

Manulife Advanced Fund SPC

ANNUAL REPORT

Audited Financial Statements
for the year ended 30 June 2018

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Company Information

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Directors of the Company

Wendy Lim (until 31 December 2017)

Bruno Lee

Roger Renaud (until 31 May 2018)

Endre Pedersen (since 1 January 2018)

Leo Zerilli (since 1 June 2018)

Custodian and Paying Agent of the Company

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Administrator of the Company

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Sub-Administrator, Registrar and Transfer Agent of the Company

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Sub-Delegate of the Sub-Administrator, Registrar and Transfer Agent of the Company

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Investment Manager of the Company

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Directors' Report for the year ended 30 June 2018

Chinese economic data released over the period (12 months ending 30 June 2018) was generally stronger than expected. The country registered first-quarter GDP growth of 6.8%, exceeding market expectations.

The market was volatile. For the second half of 2017 and to start 2018, China A-shares rallied on the back of strong earnings results, expectations of positive policies from 19th National Party Congress, and resilient economic activities in China. However, the sell-off in February was due to spiking bond yields and the sell-off in late March was led by intensified concerns over US-China trade tensions.

The US stock market, as measured by the S&P 500 Index, delivered solid returns for the period, helped by generally positive US economic data with respect to US consumer spending, housing, and employment. This encouraging news was partially offset by uncertainty stemming from global trade tensions. This period was generally good for US regional bank stocks, which delivered solid results.

Year in Review

The China A-share Fund's strong stock selection with the consumer discretionary, industrials, financials, and materials sectors contributed positively to performance. The overweight in healthcare also contributed positively. Partially offsetting the performance was the overweight in IT and the underweight in consumer staples.

The RMB Bond Fund continued to benefit from the positive carry through exposure to Chinese corporate bonds. Notably, a bond issued by a Chinese state-owned-enterprise in the power-generation sector contributed positively.

The Asia Pacific Income and Growth Fund's stock selection in China, India, and Thailand – as well as the underweight in Indonesia and the Philippines – were the primary contributors. As crude prices rallied during the year, energy holdings, particularly the oil company holdings, contributed positively to performance.

The US Bank Equity Fund's overweight of small- and mid-cap banks and stock selection decisions were the drivers of the performance.

The Greater Bay Area Growth and Income Fund was able to perform the broader Hong Kong and domestic China markets as the elevated cash holdings during the period provided a buffer against the market volatility.

Outlook

China's economic growth is expected to stabilise in 2018. The new regulation for the asset management sector confirms that deleverage in financial market remains the key theme. This is a national priority aimed to position the economy to deliver higher quality of growth for the next growth phase.

We expect the trade dispute between China and US to remain unresolved in the short term; the trade negotiation and geopolitical risk may continue to overcloud the market. It is still widely believed the Fed may continue to hike interest rates for the remainder of 2018. Higher yields from global developed market central banks may impact China's interest rate cycle. As for currencies, we expect the renminbi to be range bound against US dollar.

We remain positive on the US banking sector and continue to find attractively valued opportunities. The secular trends of consolidation and improving regulation, as well as banks' ability to gain efficiencies through the use of technology, are long-term positives for the sector.

Investment Manager's Report for the year ended 30 June 2018

MAF China A Segregated Portfolio (the “China A Fund”)

Investment Objective: The objective of the China A Fund is to achieve long-term capital appreciation by investing primarily in Mainland China capital markets. The China A Fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% of its net assets) in companies listed on the A-Share markets of the Shanghai Stock Exchange and/or the Shenzhen Stock Exchange.

Performance Review as of 30 June 2018*:

Share Class AA	(From 1 July 2017 to 30 June 2018)	5.62%
Share Class I	(From 1 July 2017 to 30 June 2018)	5.61%
Benchmark**	(From 1 July 2017 to 30 June 2018)	-2.02%

Source: Manulife Asset Management (Hong Kong) Limited

Portfolio Review

Over the twelve month period ending 30 June 2018, the sub-fund's strong stock selection with the consumer discretionary, industrials, financials, and materials sectors contributed positively to performance. The overweight in healthcare also contributed positively. Partially offsetting the performance was the overweight in IT and the underweight in consumer staples.

In terms of individual contributors, the sub-fund has focused on sectors and stocks that have domestic growth exposure as opposed to sectors that are export oriented. The sub-fund's holding in the consumer sector was the biggest contributor. These included a travel service company, hotel operator, and a brewery manufacturer focusing in the Southwest of China. The company benefited from product premiumisation and operation profit margin improvement on the back of product mix change and price hike. Another was a hydraulic component manufacturer that was a frontrunner in China's manufacturing upgrading trend, which should benefit significantly on the back of sustained R&D investment and innovation. The company is a model of product innovation with heavy investments in R&D. Its new products – hydraulic pumps and valves for small excavators – have been well received by clients, which will be likely to bring further revenue going forward.

Individual performance detractors were coming from the IT sector. The biggest detractor was an electronic products manufacturer that underperformed against the broader market mainly due to market volatility and weak iPhone X demand. However, the company delivered some positive guidance on its aggressive capex plans, and its sales growth will likely be driven largely by non-Apple products. Another was a semiconductor chemicals and related equipment manufacturer. While the market reacted positively to the company's news on setting up a materials industry investment fund in early November, the company was not immune to the sell-off trend in the IT space, along with offshore China, Asia, and the US.

* The performance return is calculated in USD terms and includes dividends re invested.

** The return represents the performance of 70% CSI 300 Index + 30% MSCI Zhonghua Index until 9 February, 2011 and thereafter CSI 300 Index.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

MAF China A Segregated Portfolio (the "China A Fund") (continued)

Portfolio Review (continued)

Over the course of the reporting period, the sub-fund has taken profit on its material holdings and increased the healthcare, consumer exposure, and industrials exposure. The healthcare and industrials sectors are now the sub-fund's largest overweight and financials is the largest underweight.

Market Review

The CSI 300 Index decreased 2.02% from 1 July 2017 to 30 June 2018 in US dollar terms.

The 12 months ending 30 June 2018 was volatile. For the second half of 2017 and to start 2018, China A-shares rallied on the back of strong earnings results, expectations of positive policies from 19th National Party Congress, and resilient economic activities in China. The Annual Central Economic Work Conference was held in mid-December, laying out key tasks and economic policies as discussed in the 19th Party Congress. However, the sell-off in February was due to spiking bond yields and the sell-off in late March was led by intensified concerns over US-China trade tensions. During this period of uncertainty, the People's Bank of China (PBoC) maintained an accommodative policy. The central bank injected funds into the market via the medium-term lending facility and reduced the reserve requirement ratio by 100 basis points (bps) so far this year. Northbound capital flows into China notably increased after MSCI's inclusion of Chinese A shares.

Volatile US-China trade talks continued to affect market momentum. While the US threatened to place 10% tariffs on an additional US\$200 billion of Chinese imports, it also publicly discussed potential curbs of Chinese investment in the US, further ratcheting up trade tensions.

Outlook

The near-term noise and uncertainties revolving the trade tensions may linger on-and-off, with market sentiment being very sensitive to news flows. The sub-fund's portfolio manager (PM) will need to monitor developments from the meeting of US and China trade officials. The PM believes that there is "no easy way out", but also believes that investors will refocus on the fundamentals when the dust settles. That said, looking into the fundamentals, the PM remains positive in China A-shares. There have been solid earnings, with over 16% growth estimated for 2018 (CSI 300), while valuations remain compelling at ~12.7x.

Looking ahead, more supportive policies from the Chinese government from economic/market perspectives could continue. In the Boao Forum in April, the Chinese government has already announced array of policies including the reduction of automotive import tariff, and the removal of foreign ownership cap for financial and automotive companies.

In terms of investment strategy, the PM will continue to invest in opportunities that can benefit from the long-term structural trends in China. Amid recent volatility, the PM took the opportunity to initiate companies across different segments – materials, capital goods, healthcare, IT, and capital goods-related – as attractive valuations offer good timing for entry points. These include beneficiaries from R&D innovation and consumption upgrades. Meanwhile, the PM exited positions for those lacking a near-term catalyst while seeking better opportunities that arise elsewhere.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

MAF Renminbi Bond Segregated Portfolio (the "Bond Fund")

Investment Objective: The investment objective of the Bond Fund is to provide capital appreciation and income generation by investing primarily in RMB-denominated debt instruments issued and listed in Mainland China or traded in the Mainland China interbank bond market, subject to applicable QFII regulations. The fund will invest primarily (i.e. not less than 70% of its net assets) in RMB-denominated debt instruments, including convertible bonds that are listed or transferred on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange, or interbank bonds, and which are issued by the Mainland China Government as well as corporations in Mainland China.

Performance Review as of 30 June 2018*:

Share Class AA	(From 1 July 2017 to 30 June 2018)	6.86%
Share Class I	(From 1 July 2017 to 30 June 2018)	6.86%
Benchmark**	(From 1 July 2017 to 30 June 2018)	6.24%

Source: Manulife Asset Management (Hong Kong) Limited

Portfolio Review

The portfolio is positioned with around a 2:1 split to Chinese government bonds and Chinese corporate bonds. The portfolio continued to benefit from the positive carry through exposure to Chinese corporate bonds. Notably, a bond issued by a Chinese state-owned-enterprise in the power-generation sector contributed positively to the portfolio. The portfolio moved from an underweight to a slight overweight interest rate duration positioning over the period.

Market Review

Chinese economic data released over the period was generally stronger than expected. The country registered first-quarter GDP growth of 6.8%, exceeding market expectations. The Caixin Manufacturing Purchasing Managers' Index (PMI) remained above the 50 mark over the period, indicating an expansion. Inflation data remain subdued as consumer price index (CPI) rose by 1.8% year-on-year in May.

Standard & Poor's downgraded China's sovereign credit rating from AA- to A+, and its rating outlook was revised to stable. The rating agency cited prolonged period of credit growth potentially increasing the country's economic and financial risk, whilst the stable outlook reflects their view China may maintain robust economic performance and an improved fiscal position over the next few years. The announcement had no impact to the Chinese bond and currency market, as it was widely expected by market participants. Over the period, US President Donald Trump announced plans to impose tariffs on up to US\$200 billion of China's imported goods. Amid rising global trade friction, the People's Bank of China (PBoC) undertook measures to ensure liquidity. The PBoC injected liquidity via its medium-term lending facility, while cutting some banks' reserve ratio requirements by 50 basis points (effective 5 July). Separately, Bloomberg Barclays announced plans to include onshore Chinese government and policy bank bonds into its family of global bond indices starting in April 2019.

* The performance return is calculated in USD terms and includes dividends re-invested.

** The return represents the performance of 70% Shanghai T-bond Index + 30% short end cash rate until 23 February 2011. From then until 31 December 2013, it represents Shanghai T-bond Index, and from 1 January 2014 until 30 April 2016, it represents HSBC China Local Currency Government Bond (1-10 years) Index and thereafter Markit iBoxx ALBI China Onshore 1-10 Index.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

MAF Renminbi Bond Segregated Portfolio (the “Bond Fund”) (continued)

Market Review (continued)

Chinese government bond yields rose during the first half of the period amid expectations the government may continue with its deleverage efforts. However, onshore Chinese government yields fell during the latter half of the period, as market participants expect the government to utilise administrative measures as an alternative to deleverage the economy. The Markit iBoxx China Onshore Bond (1 to 10 years) Index returned 6.24% in US dollar terms over the period.

The renminbi strengthened by 2.42% against the US dollar over the period due to stronger-than-expected Chinese economic data. The onshore CNY fixing against the US dollar was 6.6166 at the end of June.

Outlook

China's economic growth is expected to stabilise in 2018. The new regulation for the asset management sector confirms that deleverage in financial market remains the key theme. This is a national priority aimed to position the economy to deliver higher quality of growth for the next growth phase. The sub-fund's portfolio manager (PM) expects the trade dispute between China and US to remain unresolved in the short term; the trade negotiation and geopolitical risk may continue to overcloud the market. It is still widely believed the Fed may continue to hike interest rates for the remainder of 2018. Higher yields from global developed market central banks may impact China's interest rate cycle. As for currencies, the PM expects the renminbi to be range bound against US dollar.

**Investment Manager's Report (continued)
for the period ended 30 June 2018**

**MAF Asia Pacific Income and Growth Segregated Portfolio
(the "Asia Pacific Income and Growth Fund")**

Investment Objective: The investment objective of the Asia Pacific Income and Growth Fund is to provide investors with income and capital appreciation over the medium to longer term by investing primarily in equity and fixed income-related securities in the Asia Pacific ex-Japan region (the "Region").

Performance Review as of 30 June 2018*:

Share Class AA	(From 1 July 2017 to 30 June 2018)	6.51%
Benchmark**	(From 1 July 2017 to 30 June 2018)	5.66%

Source: Manulife Asset Management (Hong Kong) Limited

Portfolio Review

During the reporting period, the sub-fund's stock selection and asset allocation decisions at the country level contributed positively to performance. Partially offsetting this were asset allocation decisions at the sector level. Stock selection in China, India, and Thailand – as well as the underweight in Indonesia and the Philippines – were the primary contributors. As crude prices rallied during the year, the sub-fund's energy holdings, particularly the oil company holdings, contributed positively to performance.

The main performance contributor was a Hong Kong-listed Chinese property company. The product mix shift has resulted in increased revenue as the company shifted its focus back to China with an expansion strategy in the land market. The company has also started to build a track record in buildings and operating shopping malls with high take-up rates. Additionally, a wireless internet service provider taking market share from Hong Kong's incumbent telecom company also contributed significantly to performance.

The primary performance detractor was in Australian financials. One was a property and casualty insurance company whose margin guidance implied another downgrade for fiscal year 2017. The sub-fund's portfolio manager (PM) believes that the company should benefit from a rising interest rate environment and its positive impact on the company's profitability. Another was an Australian life insurance company, which was the biggest performance detractor on the back of concerns regarding the company's restructuring plans amid a change in senior management and a regulatory review.

Over the course of the year, the sub-fund further reduced its weighting in IT and consumer discretionary in favour of increasing its exposure in real estate, particularly its exposure to the REIT sector in Singapore. Additionally, the sub-fund has introduced Indonesia local currency credit exposure to the portfolio.

The portfolio's overweight allocation to corporate bonds detracted from relative performance as credit spread widened. However, the portfolio's positive credit carry helped partially offset the losses.

* The performance return is calculated in USD terms and includes dividend re-invested.

** The return represents the performance of 60% MSCI AC Asia Pacific ex Japan Index + 40% JP Morgan Asia Credit Index.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF Asia Pacific Income and Growth Segregated Portfolio
(the "Asia Pacific Income and Growth Fund") (continued)**

Market Review

Asia Pacific ex Japan equities continued to record gains during the 12-month period amid sporadic geopolitical concerns buoyed by healthy economic data, expectations of faster global growth, and positive market sentiment across the region on better earnings results. The index reached an all-time high in January 2018 before the market was weighed down as US bond yields rose to their highest levels in nearly four years on concerns over higher inflation and a rise in real interest rates. This led to a sharp rise in volatility as the Fed Chairman's optimistic views resulted in expectations for a faster pace of rate hikes for 2018. Volatility continued over heightened US-China trade tensions and strong risk-off sentiment. Trade friction between the US and China escalated in the second quarter, with the US seeking potential tariffs on another US\$200 billion of Chinese imports on top of the US\$34 billion already subject to tariffs. Strong global risk-off sentiment in May led to capital outflows in regional markets that were already facing higher oil prices, a resurgent US dollar, and a rising rate environment. Notably, the rising rate environment factor was further amplified after the Fed's interest rate hike and hawkish interest rates forecast released in June.

Hong Kong/China was the best performing constituent. Earnings results were stronger than expected, leading to upwards earnings revisions throughout the period. However, in the first half of 2018, mixed economic data added to the increased market volatility, which when coupled with a stronger US dollar, led to a weaker renminbi. The People's Bank of China (PBoC) maintained an accommodative policy among increased economic uncertainty; they injected funds into the market via the medium-term lending facility and reduced the reserve requirement ratio (RRR) by 100 basis points (bps). The first tranche of A-shares was included into MSCI's indices and, as a result, northbound capital flows into China notably increased.

Aside from Thailand, the ASEAN markets underperformed the broader Asia Pacific ex Japan index as US dollar strength in the second quarter erased nearly all the gains from the previous three quarters. The strength in the Thai equity markets was driven by energy and the continued growth in tourism. In Indonesia, the government's increasingly credible and effective policy framework has been conducive to macroeconomic stability and has resulted in Moody's upgrading the country rating one notch higher on the investment grade scale and changing its outlook to stable from positive. And even though economic fundamentals remain strong, the equity markets were one of the worst regional performers.

Asian corporate credit markets declined, predominately driven by volatile US Treasury yields, wider credit spreads, and rising trade tensions globally. The JP Morgan Asian Investment Grade Corporate Bond Index returned 0.04% and the JP Morgan Asian High Yield Corporate Bond Index returned -1.52% in US dollar terms.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF Asia Pacific Income and Growth Segregated Portfolio
(the "Asia Pacific Income and Growth Fund") (continued)**

Outlook

The recent correction in Asian equity markets has not coincided with significant downgrades in earnings. In fact, since the start of 2018, earnings forecasts have been revised up. Concerns on global trade tensions will have limited direct earnings impact for Asia as a whole. Consequently, Asian equity market valuations have retreated to well below mean levels and thus represent an attractive buying opportunity.

In Taiwan, the sub-fund's portfolio manager (PM) expects upstream tech suppliers to continue delivering robust growth, thanks to rising demand for higher processing power and speed from artificial intelligence and Internet-of-Thing products. With the proliferation of interest in e-sports and PC games, growth momentum in the PC and mobile gaming supply chain is expected to accelerate in the second half of 2018. Similarly, interest in the Apple supply chain is expected to return in the second half of 2018 as markets enter the season of new product launches.

In South Korea, domestic demand is expected to recover thanks to a stronger domestic economy supported by robust export growth. The PM sees strength in outbound tourism. The thawing of geopolitical tension between China and South Korea also raised hope of a recovery in inbound tourism. The PM continues to like the banking sector as loan growth and asset quality remain healthy. The South Korean banks have outperformed their regional peers in terms of recovery in asset quality and return on equity, but stocks are undervalued relative to their regional peers.

In South East Asia, the regime change in Malaysia is expected to create some uncertainties in the near term. Major projects initiated by the previous government will either be reviewed or cancelled. However, the impact of slower government infrastructure spending is expected to be offset by domestic consumption following the removal of goods and services tax (GST) and reduction of expressway toll tariffs. The Indonesian market continued to be hit by outflows in June. The central bank raised interest rate by 100 bps in the past two months to ease pressure on the Indonesian rupiah and liquidity flight. While the contagion risk should not be taken lightly, the PM believes the fundamentals of the Indonesia economy remain robust. As such, the PM's long-term growth thesis of the market remains unchanged. GDP growth in Thailand has continued to gather pace and the rebound in rice prices should bode well for domestic consumption in due course.

Overall, the PM continues to see attractive opportunities to purchase Asian companies that offer a combination of high dividend yields-supported earnings growth rather than high leverage. The yields on offer in both equity and fixed income in Asia look especially attractive compared to global markets.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF U.S. Bank Equity Segregated Portfolio
(the "U.S. Bank Equity Fund")**

Investment Objective: The investment objective of U.S. Bank Equity Fund is to achieve medium to long-term growth of capital primarily through investing in equities (such as common, preferred and convertible preferred stocks) and equityrelated investments (such as depositary receipts and exchange traded funds ("ETF")), of U.S. banks (including regional banks, commercial banks, industrial banks, savings and loan associations and bank holding companies incorporated in the United States of America and/or its territories, collectively "U.S. Banks").

Performance Review as of 30 June 2018*:

Share Class AA (USD) Inc	(From 1 July 2017 to 30 June 2018)	15.00%
Share Class AA (HKD) Inc	(From 1 July 2017 to 30 June 2018)	15.13%
Benchmark**	(From 1 July 2017 to 30 June 2018)	10.81%

Source: Manulife Asset Management (Hong Kong) Limited

Portfolio Review

The sub-fund's overweight of small- and mid-cap banks and the PM's stock selection decisions were the drivers of the sub-fund's performance. Notably, the sub-fund's underweight position in a large cap diversified bank was positive as its stock underperformed for the period overall. The bank entered a consent order with the US government in early 2018 following the wake of a scandal over consumer account mismanagement. The conditions of the order statutorily limited the bank's growth, which weighed on the stock's performance.

Another strong contributor was a regional bank headquartered in California. This bank primarily serves emerging growth and middle market companies in targeted niches, particularly in the technology and life sciences industries. The company's earnings exceeded expectations on strong loan and deposit growth. Its net interest margin also expanded meaningfully, and expenses were controlled.

A Dallas, Texas-based regional bank was another large contributor to performance. The company is well-positioned for the current environment with a loan portfolio mostly consisting of floating rate commercial loans funded mainly by noninterest bearing deposits. Accordingly, as short-term interest rates have increased, it has seen a significant widening of its net interest margin leading to strong earnings growth. Also, with \$72 billion in total assets, the company is one of the largest beneficiaries of regulatory reform. The sub-fund's underweights of two large money center banks, which are outsized positions in the benchmark, negatively impacted performance as both stocks had outsized returns in the period. The PM continues to find both stocks relatively attractive and, while the sub-fund holds top ten positions in both names, the sub-fund will consistently be underweight the benchmark's very large positions in these names.

* The performance return is calculated in USD terms and includes dividend re-invested.

** The return represents the performance of S&P Composite 1500 Banks Index.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF U.S. Bank Equity Segregated Portfolio
(the "U.S. Bank Equity Fund") (continued)**

Portfolio Review (continued)

Another detractor from performance was a regional bank headquartered in Pittsburgh, Pennsylvania that expanded its footprint to the southeast through the acquisition of another regional bank in early 2017. The company paid a very high price for the acquired bank and has not delivered on the promised cost savings and revenue synergies to date, which has caused the stock price to languish. The PM views the stock as attractively valued at one of the lowest multiples in the group.

During the period, six companies whose stocks the PM owned in the portfolio announced they would be acquired – with four of these announcements occurring in the latest quarter – going along with the sub-fund's long-term theme of industry consolidation. The PM initiated positions in several regional banks of various sizes on the belief that these companies' stocks were attractively valued on a relative basis, including some initial public offerings. In addition, the PM used the periodic volatility in bank stocks to add to positions where the PM found the best relative value. Finally, the PM exited some positions where there was evidence of better value elsewhere.

