

Date: 11 November 2022

Dear Valued Members,

Manulife PRS NESTEGG Series consisting of:

- **Manulife PRS-Growth Fund**
 - **Manulife PRS-Moderate Fund**
 - **Manulife PRS-Conservative Fund**
(collectively referred to as the “Core Funds”)
- **Conversion of Class A units on the 10th anniversary of the date from the first contribution**
- **Termination of Class B**
-

Thank you for contributing to the Core Funds.

The Core Funds are multi-class funds which consists of three (3) different classes of Units (Class A, Class B and Class C) which are distinguished by the amount of Sales Charge, Redemption Charge, switching fee, transfer fee and management fee. Please refer to Appendix A for details.

As stated in the Disclosure Document, on the 10th anniversary of the date the first contribution was made by or on behalf of a Member holding Class A Units of a Core Fund, all Class A Units held by such Member will automatically be converted into Class B Units of such Core Fund, which have a lower rate of annual management fee compared to Class A, at no cost to the Member. Accordingly, any subsequent contributions by or on behalf of the Member after the said 10th anniversary will be utilized towards the purchase of Class B Units of any of the Core Funds.

We wish to notify you the updates to the above arrangement:

- As we move towards conversion of the applicable Units, your Units will be temporarily maintained within Class A during the transitional period of 21 November 2022 until 31 March 2023 at a reduced management fee rate which is consistent with Class B and Class C. The management fee of Class A will revert to its rates as currently disclosed in the Disclosure Document on 1 April 2023.
- Thereafter, instead of conversion to Class B Units as originally disclosed in the Disclosure Document, your Class A Units will be converted into Class C Units in light of the following considerations:
 - (i) Class C is a new class launched on 28 April 2016 and is currently operating with a fund size compared to Class B which is operating with zero fund size. The bigger fund size of Class C will serve to lower the management expense ratio to the benefit of the Members;
 - (ii) Apart from the imposition of transfer fee and a higher Sales Charge for Class C, the other features and fees imposed for both Class B and Class C are the same. However, we will waive the transfer fee and the Sales Charge for the Units which are converted from Class A to Class C.
 - (iii) The conversion of Units to Class C instead of Class B will not affect the investment objective, investment strategy, risk profile, distribution policy and the manner in which the Core Funds are being managed.
 - (iv) Due to the above and zero fund size, Class B has been terminated on 10 November 2022.

- In view thereof:
 - If your first contribution into Class A was made **on or before 1 April 2013**, we are converting all your Class A Units to Class C instead of Class B on 1 April 2023.
 - If your first contribution into Class A was made **after 1 April 2013**, we are converting all your Class A Units to Class C instead of Class B on the 10th anniversary of the date from the first contribution was made.

The conversion will be done at **no cost** to you. Thereafter, you will also be entitled to purchase additional Units of Class C at no Sales Charge.

You will be receiving a copy of the Confirmation Advice upon conversion of your Units from Class A to Class C.

Please be informed that trust deed will be amended and a replacement Disclosure Document will be issued to reflect the above changes.

Should you require any further clarification or assistance, please do not hesitate to reach out to your Servicing Advisor or contact Customer Service Hotline at 03-2719 9271.

Thank you for your kind attention on this matter.

Unless otherwise stated, the terms used in this letter shall have the meaning assigned to it in the Disclosure Document of the Core Funds.

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

Appendix A

| For All Core Funds | | | |
|---|--|---------------|--|
| Class of Units | Class A Units | Class B Units | Class C Units |
| Sales Charge | Nil | | Up to 3.00% of NAV per Unit |
| Redemption Charge (for withdrawal in the X^{th} year after the first contribution to the Scheme) | <ul style="list-style-type: none"> • 3.00% of NAV per Unit in the 2nd year; • 2.00% of NAV per Unit in the 3rd year; • 1.00% of NAV per Unit in the 4th year; and • No Redemption Charge in the 5th year onwards. | | Nil |
| Switching fee | <p>No switching fee will be imposed on the first 12 switching transactions made during a Calendar Year. For each subsequent switching transaction made during the same Calendar Year, the Provider will impose the following fee on the Member:</p> <ul style="list-style-type: none"> • RM25.00 per switch between Funds of the Scheme or between a Fund of the Scheme and any other fund in another PRS operated by the Provider. • 3% of the amount switched out from Class A or Class B Units to Class C Units. <p>The Provider may at its discretion, waive the switching fee based on the terms and conditions as may be determined from time to time.</p> | | <p>RM25.00 per switch within the same class of Units between Funds of the Scheme and between a Fund of the Scheme and any other fund in another PRS operated by the Provider. Switching from Class C Units to Class A or Class B Units is not allowed.</p> |
| Transfer fee (to another PRS provider) | Nil | | RM25.00 |

| Annual management fee | Class A Units | Class B Units | Class C Units |
|---------------------------------------|--|---------------|---------------|
| | (% per annum of the NAV attributable to this class of Units of the Fund) | | |
| Manulife PRS-Growth Fund | 1.80% | 1.50% | 1.50% |
| Manulife PRS-Moderate Fund | 1.50% | 1.25% | 1.25% |
| Manulife PRS-Conservative Fund | 1.20% | 1.00% | 1.00% |