

PRODUCT KEY FACTS

Manulife Global Fund

Investment Grade Preferred
Securities Income Fund
April 2022

- *This statement provides you with key information about Manulife Global Fund – Investment Grade Preferred Securities Income Fund.*
- *This statement is a part of the Hong Kong Offering Document.*
- *You should not invest in this product based on this statement alone.*

Quick facts

Management Company: Manulife Investment Management (Ireland) Limited

Investment Manager: Manulife Investment Management (US) LLC
(internal delegation, US)

Depository: Citibank Europe plc, Luxembourg Branch

Dealing frequency: Daily

Ongoing charges over Class AA 1.29%¹

a year[#]: Class AA Acc 1.29%¹

Class AA (USD) MDIST (G) 1.29%¹

Base currency: USD

Currency of Class Currency

denomination: AA / AA Acc / AA (USD) MDIST (G) USD

Dividend policy: Class AA

(Distribution policy) Dividends (if any) will be paid annually (Dividends will automatically be reinvested unless indicated otherwise. Cash dividend is only available if the payable amount with respect to each account of the Sub-Fund is US\$50 or more).

Class AA (USD) MDIST (G)

Dividends (if any) will be paid monthly (Dividends will automatically be paid in cash unless indicated otherwise. Cash dividend is only available if the payable amount with respect to each account of the Sub-Fund is US\$50 or more). Dividends may be paid or effectively paid out of capital and, if so, may immediately reduce the Sub-Fund's net asset value.

Class AA Acc

No distribution will be paid.

Financial year end: 30 June

Minimum investment: Initial – US\$1,000 (or the equivalent in any other major currency)
Subsequent – US\$100 (or the equivalent in any other major currency)

[#] 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 corresponding period as described below. This figure may vary from year to year.

¹ As the Sub-Fund is newly established, this figure is the Investment Manager's best estimate of the expenses and the average net asset value of the share class over a 12-month period having regard to the fee structure of the Sub-Fund.

What is this product?

Investment Grade Preferred Securities Income Fund is a Sub-Fund of Manulife Global Fund, which is an umbrella fund constituted as an open-ended investment company. It is domiciled in Luxembourg. The home regulator is Commission de Surveillance du Secteur Financier (“CSSF”).

Objective and Investment Strategy

Investment Grade Preferred Securities Income Fund aims to provide income generation with potential long term capital appreciation by investing primarily in preferred securities.

The Sub-Fund will invest at least 70% of its net assets in preferred securities listed or traded on any regulated market in the world, which include preferred stocks (including convertible preferred stocks) and subordinated debt securities (including subordinated debt securities that contain convertible features). For avoidance of doubt, the Sub-Fund will invest less than 30% of its net assets in convertible securities, which includes convertible preferred stocks, convertible debt securities and mandatory convertible securities. Also, the Sub-Fund will invest primarily (in any case at least 60% of its net assets) in preferred securities (including preferred stocks and subordinated debt securities) that are rated investment grade (i.e. Baa3 or higher by Moody's or BBB- or higher by Standard & Poor's or Fitch). Such preferred securities may pay fixed rate or adjustable rate dividends or interests and generally have higher priority or ranking than the issuer's common stocks with respect to the payment of dividends and liquidation distributions, but are junior to the issuer's senior debt in the event of the issuer's liquidation and related distributions. The Sub-Fund may invest its remaining assets in other debt securities and cash and cash-equivalents.

Debt securities include but are not limited to bonds, commercial paper, short-term bills, certificate of deposits and negotiated term deposits, and may be issued by governments, agencies, supra-nationals and corporate issuers.

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 the United States. The Sub-Fund's investments may be denominated in any currency.

The Sub-Fund may invest up to 20% of its net assets in higher-yielding debt securities rated lower than investment grade (i.e. below Baa3 by Moody's or BBB- by Standard & Poor's or Fitch) or if unrated, determined by the Investment Manager to be of comparable quality.

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). Neither does the Sub-Fund currently intend to enter into securities lending, repurchase, reverse repurchase, and similar over-the-counter transactions.

The Sub-Fund may use financial derivative instruments ("**FDIs**") for investment, efficient portfolio management and/or hedging purposes. The major FDIs which may be used by the Sub-Fund for such purposes include, but are not limited to, warrants, futures, options, forwards and other derivative instruments or contracts.

Use of Derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

What are the key risks?

Investment involves risks. Please refer to the Prospectus which forms part of the Hong Kong Offering Document for details including the risk factors.