Market Review

The US stock market, as measured by the S&P 500 Index, delivered solid returns for the period, helped by generally positive US economic data with respect to US consumer spending, housing, and employment. This encouraging news was partially offset by uncertainty stemming from global trade tensions. This period was generally good for US regional bank stocks, which delivered solid results.

For US banks, the most important events during the period were the interest rate environment, US tax reform, and the improving regulatory climate. In terms of interest rates, the Fed continued to take steps to normalise the level of US short-term interest rates by increasing the federal funds rate by 25 basis points (bps) on three separate occasions. This contributed to increasing net interest margins for US banks leading to stronger revenue and earnings growth. Long-term interest rates also increased, but by a lesser amount, causing the interest rate yield curve to flatten during the period, which had a dampening effect on US bank stock performance even though company fundamentals continued to be strong.

The period also saw a singular fiscal policy shift: the passage of comprehensive tax reform, which included the reduction of the US corporate tax rate from 35% to 21%. Banks have historically been high tax rate payers, so corporate tax reform has led to substantial benefits for the industry in terms of significant earnings growth for 2018 and higher profitability.

Another noteworthy event – particularly for US regional banks – was the enactment, in late May, of the Economic Growth, Regulatory Relief, and Consumer Protection Act. This eased banking regulations. The most significant aspect of this legislation was an increase in the threshold for what are known as systemically important financial institutions (SIFIs), from US\$50 billion to US\$250 billion in total assets. Regional banks previously designated as SIFIs will particularly benefit from this change, and the sub-fund's portfolio manager (PM) thinks it could lead to lower compliance costs, higher capital returns, and an increase in merger-and-acquisition (M&A) activity for this group.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF U.S. Bank Equity Segregated Portfolio
(the "U.S. Bank Equity Fund") (continued)**

Outlook

The PM remains positive on the US banking sector and continues to find attractively valued opportunities. The cyclical backdrop of a growing US economy with a normalising interest rate environment is positive for the group's fundamentals including solid loan growth, a sound credit environment, and improving net interest margins. The industry continues to have robust capital levels; earnings growth is strong both from solid fundamentals and the benefit of a lower corporate tax rate; and profitability is improving. In the PM's view, the secular trends of consolidation and improving regulation, as well as banks' ability to gain efficiencies through the use of technology, are long-term positives for the sector.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF Greater Bay Area Growth and Income Segregated Portfolio
(the "Greater Bay Area Growth and Income Fund")**

Investment Objective: The investment objective of the sub-fund is to achieve capital growth and income generation by investing primarily in a diversified portfolio of equity and equity-related securities and fixed income securities of issuers which are connected to the region comprising Hong Kong, Macau, and the Guangdong Province of China ("Greater Bay Area").

Portfolio Review

During the reporting period (since the sub-fund's inception on 11 June 2018), the sub-fund has gradually built up the equity allocation by focusing on the key themes which the sub-fund's portfolio manager (PM) believes should be key beneficiaries of the growth of the Greater Bay Area – these themes are consumption upgrade; financials and real estate; infrastructure; and innovation and technology. The sub-fund was able to perform the broader Hong Kong and domestic China markets as the sub-fund's elevated cash holdings during the period provided a buffer against the market volatility.

As markets stabilised at the end of the period, the PM took opportunity to deploy capital into the above themes. The portfolio yield at the end of the period was 3.4% with an equity/fixed income split of 55%/39% and the remainder in cash.

Since the sub-fund's inception, the PM have gradually built up the fixed income allocation by investing primarily in fundamentally sound Chinese companies to generate a stable income. The sub-fund deployed a moderate allocation to US Treasury to enhance the credit quality as well as the liquidity of the portfolio. Over the period, Chinese corporate credit spreads widened as rising trade tensions weakened investors' sentiment. Wider credit spreads slightly detracted from performance. However, this was partially offset by the sub-fund's interest rate duration amid lower US dollar interest rates during the period.

Market Review

The twelve months ending 30 June 2018 were volatile for the China markets. For the second half of 2017 and to start 2018, China equities rallied on the back of strong earnings results, expectations of positive policies from 19th National Party Congress, as well as resilient economic activities in China. The Annual Central Economic Work Conference was held in mid-December, laying out key tasks and economic policies as discussed in the 19th Party Congress. However, the sell-off in February was due to spiking bond yields and the sell-off in late March was led by intensified concerns over US-China trade tensions. During this period of uncertainty, The People's Bank of China (PBoC) maintained an accommodative policy. The central bank injected funds into the market via the medium-term lending facility and reduced the reserve requirement ratio (RRR) by 100 basis points (bps) so far this year. Northbound capital flows into China notably increased after MSCI's inclusion of Chinese A shares.

Volatile US-China trade talks continued to affect market momentum. While the US threatened to place 10% tariffs on an additional US\$200 billion of Chinese imports, it also publicly discussed potential curbs of Chinese investment in the US, further ratcheting up trade tensions.

The performance review is not presented for this fund as it was launched on 12 June 2018, which was less than 1 month for the year ended 30 June 2018.

**Investment Manager's Report (continued)
for the year ended 30 June 2018**

**MAF Greater Bay Area Growth and Income Segregated Portfolio
(the "Greater Bay Area Growth and Income Fund") (continued)**

Outlook

After a healthy correction in June, the equity market outlook in the second half of 2018 has largely improved. While there are remaining concerns due to the trade friction between China and US, the PM's preliminary analysis suggested that tariffs are unlikely to have a significant economic impact to both economies – notably, China's economic growth driver has changed to domestic demand. Consumption has contributed 78% of China's GDP growth in the first half of 2018, compared with 58% at end of 2017. The PM remains constructive on China's full year growth of 6–6.5% and stay confident that the key regions of Greater Bay Area: Hong Kong (+4.7% first quarter of 2018), Macau (+9.2% first quarter of 2018), Guangdong (+7.1% first half of 2018), Shenzhen (+8.0% first half of 2018%) to sustain above average momentum over that of China's national growth.

The announcement of the Greater Bay Area Development Plan was delayed, partly due to the outbreak of the Trade War. Nonetheless, the opening of the Hong Kong Macau Zhuhai Bridge should be on schedule in the third quarter of 2018, followed by that of High Speed Railway towards year end or early next year. The infrastructure enhancements are progressing fast and there were already signs of healthy recovery in Chinese tourists arrival to Hong Kong. The Hong Kong Tourism Board's figures showed that Chinese tourists grew 12.7% year-on-year over January–May 2018 to 20 million; much faster than overall growth of 9.6%. Hong Kong Retail Sales as a result achieved 14% growth over the same period, sharply improved from 12/36 months' average of 8.4%/-0.9% respectively.

At the back of liquidity tightness and trade concerns, properties and tech/industrials have suffered some sell-offs in June. Both seemed to have found bottom towards the end of June as valuations have become more attractive. Despite all the external driven disruptions, the PM believes much of the potential negative impact in GDP and earnings should have largely priced in. With new challenges arising, the role of Greater Bay Area is expected to become more important. The market correction witnessed in second half of June has created a timely opportunity for the sub-fund to build up positions, especially in properties and A shares via Stock Connect.

In the fixed income market, several key themes from the first half of 2018 are expected to continue: US rates will continue to normalise and US dollar to strengthen. As Greater China regional economies remain robust, as many of them now have much stronger fundamental compared to previous cycles, US dollar strength is not expected to hammer Greater China currencies as much as that of other emerging market currencies. China has publicly stated that the renminbi is not a tool for trade war. The US dollar strengthening is driving the weakness in renminbi more so than the renminbi is weakening on its own. It is believed that USD/CNH at 7.0 is a key psychological level which is hard to break.

Regarding the recent pick up in China defaults, the PM attributes that to the government's deliberate tightening initiatives since the fourth quarter of 2016 which aimed at removing excessive liquidity and pre-empt asset bubbles. This is a right policy to strengthen the overall credit quality of the market and the overall liquidity in the system will remain under control. Market volatilities might stay but there should be no spike in real credit risk.

To cushion the impact of a potential escalation of Sino-US trade conflicts, the PM expects an eventual loosening in liquidity. All in all, the PM will continue to monitor closely credit and liquidity risk of the sub-fund's bonds and stay away from over-leveraged US dollar High Yield issuers with weak fundamentals. With JACI HY yield now pierced 8%, absolute yield has reached multi-year high. The PM will be more selective in new issues and focus more on that from good quality issuers.

Report of the Custodian

In our opinion, the Investment Manager, Manulife Asset Management (Hong Kong) Limited, has, in all material respects, managed the Manulife Advanced Fund SPC for the year ended 30 June 2018 in accordance with the provisions of the constitutive documents and the Memorandum and Articles of Association dated 14 July 2008, as amended.

For and on behalf of
Citibank Europe plc, Luxembourg Branch



Date: 16 October 2018

Ulrich WITT
Vice President



Date: 16 October 2018

Patrick WATELET
Director



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Independent Auditors' Report

The Board of Directors
Manulife Advanced Fund SPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Manulife Advanced Fund SPC and each of its sub-funds, comprising China A Segregated Portfolio, Renminbi Bond Segregated Portfolio, Asia Pacific Income and Growth Segregated Portfolio, and U.S. Bank Equity Segregated Portfolio which comprise the statement of financial position as at 30 June 2018, and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares, statement of changes in equity, statement of distribution and statement of cash flows for the year then ended and its sub-fund, Greater Bay Area Growth and Income Segregated Portfolio (collectively, the "Company") which comprise the statement of financial position as at 30 June 2018, and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares, statement of changes in equity, statement of distribution and statement of cash flows for the period from 12 June 2018 to 30 June 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Manulife Advanced Fund SPC and each of its sub-funds, comprising China A Segregated Portfolio, Renminbi Bond Segregated Portfolio, Asia Pacific Income and Growth Segregated Portfolio, and U.S. Bank Equity Segregated Portfolio as at 30 June 2018 and its financial performance and its cash flows for the year then ended and the financial position of its sub-fund, Greater Bay Area Growth and Income Segregated Portfolio as at 30 June 2018 and its financial performance and its cash flows for the period from 12 June 2018 to 30 June 2018, in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Disclosure Requirements

We report that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Memorandum and Articles of Association of the Company and the disclosure requirements of Appendix E of the Code.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information consists of the Company Information, Director's Report, Investment Manager's Report, and Report of the Custodian. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, the relevant disclosure provisions of the Memorandum and Articles of Association of the Company and the relevant disclosure requirements set out in Appendix E to the Hong Kong Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong (the "Code"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

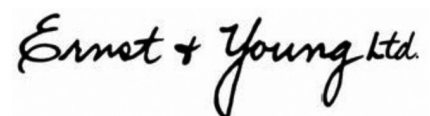
Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Manulife Advanced Fund SPC and each of its sub-funds, comprising China A Segregated Portfolio, Renminbi Bond Segregated Portfolio, Asia Pacific Income and Growth Segregated Portfolio, U.S. Bank Equity Segregated Portfolio and Greater Bay Area Growth and Income Segregated Portfolio ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



16 October 2018

Manulife Advanced Fund SPC

Statement of Financial Position

As at 30 June 2018

	Notes	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund ¹		Combined	
		30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets													
Financial assets at cost		50,537,473	57,098,522	30,595,477	35,576,156	15,563,868	11,914,866	60,586,778	5,190,614	10,884,673	-	168,168,269	109,780,158
Unrealised appreciation/(depreciation)		1,558,732	9,114,434	(697,758)	(1,751,203)	235,042	1,037,524	2,474,104	276,922	(398,604)	-	3,171,516	8,677,677
Financial assets at fair value through profit or loss	3, 4	52,096,205	66,212,956	29,897,719	33,824,953	15,798,910	12,952,390	63,060,882	5,467,536	10,486,069	-	171,339,785	118,457,835
Cash and cash equivalent	5	166,567	202,696	149,845	113,800	461,647	496,899	548,921	281,355	563,586	-	1,890,566	1,094,750
Receivable on subscriptions		91,404	37,040	7,698	-	16,359	145	3,647,423	-	328,131	-	4,091,015	37,185
Receivable on Management Share Capital	8	-	-	-	-	-	-	-	-	-	-	100	100
Other receivables and prepayments	6	2,426	1,595	360,300	411,407	184,303	268,986	849,601	2,657	139,833	-	1,536,463	684,645
Due from brokers		-	-	2,766,787	517,587	-	54,811	1,610	405	-	-	2,768,397	572,803
Total assets		52,356,602	66,454,287	33,182,349	34,867,747	16,461,219	13,773,231	68,108,437	5,751,953	11,517,619	-	181,626,326	120,847,318
Liabilities													
Financial liabilities at fair value through profit or loss	3, 4	-	-	-	-	220	-	-	-	1	-	221	-
Accounts payable and accrued expenses	7	208,122	284,870	572,267	579,005	63,791	225,719	928,501	10,969	103,257	-	1,875,938	1,100,563
Payable on redemptions		835,987	551,055	163,084	296,667	48,635	164,605	199,591	-	-	-	1,247,297	1,012,327
Due to brokers		-	-	1,184,059	-	-	34,798	14,759	113,391	131,243	-	1,330,061	148,189
Total liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		1,044,109	835,925	1,919,410	875,672	112,646	425,122	1,142,851	124,360	234,501	-	4,453,517	2,261,079
Equity													
Management Share Capital	8	-	-	-	-	-	-	-	-	-	-	100	100
Total equity		-	-	-	-	-	-	-	-	-	-	100	100
Total liabilities and equity		1,044,109	835,925	1,919,410	875,672	112,646	425,122	1,142,851	124,360	234,501	-	4,453,617	2,261,179
Net assets attributable to holders of Redeemable Participating Shares	15	51,312,493	65,618,362	31,262,939	33,992,075	16,348,573	13,348,109	66,965,586	5,627,593	11,283,118	-	177,172,709	118,586,139

¹ The Segregated Portfolio was launched on 12 June 2018, please refer to Note 19 for details.
The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Financial Position (continued)

Number of shares in issue

	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund ¹		Management Share	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Management Share	-	-	-	-	-	-	-	-	-	-	100	100
Class AA (USD)	4,895,436	6,541,790	2,170,160	2,525,642	-	-	-	-	500,000	-	-	-
Class AA (USD) Inc	-	-	-	-	832,283	558,744	4,277,928	260,347	412,390	-	-	-
Class I (USD)	197,341	199,713	396,952	409,431	-	-	-	-	-	-	-	-
Class AA (AUD) Inc Hedged	-	-	-	-	209,384	184,153	-	-	37,566	-	-	-
Class AA (HKD) Inc	-	-	-	-	471,055	428,407	1,098,480	214,000	188,847	-	-	-
Class AA (CAD) Inc Hedged	-	-	-	-	227,219	231,281	-	-	-	-	-	-

Net asset value per Share

	Currency	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund ¹		Management Share	
		30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Management Share	USD	-	-	-	-	-	-	-	-	-	-	1.0000	1.0000
Class AA (USD)	USD	10.0171	9.6911	12.1408	11.5533	-	-	-	-	9.5566	-	-	-
Class AA (USD) Inc	USD	-	-	-	-	9.2810	9.3434	11.7741	10.5190	9.5543	-	-	-
Class I (USD)	USD	11.5263	11.1235	12.3832	11.7542	-	-	-	-	-	-	-	-
Class AA (AUD) Inc Hedged	AUD	-	-	-	-	9.2289	9.3422	-	-	9.5385	-	-	-
Class AA (HKD) Inc	HKD	-	-	-	-	93.9003	94.0450	118.5458	105.3851	95.5612	-	-	-
Class AA (CAD) Inc Hedged	CAD	-	-	-	-	9.0507	9.2122	-	-	-	-	-	-

¹ The Segregated Portfolio was launched on 12 June 2018, please refer to Note 19 for details. The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Comprehensive Income

For the year/period ended 30 June 2018

	Notes	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
		For the year ended 30 June		For the year ended 30 June		For the year ended 30 June		For the year ended 30 June		For the period ¹ ended 30 June		For the year ended 30 June	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Income													
Dividend income	9	1,082,869	1,252,566	-	-	415,969	266,977	617,982	5,339	21,497	-	2,138,317	1,524,882
Interest income	10	3,688	3,460	1,312,330	1,336,224	251,415	191,255	-	-	5,417	-	1,572,850	1,530,939
Other income	10	68,746	28,203	13,879	21,113	-	-	-	21	-	-	82,625	49,337
Net gains / (losses) on financial assets and liabilities at fair value through profit or loss	3	4,703,290	8,164,995	963,719	(1,678,654)	130,027	1,240,270	2,907,063	277,679	(429,461)	-	8,274,638	8,004,290
Net foreign exchange gains / (losses)		(43,102)	(150,078)	(28,261)	(49,429)	(106,704)	11,315	(6,852)	(1,042)	(2,577)	-	(187,496)	(189,234)
Total operating income		5,815,491	9,299,146	2,261,667	(370,746)	690,707	1,709,817	3,518,193	281,997	(405,124)	-	11,880,934	10,920,214
Expenses													
Management fees	12.1, 16	(1,120,959)	(1,276,213)	(402,009)	(455,456)	(231,756)	(188,447)	(489,814)	(5,273)	(7,042)	-	(2,251,580)	(1,925,389)
Registrar and transfer agent fees	12.2	(98,070)	(110,953)	(50,100)	(62,250)	(36,813)	(32,532)	(32,562)	(1,230)	(681)	-	(218,226)	(206,965)
Custodian and paying agent fees	12.2	(39,014)	(37,522)	(14,987)	(17,135)	(11,820)	(6,495)	(43,173)	(135)	(153)	-	(109,147)	(61,287)
Administration fee	12.2	(48,023)	(36,452)	(25,488)	(22,205)	(28,370)	(29,407)	(25,662)	(973)	(967)	-	(128,510)	(89,037)
Brokerage fees		(470,384)	(523,626)	(280)	(4,475)	(15,947)	(5,145)	(47,112)	(3,157)	(9,040)	-	(542,763)	(536,403)
Auditor's remuneration		(51,748)	(43,750)	(26,828)	(22,603)	(8,160)	(4,993)	(14,992)	(2,583)	(3,656)	-	(105,384)	(73,929)
Legal and professional fees		(25,183)	(42,508)	(17,953)	(25,556)	(22,056)	(22,159)	(14,574)	(682)	(500)	-	(80,266)	(90,905)
Publication and printing fees		(8,773)	(18,558)	(4,524)	(9,065)	(3,104)	(11,706)	(9,387)	(92)	(471)	-	(26,259)	(39,421)
Other operating expenses		(111)	(504)	(2,946)	(377)	(1,407)	(7,473)	(48,273)	-	-	-	(52,737)	(8,354)

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Comprehensive Income (continued)

	Notes	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
		For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Total operating expenses		(1,862,265)	(2,090,086)	(545,115)	(619,122)	(359,433)	(308,357)	(725,549)	(14,125)	(22,510)	–	(3,514,872)	(3,031,690)
Operating profit / (loss) before tax and distribution		3,953,226	7,209,060	1,716,552	(989,868)	331,274	1,401,460	2,792,644	267,872	(427,634)	–	8,366,062	7,888,524
Tax	2.3, 11	(111,116)	(127,749)	(8,564)	35,345	(32,342)	(25,436)	(185,395)	(1,602)	(1,405)	–	(338,822)	(119,442)
Distribution to holders of Redeemable Participating Shares	20	–	–	–	–	(720,586)	(518,993)	–	–	–	–	(720,586)	(518,993)
(Decrease) / increase in net assets attributable to holders of Redeemable Participating Shares from operations – being total comprehensive income / (loss)		3,842,110	7,081,311	1,707,988	(954,523)	(421,654)	857,031	2,607,249	266,270	(429,039)	–	7,306,654	7,250,089

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Changes in Net Assets Attributable to holders of Redeemable Participating Shares

For the year/period ended 30 June 2018

	Notes	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
		For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Opening balance		65,618,362	90,139,413	33,992,075	42,505,740	13,348,109	11,901,154	5,627,593	-	-	-	118,586,139	144,546,307
(Decrease) / increase in net assets attributable to holders of Redeemable Participating Shares – being total comprehensive (loss) / income		3,842,110	7,081,311	1,707,988	(954,523)	(421,654)	857,031	2,607,249	266,270	(429,039)	-	7,306,654	7,250,089
Issue of Redeemable Participating Shares	8	4,793,532	1,054,141	184,923	54,992	6,493,257	1,852,725	104,361,706	5,361,323	11,712,157	-	127,545,575	8,323,181
Redemption of Redeemable Participating Shares	8	(22,941,511)	(32,656,503)	(4,622,047)	(7,614,134)	(3,071,139)	(1,262,801)	(45,630,962)	-	-	-	(76,265,659)	(41,533,438)
Net assets attributable to holders of Redeemable Participating Shares at end of year/period		51,312,493	65,618,362	31,262,939	33,992,075	16,348,573	13,348,109	66,965,586	5,627,593	11,283,118	-	177,172,709	118,586,139

Statement of Changes in Equity

For the year ended 30 June 2018

	Notes	Combined	
		For the year ended 30 June 2018	For the year ended 30 June 2017
		USD	USD
Opening balance	8	-	100
Issue of Management Shares		-	-
Closing balance at end of year		100	100

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Cash Flows

For the year/period ended 30 June 2018

	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
Notes	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cash flows from operating activities												
(Decrease) / increase in net assets attributable to holders of Redeemable Participating Shares – distribution excluded	3,842,110	7,081,311	1,707,988	(954,523)	298,932	1,376,024	2,607,249	266,270	(429,039)	–	8,027,240	7,769,082
Net changes in operating assets and liabilities												
Decrease / (increase) in financial assets and liabilities at fair value through profit or loss	14,116,751	23,996,400	3,927,234	8,098,638	(2,846,300)	(1,640,055)	(57,593,346)	(5,467,536)	(10,486,068)	–	(52,881,729)	24,987,447
Decrease / (increase) in other receivables and prepayments	(831)	1,787,000	(2,198,093)	1,145,064	139,494	(196,987)	(848,149)	(3,062)	(139,833)	–	(3,047,412)	2,732,015
Increase / (decrease) in accounts payable and accrued expenses	(76,748)	(1,706,693)	1,177,321	(6,084,370)	(196,726)	209,353	818,900	124,360	234,500	–	1,957,247	(7,457,350)
Net cash provided by / (used in) operating activities	17,881,282	31,158,018	4,614,450	2,204,809	(2,604,600)	(251,665)	(55,015,346)	(5,079,968)	(10,820,440)	–	(45,944,654)	28,031,194
Cash flows from financing activities												
Issue of Redeemable Participating Shares	4,739,168	1,075,016	177,225	54,992	6,477,043	1,871,613	100,714,283	5,361,323	11,384,026	–	123,491,745	8,362,944
Redemption of Redeemable Participating Shares	(22,656,579)	(32,523,924)	(4,755,630)	(7,505,269)	(3,187,109)	(1,100,622)	(45,431,371)	–	–	–	(76,030,689)	(41,129,815)
Distributions paid to holders of Redeemable Participating Shares	–	–	–	–	(720,586)	(518,993)	–	–	–	–	(720,586)	(518,993)
Net cash flow provided by / (used in) financing activities	(17,917,411)	(31,448,908)	(4,578,405)	(7,450,277)	2,569,348	251,998	55,282,912	5,361,323	11,384,026	–	46,740,470	(33,285,864)

