend to enter into securities lending, repurchase, reverse repurchase, and similar over-the-counter transactions.	The Sub-Fund does not currently intend to enter into securities lending, repurchase, reverse repurchase, and similar over-the-counter transactions.
Financial Derivative Instruments	<p>The Sub-Fund does not use financial derivative instruments (“FDIs”) extensively to achieve its investment objective or for investment purpose, but may from time to time, under normal circumstances, use FDIs for efficient portfolio management and hedging purposes.</p> <p>The major FDIs which may be used by the Sub-Fund for such purposes include, but are not limited to, warrants, options, futures, swaps and forwards.</p>	<p>The Sub-Fund does not use financial derivative instruments (“FDIs”) extensively to achieve its investment objective or for investment purpose, but may from time to time, under normal circumstances, use FDIs for efficient portfolio management and hedging purposes.</p> <p>The major FDIs which may be used by the Sub-Fund for such purposes include, but are not limited to, warrants, options, futures, swaps and forwards.</p>
Global Exposure Calculation	Commitment Approach	Commitment Approach
Specific Risk Considerations	<p>Geographic Concentration Risk in Russia*  Emerging Market Risk in Russia*  Political and Regulatory Risk In Russia*  Natural Resources Sector Risk  Custodial, Clearance and Settlement Risk  Equity Market Risk  Small Cap Risk  Currency Risk  Liquidity and Volatility Risk  Non-Investment Use of FDI’s Risk  Performance Fee Risk</p> <p><u>*Risks associated with primary investment in Russia are broken down into:</u>  Political and Economic Factors Risk  Russian Market Characteristics Risk  Illiquid Securities Risk  Registration Risk  Custodial Risk  Depositary Risk  Settlement and Clearing Risk  Foreign Currency and Exchange Rates Risk  Investment and Repatriation Restriction Risk  Possible Business Failure Risk  Taxation Risk</p>	<p>Geographic Concentration Risk in Russia and Turkey  Emerging Market Risk  Political and Regulatory Risk  Natural Resources Sector  Equity Market Risk  Small Cap Risk  Currency Risk  Liquidity and Volatility Risk  Non-Investment Use of FDI Risks</p>
SRR I	6	6
The SRR I is not relevant for Hong Kong Shareholders and may not be relevant for Shareholders in other jurisdictions.		



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**Fees, Expenses and Ongoing Charges**

	<b>Class AA of Russia Equity Fund (Merging Fund)</b>	<b>Class AA of Emerging Eastern Europe Fund (Receiving Fund)</b>
<b>Management Fees</b>	1.75% per annum of Net Asset Value	1.75% per annum of Net Asset Value
<b>Performance Fee</b>	8% of the Excess Return with a 10% Hurdle Return	8% of the Excess Return with a 10% Hurdle Return (note: performance fee will no longer apply as of date of this Notice)
<b>Initial Charge</b>	up to 5 % of subscription amount	up to 5 % of subscription amount
<b>Redemption Charges</b>	N/A	N/A
<b>Switching Charges</b>	Up to 1% of the total Redemption Price payable on redeemed Shares	Up to 1% of the total Redemption Price payable on redeemed Shares
<b>Ongoing Charges over a year<sup>4 5</sup></b>	2.47% (including performance fees) 2.47% (excluding performance fees)	2.15% (including performance fees) 2.15% (excluding performance fees)

**Other Information**

	<b>Class AA of Russia Equity Fund (Merging Fund)</b>	<b>Class AA Emerging Eastern Europe Fund (Receiving Fund)</b>
<b>Denomination</b>	USD	USD
<b>Distribution Frequency</b>	Annual	Annual
<b>Minimum Initial Investment</b>	HK\$20,000	HK\$20,000
<b>Minimum Holding</b>	HK\$20,000	HK\$20,000
<b>Minimum Subsequent Investment</b>	HK\$1,000	HK\$1,000

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<sup>4</sup> The ongoing charges figure is expressed as a percentage of the sum of expenses over the average net asset value of the share class for the period from 1 January 2018 to 31 December 2018. This figure may vary from year to year.

<sup>5</sup> No performance fee is accrued or payable in respect of the Share Classes of both Sub-Funds for the period ended 31 December 2018.