1. **Investment Risk:** The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
2. **Preferred Securities Risk:** Preferred securities have unique investment characteristics in that they generally: (i) have higher yields than common stocks, but lower yields than comparable debt securities; (ii) are less subject to fluctuation in value than common stock due to their fixed-income characteristics; and (iii) provide the potential for capital appreciation if the market price of common stock of the issuer increases. Preferred securities are therefore subject to factors affecting debt and/or equity. Preferred securities are also subject to risk of early redemption, risk of deferral in dividend payment and risk of preference not being enforced or otherwise taken into account.
3. **Equity Market Risk:** The Sub-Fund's investment in equity securities (including preferred stocks, convertible preferred stocks and mandatory convertible preferred stocks) is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.
4. **Geographical Concentration Risk:** The concentration of the Sub-Fund's investments in securities of issuers related to the United States may result in greater volatility than portfolios which comprise broad-based global investments. The value of the Sub-Fund may be more susceptible to adverse events in the region.
5. **Credit Rating and Downgrading Risk:** The Sub-Fund invests predominantly in securities that are assigned a credit rating of investment grade. Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. In any event, the credit rating of a debt security or its issuer may subsequently be downgraded, and an investment grade security may be downgraded below investment grade which is considered to result in higher credit risk and greater default risk. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Investment Manager may or may not be able to dispose of the debt securities that are being downgraded.
6. **Interest Rate Risk:** The Sub-Fund invests in debt securities (including subordinated debt securities). When interest rates rise, the value of the debt securities may reduce, resulting in a lower value for the relevant portfolio.

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| 7. Credit Risk: | The Sub-Fund invests in debt securities (including subordinated debt securities) which are subject to credit risk. This refers to the risk that a debt issuer will default, by failing to repay principal and interest in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that debt security to decline. |
| 8. Currency Risk: | The Sub-Fund's assets may be invested primarily in securities denominated in currencies other than U.S. Dollars and the Sub-Fund may receive income or realization proceeds from these investments in those currencies, some of which may fall in value against U.S. Dollars. |
| 9. Volatility and Liquidity Risk: | The preferred securities may be subject to higher volatility and lower liquidity compared to straight bond investments. The prices of such securities may be subject to fluctuations as they may be affected by factors relating to bonds. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs. The Sub-Fund may suffer significant losses with respect to investment in preferred securities. |
| 10. High-Yield Bonds Risk: | The Sub-Fund may invest in higher-yielding debt securities rated lower than investment grade, or if unrated, determined by the Investment Manager to be of comparable quality. As such, an investment in the Sub-Fund is accompanied by a higher degree of credit, volatility and liquidity risks than high-rated debt securities. |
| 11. Use of FDIs: | The Sub-Fund intends to use FDIs for investment, efficient portfolio management and/or hedging purposes. The use of derivatives exposes the Sub-Fund to additional risks, including: volatility risk, management risk, market risk, credit risk and liquidity risk. The eventuation of any of the above risks could have an adverse effect on the net asset value of the Sub-Fund. In adverse situations, the Sub-Fund's use of FDIs may become ineffective in investment, efficient portfolio management or hedging and the Sub-Fund may suffer significant losses. Further, the leverage element / component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. |
| 12. Risks relating to Dividends Paid or Effectively Paid out of Capital: | The Directors of Manulife Global Fund may, at their discretion, pay dividends out of realized capital gains, capital and/or gross income while charging all or part of their fees and expenses to capital, of the Sub-Fund in respect of Share Classes denoted by MDIST (G). Dividends paid or effectively paid out of capital of the Sub-Fund (if any) would amount to a return or withdrawal of part of the amount of an investor's original investment, or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Sub-Fund's capital may result in an immediate decrease in the net asset value per Share of such Share Classes of the Sub-Fund. |

How has the Sub-Fund performed?

The Sub-Fund is newly set-up and has been launched for less than one calendar year. As such, there is insufficient data to provide a useful indication of past performance to investors.

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in Shares of the Sub-Fund.

Fee	What you pay
Subscription fee (Initial charge)	Up to 5% of the subscription amount
Switching fee (Switching charge)	Up to 1% of the total redemption amount
Redemption fee (Redemption charge)	N/A

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management company fee	Up to 0.013%
Management fee	1.10%*
Depository fee	Ranges from 0.003% to 0.40% (excluding transaction charges and disbursements)
Performance fee	N/A
Administration fee	Up to 0.5%

* This fee may be increased up to a maximum of 6%, by giving the affected shareholders not less than three months' prior notice. Please see section 9.5 of the Prospectus for details.

Other fees

You may have to pay other fees when dealing in Shares of the Sub-Fund.

Additional Information

- You generally subscribe and redeem Shares at the Sub-Fund's next-determined net asset value after Manulife Investment Management (Hong Kong) Limited receives your request in good order on or before 5:00 p.m. (Hong Kong time) of a Dealing Day, being the dealing cut-off time of Manulife Global Fund. Before placing your orders (subscription, switching or redemption), please check with your distributor for the distributor's internal dealing cut-off time (which may be different from Manulife Global Fund's dealing cut-off time).
- The net asset values of Shares of this Sub-Fund are published daily at www.manulifefunds.com.hk* and are also available at the registered office of Manulife Global Fund.
- The composition of dividends (i.e. the relative amounts paid out of net distributable income and capital) (if any) paid on Share Classes denoted by MDIST (G) for the preceding 12 months (or if the Sub-Fund was launched less than 12 months ago, since its inception) is available from Manulife Global Fund upon request as well as on the website www.manulifefunds.com.hk*.

* This website has not been reviewed by the Securities and Futures Commission in Hong Kong ("SFC") and may contain information on funds not authorized by the SFC.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.