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Cash Flows (continued)

Notes	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017	For the year ended 30 June 2018	For the year ended 30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Net increase / (decrease) in cash and cash equivalents	(36,129)	(290,890)	36,045	(5,245,468)	(35,252)	333	267,566	281,355	563,586	–	795,816	(5,254,670)
Cash and cash equivalent at beginning of the year/period	202,696	483,586	113,800	5,359,268	496,899	496,566	281,355	–	–	–	1,094,750	6,349,420
Cash and cash equivalent at end of the year/period	5	166,567	202,696	113,800	461,647	496,899	548,921	281,355	563,586	–	1,890,566	1,094,750

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Statement of Cash Flows (continued)

Net cash used in operating activities includes:

	Notes	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund			Combined		
		For the year ended 30 June			For the year ended 30 June			For the year ended 30 June			For the year ended 30 June			For the period ¹ ended 30 June			For the year ended 30 June		
		2018	2017	USD	2018	2017	USD	2018	2017	USD	2018	2017	USD	2018	2017	USD	2018	2017	USD
Dividend income		1,082,869		1,308,587				384,603	268,248		579,255	2,682		3,655			2,050,382	1,579,517	
Interest income		3,688	3,460		1,363,079	1,358,889		215,148	195,058					(26,808)			1,555,107	1,557,407	
Interest expense		(112)	(505)		(1,958)	(378)		(212)	(482)		(50)						(2,332)	(1,365)	
Withholding tax on income		(111,116)	(127,749)		(3,425)	(21,935)		(32,342)	(25,436)		(185,395)	(1,602)		(1,405)			(333,683)	(176,722)	

Reconciliation of movements of liabilities arising from financing activities:

	Notes	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund			Combined		
		For the year ended 30 June			For the year ended 30 June			For the year ended 30 June			For the year ended 30 June			For the period ¹ ended 30 June			For the year ended 30 June		
		2018	2017	USD	2018	2017	USD	2018	2017	USD	2018	2017	USD	2018	2017	USD	2018	2017	USD
Payable on redemptions at beginning of the year/period		551,055	418,476		296,667	187,802		164,605	2,426								1,012,327	608,704	
Increase due to redemption of Redeemable Participating Shares		22,941,511	32,656,503		4,622,047	7,614,134		3,071,139	1,262,801		45,630,962						76,265,659	41,533,438	
Decrease due to payments on redemptions of Redeemable Participating Shares		(22,656,579)	(32,523,924)		(4,755,630)	(7,505,269)		(3,187,109)	(1,100,622)		(45,431,371)						(76,030,689)	(41,129,815)	
Payable on redemptions at end of the year/period		835,987	551,055		163,084	296,667		48,635	164,605		199,591						1,247,297	1,012,327	

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Statement of Distribution

For the year ended 30 June 2018

	Currency	Distribution Per Share	Total Distribution	Distribution Date
Asia Pacific Income and Growth Fund				
Monthly Dividend				
Class AA (USD) Inc	USD	0.0310	17,353.67	10-Jul-17
Class AA (USD) Inc	USD	0.0310	17,605.64	8-Aug-17
Class AA (USD) Inc	USD	0.0310	17,984.86	8-Sep-17
Class AA (USD) Inc	USD	0.0310	18,061.55	11-Oct-17
Class AA (USD) Inc	USD	0.0410	24,173.37	8-Nov-17
Class AA (USD) Inc	USD	0.0410	24,773.76	8-Dec-17
Class AA (USD) Inc	USD	0.0410	25,175.54	9-Jan-18
Class AA (USD) Inc	USD	0.0410	31,447.15	8-Feb-18
Class AA (USD) Inc	USD	0.0410	35,436.89	8-Mar-18
Class AA (USD) Inc	USD	0.0410	33,681.74	11-Apr-18
Class AA (USD) Inc	USD	0.0410	34,444.54	9-May-18
Class AA (USD) Inc	USD	0.0410	34,208.72	8-Jun-18
			<u>314,347.43</u>	
Class AA (AUD) Inc Hedged	AUD	0.0312	5,747.20	10-Jul-17
Class AA (AUD) Inc Hedged	AUD	0.0312	5,742.82	8-Aug-17
Class AA (AUD) Inc Hedged	AUD	0.0312	5,761.46	8-Sep-17
Class AA (AUD) Inc Hedged	AUD	0.0312	5,862.31	11-Oct-17
Class AA (AUD) Inc Hedged	AUD	0.0410	7,594.62	8-Nov-17
Class AA (AUD) Inc Hedged	AUD	0.0410	7,626.36	8-Dec-17
Class AA (AUD) Inc Hedged	AUD	0.0410	7,659.04	9-Jan-18
Class AA (AUD) Inc Hedged	AUD	0.0410	7,540.11	8-Feb-18
Class AA (AUD) Inc Hedged	AUD	0.0410	7,571.71	8-Mar-18
Class AA (AUD) Inc Hedged	AUD	0.0410	7,994.39	11-Apr-18
Class AA (AUD) Inc Hedged	AUD	0.0410	8,952.25	9-May-18
Class AA (AUD) Inc Hedged	AUD	0.0410	8,986.78	8-Jun-18
			<u>87,039.05</u>	
Class AA (HKD) Inc	HKD	0.3120	133,663.00	10-Jul-17
Class AA (HKD) Inc	HKD	0.3120	134,066.99	8-Aug-17
Class AA (HKD) Inc	HKD	0.3120	134,457.90	8-Sep-17
Class AA (HKD) Inc	HKD	0.3120	133,560.94	11-Oct-17

Statement of Distribution (continued)

For the year ended 30 June 2018

	Currency	Distribution Per Share	Total Distribution	Distribution Date
Asia Pacific Income and Growth Fund (continued)				
Monthly Dividend (continued)				
Class AA (HKD) Inc	HKD	0.4130	177,310.64	8-Nov-17
Class AA (HKD) Inc	HKD	0.4130	180,051.96	8-Dec-17
Class AA (HKD) Inc	HKD	0.4130	180,737.37	9-Jan-18
Class AA (HKD) Inc	HKD	0.4130	181,397.14	8-Feb-18
Class AA (HKD) Inc	HKD	0.4130	182,075.67	8-Mar-18
Class AA (HKD) Inc	HKD	0.4130	184,271.26	11-Apr-18
Class AA (HKD) Inc	HKD	0.4130	189,986.91	9-May-18
Class AA (HKD) Inc	HKD	0.4130	193,846.02	8-Jun-18
			<u>2,005,425.80</u>	
Class AA (CAD) Inc Hedged	CAD	0.0310	7,169.73	10-Jul-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,584.84	8-Aug-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,609.30	8-Sep-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,649.75	11-Oct-17
Class AA (CAD) Inc Hedged	CAD	0.0403	9,678.99	8-Nov-17
Class AA (CAD) Inc Hedged	CAD	0.0403	9,718.83	8-Dec-17
Class AA (CAD) Inc Hedged	CAD	0.0403	9,759.60	9-Jan-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,469.92	8-Feb-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,005.03	8-Mar-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,042.21	11-Apr-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,079.87	9-May-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,118.41	8-Jun-18
			<u>104,886.48</u>	

The accompanying notes form an integral part of these financial statements.

Statement of Distribution (continued)

For the year ended 30 June 2017

	Currency	Distribution Per Share	Total Distribution	Distribution Date
Asia Pacific Income and Growth Fund				
Monthly Dividend				
Class AA (USD) Inc	USD	0.0310	16,968.39	11-Jul-16
Class AA (USD) Inc	USD	0.0310	17,002.83	8-Aug-16
Class AA (USD) Inc	USD	0.0310	17,245.37	8-Sep-16
Class AA (USD) Inc	USD	0.0310	17,293.46	11-Oct-16
Class AA (USD) Inc	USD	0.0310	17,371.45	8-Nov-16
Class AA (USD) Inc	USD	0.0310	17,369.04	8-Dec-16
Class AA (USD) Inc	USD	0.0310	17,450.40	10-Jan-17
Class AA (USD) Inc	USD	0.0310	17,140.35	8-Feb-17
Class AA (USD) Inc	USD	0.0310	17,160.91	8-Mar-17
Class AA (USD) Inc	USD	0.0310	17,026.48	11-Apr-17
Class AA (USD) Inc	USD	0.0310	17,053.81	10-May-17
Class AA (USD) Inc	USD	0.0310	17,193.10	8-Jun-17
			<u>206,275.59</u>	
Class AA (AUD) Inc Hedged	AUD	0.0336	5,201.72	11-Jul-16
Class AA (AUD) Inc Hedged	AUD	0.0335	5,203.40	8-Aug-16
Class AA (AUD) Inc Hedged	AUD	0.0339	5,284.69	8-Sep-16
Class AA (AUD) Inc Hedged	AUD	0.0322	5,040.99	11-Oct-16
Class AA (AUD) Inc Hedged	AUD	0.0323	5,181.31	8-Nov-16
Class AA (AUD) Inc Hedged	AUD	0.0323	5,199.92	8-Dec-16
Class AA (AUD) Inc Hedged	AUD	0.0315	5,400.82	10-Jan-17
Class AA (AUD) Inc Hedged	AUD	0.0329	5,674.21	8-Feb-17
Class AA (AUD) Inc Hedged	AUD	0.0319	5,581.08	8-Mar-17
Class AA (AUD) Inc Hedged	AUD	0.0322	5,648.94	11-Apr-17
Class AA (AUD) Inc Hedged	AUD	0.0314	5,740.31	10-May-17
Class AA (AUD) Inc Hedged	AUD	0.0315	5,782.61	8-Jun-17
			<u>64,940.00</u>	
Class AA (HKD) Inc	HKD	0.3120	131,210.13	11-Jul-16
Class AA (HKD) Inc	HKD	0.3120	131,642.69	8-Aug-16
Class AA (HKD) Inc	HKD	0.3120	130,478.62	8-Sep-16
Class AA (HKD) Inc	HKD	0.3120	130,291.18	11-Oct-16

The accompanying notes form an integral part of these financial statements.

Statement of Distribution (continued)

For the year ended 30 June 2017

	Currency	Distribution Per Share	Total Distribution	Distribution Date
Asia Pacific Income and Growth Fund (continued)				
Monthly Dividend (continued)				
Class AA (HKD) Inc	HKD	0.3120	131,041.31	8-Nov-16
Class AA (HKD) Inc	HKD	0.3120	130,034.59	8-Dec-16
Class AA (HKD) Inc	HKD	0.3120	130,472.07	10-Jan-17
Class AA (HKD) Inc	HKD	0.3120	130,914.31	8-Feb-17
Class AA (HKD) Inc	HKD	0.3120	134,658.31	8-Mar-17
Class AA (HKD) Inc	HKD	0.3120	135,092.28	11-Apr-17
Class AA (HKD) Inc	HKD	0.3120	132,992.90	10-May-17
Class AA (HKD) Inc	HKD	0.3120	130,765.98	8-Jun-17
			<u>1,579,594.37</u>	
Class AA (CAD) Inc Hedged	CAD	0.0310	6,239.85	11-Jul-16
Class AA (CAD) Inc Hedged	CAD	0.0310	6,261.50	8-Aug-16
Class AA (CAD) Inc Hedged	CAD	0.0310	6,282.50	8-Sep-16
Class AA (CAD) Inc Hedged	CAD	0.0310	6,303.26	11-Oct-16
Class AA (CAD) Inc Hedged	CAD	0.0310	6,324.45	8-Nov-16
Class AA (CAD) Inc Hedged	CAD	0.0310	6,346.08	8-Dec-16
Class AA (CAD) Inc Hedged	CAD	0.0310	7,025.09	10-Jan-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,049.75	8-Feb-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,074.08	8-Mar-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,098.34	11-Apr-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,122.35	10-May-17
Class AA (CAD) Inc Hedged	CAD	0.0310	7,146.11	8-Jun-17
			<u>80,273.36</u>	

The accompanying notes form an integral part of these financial statements.

1. Corporate information

Manulife Advanced Fund SPC (the “Company”) is an exempted segregated portfolio company with limited liability incorporated on 14 July 2008 in the Cayman Islands under the Companies Law of the Cayman Islands. The Company is incorporated and established for an unlimited duration. The Company commenced operations on 21 September 2010. The Company’s registered office is at Ugland House (P.O. Box 309), Grand Cayman, Cayman Islands.

The Company is registered under the Mutual Funds Law of the Cayman Islands, governed by the laws of the Cayman Islands and regulated by the Cayman Islands Monetary Authority (“CIMA”). In connection with all Class AA Shares of the Company available for offer to the public in Hong Kong, the Company is authorized by the Securities and Futures Commission of Hong Kong (“SFC”) and is required to comply with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Code on Unit Trusts and Mutual Funds established by the SFC (the “Code”). Authorizations were also given by the Monetary Authority of Macao to the Company as of 30 September 2010, and to Manulife Asset Management (Hong Kong) Limited as of 23 August 2018, to market the Segregated Portfolios in Macau. Notifications have been made to the Monetary Authority of Singapore for the Company to offer selected Segregated Portfolios as restricted foreign schemes in Singapore.

The investment activities of the Company are managed by Manulife Asset Management (Hong Kong) Limited.

The Company may establish and maintain one or more funds (“Segregated Portfolios”) in order to segregate the assets and liabilities of the Company held within or on behalf of a Segregated Portfolio from the assets and liabilities of the Company held within or on behalf of any other Segregated Portfolio or from the assets and liabilities of the Company which are not held within or on behalf of any Segregated Portfolio (those being the “General Assets” of the Company and “General Liabilities” of the Company, respectively). As a matter of Cayman Islands law, assets within a Segregated Portfolio are only available and can only be used to meet liabilities to the creditors in respect of that particular Segregated Portfolio and are not available to meet liabilities to creditors in respect of other Segregated Portfolios or to the “General Creditors” of the Company. Notwithstanding the foregoing, the Company is a single legal entity and none of the Segregated Portfolios constitutes a legal entity separate from the Company.

As at 30 June 2018, the Company has five active Segregated Portfolios**:

- China A Segregated Portfolio (this fund is presented in United States Dollars) (the “China A Fund”)
- Renminbi Bond Segregated Portfolio (this fund is presented in United States Dollars only and not in Renminbi) (the “Bond Fund”)
- Asia Pacific Income and Growth Segregated Portfolio (this fund is presented in United States Dollars) (the “Asia Pacific Income and Growth Fund”)
- U.S. Bank Equity Segregated Portfolio (this fund is presented in United States Dollars) (the “U.S. Bank Equity Fund”)
- Greater Bay Area Growth and Income Segregated Portfolio (this fund is presented in United States Dollars) (the “Greater Bay Area Growth and Income Fund”)

** Refer to Note 19

1. Corporate information (continued)

The objective of the China A Fund is to achieve long term capital appreciation by investing primarily in Mainland China (People's Republic of China, excluding Hong Kong, Macau and Taiwan) capital markets. The objective of the Bond Fund is to provide capital appreciation and income generation by investing primarily in Renminbi (RMB)-denominated debt instruments issued and listed in Mainland China or traded in the Mainland China interbank bond market in accordance with applicable QFII regulations. The objective of the Asia Pacific Income and Growth Fund is to provide investors with income and capital appreciation over the medium to longer term by investing primarily in equity and fixed income-related securities in the Asia Pacific ex-Japan region. The objective of the U.S. Bank Equity Fund is to achieve medium to long term growth of capital primarily through investing in equities and equity-related investments of U.S. banks (including regional banks, commercial banks, industrial banks, savings and loan associations and bank holding companies incorporated in the United States of America and/or its territories, collectively "U.S. Banks"). The objective of the Greater Bay Area Growth and Income Fund is to achieve capital growth and income generation by investing primarily in a diversified portfolio of equity and equity-related securities and fixed income securities of companies which are connected to the region comprising Hong Kong, Macau and the Guangdong Province of China ("Greater Bay Area").

The Company may establish other Segregated Portfolios.

Note: Capitalized words and phrases used in these financial statements of the Company shall, unless otherwise defined, have the same meanings as are ascribed to them in the prospectus of the Company (as may be amended and supplemented from time to time).

2. Significant accounting policies

2.1 Basis of preparation and Statement of Compliance

The financial statements of the Company and of each of its funds, comprising China A Segregated Portfolio, Renminbi Bond Segregated Portfolio, Asia Pacific Income and Growth Segregated Portfolio, U.S. Bank Equity Segregated Portfolio and Greater Bay Area Growth and Income Segregated Portfolio have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), the relevant disclosure provisions of the Memorandum and Articles of Association of the Company and the relevant disclosure requirements set out in Appendix E to the Code.

The financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities held at fair value through profit or loss, which have been measured at fair value.

The financial statements of the China A Fund, the Bond Fund, the Asia Pacific Income and Growth Fund, U.S. Bank Equity Fund and the Greater Bay Area Growth and Income Fund are presented in US dollars ("USD"), which is the functional currency of the funds. The combined financial statements of the Company are presented in USD.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies

(A) Financial instruments

(i) Classification

The Company classifies its financial assets and financial liabilities into the categories below in accordance with IAS 39.

Financial assets and liabilities at fair value through profit or loss

The category of financial assets and liabilities at fair value through the profit or loss is sub-divided into:

Financial assets and liabilities held for trading: Financial assets held for trading include equity securities, investments in managed funds, debt instruments and derivatives. These assets are acquired principally for the purpose of generating a profit from short-term fluctuation in price. All derivatives and liabilities from short sales of financial instruments are classified as held for trading.

Financial instruments designated as at fair value through profit or loss upon initial recognition: these include securities and instruments that are not held for trading. These financial assets are designated on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Company.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company includes in this category amounts relating to other receivables.

Other financial liabilities

This category includes all financial liabilities, other than those classified as at fair value through profit or loss. The Company includes in this category amounts relating to accounts payable and accrued expenses, and consists in particular of Chinese tax, management fees and redemptions payables.

The Company accounting policy regarding the Redeemable Participating Shares is described in section (G) below.

(ii) Recognition

The Company recognizes a financial asset or a financial liability only when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognized on the trade date, i.e., the date that the Company purchases or sells the asset.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

(A) Financial instruments (continued)

(iii) Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the Statement of Financial Position at fair value. All transaction costs for such instruments are recognized directly in the statement of comprehensive income as brokerage fees.

Loans and receivables and financial liabilities (other than those classified as at fair value through profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

(iv) Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at fair value (see (B) below). Subsequent changes in the fair value of those financial instruments are recorded in "Net gains / (losses) on financial assets and liabilities at fair value through profit or loss". Interest earned and dividend revenue elements of such instruments are recorded separately in "Interest income" and "Dividend income", respectively.

Loans and receivables are carried at amortized cost using the effective interest method less any allowance for impairment. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

(A) Financial instruments (continued)

(v) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “passthrough” arrangement; and
- Either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset.

The Company derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expires.

(B) Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value for financial instruments traded in active markets at the reporting date is based on their closing quoted price or binding dealer price quotations, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include: using recent arm’s length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 4.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

(C) *Impairment of financial assets*

The Company assesses at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss as a "Credit loss expense".

Interest revenue on impaired financial assets is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(D) *Offsetting financial instruments*

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is generally not the case with master-netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

(E) *Functional and presentation currencies*

Liquidity of Company is managed on a day-to-day basis in USD for the China A Fund, the Bond Fund, the Asia Pacific Income and Growth Fund, the U.S. Bank Equity Fund and the Greater Bay Area Growth and Income Fund in order to handle the issuance and redemptions of each segregated portfolios' redeemable preference shares. This currency is also used to evaluate the segregated portfolios' performance. Management therefore considers USD as the currency that most faithfully represent the economic effects of the underlying transactions, events and conditions.

(F) *Foreign currency translations*

Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the end of each reporting period.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

(F) Foreign currency translations (continued)

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in the statement of comprehensive income as part of the “Net gains / (losses) on financial assets and liabilities at fair value through profit or loss”. Foreign exchange differences on other financial instruments are included in the statement of comprehensive income as “Net foreign exchange gains/ (losses)”.

(G) Redeemable Participating Shares

Redeemable Participating Shares are redeemable at the shareholders’ option and are classified as financial liabilities. The Company continuously assesses the classification of Redeemable Participating Shares.

Redeemable Participating Shares are measured at their redemption amounts.

No distribution of dividend or capital has been made since the inception of the China A Fund and the Bond Fund up to 30 June 2018. It is not the intention of the Company to make any distribution out of the China A Fund and the Bond Fund, although this policy may change in the future with prior written notice to Shareholders of the Company. For the Asia Pacific Income and Growth Fund, it is currently intended that dividends are declared after the end of each month and which, subject to applicable law, may be paid out of capital or gross income of the relevant Class of the Segregated Portfolio while charging/paying all or part of the Classes fees and expenses to/out of the capital of the relevant Class of the Segregated Portfolio and (unless otherwise determined by the Company) are in the respective currency of denomination of the relevant Class of the Segregated Portfolio. The dividends declared (if any) are paid within three weeks of such declaration. For the U.S. Bank Equity Fund, it is currently intended that dividends are declared on a semi-annual basis and which, subject to applicable law, may be paid out of capital or gross income of the relevant Class of the Segregated Portfolio while charging/paying all or part of the Classes fees and expenses to/out of the capital of the relevant Class of the Segregated Portfolio and (unless otherwise determined by the Company) are in the respective currency of denomination of the relevant Class of the Segregated Portfolio. The dividends declared (if any) are paid within three weeks of such declaration. For the Greater Bay Area Growth and Income Fund, it is currently intended that dividends are declared on a monthly basis and which, subject to applicable law, may be paid out of capital or gross income of the relevant Class of the Segregated Portfolio while charging/paying all or part of the Classes fees and expenses to/out of the capital of the relevant Class of the Segregated Portfolio and (unless otherwise determined by the Company) are in the respective currency of denomination of the relevant Class of the Segregated Portfolio. The dividends declared (if any) are paid within three weeks of such declaration.

(H) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position consist of cash balances on deposit with international financial institutions with original maturities of three months or less.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

(I) Interest income and expense

Interest income and expense are recognized in the statement of comprehensive income for all interest bearing financial instruments on an effective interest method.

(J) Dividend income

Dividend income is accounted for on an ex-dividend basis gross of any irrecoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

(K) Net gains / (losses) on financial assets and liabilities at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as “at fair value through profit or loss” and excludes interest and dividend income and expense.

Unrealized gains and losses comprise changes in the fair value of financial instruments for the year.

Realized gains and losses on disposals of financial instruments classified as “at fair value through profit or loss” are determined on the basis of the weighted average cost method. They represent the difference between an instrument’s initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

(L) Income taxes

There is currently no taxation imposed on income or capital gains by the Government of the Cayman Islands. The only taxes payable by the Company are withholding taxes of other countries applicable to certain investment income and a 10% tax on capital gains when the Company trades securities in China.

Further details on taxation are provided in Note 11.

(M) Formation expenses

The costs of establishing the China A Fund and applying for the authorization of the Class AA Shares in Hong Kong by the SFC and the authorization of the Class I Shares and Class P Shares in the Cayman Islands by the CIMA amounted to approximately USD 345,000 in aggregate and was borne by the China A Fund and deducted from its assets for the account of each of the relevant Class and/or Series (as the case may be) in proportion to their respective Net Asset Values (“NAV”).

The costs of establishing the Bond Fund and applying for the authorization of the Class AA Shares in Hong Kong by the SFC and the authorization of the Class I Shares by the CIMA amounted to approximately USD 220,000 in aggregate and was borne by the Bond Fund and deducted from its assets for the account of each of the relevant Class and/or Series (as the case may be) in proportion to their respective Net Asset Values.

2. Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

(M) Formation expenses (continued)

The costs of establishing the Asia Pacific Income and Growth Fund and the authorization of the Class AA (including the USD, AUD, HKD and CAD denominated Share classes), Class C, Class D and Class I Shares in the Cayman Islands by CIMA and with the SFC in Hong Kong amounted to approximately USD 50,000 in aggregate and was borne by the Asia Pacific Income and Growth Fund and deducted from its assets for the account of each of the relevant Class and/or Series (as the case may be) in proportion to their respective Net Asset Values.

The costs of establishing the U.S. Bank Equity Fund and related Cayman Islands formalities with CIMA amounted to approximately USD 188,000 (subsequently reduced to USD 140,000) in aggregate and was borne by the U.S. Bank Equity Fund and deducted from its assets for the account of each of the relevant Class and/or Series (as the case may be) in proportion to their respective Net Asset Values.

The costs of establishing the Greater Bay Area Growth and Income Fund and related Cayman Islands formalities with CIMA amounted to approximately USD 70,000 in aggregate and was borne by the Greater Bay Area Growth and Income Fund and deducted from its assets for the account of each of the relevant Class and/or Series (as the case may be) in proportion to their respective Net Asset Values.

In accordance with the Prospectus, the above mentioned expenses are amortised over the first five financial years of the Company commencing from the first business day following the inception date of the respective Segregated Portfolio. However, the accounting policy of the Segregated Portfolios for reporting purpose is to record the costs incurred in the formation of the Segregated Portfolios in the statement of comprehensive income in the period in which they arise.

The effect of the adjustment on expensing previously capitalized formation expenses to the published NAV is detailed in Note 15.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the amounts recognized in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Going Concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the combined financial statements are prepared on the going concern basis.

2. Significant accounting policies (continued)

2.3 Significant accounting judgments, estimates and assumptions (continued)

Functional currency

Liquidity of Company is managed on a day-to-day basis in USD for the China A Fund, the Bond Fund, the Asia Pacific Income and Growth Fund, the U.S. Bank Equity Fund and the Greater Bay Area Growth and Income Fund in order to handle the issuance and redemptions of each segregated portfolios' Redeemable Participating shares. This currency is also used to evaluate the segregated portfolios' performance. Management therefore considers USD as the currency that most faithfully represent the economic effects of the underlying transactions, events and conditions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Company based its assumptions and estimates on parameters available when the combined financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

When the fair value of financial assets and liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of pricing models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations of liquidity and model inputs such as credit risk (both own and the counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position and the level where the instruments are disclosed in the fair value hierarchy. The models are calibrated regularly and tested for validity using prices from any observable current market transactions in the same instrument (without modification or repackaging) or based on any available observable market data.

Taxes

Enterprise Income tax ("EIT") on capital gains arising from the trading of securities in the PRC

Prior to 17 November 2014, PRC EIT on the gross capital gains derived from trading PRC securities was unclear as to: (a) whether the PRC would enforce EIT on gains derived from the trading of PRC securities by a QFII; and (b) if the PRC were to enforce EIT, it is uncertain from which date EIT would be calculated and payable. Given the above uncertainty, the Investment Manager made a 10% withholding tax provision on realized and unrealized gains derived from the trading of PRC securities.

Pursuant to the issuance of the Circular CaiShui [2014] No. 79, which were jointly issued by the Ministry of Finance ("MOF"), China Securities Regulatory Commission and the State Administration of Taxation of PRC ("SAT") on 17 November 2014, the Investment Manager ceased to provide 10% withholding tax provision on realized and unrealized gains derived from the trading of A-shares.

2. Significant accounting policies (continued)

2.3 Significant accounting judgments, estimates and assumptions (continued)

Taxes (continued)

The Investment Manager will generally continue to provide for the 10% withholding tax on capital gains arising from the trading of PRC non-equity investments assets, including fixed income investments. The Investment Manager may consider the applicability of relevant double tax agreements to reduce the withholding tax rate as appropriate.

Further details on taxation are provided in Note 11.

2.4 Standards adopted during the year with no material effect on the Financial Statements

The accounting policies adopted are consistent with those of the previous year, except that the Company has adopted the following new and revised accounting standards (for the avoidance of doubt, only the new standards and amendments to standards which may have an effect on the Company's accounts are mentioned below):

Improvements to IFRS

The International Accounting Standards Board (IASB) issued annual improvements to IFRS, incorporating amendments to the following International Financial Reporting Standards:

- Amendments to IAS 7 *Disclosure Initiative* (effective for annual periods beginning on or after 1 January 2017)

2.5 Standards, interpretations and amendments issued but not yet effective

Standards issued but not yet effective at the date of issuance of the Company's financial statements are listed below.

IFRS 9 Financial Instruments: Classification and Measurement

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

This standard has not been adopted by the Company as at 30 June 2018.

The adoption of IFRS 9 is not expected to have a material effect on the classification and measurement of the Company's financial assets and liabilities.

2. Significant accounting policies (continued)

2.5 Standards, interpretations and amendments issued but not yet effective (continued)

IFRS 15 Revenue from Contracts with Customers

IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. IFRS 15 was issued in May 2014 and applies to annual periods beginning on or after 1 January 2018. On 12 April 2016, clarifying amendments were issued that have the same effective date as the standard itself.

This standard has not been adopted by the Company as at 30 June 2018.

The adoption of IFRS 15 is not expected to have impact on the Company's financial position or performance.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

IFRIC 22 clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. This standard is effective for periods beginning on or after 1 January 2018 and is not expected to have impact on the Company's financial position or performance.

This standard has not been adopted by the Company as at 30 June 2018.

Improvements to IFRS

The International Accounting Standards Board (IASB) issued annual improvements to IFRS, incorporating amendments to the following International Financial Reporting Standards:

- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* (effective for annual periods beginning on or after 1 January 2018)
- Amendments to IAS 28 *Investments in Associates and Joint Ventures* (effective for annual periods beginning on or after 1 January 2018)

The Company expects no impact from the adoption of the amendments on its financial position or performance.

Manulife Advanced Fund SPC

Notes to Financial Statements
For the year ended 30 June 2018

3. Financial assets / liabilities at fair value through profit or loss

For details of the financial assets at fair value through profit or loss, please refer to the Statement of Movements in Investment Portfolios on pages 100-102. As at 30 June 2018, no financial assets at fair value through profit or loss were given or received as collateral.

Financial liabilities at fair value through profit or loss

	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	RMB	RMB	USD	USD	USD	USD	USD	USD
<i>Financial liabilities held for trading</i>												
Derivatives	-	-	-	-	(220)	-	-	-	(1)	-	(221)	-
Forward currency contracts	-	-	-	-	(220)	-	-	-	(1)	-	(221)	-
Total financial liabilities at fair value through profit or loss	-	-	-	-	(220)	-	-	-	(1)	-	(221)	-

Net gains / (losses) on financial assets and liabilities at fair value through profit or loss

	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018 ¹	30 June 2017 ²	30 June 2018	30 June 2017
	USD	USD	USD	USD	RMB	RMB	USD	USD	USD	USD	USD	USD
Realized	12,258,992	414,753	(89,726)	(1,023,103)	932,729	(12,614)	709,881	757	(30,856)	-	13,781,020	(620,207)
Unrealized	(7,555,702)	7,750,242	1,053,445	(655,551)	(802,702)	1,252,884	2,197,182	276,922	(398,605)	-	(5,506,382)	8,624,497
Net gains / (losses) on financial assets at fair value through profit or loss	4,703,290	8,164,995	963,719	(1,678,654)	130,027	1,240,270	2,907,063	277,679	(429,461)	-	8,274,638	8,004,290

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

4. Fair value of financial instruments

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Fair value hierarchy

As at 30 June 2018	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
China A Fund (in USD)	52,096,205	–	–	52,096,205
Equities	52,096,205	–	–	52,096,205
Bond Fund (in USD)	26,848,643	3,049,076	–	29,897,719
Bonds	6,021,602	3,049,076	–	9,070,678
Supranationals, Governments and Local Public Authorities, Debt Instruments	20,827,041	–	–	20,827,041
Asia Pacific Income and Growth Fund (in USD)	15,780,049	18,861	–	15,798,910
Equities	10,155,674	–	–	10,155,674
Bonds	4,512,119	–	–	4,512,119
Supranationals, Governments and Local Public Authorities, Debt Instruments	991,646	–	–	991,646
Funds	120,610	–	–	120,610
Forward currency contracts	–	18,861	–	18,861
U.S. Bank Equity Fund (in USD)	63,060,882	–	–	63,060,882
Equities	63,060,882	–	–	63,060,882
Greater Bay Area Growth and Income Fund (in USD)	10,485,417	652	–	10,486,069
Equities	6,136,625	–	–	6,136,625
Bonds	3,137,279	–	–	3,137,279
Supranationals, Governments and Local Public Authorities, Debt Instruments	1,211,513	–	–	1,211,513
Forward currency contracts	–	652	–	652
Total financial assets at fair value through profit or loss (in USD)	168,271,196	3,068,589	–	171,339,785
Financial liabilities at fair value through profit or loss				
Asia-Pacific Equity Income Fund (in USD)	–	(220)	–	(220)
Forward currency contracts	–	(220)	–	(220)
Greater Bay Area Growth and Income Fund (in USD)	–	(1)	–	(1)
Forward currency contracts	–	(1)	–	(1)
Total financial liabilities at fair value through profit or loss (in USD)	–	(221)	–	(221)

4. Fair value of financial instruments (continued)

Fair value hierarchy (continued)

As at 30 June 2017	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
China A Fund (in USD)	66,212,956	–	–	66,212,956
Equities	66,212,956	–	–	66,212,956
Bond Fund (in USD)	27,000,839	6,824,114	–	33,824,953
Bonds	6,549,271	5,403,119	–	11,952,390
Supranationals, Governments and Local Public Authorities, Debt Instruments	20,451,568	1,420,995	–	21,872,563
Asia Pacific Income and Growth Fund (in USD)	12,914,936	37,454	–	12,952,390
Equities	8,260,735	–	–	8,260,735
Bonds	4,319,513	–	–	4,319,513
Funds	334,688	–	–	334,688
Forward currency contracts	–	37,454	–	37,454
U.S. Bank Equity Fund (in USD)	5,467,536	–	–	5,467,536
Equities	5,467,536	–	–	5,467,536
Total financial assets at fair value through profit or loss (in USD)	111,596,267	6,861,568	–	118,457,835

4. Fair value of financial instruments (continued)

Fair value hierarchy (continued)

Level 1 financial assets at fair value through profit or loss are marketable securities. Equities and bonds are valued at stock exchange last traded prices and quoted mid prices at the close of business on 30 June 2018 respectively. Level 2 financial assets at fair value through profit or loss are securities that are brokers' quoted prices or those not actively traded at the close of business on 30 June 2018 which are valued at the last traded price for the identical instruments.

The financial liabilities at fair value through profit or loss are forward currency contracts and are valued by using valuation techniques and models.

The following table presents the transfer between levels for the year ended 30 June 2018.

As at 30 June 2018	Level 1	Level 2	Level 3
Bond Fund			
Transfer between levels 1 and 2	USD	USD	USD
Bonds	1,476,896	(1,476,896)	–

The securities transferred in Level 1 relate to positions whose trading was inactive as at 30 June 2017 but was actively traded on 30 June 2018.

4. Fair value of financial instruments (continued)

Fair value hierarchy (continued)

The following table presents the transfer between levels for the year ended 30 June 2017.

As at 30 June 2017	Level 1	Level 2	Level 3
Bond Fund			
Transfer between levels 1 and 2	USD	USD	USD
Bonds	(1,420,995)	1,420,995	–

The securities transferred out of Level 1 relate to positions whose trading was inactive as at 30 June 2017 but was actively traded on 30 June 2016.

Other than the above, there were no other transfers between levels for the years ended 30 June 2018 and 2017.

All fair value measurements disclosed are recurring fair value measurements.

For assets and liabilities carried at amortized cost, their carrying values are a reasonable approximation of fair value due to their short-term nature.

5. Cash and cash equivalents

Cash and cash equivalents As at 30 June 2018 represent cash held at banks. As at 30 June 2018 and 30 June 2017, there were no bank overdrafts and no cash equivalents were given or received as collateral.

Manulife Advanced Fund SPC

Notes to Financial Statements
For the year ended 30 June 2018

6. Other receivables and prepayments

	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	RMB	RMB	USD	USD	USD	USD	USD	USD
Dividend receivable	-	-	-	-	100,068	68,702	41,384	2,657	17,842	-	159,294	71,359
Interest receivable	-	-	359,811	410,560	80,378	44,111	-	-	32,225	-	472,414	454,671
Other receivables	2,426	1,595	489	847	3,857	156,173	808,217	-	89,766	-	904,755	158,615
	2,426	1,595	360,300	411,407	184,303	268,986	849,601	2,657	139,833	-	1,536,463	684,645

7. Accounts payable and accrued expenses

	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	RMB	RMB	USD	USD	USD	USD	USD	USD
Chinese tax payable (Notes 2.3, 11)	-	-	471,173	455,705	-	-	-	-	-	-	471,173	455,705
Management fees payable	76,618	181,090	30,894	69,360	20,125	33,006	72,279	5,273	7,042	-	206,958	288,729
Other payables	131,504	103,780	70,200	53,940	43,666	192,713	856,222	5,696	96,215	-	1,197,807	356,129
	208,122	284,870	572,267	579,005	63,791	225,719	928,501	10,969	103,257	-	1,875,938	1,100,563

The other payables include accrued compliance fee, share class fee, publication and printing fee, administration fee, accounting fee, transfer agent fee, custody fee, supervisory and fiduciary fee and audit fee.

8. Share Capital

Authorized and issued capital

The authorized share capital of the Company is USD 1,000,000 divided into 100 Management Shares of USD 1 par value each and 999,900,000 Participating Shares of USD 0.001 par value each.

Management Shares are non-participating and may only be issued to a member of the Manulife Group, and are issued for the purpose of enabling all the Participating Shares to be redeemed without liquidating the Company. All Management Shares have been issued to Manulife Asset Management (Hong Kong) Limited ("MAMHK"), the Investment Manager.

Participating Shares and Management Shares carry equal voting rights. The holder of a Management Share has the right to receive notice of, attend at and vote as a Shareholder at any general meeting of the Company. The holder of a Participating Share has the right to receive notice of, attend at or vote as a Shareholder at any general meeting of the Company and may vote at a separate Class meeting.

As at 30 June 2018, the below Classes of Participating Shares are available for subscription in each Segregated Portfolio:

China A Fund

- Class AA, for investment by retail investors
- Class I, for investment by institutional investors only
- Class P, for investment by institutional investors only

Bond Fund

- Class AA, for investment by retail investors
- Class I, for investment by institutional investors only
- Class P, for investment by institutional investors only

Asia Pacific Income and Growth Fund

- Class AA (USD) Inc, for investment by retail investors
- Class AA (AUD) Inc Hedged, for investment by retail investors
- Class AA (CAD) Inc Hedged, for investment by retail investors
- Class AA (HKD) Inc, for investment by retail investors
- Class C (USD) Inc, for investment by non-retail investors who meet the minimum investment amounts required for this Class only
- Class D (USD) Inc, for investment by non-retail investors who meet the minimum investment amounts required for this Class only
- Class I (USD) Inc, for investment by institutional investors only

8. Share Capital (continued)

Authorized and issued capital (continued)

U.S. Bank Equity Fund

- Class AA (USD) Inc, for investment by retail investors
- Class AA (HKD) Inc, for investment by retail investors

Greater Bay Area Growth and Income Fund

- Class AA (USD) Inc, for investment by retail investors
- Class AA (HKD) Inc, for investment by retail investors
- Class AA, for investment by retail investors
- Class AA (HKD), for investment by retail investors
- Class AA (AUD) Hedged, for investment by retail investors
- Class AA (AUD) Inc Hedged, for investment by retail investors

The proceeds from the issue of each Class of Participating Shares are applied to the Segregated Portfolio to which that Class relates. The proceeds from the issue of the Management Shares shall be applied to the General Assets of the Company.

Manulife Advanced Fund SPC

Notes to Financial Statements
For the year ended 30 June 2018

8. Share Capital (continued)

Authorized and issued capital (continued)

During the year/period ended 30 June 2018 and 30 June 2017, the number of Shares issued, redeemed and outstanding was as follows:

China A Fund		Bond Fund		Asia Pacific Income and Growth Fund				U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund				Management Share	
Class AA (USD)	Class I (USD)	Class AA (USD)	Class I (USD)	Class AA (USD) Inc	Class AA (AUD) Inc Hedged	Class AA (HKD) Inc	Class AA (CAD) Inc Hedged	Class AA (USD) Inc	Class AA (USD) Inc	Class AA (AUD) Inc	Class AA (AUD) Inc Hedged	Class AA (HKD) Inc			
Balance as at 30 June 2016	10,146,740	199,713	3,073,724	511,157	547,368	154,758	420,545	201,286	-	-	-	-	-	100	
Issue of Shares of the year/period	117,982	-	4,774	-	92,626	29,395	52,102	29,995	260,347	214,000	-	-	-	-	
Redemption of Shares of the year/period	(3,722,932)	-	(552,856)	(101,726)	(81,250)	-	(44,240)	-	-	-	-	-	-	-	
Balance as at 30 June 2017	6,541,790	199,713	2,525,642	409,431	558,744	184,153	428,407	231,281	260,347	214,000	-	-	-	100	
Issue of Shares of the year/period	447,115	-	14,894	-	512,496	47,623	69,896	27,324	7,019,590	1,555,867	500,000	412,390	37,566	188,847	
Redemption of Shares of the year/period	(2,093,469)	(2,372)	(370,376)	(12,479)	(238,957)	(22,392)	(27,248)	(31,386)	(3,002,009)	(671,387)	-	-	-	-	
Balance as at 30 June 2018	4,895,436	197,341	2,170,160	396,952	832,283	209,384	471,055	227,219	4,277,928	1,098,480	500,000	412,390	37,566	188,847	100

The Management Shares of the Company were issued on 14 July 2008.

8. Share Capital (continued)

Authorized and issued capital (continued)

No distribution of dividend or capital has been made since the inception of the China A Fund and the Bond Fund up to 30 June 2018. It is not the intention of the Company to make any distribution out of the China A Fund and the Bond Fund, although this policy may change in the future with prior written notice to Shareholders of the Company. For the Asia Pacific Income and Growth Fund, it is currently intended that dividends are declared after the end of each month and which, subject to applicable law, may be paid out of capital or gross income of the relevant Class of the Segregated Portfolio while charging/paying all or part of the Classes fees and expenses to/out of the capital of the relevant Class of the Segregated Portfolio and (unless otherwise determined by the Company) are in the respective currency of denomination of the relevant Class of the Segregated Portfolio. The dividends declared (if any) are paid within three weeks of such declaration. For the U.S. Bank Equity Fund, it is currently intended that dividends are declared on a semi-annual basis and which, subject to applicable law, may be paid out of capital or gross income of the relevant Class of the Segregated Portfolio while charging/paying all or part of the Classes fees and expenses to/out of the capital of the relevant Class of the Segregated Portfolio and (unless otherwise determined by the Company) are in the respective currency of denomination of the relevant Class of the Segregated Portfolio. The dividends declared (if any) are paid within three weeks of such declaration. For the Greater Bay Area Growth and Income Fund, it is currently intended that dividends are declared on a monthly basis and which, subject to applicable law, may be paid out of capital or gross income of the relevant Class of the Segregated Portfolio while charging/paying all or part of the Classes fees and expenses to/out of the capital of the relevant Class of the Segregated Portfolio and (unless otherwise determined by the Company) are in the respective currency of denomination of the relevant Class of the Segregated Portfolio. The dividends declared (if any) are paid within three weeks of such declaration.

For further details on dividend distribution, please refer to the Statement of Distribution on pages 28–31.

Capital Management

As a result of the ability to issue and redeem shares, the capital of the Company can vary depending on the demand for subscriptions and redemptions to the Company. The Company is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of Participating Shares beyond those included in the Company's constitution.

With a view to protecting the interests of Shareholders, the Company may limit the number of Participating Shares of any Class and/or Series which are redeemed on any Dealing Day to 10% in aggregate of the total number of Participating Shares in issue of the relevant Class and/or Series. Such limitation is applied pro rata to all Shareholders who have requested such redemption. If the redemption requests received on such Dealing Day are in excess of this limit, the Company is entitled (but not obliged) to carry out only sufficient redemptions which, in aggregate, amount to 10% of the Participating Shares in issue of the relevant Class and/or Series at the relevant time. Redemption requests for Participating Shares which are not redeemed but which would otherwise have been redeemed are deferred until the next Dealing Day and are dealt with (subject to further deferral if the deferred requests themselves exceed 10% of the Participating Shares in issue of the relevant Class and/or Series) in priority to later redemption requests. Where there is more than one Class and/or Series of Participating Shares in relation to a Segregated Portfolio, the same restriction applies to all such Classes and Series of Participating Shares.

8. Share Capital (continued)

Capital Management (continued)

For the China A Fund, the Asia Pacific Income and Growth Fund, the U.S. Bank Equity Fund and the Greater Bay Area Growth and Income Fund subscriptions and redemptions to the Participating Shares are dealt on each Business Day.

For the Bond Fund, subscriptions and redemptions to the Participating Shares are only dealt on the last Business Day of every month.

Manulife Advanced Fund SPC

Notes to Financial Statements
For the year ended 30 June 2018

9. Dividend income

	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund			Combined		
	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the period ¹ ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Equity securities designated at fair value through profit or loss	1,082,869	1,252,566		-	-		415,969	266,977		617,982	5,339		21,497	-		2,138,317	1,524,882	
	1,082,869	1,252,566		-	-		415,969	266,977		617,982	5,339		21,497	-		2,138,317	1,524,882	

10. Interest and other income

	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund			Combined		
	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the period ¹ ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cash	3,688	3,460		3,911	2,571		8	-		-	-		-	-		7,607	6,031	
Debt securities designated at fair value through profit or loss	-	-		1,308,419	1,333,653		251,407	191,255		-	-		5,417	-		1,565,243	1,524,908	
	3,688	3,460		1,312,330	1,336,224		251,415	191,255		-	-		5,417	-		1,572,850	1,530,939	

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

Manulife Advanced Fund SPC

Notes to Financial Statements
For the year ended 30 June 2018

10. Interest and other income (continued)

	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund			Combined		
	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the period ¹ ended 30 June 2018	For the period ¹ ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Other income																		
Commission on subscriptions / redemptions	68,746	28,203		13,879	21,113		-	-		-	-		-	-		82,625	49,337	
	68,746	28,203		13,879	21,113		-	-		-	-		-	-		82,625	49,337	

11. Taxation

	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund			Combined		
	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD	For the period ¹ ended 30 June 2018	For the period ¹ ended 30 June 2017	USD	For the year ended 30 June 2018	For the year ended 30 June 2017	USD
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Withholding taxes	(111,116)	(127,749)		(3,425)	(21,935)		(32,342)	(25,436)		(185,395)	(1,602)		(1,405)	-		(333,683)	(176,722)	
PRC tax on capital gains	-	-		(5,139)	57,280		-	-		-	-		-	-		(5,139)	57,280	
	(111,116)	(127,749)		(8,564)	35,345		(32,342)	(25,436)		(185,395)	(1,602)		(1,405)	-		(338,822)	(119,442)	

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

11. Taxation (continued)

Cayman Islands

The Government of the Cayman Islands does not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Company or the Shareholders. The Cayman Islands are not party to a double tax treaty with any country that is applicable to any payments made to or by the Company.

Hong Kong

No provision for Hong Kong profits tax has been made as the Company was authorized as a collective investment scheme under section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from Hong Kong profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Mainland China

PRC EIT of 10% is charged on PRC sourced dividends and interest on a withholding basis. The withholding tax rate may be reduced subject to the applicability of relevant double tax agreements.

The Mainland China tax authorities had not clarified whether EIT is payable on capital gains arising from securities trading of QFIs prior to 17 November 2014. In order to meet this potential tax liability for capital gains, the Investment Manager made a provision for EIT equal to 10% of realized capital gains and unrealized capital gains for the years ended 30 June 2014 and 30 June 2013.

On 17 November 2014, the Ministry of Finance ("MOF"), China Securities Regulatory Commission and the State Administration of Taxation of PRC ("SAT") jointly issued the Circular CaiShui [2014] No. 79 ("Circular 79") which clarified the PRC withholding tax treatment with respect to realized gains derived by QFIs and RQFIs from the trading of shares in PRC resident enterprises. QFIs and RQFIs are temporarily exempt from withholding tax in respect of capital gains derived from the trading of equity investments assets (including shares) starting from 17 November 2014. Realized capital gains derived prior to 17 November 2014 would be subject to withholding tax and are required to be reported to the State Taxation Bureaus in Beijing or Shanghai.

In view of the issuance of Circular 79 on 14 November 2014, the China A Fund has ceased to make provision for 10% withholding tax on realized gains derived from the trading of A-shares with effect from 17 November 2014.

As at 30 June 2015, the Board of Directors had approved a board resolution to release the withholding tax provision on unrealized gains resulting from investments in A-shares by the China A Fund as at 17 November 2014.

The Investment Manager will continue to provide for the 10% withholding tax on capital gains arising from the trading of PRC non-equity investments assets, including fixed income investments.

As at 30 June 2018, the withholding tax provision on gross unrealized gains is USD 14,995 for the Bond Fund (30 June 2017: USD 9,998).

As at 30 June 2018, the Bond Fund's withholding tax provision on gross realized gains is USD 456,179 (30 June 2017: USD 445,707).

11. Taxation (continued)

The tax law and regulations of Mainland China are constantly changing, and they may be changed with retrospective effect to the advantage or disadvantage of shareholders. The interpretation and applicability of the tax law and regulations by tax authorities may not be consistent and transparent; and may vary from region to region. It should also be noted that any provision for taxation made by the Investment Manager may be excessive or inadequate to meet final Mainland China tax liabilities. Consequently, shareholders may be advantaged or disadvantaged depending upon the final tax liabilities.

United States

A United States withholding tax of 30% is charged on United States sourced dividends. The withholding tax rate may be reduced subject to the applicability of relevant double tax agreements.

12. Fees and Charges

12.1 Management fees

MAMHK, the General Adviser and Distributor and the Investment Manager, is entitled to receive management fees at the percentage specified below per annum on the NAV of the relevant class of Participating Shares in the relevant Segregated Portfolio, accrued and calculated monthly and payable monthly in arrears.

China A Fund		Bond Fund		Asia Pacific Income and Growth Fund	U.S. Bank Equity Fund	Greater Bay Area Growth and Income Fund
Class AA	Class I	Class AA	Class I	Class AA Inc (USD, AUD, HKD & CAD)	Class AA Inc (USD & HKD)	Class AA & Class AA Inc (USD, AUD & HKD)
1.75%	Up to 1.5%	1.25%	Up to 1%	1.50%	1.50%	1.50%

Manulife TEDA Fund Management Co. Ltd. (the “Investment Adviser”) has been appointed by the Investment Manager to provide non-binding investment advice in connection with the China A Fund’s investments through conducting market research, gathering data, making of recommendations and provision of other related advisory services.

The day-to-day investment management activities of the China A Fund have not been delegated to the Investment Adviser and the Investment Manager has sole overall responsibility for ensuring that the investment objectives, strategies, guidelines and restrictions of the China A Fund are observed and complied with in all aspects.

12.2 Custodian and Paying Agent, Administration, Registrar and Transfer Agent fees

Citibank Europe plc, Luxembourg Branch, in relation to its duties as the custodian and paying agent (including as the sub-administrator, registrar and transfer agent), is entitled to a maximum fee of 0.50% per annum of the NAV of the Segregated Portfolios, accrued and calculated on each valuation day of the Segregated Portfolios and payable monthly in arrears.

For the period from 1 July 2016 to 20 May 2017, SS&C Fund Services (Cayman) Limited, in relation to its duties as the administrator and principal office, was entitled to an annual fee of USD 5,000 per Segregated Portfolio.

Starting 21 May 2017, CIBC Bank and Trust Company (Cayman) Limited, in relation to its duties as the administrator and principal office, is entitled to an annual fee of 0.004% of the NAV of each Segregated Portfolio (subject to an annual minimum fee of USD 8,000 per Segregated Portfolio).

12. Fees and Charges (continued)

12.3 Initial, Redemption, Administrative and Switching Charges

(a) Initial Charge

The Company may, at its absolute discretion, impose an initial charge (and subsequently, at its absolute discretion, in relation to different investors increase, reduce or waive in whole or in part such initial charge) of up to the below defined maximums of the NAV per Participating Share on an investor subscribing for Participating Shares of the relevant Segregated Portfolio. Subscriptions of the units of the Segregated Portfolios are recorded net of initial charge.

China A Fund		Bond Fund		Asia Pacific Income and Growth Fund	U.S. Bank Equity Fund	Greater Bay Area Growth and Income Fund
Class AA	Class I	Class AA	Class I	Class AA Inc (USD, AUD, HKD & CAD)	Class AA Inc (USD & HKD)	Class AA & Class AA Inc (USD, AUD & HKD)
Currently up to 5% of the NAV. The Directors reserve the right to charge up to 6% of the NAV per Participating Share.	Up to 6% of the NAV per Participating Share.	Currently up to 5% of the NAV. The Directors reserve the right to charge up to 6% of the NAV per Participating Share.	Up to 6% of the NAV per Participating Share.	Currently up to 5% of the NAV. The Directors reserve the right to charge up to 6% of the NAV per Participating Share.	Currently up to 5% of the NAV. The Directors reserve the right to charge up to 6% of the NAV per Participating Share.	Currently up to 5% of the NAV. The Directors reserve the right to charge up to 6% of the NAV per Participating Share.

(b) Redemption Charge (inclusive of Administrative Charge)

The Company may, at its absolute discretion, impose a redemption charge (and subsequently, at its absolute discretion, in relation to different investors increase, reduce or waive in whole or in part such redemption charge) of up to a maximum of 7% (inclusive of the administrative charge set out below) of the relevant redemption proceeds on a Shareholder applying to redeem all or any of his/her Participating Shares of the relevant Segregated Portfolio.

The administrative charge is intended to cover all or part of the dealing and transaction costs (including any requisite governmental tax, stamp duty, registration fee, fiscal or currency repatriation charges, marketspreads) relating to the liquidation or disposal of the underlying investments. All redemption charges are retained in the relevant Segregated Portfolio for the benefit of continuing Shareholders as it seeks to preserve the value of the underlying assets of the relevant Segregated Portfolio against the effects of liquidation or disposal caused by redeeming Shareholders. There is no redemption charge for the Asia Pacific Income and Growth Fund, the U.S. Bank Equity Fund and the Greater Bay Area Growth and Income Fund.

The redemption charge applicable to the China A Fund and the Bond Fund for the shares AA, I and P was 5.3% of the redemption proceeds during the lock-up period which expired on 9 February 2011 and 23 February 2011 respectively. It is reduced to 0.3% for the share AA after the lock-up period.

(c) Switching Charge (if any)

The Company may also impose a switching charge of up to 1% of NAV per Participating Share on switching requests (if any).

13. Financial risk and management objectives and policies

Introduction

The Company's objective in managing risk is to achieve the Investment objectives of each of the Segregated Portfolios. Risk is inherent in the activities of the Company, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Company is exposed to market risk (which includes price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk.

The Company monitors and manages the risks of each of the Segregated Portfolios separately.

China A Fund

The objective of the China A Fund is to achieve long term capital appreciation by investing primarily in Mainland China capital markets. The China A Fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% of its net assets) in companies listed on the A-Share markets of the Shanghai Stock Exchange and/or Shenzhen Stock Exchange.

Bond Fund

The objective of the Bond Fund is to provide capital appreciation and income generation by investing primarily in RMB-denominated debt instruments issued and listed in Mainland China or traded in the Mainland China interbank bond market, subject to applicable QFII regulations. The Bond Fund invests primarily (i.e. not less than 70% of its net assets) in RMB-denominated debt instruments that are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange, or interbank bonds, and which are issued by the Mainland China Government as well as corporations in Mainland China.

Asia Pacific Income and Growth Fund

The investment objective of the Asia Pacific Income and Growth Fund is to provide income and capital appreciation over the medium to longer term by investing primarily in equity and fixed income-related securities in the Asia Pacific ex-Japan region. The Asia Pacific Income and Growth Fund targets an asset allocation of 60% in equity securities and 40% in fixed income securities in that region. However the Asia Pacific Income and Growth Fund may hold between 25% and 75% in either equity securities or fixed income securities in that region in pursuance of its investment objective.

U.S. Bank Equity Fund

The investment objective of the U.S. Bank Equity Fund is to achieve medium to long term growth of capital primarily through investing in equities and equity-related investments of U.S. Banks. The U.S. Bank Equity Fund (i) shall invest at least 80% and up to 100% of its net assets in (a) equity securities of U.S. Banks, such as publicly traded common and preferred stocks; and (b) other U.S. Banks focused equity-related investments such as American depositary receipts, European depositary receipts, global depositary receipts, convertible preferred stocks, and ETFs; (ii) may invest up to 20% of its net assets in equity securities of other U.S. and foreign financial services companies and/or in cash, short term securities and money markets instruments such as bank deposits, certificates of deposits, discount notes, treasury and agency debt, or collateralised and/or securitised products; and (iii) may invest up to 5% of its net assets in equity securities of companies outside the financial services sector.

13. Financial risk and management objectives and policies (continued)

Introduction (continued)

Greater Bay Area Growth and Income Fund

The investment objective of the Greater Bay Area Growth and Income Fund is to achieve capital growth and income generation by investing primarily in a diversified portfolio of equity and equity-related securities and fixed income securities of companies which are connected to the region comprising Hong Kong, Macau and the Guangdong Province of China ("Greater Bay Area"). The Greater Bay Area Growth and Income Fund shall invest at least 70% of its net assets in equity and equity-related securities (which are listed on any stock exchange) and fixed income securities of governments or corporate issuers established and/or with substantial business interests in the Greater Bay Area. Equity and equity-related securities include common stocks, preferred stocks, depositary receipts and real estate investment trusts.

(a) Market risk

Market risk is the risk that changes in market variables, such as in interest rates, equity prices, and foreign currency rates will affect the fair value or future cash flows of financial instruments of the Segregated Portfolios of the Company. The market risk arising from changes in foreign currency rates is discussed in a separate section. The primary market variable to which each portfolio is exposed is the benchmark index for that portfolio. The Investment Manager manages market risk relative to that benchmark by closely monitoring all portfolio holdings of each Segregated Portfolio of the Company and attempting to maintain a high degree of diversification.

China A Fund

The Investment Manager of the China A Fund monitors its Tracking Error and Beta on an ex-post (realized) and ex-ante basis. Tracking Error is a measure of how closely a portfolio follows the index to which it is benchmarked. Beta is a number that describes the relation of portfolio returns with those of the benchmark index returns. The Investment Manager uses the Shanghai Shenzhen CSI 300 Index ("CSI 300") as its Benchmark for both Tracking Error and Beta. As at 30 June 2018, the portfolio of the China A Fund had an ex-post Tracking Error of 6.71% (30 June 2017: 5.12%) and an ex-post Beta of 0.78 (30 June 2017: 0.92).

As at 30 June 2018, it is estimated using an industry standard risk model with ex-post Beta that had the CSI 300 increased by 5% with all other variables held constant, net assets attributable to holders of redeemable participating shares and profit would have increased by USD 2,020,243 (30 June 2017: 3,045,796).

Bond Fund

The Bond Fund is exposed to market risk from changes in interest rates and foreign currency rates. The Bond Fund does not have direct market risk exposure from changes in equity prices. The market risk arising from changes in foreign currency rates is discussed in a separate section.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The majority of the direct interest rate exposure of the Bond Fund arises from investments in debt securities denominated in RMB. As at 30 June 2018, most of the investments of the Bond Fund carry fixed interest rates and have an average maturity of 4.12 years (30 June 2017: 4.58 years).

13. Financial risk and management objectives and policies (continued)

(a) Market risk (continued)

Bond Fund (continued)

The following table analyses the interest rate exposure of the Bond Fund, with assets and liabilities shown at their carrying value and categorized by the earlier of contractual re-pricing or maturity dates:

As at 30 June 2018	Less than 1 year	1 to 5 years	5 to 10 years	Over 10 years	Non-interest bearing	Total
	USD	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	–	25,318,059	4,579,660	–	–	29,897,719
Cash and cash equivalent	149,845	–	–	–	–	149,845
Receivable on subscriptions	–	–	–	–	7,698	7,698
Other receivables and prepayments	–	–	–	–	360,300	360,300
Due from broker	–	–	–	–	2,766,787	2,766,787
Accounts payable and accrued expenses	–	–	–	–	(572,267)	(572,267)
Payable on redemptions	–	–	–	–	(163,084)	(163,084)
Due to broker	–	–	–	–	(1,184,059)	(1,184,059)
	149,845	25,318,059	4,579,660	–	1,215,375	31,262,939

As at 30 June 2017	Less than 1 year	1 to 5 years	5 to 10 years	Over 10 years	Non-interest bearing	Total
	USD	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	1,358,750	25,436,331	6,824,439	205,433	–	33,824,953
Cash and cash equivalent	113,800	–	–	–	–	113,800
Other receivables and prepayments	–	–	–	–	411,407	411,407
Due from broker	–	–	–	–	517,587	517,587
Accounts payable and accrued expenses	–	–	–	–	(579,005)	(579,005)
Payable on redemptions	–	–	–	–	(296,667)	(296,667)
	1,472,550	25,436,331	6,824,439	205,433	53,322	33,992,075

As at 30 June 2018, an increase of the interest rate on RMB-denominated assets by 100 bps, with all other variables held constant, would have resulted to a decrease in net assets attributable to holders of Redeemable Participating Shares of USD 1,092,164 (30 June 2017: decrease of USD 1,386,823). A decrease of the interest rates on RMB denominated assets by 100 bps would have an equal but opposite effect. This arises substantially from the increase in the fair value of fixed interest securities.

Asia Pacific Income and Growth Fund

The Asia Pacific Income and Growth Fund is exposed to market risk from changes in interest rates, foreign currency rates and equity prices. The market risk arising from changes in foreign currency rates is discussed in a separate section.

13. Financial risk and management objectives and policies (continued)

(a) Market risk (continued)

Asia Pacific Income and Growth Fund (Equity securities)

Regarding the market risk from changes in equity prices, the Investment Manager of the Asia Pacific Income and Growth Fund monitors its Tracking Error and Beta on an ex-post (realized) and ex-ante basis. Tracking Error is a measure of how closely a portfolio follows the index to which it is benchmarked. Beta is a number that describes the relation of portfolio returns with those of the benchmark index returns. The Investment Manager uses the MSCI AC Asia Pacific ex Japan index ("MSCI AC Asia Pacific ex Japan") as its Benchmark for both Tracking Error and Beta. As at 30 June 2018, the portfolio of the Asia Pacific Income and Growth Fund had an ex-post Tracking Error of 1.48% (30 June 2017: 1.13%) and an ex-post Beta of 1.07 (30 June 2017: 0.95).

As at 30 June 2018, it is estimated with an industry standard risk model with ex-post beta that had the MSCI AC Asia Pacific ex Japan increased by 5% with all other variables held constant, net assets attributable to holders of redeemable participating shares and profit would have increased by USD 549,781 (30 June 2017: USD 408,283).

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Asia Pacific Income and Growth Fund (Debt securities)

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The majority of the direct interest rate exposure of the Asia Pacific Income and Growth Fund arises from investments in debt securities denominated in USD. As at 30 June 2018, most of the investments of the Asia Pacific Income and Growth Fund carry fixed interest rates and have an average maturity of 3.94 years (30 June 2017: 3.94 years).

The following table analyses the interest rate exposure of the Asia Pacific Income and Growth Fund, with assets and liabilities shown at their carrying value and categorized by the earlier of contractual re-pricing or maturity dates:

13. Financial risk and management objectives and policies (continued)

(a) Market risk (continued)

Asia Pacific Income and Growth Fund (Debt securities) (continued)

As at 30 June 2018	Less than 1 year	1 to 5 years	5 to 10 years	Over 10 years	Non-interest bearing	Total
	USD	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	199,715	3,195,248	1,369,260	739,542	10,295,145	15,798,910
Cash and cash equivalent	461,647	–	–	–	–	461,647
Receivable on subscriptions	–	–	–	–	16,359	16,359
Other receivables and prepayments	–	–	–	–	184,303	184,303
Financial liabilities at fair value through profit or loss	(220)	–	–	–	–	(220)
Accounts payable and accrued expenses	–	–	–	–	(63,791)	(63,791)
Payable on redemptions	–	–	–	–	(48,635)	(48,635)
Due to broker	–	–	–	–	–	–
	661,142	3,195,248	1,369,260	739,542	10,383,381	16,348,573

As at 30 June 2017	Less than 1 year	1 to 5 years	5 to 10 years	Over 10 years	Non-interest bearing	Total
	USD	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	699,323	2,187,600	1,432,590	–	8,632,877	12,952,390
Cash and cash equivalent	496,899	–	–	–	–	496,899
Receivable on subscriptions	–	–	–	–	145	145
Other receivables and prepayments	–	–	–	–	268,986	268,986
Due from broker	–	–	–	–	54,811	54,811
Accounts payable and accrued expenses	–	–	–	–	(225,719)	(225,719)
Payable on redemptions	–	–	–	–	(164,605)	(164,605)
Due to broker	–	–	–	–	(34,798)	(34,798)
	1,196,222	2,187,600	1,432,590	–	8,531,697	13,348,109

As at 30 June 2018, an increase of the interest rate on USD-denominated assets by 100 bps, with all other variables held constant, would have resulted to a decrease in net assets attributable to holders of Redeemable Participating Shares of USD 196,996 (30 June 2017: USD 145,568). A decrease of the interest rates on USD denominated assets by 100 bps would have an equal but opposite effect. This arises substantially from the increase in the fair value of fixed interest securities.

U.S. Bank Equity Fund

The Investment Manager of the U.S. Bank Equity Fund monitors its Tracking Error and Beta on an ex-post (realized) and ex-ante basis. Tracking Error is a measure of how closely a portfolio follows the index to which it is benchmarked. Beta is a number that describes the relation of portfolio returns with those of the benchmark index returns. The Investment Manager uses the Standard & Poor's Composite 1500 Banks index ("S&P Composite 1500 Banks") as its Benchmark for both Tracking Error and Beta. As at 30 June 2018, the portfolio of the U.S. Bank Equity Fund had an ex-post Tracking Error of 6.05% and an ex-post Beta of 0.80 (30 June 2017: insufficient data points for calculation, due to the launch of the Fund during the year).

13. Financial risk and management objectives and policies (continued)

(a) Market risk (continued)

U.S. Bank Equity Fund (continued)

As at 30 June 2018, it is estimated using an industry standard risk model with ex-post Beta that had the S&P Composite 1500 Banks increased by 5% with all other variables held constant, net assets attributable to holders of redeemable participating shares and profit would have increased by USD 2,509,221 (30 June 2017: sensitivity analysis was not presented, due to the launch of the Fund during the year).

Greater Bay Area Growth and Income Fund (Equity securities)

Regarding the market risk from changes in equity prices, the Investment Manager of the Greater Bay Area Growth and Income Fund monitors its Tracking Error and Beta on an ex-post (realized) and ex-ante basis. Tracking Error is a measure of how closely a portfolio follows the index to which it is benchmarked. Beta is a number that describes the relation of portfolio returns with those of the benchmark index returns. The Investment Manager uses 50% Hang Seng index and 50% CSI 300 index as its Benchmark for both Tracking Error and Beta. As at 30 June 2018, the portfolio of the Greater Bay Area Growth and Income Fund was launched for less than 12 months and has insufficient data points for the calculation of ex-post Tracking Error and ex-post Beta. Due to the absence of ex-post Beta, the sensitivity analysis is not presented for the year ended 30 June 2018.

Greater Bay Area Growth and Income Fund (Debt securities)

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The majority of the direct interest rate exposure of the Greater Bay Area Growth and Income Fund arises from investments in debt securities denominated in USD. As at 30 June 2018, most of the investments of the Greater Bay Area Growth and Income Fund carry fixed interest rates and have an average maturity of 2.40 years.

The following table analyses the interest rate exposure of the Greater Bay Area Growth and Income Fund, with assets and liabilities shown at their carrying value and categorized by the earlier of contractual re-pricing or maturity dates:

As at 30 June 2018	Less than 1 year	1 to 5 years	5 to 10 years	Over 10 years	Non-interest bearing	Total
	USD	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	–	2,970,780	594,025	783,987	6,137,277	10,486,069
Cash and cash equivalent	563,586	–	–	–	–	563,586
Receivable on subscriptions	–	–	–	–	328,131	328,131
Other receivables and prepayments	–	–	–	–	139,833	139,833
Financial liabilities at fair value through profit or loss	(1)	–	–	–	–	(1)
Accounts payable and accrued expenses	–	–	–	–	(103,257)	(103,257)
Payable on redemptions	–	–	–	–	–	–
Due to broker	–	–	–	–	(131,243)	(131,243)
	563,585	2,970,780	594,025	783,987	6,370,741	11,283,118

As at 30 June 2018, an increase of the interest rate on USD-denominated assets by 100 bps, with all other variables held constant, would have resulted to a decrease in net assets attributable to holders of Redeemable Participating Shares of USD 147,602. A decrease of the interest rates on USD denominated assets by 100 bps would have an equal but opposite effect. This arises substantially from the increase in the fair value of fixed interest securities.

13. Financial risk and management objectives and policies (continued)

(b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a financial loss for a Segregated Portfolio by failing to discharge an obligation. The Investment Manager of the Segregated Portfolio has a process in place to confirm that counterparties to financial instruments, including brokers, are reputable. The creditworthiness of counterparties is reviewed on an annual basis.

None of the Segregated Portfolio hold financial assets which are past due or which are considered to be impaired.

The maximum credit risk exposure of the Company and of each Segregated Portfolio As at 30 June 2018 and 30 June 2017 is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

The cash and cash equivalents of the Company and each of its Segregated Portfolios are held mainly with Citibank Europe plc, Luxembourg Branch and Citibank N.A. (Hong Kong Branch), are both wholly owned indirect subsidiaries of Citigroup Inc. which had credit rating of Baa1 from Moody's and BBB+ from Standard & Poor's for long term and a rating of P-2 and A-2 respectively, for short term debt from those agencies.

China A Fund and U.S. Bank Equity Fund

The China A Fund and the U.S. Bank Equity Fund do not have investment in debt securities which exposes them to credit risk.

The cash and cash equivalents of the China A Fund and the U.S. Bank Equity Fund are held mainly with Citibank Europe plc, Luxembourg Branch.

Bond Fund

The investment strategy of the Bond Fund requires that at least 85% of its investment to be in bonds issued by the Mainland China Government or by international corporations in Mainland China that carry a rating of at least BBB-/Baa3. The Bond Fund is exposed to credit risk arising from its investments in debt securities. 69.66% of the portfolio of the Bond Fund comprise of sovereign debt issued by the Mainland China Government, which are rated Aa3/AA-, by S&P, Moody's and Fitch As at 30 June 2018 (30 June 2017: 64.66%).

As at 30 June 2018 and 30 June 2017, the Bond Fund invested in debt securities with the following credit quality, as per S&P, Moody's and Fitch:

Credit Rating – Bond Fund	30 June 2018	30 June 2017
	USD	USD
AA	–	30,754,673
A	28,381,099	–
BBB	–	882,869
BB	–	205,433
Unrated	1,516,620	1,981,978
Total Debt Security	29,897,719	33,824,953

13. Financial risk and management objectives and policies (continued)

(b) Credit risk (continued)

Bond Fund (continued)

Due to the investment objectives and strategy of the Bond Fund, it has concentration of credit risk by geographical distribution, with 100% of its investment in debt securities issued by an issuer domiciled in Mainland China As at 30 June 2018 (30 June 2017: 95.38%).

The following table analyses the concentration of credit risk of the investments in debt securities of Bond Fund by industrial distribution:

Concentration of credit risk – Bond Fund	30 June 2018	30 June 2017
	USD	USD
Government	20,827,041	21,872,563
Corporate	9,070,678	11,952,390
Total Debt Security	29,897,719	33,824,953

Except for debt securities issued by the Mainland China Government, which accounted for 66.62% of the net assets attributable to holders of Redeemable Participating Shares of the Bond Fund As at 30 June 2018 (30 June 2017: 64.35%), there were no significant concentrations in the portfolio of credit risk to any individual issuer or group of issuers.

Asia Pacific Income and Growth Fund (Debt securities)

The Asia Pacific Income and Growth Fund is exposed to credit risk arising from its investments in debt securities. As at 30 June 2018 and 30 June 2017, the Asia Pacific Income and Growth Fund invested in debt securities with the following credit quality, as per S&P, Moody's and Fitch:

Credit Rating – Asia Pacific Income and Growth Fund	30 June 2018	30 June 2017
	USD	USD
AAA	163,622	–
AA	807,488	400,102
A	881,480	723,154
BBB	1,335,980	2,287,806
BB	731,264	509,737
B	539,615	198,504
Unrated	1,044,316	200,210
Total Debt Security	5,503,765	4,319,513

The following table analyses the concentration of credit risk of the investments in debt securities of Asia Pacific Income and Growth Fund by industrial distribution:

13. Financial risk and management objectives and policies (continued)

(b) Credit risk (continued)

Asia Pacific Income and Growth Fund (Debt securities) (continued)

Concentration of credit risk – Asia Pacific Income and Growth Fund	30 June 2018	30 June 2017
	USD	USD
Government	991,646	–
Corporate	4,512,119	4,319,513
Total Debt Security	5,503,765	4,319,513

As at 30 June 2018 and 30 June 2017, there were no significant concentrations in the portfolio of credit risk to any individual issuer or group of issuers.

Greater Bay Area Growth and Income Fund (Debt securities)

The Greater Bay Area Growth and Income Fund is exposed to credit risk arising from its investments in debt securities. As at 30 June 2018, the Greater Bay Area Growth and Income Fund invested in debt securities with the following credit quality, as per S&P, Moody's and Fitch:

Concentration of credit risk - Greater Bay Area Growth and Income Fund	30 June 2018	30 June 2017
	USD	USD
AA	1,420,671	–
A	397,991	–
BBB	199,179	–
BB	1,351,492	–
Unrated	979,459	–
Total Debt Security	4,348,792	–

Due to the investment objectives and strategy of the Greater Bay Area Growth and Income Fund, it has concentration of credit risk by geographical distribution, with 22.52% of its investment in debt securities issued by an issuer domiciled in Greater Bay Area as at 30 June 2018.

The following table analyses the concentration of credit risk of the investments in debt securities of the Greater Bay Area Growth and Income Fund by industrial distribution:

Concentration of credit risk - Greater Bay Area Growth and Income Fund	30 June 2018	30 June 2017
	USD	USD
Government	1,211,513	–
Corporate	3,137,279	–
Total Debt Security	4,348,792	–

Except for debt securities issued by an issuer domiciled in Greater Bay Area, which accounted for 8.68% of the net assets attributable to holders of Redeemable Participating Shares of the Greater Bay Area Growth and Income Fund as at 30 June 2018, there were no significant concentrations in the portfolio of credit risk to any individual issuer or group of issuers.

13. Financial risk and management objectives and policies (continued)

(c) Liquidity risk

Liquidity risk is defined as the risk that the Segregated Portfolios will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Each Segregated Portfolio is exposed to the liquidity risk of meeting shareholder redemptions at each dealing date.

With a view of protecting the interest of shareholders, the Company is not bound to redeem more than 10% in aggregate of the total number of participating shares in issue of each share class of each of the Segregated Portfolios.

China A Fund

The China A Fund monitors the liquidity of its investments in equity securities through the number of Days Trade for individual equity instruments. Days Trade represents the number of days it would require to sell the entire position in an equity instrument, based on historical trading volumes and market liquidity of the equity instrument. Calculations are based on the assumption of trading 10% of average daily volume of a security in order not to impact the market price. The following table below lists the liquidity of the portfolio of the China A Fund as at 30 June 2018 and 30 June 2017:

Days Trade	% of total portfolio of investments	
	30 June 2018	30 June 2017
1 Day	100.00	100.00
2 Days	100.00	100.00
5 Days	100.00	100.00

The cash and cash equivalents of the China A Fund as at 30 June 2018 constituted 0.32% of the fund (30 June 2017: 0.31%).

The maturity profile of the China A Fund's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

As at 30 June 2018	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	208,122	–	–	208,122
Payable on redemptions	–	835,987	–	–	835,987
Redeemable Participating Shares	51,312,493	–	–	–	51,312,493

As at 30 June 2017	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	284,870	–	–	284,870
Payable on redemptions	–	551,055	–	–	551,055
Redeemable Participating Shares	65,618,362	–	–	–	65,618,362

13. Financial risk and management objectives and policies (continued)

(c) Liquidity risk (continued)

Bond Fund

Due to legal restrictions, the Bond Fund may only invest in bonds listed on an exchange in Mainland China. There may not be a liquid or active market for the trading of bonds in the exchanges in Mainland China. The Investment Manager is aware of the liquidity risk associated with the investments of the Bond Fund.

The maturity profile of the Bond Fund's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

As at 30 June 2018	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	572,267	–	–	572,267
Payable on redemptions	–	163,084	–	–	163,084
Due to broker	–	1,184,059	–	–	1,184,059
Redeemable Participating Shares	31,262,939	–	–	–	31,262,939

As at 30 June 2017	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	579,005	–	–	579,005
Payable on redemptions	–	296,667	–	–	296,667
Redeemable Participating Shares	33,992,075	–	–	–	33,992,075

Asia Pacific Income and Growth Fund

The Asia Pacific Income and Growth Fund monitors the liquidity of its investments in equity securities through the number of Days Trade for individual equity instruments. Days Trade represents the number of days it would require to sell the entire position in an equity instrument, based on historical trading volumes and market liquidity of the equity instrument. Calculations are based on the assumption of trading 10% of average daily volume of a security in order not to impact the market price. The following table below lists the liquidity of the portfolio of the Asia Pacific Income and Growth Fund as at 30 June 2018 and 30 June 2017.

The cash and cash equivalents of the Asia Pacific Income and Growth Fund as at 30 June 2018 constituted 2.82% of the fund (30 June 2017: 3.72%).

Days Trade	% of portfolio of investments 30 June 2018	% of portfolio of investments 30 June 2017
1 Day	98.34	100.00
2 Days	98.44	100.00
5 Days	98.72	100.00

The maturity profile of the Asia Pacific Income and Growth Fund's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

13. Financial risk and management objectives and policies (continued)

(c) Liquidity risk (continued)

Asia Pacific Income and Growth Fund (continued)

As at 30 June 2018	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Financial liabilities at fair value through profit or loss	–	220	–	–	220
Accounts payable and accrued expenses	–	63,791	–	–	63,791
Payable on redemptions	–	48,635	–	–	48,635
Redeemable Participating Shares	16,348,573	–	–	–	16,348,573

As at 30 June 2017	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	225,719	–	–	225,719
Payable on redemptions	–	164,605	–	–	164,605
Due to broker	–	34,798	–	–	34,798
Redeemable Participating Shares	13,348,109	–	–	–	13,348,109

U.S. Bank Equity Fund

The U.S. Bank Equity Fund monitors the liquidity of its investments in equity securities through the number of Days Trade for individual equity instruments. Days Trade represents the number of days it would require to sell the entire position in an equity instrument, based on historical trading volumes and market liquidity of the equity instrument. Calculations are based on the assumption of trading 10% of average daily volume of a security in order not to impact the market price. The following table below lists the liquidity of the portfolio of the U.S. Bank Equity Fund as at 30 June 2018 and 30 June 2017.

The cash and cash equivalents of the U.S. Bank Equity Fund as at 30 June 2018 constituted 0.82% of the fund (30 June 2017: 5.00%).

Days Trade	% of portfolio of investments 30 June 2018	% of portfolio of investments 30 June 2017
1 Day	93.41	100.00
2 Days	93.97	100.00
5 Days	95.64	100.00

The maturity profile of the U.S Bank Equity Fund's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

As at 30 June 2018	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	928,501	–	–	928,501
Payable on redemptions	–	199,591	–	–	199,591
Due to broker	–	14,759	–	–	14,759
Redeemable Participating Shares	66,965,586	–	–	–	66,965,586

13. Financial risk and management objectives and policies (continued)

(c) Liquidity risk (continued)

U.S. Bank Equity Fund (continued)

As at 30 June 2017	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Accounts payable and accrued expenses	–	10,969	–	–	10,969
Due to broker	–	113,391	–	–	113,391
Redeemable Participating Shares	5,627,593	–	–	–	5,627,593

Greater Bay Area Growth and Income Fund

The Greater Bay Area Growth and Income Fund monitors the liquidity of its investments in equity securities through the number of Days Trade for individual equity instruments. Days Trade represents the number of days it would require to sell the entire position in an equity instrument, based on historical trading volumes and market liquidity of the equity instrument. Calculations are based on the assumption of trading 10% of average daily volume of a security in order not to impact the market price. The following table below lists the liquidity of the portfolio of the Greater Bay Area Growth and Income Fund as at 30 June 2018.

The cash and cash equivalents of the Greater Bay Area Growth and Income Fund as at 30 June 2018 constituted 4.99% of the fund.

Days Trade	% of portfolio of investments 30 June 2018
1 Day	92.98
2 Days	93.04
5 Days	93.23

The Greater Bay Area Growth and Income Fund may invest in RMB denominated instruments and in Mainland China A-Share securities which may not be listed on an exchange or for which trading may not be conducted on a regular basis. There is also no guarantee that market making arrangements will be in place to make a market and quote a price available for this type of instruments. In the absence of an active secondary market, the Greater Bay Area Growth and Income Fund may need to hold some instruments until their maturity date. The investment Manager is aware of the liquidity risk associated with the investments of the Greater Bay Area Growth and Income Fund.

The maturity profile of Greater Bay Area Growth and Income Fund's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

As at 30 June 2018	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
	USD	USD	USD	USD	USD
Financial liabilities at fair value through profit or loss	–	1	–	–	1
Accounts payable and accrued expenses	–	103,257	–	–	103,257
Due to broker	–	131,243	–	–	131,243
Redeemable Participating Shares	11,283,118	–	–	–	11,283,118

13. Financial risk and management objectives and policies (continued)

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The China A Fund, the Bond Fund and the Greater Bay Area Growth and Income Fund use a USD QFII Quota to invest primarily in the equity and debt instruments issued and listed in Mainland China. The functional currency of these Segregated Portfolios is the USD, while the investments of each of these both Segregated Portfolios are primarily denominated in other currencies, primarily RMB and HKD. The RMB is not, as yet, a freely convertible currency and is subject to exchange controls and restrictions. Consequently, the Company is exposed to the risk that the exchange rate of USD relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of financial assets and liabilities denominated in currencies other than the USD.

The functional currency of the Asia Pacific Income and Growth Fund is the USD, while the investments of this Segregated Portfolio are primarily denominated in other currencies than USD. Consequently, the Company is exposed to the risk that the exchange rate of USD relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of financial assets and liabilities denominated in currencies other than the USD.

The functional currency of U.S. Bank Equity Fund is USD and it invests primarily in USD denominated equity securities. Any devaluation of the USD could affect the value of the U.S. Bank Equity Fund's investments. Investors whose investment in the U.S. Bank Equity Fund is via a class that is not denominated in USD may be affected by changes in the exchange rates of the USD.

Manulife Advanced Fund SPC

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13. Financial risk and management objectives and policies (continued)

(d) Currency risk (continued)

Had the USD strengthened by 5% in relation to all currencies, with all other variables held constant, the net assets attributable to holders of Redeemable Participating Shares and the change in net assets attributable to holders of Redeemable Participating Shares per the comprehensive income statement would have decreased by the amounts shown below.

Currency	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund		
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
AUD	-	-	-	-	-	-	111,559	93,800	-	-	-	-	-	-	-
CAD	-	-	-	-	-	-	11	11	-	-	-	-	-	-	-
HKD	-	18	-	-	-	-	175,515	144,109	-	-	-	-	227,489	-	-
IDR	-	-	-	-	-	-	21,409	16,582	-	-	-	-	-	-	-
INR	-	-	-	-	-	-	8,181	-	-	-	-	-	-	-	-
KRW	-	-	-	-	-	-	27,419	67,497	-	-	-	-	-	-	-
MYR	-	-	-	-	-	-	9,725	5,743	-	-	-	-	-	-	-
NZD	-	-	-	-	-	-	13,343	-	-	-	-	-	-	-	-
RMB	2,613,095	3,338,538	1,554,266	1,662,569	-	-	9,531	-	-	-	-	-	58,521	-	-
SGD	-	-	-	-	-	-	56,608	16,980	-	-	-	-	-	-	-
THB	-	-	-	-	-	-	16,622	6,201	-	-	-	-	-	-	-
TWD	-	-	-	-	-	-	71,640	57,607	-	-	-	-	-	-	-

A 5% weakening of the USD against the above currencies would have resulted in an equal but opposite effect on the financial statement amounts to 5% of the amounts shown above, on the basis that all other variables remain constant.

14. Derivatives contracts

Forwards

Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Forwards are customized contracts transacted in the OTC market. The Company has credit exposure to the counterparties of forward contracts.

The following tables set out the fair value and the notional amount of forward contracts held by the Company as at 30 June 2018 and 30 June 2017:

As at 30 June 2018

Purchased Amount	Currency	Sold Amount	Currency	Maturity Date	Counterparty	Financial assets/(liabilities) at fair value through profit or loss	Notional
						USD	USD
Asia-Pacific Equity Income Fund							
1,957,763	AUD	1,442,856	USD	31-Jul-18	Citibank London	3,410	1,446,102
2,084,508	CAD	1,566,052	USD	31-Jul-18	Citibank London	15,439	1,580,609
13,913	USD	18,817	AUD	31-Jul-18	Citibank London	12	13,899
14,275	USD	19,354	AUD	31-Jul-18	Citibank London	(22)	14,296
15,165	USD	20,040	CAD	31-Jul-18	Citibank London	(39)	15,196
15,986	USD	21,281	CAD	31-Jul-18	Citibank London	(159)	16,137
						18,641	3,086,239
Greater Bay Area Growth and Income Fund							
367,815	AUD	271,077	USD	31-Jul-18	Citibank London	640	271,687
200,235	HKD	25,520	USD	03-Jul-18	Citibank London	1	25,520
401,233	HKD	51,140	USD	03-Jul-18	Citibank London	(1)	51,138
219,167	HKD	27,933	USD	03-Jul-18	Citibank London	1	27,933
11,371	USD	15,379	AUD	31-Jul-18	Citibank London	10	11,360
						651	387,638

As at 30 June 2017

Purchased Amount	Currency	Sold Amount	Currency	Maturity Date	Counterparty	Financial assets/(liabilities) at fair value through profit or loss	Notional
						USD	USD
Asia-Pacific Equity Income Fund							
2,412,542	AUD	1,833,529	USD	31-Jul-17	Citibank London	20,439	1,854,762
7,930	USD	10,356	AUD	31-Jul-17	Citibank London	(28)	7,962
60,733	USD	79,877	AUD	31-Jul-17	Citibank London	(650)	61,409
						19,761	1,924,133
Asia Pacific Income and Growth Fund							
1,723,280	AUD	1,309,691	USD	31-Jul-17	Citibank London	14,600	1,324,858
16,479	CAD	12,709	USD	31-Jul-17	Citibank London	12	12,713
2,127,009	CAD	1,619,177	USD	31-Jul-17	Citibank London	22,842	1,640,958
						37,454	2,978,529

Manulife Advanced Fund SPC

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15. Reconciliation of Net Assets and Net Asset Value per Share

The effect of adjustment to other receivables and prepayments after expensing previously capitalized formation expenses and other adjustments to the published NAV is set out in the following tables:

Net asset value in accordance with IFRS	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Published NAV	51,327,064	65,618,574	31,262,939	34,006,514	16,385,068	13,362,686	66,785,634	5,625,120	11,282,389	-	177,043,094	118,612,894
Adjustment for formation expenses	-	-	-	-	(6,436)	(14,575)	(18,689)	2,473	729	-	(24,398)	(12,102)
Adjustment for subscriptions/redemption with trade date at year-end	(14,571)	(212)	-	(14,439)	(30,057)	(2)	198,641	-	-	-	154,013	(14,653)
NAV as per financial reporting	51,312,493	65,618,362	31,262,939	33,992,075	16,348,573	13,348,109	66,965,586	5,627,593	11,283,118	-	177,172,709	118,586,139

The impact on the NAV per share at 30 June 2018 and 30 June 2017 is as follows:

Net asset value per Share in accordance with IFRS	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Class AA (USD)										
Published NAV per Share	10.0171	9.6911	12.1408	11.5533	-	-	-	-	9.5560	-
Adjustments	0.0000	0.0000	0.0000	0.0000	-	-	-	-	0.0006	-
NAV per share as per financial reporting	10.0171	9.6911	12.1408	11.5533	-	-	-	-	9.5566	-
Class AA (USD) Inc										
Published NAV per Share	-	-	-	-	9.2846	9.3536	11.7774	10.5143	9.5537	-
Adjustments	-	-	-	-	(0.0036)	(0.0102)	(0.0033)	0.0047	0.0006	-
NAV per share as per financial reporting	-	-	-	-	9.2810	9.3434	11.7741	10.5190	9.5543	-

16. Related party disclosures

The following is a summary of significant related party transactions entered into during the years between the Company and the Board of Directors, the General Adviser and Distributor, Investment Managers or any entities in which those parties or their Connected Persons have a material interest. Connected persons of the Investment Manager are those as defined in the Code on Unit Trust and Mutual Funds established by SFC. All such transactions were entered into in the ordinary course of business and under normal commercial terms.

For the years ended 30 June 2018 and 30 June 2017, the major related party to the Company is MAMHK in its capacities as the General Adviser and Distributor cum the Investment Manager.

The General Adviser and Distributor, any distributor, Investment Manager and investment adviser may be members of the Manulife Group.

(a) Subscription and redemption of units of the Segregated Portfolios

As at 30 June 2018 and 30 June 2017, no Director held share of the Company.

Investment transactions with the Investment Manager and its Connected Persons are set out below:

	Number of shares			Balance as at
	Opening Balance	Subscription	Redemption	year end
2018				
China A Fund				
Class AA (USD)	2,090,632	180,478	(605,374)	1,665,736
Bond Fund				
Class AA (USD)	610,530	11,493	(233,361)	388,662
Asia Pacific Income and Growth Fund				
Class AA (USD) Inc	79,466	193,266	(133,508)	139,224
U.S. Bank Equity Fund				
Class AA (USD) Inc	–	555,730	(161,056)	394,674
2017				
China A Fund				
Class AA (USD)	5,002,383	81,822	(2,993,573)	2,090,632
Class I (USD)	193,282	–	(193,282)	–
Bond Fund				
Class AA (USD)	2,447,797	4,774	(1,842,041)	610,530
Asia Pacific Income and Growth Fund				
Class AA (USD) Inc	502,226	84,016	(506,776)	79,466
Class AA (AUD) Inc Hedgd	120,705	2,660	(123,365)	–
Class AA (HKD) Inc	341,913	7,144	(349,057)	–
Class AA (CAD) Inc Hedgd	120,940	2,529	(123,469)	–

Apart from the above, there were no other subscriptions and redemptions of Shares of the Segregated Portfolios by the Directors, the General Adviser and Distributor, the Investment Manager, or other Connected Persons during the years ended 30 June 2018 and 2017.

16. Related party disclosures (continued)

(b) Directors' remuneration

The Directors are entitled to such remuneration (if any) as may be voted at the general meeting. Each Director may be paid reasonable travel, hotel and other out-of-pocket expenses reasonably and properly incurred in the performance of his/her duties. The Directors may by resolution approve additional remuneration to any Director for any services other than such Director's ordinary routine work as a Director. Any fees that may be paid to a Director who is also counsel to the Company, or otherwise serves it in a professional capacity, shall be in addition to such Director's remuneration as a Director.

Notwithstanding the above, there are no existing or proposed service contracts between any of the Directors and the Company. No Director received any remuneration from the Company during the year ended 30 June 2018 (2017: Nil).

Manulife Advanced Fund SPC

Notes to Financial Statements
For the year ended 30 June 2018

16. Related party disclosures (continued)

(c) Fees charged by the General Adviser and Distributor cum the Investment Manager

The General Adviser and Distributor received management fees (as set out in Note 12), out of which the amounts due to itself as the Investment Manager as at balance sheet date are set out below:

	China A Fund			Bond Fund			Asia-Pacific Income and Growth Fund			U.S. Bank Equity Fund			Greater Bay Area Growth and Income Fund		
	Total		Amount due to itself as the Investment Manager as at year end	Total		Amount due to itself as the Investment Manager as at year end	Total		Amount due to itself as the Investment Manager as at year end	Total ²		Amount due to itself as the Investment Manager as at year end	Total ¹		Amount due to itself as the Investment Manager as at year end
	management fee charged during the year	USD		management fee charged during the year	USD		management fee charged during the year	USD		management fee charged during the year/period	USD		management fee charged during the period	USD	
For the year/period ended 30 June 2018	1,120,959	USD	76,618	402,009	USD	30,894	231,756	USD	20,125	489,814	USD	72,279	7,042	USD	7,042
For the year/period ended 30 June 2017	1,276,213	USD	181,090	455,456	USD	69,360	188,447	USD	33,006	5,273	USD	5,273	-	USD	-

¹ For the period from 12 June 2018 (launch date) to 30 June 2018, please refer to Note 19 for details.

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

The accompanying notes form an integral part of these financial statements.

17. Soft commission arrangements

MAMHK when acting as the Investment Manager of any Segregated Portfolio, has a fiduciary role in that it has an overriding duty to put the interests of its clients (including the Company, whose ultimate beneficiaries are the Shareholders) above its own corporate interests and personal interests in every transaction conducted.

MAMHK and MAMUS will not engage in any investment practice where its interests may be in conflict with the portfolios under their management. During the year covered by this financial report, no soft commission arrangements were entered into in respect of the Company's transactions with brokers, except that of Manulife Asset Management (US) LLC, as stated below:

Investment Manager(s)/ Sub-Investment Manager(s)/ Investment Adviser(s)	Name of the sub-funds	For the year ended 30 June 2018	For the period ended ² 30 June 2017
		USD	USD
Manulife Asset Management (US) LLC	U.S. Bank Equity Fund	329	–

18. Financial instruments by category

As at 30 June 2018	Assets/ Liabilities at fair value through profit or loss	Cash	Loans and receivables	Other financial liabilities	Total
China A Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	52,096,205	–	–	–	52,096,205
Cash	–	166,567	–	–	166,567
Receivable on subscriptions	–	–	91,404	–	91,404
Other receivables and prepayments	–	–	2,426	–	2,426
Liabilities					
Accounts payable and accrued expenses	–	–	–	(208,122)	(208,122)
Payable on redemptions	–	–	–	(835,987)	(835,987)
Total	52,096,205	166,567	93,830	(1,044,109)	51,312,493
Bond Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	29,897,719	–	–	–	29,897,719
Cash	–	149,845	–	–	149,845
Receivable on subscriptions	–	–	7,698	–	7,698
Other receivables and prepayments	–	–	360,300	–	360,300
Due from broker	–	–	2,766,787	–	2,766,787
Liabilities					
Accounts payable and accrued expenses	–	–	–	(572,267)	(572,267)
Payable on redemptions	–	–	–	(163,084)	(163,084)
Due to broker	–	–	–	(1,184,059)	(1,184,059)
Total	29,897,719	149,845	3,134,785	(1,919,410)	31,262,939

² For the period from 6 June 2017 (launch date) to 30 June 2017, please refer to Note 19 for details.

18. Financial instruments by category (continued)

As at 30 June 2018	Assets/ Liabilities at fair value through profit or loss	Cash	Loans and receivables	Other financial liabilities	Total
Asia Pacific Income and Growth Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	15,798,910	–	–	–	15,798,910
Cash	–	461,647	–	–	461,647
Receivable on subscriptions	–	–	16,359	–	16,359
Other receivables and prepayments	–	–	184,303	–	184,303
Liabilities					
Financial liabilities at fair value through profit or loss	(220)	–	–	–	(220)
Accounts payable and accrued expenses	–	–	–	(63,791)	(63,791)
Payable on redemptions	–	–	–	(48,635)	(48,635)
Total	15,798,690	461,647	200,662	(112,426)	16,348,573
U.S. Bank Equity Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	63,060,882	–	–	–	63,060,882
Cash	–	548,921	–	–	548,921
Receivable on subscriptions	–	–	3,647,423	–	3,647,423
Other receivables and prepayments	–	–	849,601	–	849,601
Due from broker	–	–	1,610	–	1,610
Liabilities					
Accounts payable and accrued expenses	–	–	–	(928,501)	(928,501)
Payable on redemptions	–	–	–	(199,591)	(199,591)
Due to broker	–	–	–	(14,759)	(14,759)
Total	63,060,882	548,921	4,498,634	(1,142,851)	66,965,586
Greater Bay Area Growth and Income Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	10,486,069	–	–	–	10,486,069
Cash	–	563,586	–	–	563,586
Receivable on subscriptions	–	–	328,131	–	328,131
Other receivables and prepayments	–	–	139,833	–	139,833
Liabilities					
Financial liabilities at fair value through profit or loss	(1)	–	–	–	(1)
Accounts payable and accrued expenses	–	–	–	(103,257)	(103,257)
Due to broker	–	–	–	(131,243)	(131,243)
Total	10,486,068	563,586	467,964	(234,500)	11,283,118

18. Financial instruments by category (continued)

As at 30 June 2017	Assets/ Liabilities at fair value through profit or loss	Cash	Loans and receivables	Other financial liabilities	Total
China A Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	66,212,956	–	–	–	66,212,956
Cash	–	202,696	–	–	202,696
Receivable on subscriptions	–	–	37,040	–	37,040
Other receivables and prepayments	–	–	1,595	–	1,595
Liabilities					
Accounts payable and accrued expenses	–	–	–	(284,870)	(284,870)
Payable on redemptions	–	–	–	(551,055)	(551,055)
Total	66,212,956	202,696	38,635	(835,925)	65,618,362
Bond Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	33,824,953	–	–	–	33,824,953
Cash	–	113,800	–	–	113,800
Other receivables and prepayments	–	–	411,407	–	411,407
Due from broker	–	–	517,587	–	517,587
Liabilities					
Accounts payable and accrued expenses	–	–	–	(579,005)	(579,005)
Payable on redemptions	–	–	–	(296,667)	(296,667)
Total	33,824,953	113,800	928,994	(875,672)	33,992,075
Asia Pacific Income and Growth Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	12,952,390	–	–	–	12,952,390
Cash	–	496,899	–	–	496,899
Receivable on subscriptions	–	–	145	–	145
Other receivables and prepayments	–	–	268,986	–	268,986
Due from broker	–	–	54,811	–	54,811
Liabilities					
Accounts payable and accrued expenses	–	–	–	(225,719)	(225,719)
Payable on redemptions	–	–	–	(164,605)	(164,605)
Due to broker	–	–	–	(34,798)	(34,798)
Total	12,952,390	496,899	323,942	(425,122)	13,348,109

18. Financial instruments by category (continued)

As at 30 June 2017	Assets/ Liabilities at fair value through profit or loss	Cash	Loans and receivables	Other financial liabilities	Total
U.S. Bank Equity Fund (in USD)					
Assets					
Financial assets at fair value through profit or loss	5,467,536	–	–	–	5,467,536
Cash	–	281,355	–	–	281,355
Other receivables and prepayments	–	–	2,657	–	2,657
Due from broker	–	–	405	–	405
Liabilities					
Accounts payable and accrued expenses	–	–	–	(10,969)	(10,969)
Due to broker	–	–	–	(113,391)	(113,391)
Total	5,467,536	281,355	3,062	(124,360)	5,627,593

19. Important events

A new Segregated Portfolio, the Greater Bay Area Growth and Income Fund was launched on 12 June 2018.

The U.S. Bank Equity Fund was launched on 6 June 2017 and received authorisation from the SFC on 25 August 2017, in connection with offering its Class AA Shares to the public in Hong Kong.

20. Subsequent events

The Greater Bay Area Growth and Income Fund received authorisation from the SFC in connection with offering its Class AA Shares to the public in Hong Kong.

Subsequent to year end, the Company resolved to declare the dividend distributions of the Asia Pacific Income and Growth Fund. Please refer to below for details:

	Currency	Distribution per Share	Total Distribution	Distribution Date
Asia Pacific Income and Growth Fund				
Class AA (USD) Inc	USD	0.0410	34,123.59	10-Jul-18
Class AA (USD) Inc	USD	0.0410	35,485.10	8-Aug-18
Class AA (USD) Inc	USD	0.0410	36,476.11	10-Sep-18
Class AA (USD) Inc	USD	0.0410	34,505.38	9-Oct-18
Class AA (AUD) Inc Hedged	AUD	0.0410	8,584.73	10-Jul-18
Class AA (AUD) Inc Hedged	AUD	0.0410	8,543.02	8-Aug-18
Class AA (AUD) Inc Hedged	AUD	0.0410	8,576.91	10-Sep-18
Class AA (AUD) Inc Hedged	AUD	0.0410	8,787.07	9-Oct-18
Class AA (HKD) Inc	HKD	0.4130	194,545.80	10-Jul-18
Class AA (HKD) Inc	HKD	0.4130	195,276.13	8-Aug-18
Class AA (HKD) Inc	HKD	0.4130	196,093.34	10-Sep-18
Class AA (HKD) Inc	HKD	0.4130	200,560.94	9-Oct-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,156.91	10-Jul-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,197.16	8-Aug-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,678.68	10-Sep-18
Class AA (CAD) Inc Hedged	CAD	0.0403	9,722.56	9-Oct-18
Greater Bay Area Growth and Income Fund				
Class AA (USD) Inc	USD	0.0280	27,101.95	9-Oct-18
Class AA (HKD) Inc	HKD	0.2800	65,957.58	9-Oct-18
Class AA (AUD) Inc Hedged	AUD	0.0280	3,108.18	9-Oct-18

21. Approval of the combined financial statements

The financial statements of the Company for the year ended 30 June 2018 were authorized for issue in accordance with a resolution of the Board of Directors on 16 October 2018.

China A Segregated Portfolio

Portfolio of Investments As at 30 June 2018

Quantity/ Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Listed Equities				
China				
2,363,100	Agricultural Bank of China Limited – A	1,226,573	1,226,977	2.39
137,562	Anhui Kouzi Distillery Company Limited – A	718,903	1,275,898	2.49
740,644	Bank of Beijing Company Limited – A	795,292	674,097	1.31
1,734,600	Bank of Communications Company Limited – A	1,722,501	1,502,820	2.94
642,500	Beijing Yanjing Brewery Company Limited – A	861,939	652,655	1.27
256,800	BTG Hotels Group Company Limited – A	714,876	1,053,125	2.05
115,700	BYD Company Limited – A	923,747	832,656	1.62
801,100	Centre Testing International Group Company Limited – A	652,964	694,056	1.35
377,000	China CYTS Tours Holding Company Limited – A	1,299,590	1,134,082	2.21
892,100	China Eastern Airlines Corp. Limited – A	1,202,969	891,389	1.74
856,800	China Gezhouba Group Company Limited – A	995,218	932,417	1.82
168,102	China International Travel Service Corp. Limited – A	565,953	1,634,263	3.19
1,621,568	China Minsheng Banking Corp. Limited – A	2,311,178	1,713,282	3.35
291,000	Chongqing Brewery Company Limited – A	1,054,965	1,216,219	2.37
473,923	Everbright Securities Company Limited – A	1,117,986	785,427	1.53
806,760	Focus Media Information Technology Company Limited – A	1,034,150	1,165,338	2.27
510,400	GoerTek Inc. – A	870,961	785,020	1.53
494,946	Guangdong Fenghua Advanced Technology Holding Company Limited – A	1,081,120	1,186,326	2.31
487,000	Guangxi Liugong Machinery Company Limited – A	754,597	787,252	1.53
138,300	Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited – A	904,996	794,278	1.55
193,920	Hangzhou Chang Chuan Technology Company Limited – A	847,760	1,064,539	2.07
78,800	Hangzhou Tigermed Consulting Company Limited – A	739,057	735,872	1.43
100,000	Han's Laser Technology Industry Group Company Limited – A	336,749	802,834	1.56
358,000	Haoxiangni Health Food Company Limited – A	864,964	587,365	1.14
362,382	Hebei Hengshui Laobaigan Liquor Company Limited – A	1,015,552	1,093,390	2.13
410,000	Hisense Kelon Electrical Holdings Company Limited – A	772,513	641,120	1.25
125,850	Huadong Medicine Company Limited – A	674,167	916,529	1.79
435,500	Huatai Securities Company Limited – A	1,223,178	984,024	1.92
582,600	Industrial Bank Company Limited – A	1,579,591	1,266,277	2.47
245,500	Inner Mongolia Yili Industrial Group Company Limited – A	1,073,644	1,033,836	2.01
242,260	Jiangsu Changjiang Electronics Technology Company Limited – A	671,770	619,428	1.21
407,680	Jiangsu Hengli Hydraulic Company Limited – A	676,243	1,284,830	2.50
193,775	Jonjee Hi-tech Industrial and Commercial Holding Company Limited – A	789,800	818,939	1.60
294,417	L&K Engineering Suzhou Company Limited – A	1,139,943	887,880	1.73
194,200	New China Life Insurance Company Limited – A	1,729,833	1,256,897	2.45
204,922	Ping an Insurance Group Company of China Limited – A	678,997	1,811,898	3.54
152,010	SAIC Motor Corporation Limited – A	739,093	802,808	1.56

China A Segregated Portfolio (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity/ Par Value	Description	Cost USD	Market Value USD	% of Net Assets
552,560	Sany Heavy Industry Company Limited – A	537,192	748,114	1.46
826,700	Shaanxi Coal Industry Company Limited – A	1,082,901	1,025,688	2.00
192,180	Shanghai Fosun Pharmaceutical Group Company Limited – A	837,953	1,200,602	2.34
199,974	Shanghai Jinjiang International Hotel Development – A	731,561	1,115,581	2.17
472,555	Shanghai Pudong Development Bank Company Limited – A	681,176	681,877	1.33
236,902	Shenzhen Capchem Technology Company Limited – A	766,564	957,937	1.87
476,000	Suning Appliance Company Limited – A	1,136,186	1,011,592	1.97
710,000	Sunwoda Electronics Company Limited – A	1,158,624	965,559	1.88
600,000	Universal Scientific Industrial Company Limited – A	943,634	821,399	1.60
389,200	Xiamen King Long Motor Group Company Limited – A	732,888	733,721	1.43
239,700	Yangzhou Yangjie Electronic Technology Company Limited – A	1,004,684	1,034,737	2.02
304,250	Yifan Xinfu Pharmaceutical Company Limited – A	978,947	810,534	1.58
440,000	Zhejiang Hisun Pharmaceutical Company Limited – A	1,012,808	965,635	1.88
343,563	Zhejiang Jingsheng Mechanical & Electrical Company Limited – A	658,346	689,171	1.34
299,400	Zhejiang Sanhua Intelligent Controls Company Limited – A	851,238	851,842	1.66
1,393,800	Zhuzhou Kibing Group Company Limited – A	1,059,439	936,173	1.82
		50,537,473	52,096,205	101.53
	Listed Equities Total	50,537,473	52,096,205	101.53
	Portfolio of Investments	50,537,473	52,096,205	101.53
	Other Net Liabilities		(783,712)	(1.53)
	Net Assets		51,312,493	100.00

Renminbi Bond Segregated Portfolio

Portfolio of Investments As at 30 June 2018

Quantity / Par Value*	Description	Cost USD	Market Value USD	% of Net Assets
Listed Supranationals, Governments and Local Public Authorities, Debt Instruments				
China				
10,000,000*	China (Govt of) 2.750% 17/Mar/2023	1,501,833	1,465,358	4.69
10,000,000*	China (Govt of) 2.950% 16/Jun/2023	1,516,349	1,476,896	4.72
20,000,000*	China (Govt of) 3.130% 13/Apr/2022	2,882,139	2,988,408	9.56
16,045,000*	China (Govt of) 3.400% 17/Apr/2023	2,412,312	2,418,607	7.74
30,000,000*	China (Govt of) 3.540% 16/Apr/2022	4,889,382	4,547,326	14.54
30,000,000*	China (Govt of) 3.770% 8/Mar/2025	4,790,992	4,579,660	14.65
20,000,000*	China (Govt of) 4.020% 3/Jul/2021	3,312,936	3,076,700	9.84
1,770,000*	China (Govt of) 4.260% 31/Jul/2021	286,617	274,086	0.88
		21,592,560	20,827,041	66.62
	Listed Supranationals, Governments and Local Public Authorities, Debt Instruments Total	21,592,560	20,827,041	66.62
Listed Bonds				
China				
20,000,000*	China Development Bank 3.880% 19/Apr/2020	2,869,558	3,012,421	9.63
10,000,000*	China Petroleum & Chemical Corp. 4.900% 1/Jun/2022	1,579,164	1,516,620	4.85
10,000,000*	China State Grid Corp. 5.140% 8/Dec/2021	1,651,638	1,532,456	4.90
20,000,000*	Export-Import Bank of China 4.050% 20/Mar/2022	2,902,557	3,009,181	9.63
		9,002,917	9,070,678	29.01
	Listed Bonds Total	9,002,917	9,070,678	29.01
	Portfolio of Investments	30,595,477	29,897,719	95.63
	Other Net Assets		1,365,220	4.37
	Net Assets		31,262,939	100.00

* Par value is in RMB.

Asia Pacific Income and Growth Segregated Portfolio

Portfolio of Investments As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Listed Supranationals, Governments and Local Public Authorities, Debt Instruments				
Indonesia				
3,700,000,000*	Indonesia Treasury Bond 8.250% 15/Jul/2021	293,010	262,112	1.60
		293,010	262,112	1.60
Republic of Korea (South)				
2,500,000,000*	Export-Import Bank of Korea 7.250% 7/Dec/2024	195,771	166,077	1.02
200,000	Korea National Oil Corp. 2.750% 23/Jan/2019	199,962	199,714	1.22
200,000	Korea Resources Corp. 4.000% 18/Apr/2023	198,916	200,121	1.23
		594,649	565,912	3.47
Supranational				
12,000,000**	International Finance Corp. 6.300% 25/Nov/2024	189,768	163,622	1.00
		189,768	163,622	1.00
	Listed Supranationals, Governments and Local Public Authorities, Debt Instruments Total	1,077,427	991,646	6.07
Listed Bonds				
Australia				
200,000	Australia & New Zealand Banking Group 4.400% 19/May/2026	199,904	196,177	1.20
200,000	Shandong Energy Australia Pty Limited 4.550% 26/Jul/2020	203,230	188,750	1.15
		403,134	384,927	2.35
Cayman Islands				
200,000	China Overseas Grand Oceans Finance 4.875% 1/Jun/2021	199,834	199,179	1.22
200,000	Health and Happiness International Holdings Limited 7.250% 21/Jun/2021	200,000	200,578	1.23
200,000	Times China Holdings Limited 6.250% 17/Jan/2021	200,000	190,000	1.16
200,000	Yuzhou Properties Company FRN 29/Mar/2166	199,700	173,833	1.06
		799,534	763,590	4.67
China				
200,000	China Minmetals FRN 13/May/2166	200,000	183,826	1.12
		200,000	183,826	1.12
Hong Kong				
200,000	Bank of East Asia Limited (The) FRN 3/Nov/2026	201,024	195,288	1.19
300,000	CNAC (HK) Finbridge Company Limited 4.125% 19/Jul/2027	300,039	277,137	1.70
250,000	MCC Holding (HK) Corp. Limited 2.950% 31/May/2020	250,405	245,519	1.50
200,000	Weichai International Hong Kong Energy Group FRN 14/Mar/2166	186,160	185,083	1.13
200,000	Yancoal International Resources Development Company Limited FRN 29/Dec/2049	204,700	196,800	1.20
		1,142,328	1,099,827	6.72

* Par value is in IDR.

** Par value is in INR.

Asia Pacific Income and Growth Segregated Portfolio (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Indonesia				
200,000	ABM Investama Tbk Pt 7.125% 1/Aug/2022	209,750	178,103	1.09
200,000	Pertamina Pt 4.875% 3/May/2022	213,750	203,456	1.24
		423,500	381,559	2.33
Malaysia				
300,000	IOI Investment Bhd 4.375% 27/Jun/2022	298,431	301,212	1.85
300,000	SSG Resources Limited 4.250% 4/Oct/2022	299,454	301,307	1.85
		597,885	602,519	3.70
Republic of Korea (South)				
200,000	Busan Bank 3.625% 25/Jul/2026	199,170	184,763	1.13
		199,170	184,763	1.13
Singapore				
200,000	Alam Synergy Pte Limited 6.625% 24/Apr/2022	195,700	161,439	0.99
200,000	ONGC Videsh Vankorneft Pte Limited 3.750% 27/Jul/2026	199,106	186,196	1.14
200,000	TBLA International Pte Limited 7.000% 24/Jan/2023	201,490	178,750	1.09
		596,296	526,385	3.22
Virgin Islands (British)				
200,000	Huarong Finance II 3.625% 22/Nov/2021	202,438	196,547	1.20
200,000	Yingde Gases Investment 6.250% 19/Jan/2023	201,480	188,176	1.15
		403,918	384,723	2.35
	Listed Bonds Total	4,765,765	4,512,119	27.59
	Listed Equities			
Australia				
29,610	AMP Limited	133,901	77,862	0.48
6,279	BHP Billiton Limited	156,464	157,274	0.96
19,812	Dexus Property Group	151,616	142,097	0.87
26,863	IPH Limited	118,117	88,298	0.54
1,972	Macquarie Group Limited	119,193	180,111	1.10
13,271	National Australia Bank Limited	363,908	268,690	1.64
22,896	QBE Insurance Group Limited	202,588	164,724	1.01
3,670	Rio Tinto Limited	194,601	226,193	1.38
35,153	Sydney Airport Holdings Limited	191,026	185,915	1.14
22,855	Transurban Group Limited	203,061	202,076	1.24
11,273	Westpac Banking Corp.	314,958	243,975	1.49
6,774	Woodside Petroleum Limited	152,913	177,428	1.09
		2,302,346	2,114,643	12.94

Asia Pacific Income and Growth Segregated Portfolio (continued)

Portfolio of Investments (continued) As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Bermuda				
197,700	Valuetronics Holdings Limited	118,965	96,404	0.59
11,800	Vtech Holdings Limited	165,269	136,181	0.83
		284,234	232,585	1.42
Cayman Islands				
1,989	Alibaba Group Holding Limited	303,296	369,656	2.25
133,500	HKBN Limited	151,835	205,539	1.26
136,000	HKT Limited	171,731	173,681	1.06
180,000	KWG Property Holdings Limited	135,788	226,202	1.38
25,600	Sands China Limited	130,162	136,873	0.84
7,000	Tencent Holdings Limited	137,331	351,334	2.15
		1,030,143	1,463,285	8.94
China				
216,000	Anhui Expressway Company Limited – H	176,166	130,215	0.80
403,000	China Construction Bank Corp.	321,941	372,382	2.28
451,000	Industrial & Commercial Bank of China	305,094	337,413	2.06
34,500	SAIC Motor Corporation Limited – A	166,817	182,204	1.11
186,000	Shenzhen Expressway Company Limited	185,229	182,537	1.12
		1,155,247	1,204,751	7.37
Hong Kong				
33,500	BOC Hong Kong Holdings Limited	108,424	157,763	0.96
19,000	China Mobile Hong Kong Limited	210,288	168,785	1.03
135,000	Cnooc Limited	193,977	232,970	1.43
88,000	Guangdong Investment Limited	102,256	139,749	0.85
330,000	Yuexiu Transport Infrastructure Limited	238,885	240,578	1.47
8,500	Link REIT	69,015	77,621	0.47
		922,845	1,017,466	6.21
India				
3,644	Infosys Technologies Limited – ADR	65,349	70,548	0.43
		65,349	70,548	0.43
Jersey – Channel Islands				
2,649	Janus Henderson Group plc	100,266	81,476	0.50
		100,266	81,476	0.50
Malaysia				
84,300	Malayan Banking Bhd	182,579	187,820	1.15
		182,579	187,820	1.15
New Zealand				
29,644	Contact Energy Limited Npv	119,062	117,282	0.72
88,596	Genesis Energy Limited Npv	158,326	146,199	0.89
		277,388	263,481	1.61

Asia Pacific Income and Growth Segregated Portfolio (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Republic of Korea (South)				
1,635	Coway Company Limited	128,255	127,044	0.78
2,321	KB Financial Group Inc.	90,048	109,958	0.67
9,150	Samsung Electronics Company Limited Pfd	275,162	309,104	1.89
		493,465	546,106	3.34
Singapore				
129,400	AIMS AMP Capital Industrial REIT	143,036	130,942	0.80
49,600	Ascendas REIT	96,140	96,018	0.59
325,000	Asian Pay Television Trust	135,907	96,517	0.59
59,300	Frasers Commercial Trust REIT	60,883	60,007	0.37
181,830	Frasers Logistics & Industrial Trust	140,564	139,997	0.86
255,017	Keppel DC REIT	217,256	254,316	1.56
102,500	Mapletree Commercial Trust REIT	115,651	118,002	0.72
160,100	Mapletree Greater China Commercial Trust REIT	125,478	133,832	0.82
		1,034,915	1,029,631	6.31
Taiwan				
98,000	Cathay Financial Holding Company Limited	153,730	172,930	1.06
40,000	Chunghwa Telecom Company Limited	131,666	144,316	0.88
43,000	Formosa Plastics Corp.	138,195	158,665	0.97
5,000	GlobalWafers Company Limited	77,558	83,145	0.51
25,000	Hon Hai Precision Industry Company Limited	95,704	68,222	0.42
215,000	Inventec Company Limited	172,715	168,891	1.03
57,000	Micro-Star International Company Limited	175,219	176,111	1.08
17,928	Posiflex Technology Inc.	89,683	68,210	0.42
27,000	Ruentex Industries Limited	52,990	55,083	0.34
42,000	Taiwan Semiconductor Manufacturing Company Limited	175,818	298,241	1.82
		1,263,278	1,393,814	8.53
Thailand				
443,700	Land & Houses pcl nvdr	134,524	151,337	0.93
125,000	PTT pcl nvdr	141,336	181,104	1.11
		275,860	332,441	2.04
United Kingdom				
23,200	HSBC Holdings plc	224,886	217,627	1.33
		224,886	217,627	1.33
	Listed Equities Total	9,612,801	10,155,674	62.12

Asia Pacific Income and Growth Segregated Portfolio (continued)

Portfolio of Investments (continued) As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Listed Funds				
United States				
3,646	iShares MSCI India ETF	107,875	120,610	0.74
		107,875	120,610	0.74
	Listed Funds Total	107,875	120,610	0.74
	Portfolio of Investments	15,563,868	15,780,049	96.52
Forward contracts				
	AUD/USD		3,410	0.02
	CAD/USD		15,439	0.09
	USD/AUD		12	0.00
	USD/AUD		(22)	0.00
	USD/CAD		(39)	0.00
	USD/CAD		(159)	0.00
	Forward contracts Total		18,641	0.11
	Other Net Assets		549,883	3.37
	Net Assets		16,348,573	100.00

U.S. Bank Equity Fund

Portfolio of Investments As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Listed Equities				
United States				
6,473	1st Source Corp.	333,567	348,377	0.52
8,955	Access National Corp.	255,227	259,158	0.39
4,615	American Business Bank	181,553	184,646	0.28
14,604	Ameris Bancorp.	737,617	790,076	1.18
14,929	Atlantic Capital Bancshares Inc.	276,588	299,326	0.45
68,818	Bank of America Corp.	1,904,831	1,986,088	2.98
6,133	Bank of Commerce Holdings	70,896	78,809	0.12
7,450	Bank of Hawaii Corp.	626,516	624,757	0.93
3,718	Bank of Marin Bancorp.	264,937	303,203	0.45
8,217	Bar Harbor Bankshares	246,348	248,318	0.37
2,879	BayCom Corp.	65,526	71,255	0.11
33,438	BB&T Corp.	1,644,685	1,702,663	2.54
18,261	Berkshire Hills Bancorp. Inc.	704,435	749,614	1.12
8,646	BOK Financial Corporation	789,452	818,776	1.22
13,424	Bryn Mawr Bank Corp.	600,467	634,284	0.95
6,606	BSB Bancorp. Inc.	207,279	230,879	0.34
1,310	Business First Bancshares	31,799	34,951	0.05
2,198	Cadence Bancorp.	62,543	63,302	0.09
481	Cambridge Bancorp.	39,719	41,337	0.06
4,195	Camden National Corp.	183,368	194,480	0.29
10,765	Capital One Financial Corp.	993,352	999,315	1.49
3,701	Carolina Financial Corp.	140,245	160,549	0.24
17,697	Chemical Financial Corp.	948,607	999,350	1.49
1,883	Citizens Community Bancorp. Inc.	26,255	26,418	0.04
53,469	Citizens Financial Group	2,144,844	2,126,998	3.18
2,540	City Holding Company	180,299	193,599	0.29
6,158	Civista Bancshares Inc.	140,625	151,733	0.23
14,725	Columbia Banking System Inc.	622,075	610,940	0.91
19,913	Comerica Inc.	1,697,315	1,836,576	2.75
6,392	Commerce Bancshares Inc.	371,215	416,055	0.62
2,777	Community Bank System Inc.	154,817	165,898	0.25
1,313	Community Financial Corp. (The)	48,016	46,822	0.07
2,850	County Bancorp. Inc.	82,939	79,772	0.12
12,108	Cullen Frost Bankers Inc.	1,226,499	1,321,346	1.97
730	DNB Financial Corp.	24,921	25,404	0.04
3,142	Eagle Bancorp. Montana Inc.	61,565	60,641	0.09
11,049	East West Bancorp.	710,763	735,200	1.10
6,793	Equity Bancshares Inc – Class A	249,869	284,898	0.43

U.S. Bank Equity Fund (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
2,633	Evans Bancorp. Inc.	115,549	123,619	0.18
11,910	FCB Financial Holdings Inc.	618,069	721,746	1.08
33,636	5th Third Bancorp.	975,916	975,780	1.46
3,242	First Bancorp. Inc.	94,941	93,240	0.14
4,676	First Bancshares Inc.	150,862	169,037	0.25
5,506	First Business Financial Services Inc.	130,437	143,431	0.21
562	1st Citizens Bancshares	225,105	228,875	0.34
4,796	First Community Corp.	108,984	120,619	0.18
849	First Connecticut Bancorp.	22,520	26,234	0.04
6,426	First Defiance Financial Corp.	361,603	414,027	0.62
24,586	First Financial Bancorp..	690,299	769,542	1.15
17,597	First Hawaiian Inc.	517,024	514,360	0.77
40,960	First Horizon National Corp.	770,810	745,472	1.11
13,462	First Merchants Corp.	585,291	632,849	0.95
1,418	First Mid-Illinois Bancshares	54,490	56,777	0.08
2,099	First of Long Island Corp.	59,919	52,580	0.08
7,629	Flushing Financial Corp.	212,413	201,177	0.30
45,820	DNB Financial Corp.	628,705	624,985	0.93
6,477	German American Bancorp.	231,007	235,050	0.35
13,951	Glacier Bancorp. Inc.	527,026	549,390	0.82
2,868	Great Southern Bancorp. Inc.	155,980	165,914	0.25
15,540	Great Western Bancorp. Inc.	642,837	659,207	0.98
19,101	Hancock Holding Company	948,208	906,342	1.35
27,492	Heritage Commerce Corp.	430,331	470,113	0.70
8,183	Heritage Financial Corp.	249,499	282,723	0.42
25,546	Horizon Bancorp. Indiana	489,923	531,612	0.79
10,732	Howard Bancorp. Inc.	210,848	195,322	0.29
71,227	Huntington Bancshares Inc.	1,032,420	1,066,624	1.59
5,486	Independent Bank Michigan Corp.	127,321	140,990	0.21
13,605	Independent Bank Massachussetts Corp.	994,432	1,077,516	1.61
18,536	JP Morgan Chase	1,884,779	1,957,402	2.92
110,451	Keycorp	2,137,550	2,182,513	3.26
4,781	Level One Bancorp. Inc.	135,240	129,326	0.19
9,732	M&T Bank Corp.	1,644,218	1,669,038	2.49
7,628	Mackinac Financial Corp.	120,117	131,430	0.20
24,473	MB Financial Inc.	1,106,785	1,153,168	1.72
3,050	Midwestone Financial Group	105,054	103,975	0.16
3,823	Mutualfirst Financial Inc.	144,307	144,892	0.22
2,939	National Commerce Corp.	125,599	137,839	0.21
2,425	Nicolet Bankshares Inc.	135,339	136,067	0.20

U.S. Bank Equity Fund (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
3,250	Northrim Bancorp. Inc.	115,238	128,050	0.19
46,012	Old National Bancorp.	825,978	866,176	1.29
15,512	Old Second Bancorp. Inc.	217,061	225,700	0.34
1,839	Open Bank Bancorp.	21,005	23,907	0.04
11,399	Pacific Premier Bancorp. Inc.	454,442	440,571	0.66
11,856	Pacwest Bancorp.	591,668	596,357	0.89
4,143	Park National Corp.	450,432	468,573	0.70
6,931	Peoples Bancorp. Inc.	239,403	262,408	0.39
18,596	Pinnacle Financial Partners	1,197,712	1,153,882	1.72
14,431	PNC Financial Services Group	2,001,017	1,961,029	2.93
827	Presidio Bank	18,569	21,833	0.03
4,720	Provident Financial Holdings	89,980	91,285	0.14
8,888	Provident Financial Services	240,424	248,420	0.37
3,521	QCR Holdings Inc.	164,565	169,712	0.25
89,869	Regions Financial Corp.	1,529,448	1,630,224	2.43
12,335	Renasant Corp.	536,882	573,207	0.86
1,661	SB Financial Group Inc.	30,509	33,386	0.05
830	SBT Bancorp. Inc.	24,617	28,635	0.04
6,944	Shore Bancshares Inc.	122,905	133,533	0.20
5,753	South State Corp.	509,447	505,401	0.75
6,127	Southern First Bancshares Inc.	250,132	275,715	0.41
8,444	Southern Missouri Bancorp.	308,962	334,045	0.50
4,042	State Bank Financial Corp.	122,202	134,194	0.20
7,877	Stock Yards Bancorp. Inc.	292,084	305,234	0.46
30,230	Suntrust Banks Inc.	1,902,322	2,027,828	3.04
4,960	SVB Financial Group	1,153,129	1,454,669	2.17
5,754	Towne Bank	187,595	187,005	0.28
13,813	Trico Bancshares	544,483	529,383	0.79
14,606	Union Bankshares Corp.	541,545	578,982	0.86
10,194	United Bankshares Inc.	367,509	376,159	0.56
28,363	United Community Financial	276,363	313,978	0.47
38,157	US Bancorp.	2,004,768	1,915,863	2.86
7,576	Washington Trust Bancorp.	426,636	444,332	0.66
13,509	Wells Fargo & Company	749,168	762,583	1.14
2,594	Westbury Bancorp. Inc.	55,865	57,924	0.09
15,580	Western Alliance Bancorp.	865,087	903,017	1.35
15,149	Wells Fargo & Company	757,647	818,424	1.22
28,782	Zions Bancorp.	1,446,648	1,532,642	2.29
		60,586,778	63,060,882	94.17

U.S. Bank Equity Fund (continued)

Portfolio of Investments (continued)
As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
	Listed Equities Total	60,586,778	63,060,882	94.17
	Portfolio of Investments	<u>60,586,778</u>	63,060,882	94.17
	Other Net Assets		<u>3,904,704</u>	<u>5.83</u>
	Net Assets		<u>66,965,586</u>	<u>100.00</u>

Greater Bay Area Growth and Income Segregated Portfolio

Portfolio of Investments (continued) As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Listed Supranationals, Governments and Local Public Authorities, Debt Instruments				
Unites States				
1,210,000	United States Treasury 2.750% 31/May/2023	1,209,791	1,211,513	10.74
		1,209,791	1,211,513	10.74
	Listed Supranationals, Governments and Local Public Authorities, Debt Instruments Total	1,209,791	1,211,513	10.74
Listed Bonds				
Bermuda				
200,000	China Oil & Gas Group Limited 4.625% 20/Apr/2022	185,500	182,820	1.62
		185,500	182,820	1.62
Cayman Islands				
200,000	Agile Group Holdings 5.125% 14/Aug/2022	191,000	187,095	1.66
200,000	Azure Orbit IV International Finance 3.750% 25/Jan/2023	195,600	195,472	1.73
200,000	China Oversea Finance 5.375% 29/Oct/2023	209,960	209,157	1.85
200,000	China Overseas Grand Oceans Finance 4.875% 1/Jun/2021	200,380	199,179	1.77
200,000	Country Garden Holdings 4.750% 25/Jul/2022	195,500	190,637	1.69
200,000	Health and Happiness International Holdings Limited 7.250% 21/Jun/2021	204,500	200,578	1.78
200,000	Melco Resorts Finance 4.875% 6/Jun/25	190,500	189,578	1.68
		1,387,440	1,371,696	12.16
Hong Kong				
200,000	Bank of East Asia Limited (The) FRN 3/Nov/2026	195,400	195,288	1.73
400,000	Chalco Hong Kong Investment 6.625% 29/Oct/2049	402,000	402,104	3.56
200,000	Weichai International Hong Kong Energy Group FRN 14/Mar/2166	185,500	185,083	1.64
200,000	Yancoal International Resources Development Company Limited FRN 29/Dec/2049	198,480	196,800	1.74
		981,380	979,275	8.67
Singapore				
200,000	BOC Aviation Limited 4.375% 2/May/2023	203,000	202,703	1.80
		203,000	202,703	1.80
Virgin Islands (British)				
200,000	New Metro Global Limited 7.500% 20/Mar/2022	195,800	193,563	1.72
200,000	Studio City Company Limited 7.250% 30/Nov/2021	208,900	207,222	1.84
		404,700	400,785	3.56
	Listed Bonds Total	3,162,020	3,137,279	27.81

Greater Bay Area Growth and Income Segregated Portfolio (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
Listed Equities				
Bermuda				
80,000	Shenzhen International Holdings	170,967	165,586	1.47
		170,967	165,586	1.47
Cayman Islands				
6,000	AAC Technologies Holding Inc.	95,609	84,501	0.75
1,300	Alibaba Group Holding Limited	268,434	241,605	2.14
94,000	China Education Group Holdings Limited	179,367	158,142	1.40
100,000	China Resources Cement Holdings Limited	116,814	101,324	0.90
40,000	China Resources Land Limited	147,917	134,844	1.20
450,000	Jacobson Pharma Corp. Limited	114,793	106,104	0.94
30,000	Kingsoft Corp. Limited	89,878	91,001	0.81
60,000	Lifestyle International Holdings Limited	129,886	127,248	1.13
100,000	Logan Property Holdings Company Limited	154,231	135,354	1.20
20,000	Sands China Limited	114,738	106,932	0.95
40,000	Semiconductor Manufacturing International Corp.	58,596	52,000	0.46
7,800	Tencent Holdings Limited	406,125	391,486	3.47
80,000	Times China Holdings Limited	135,008	118,683	1.05
8,000	Vipshop Holdings Limited	93,390	88,080	0.78
		2,104,786	1,937,304	17.18
China				
45,000	A-Living Services Company Limited	77,650	82,474	0.73
11,500	Chaozhou Three-circle Group Company Limited	43,749	40,767	0.36
40,000	China Merchants Bank Company Limited – H	159,639	147,589	1.31
22,500	China Merchants Shekou Industrial Company Limited – A	77,177	64,657	0.57
28,000	China Vanke Company Limited – H	109,843	97,960	0.87
30,600	Focus Media Information Technology Company Limited – A	48,948	44,175	0.39
50,000	Guangdong Fenghua Advanced Technology Holding Company Limited – A	114,383	119,773	1.06
40,000	Guangzhou Haige Communications Group Inc.	52,883	48,452	0.43
24,000	Guangzhou Baiyunshan Pharmaceutical Holding	120,357	105,836	0.94
13,000	Guangzhou Tinci Materials Technology Company Limited	79,644	75,578	0.67
15,000	Han's Laser Technology Industry Group Company Limited – A	125,572	120,354	1.07
100,000	Hisense Kelon Electrical Holdings Company Limited	107,344	102,089	0.90
19,500	Livzon Pharmaceutical Group Inc.	109,243	93,448	0.83
12,200	Midea Group Company Limited – A	101,911	96,103	0.85
36,000	MLS Company Limited	91,789	96,609	0.86
30,000	Shenzhen O-Film Tech Company Limited	82,281	72,995	0.65
24,000	Ping An Insurance	238,182	220,849	1.96
88,000	Shenzhen Airport Company Limited	106,259	101,551	0.90

Greater Bay Area Growth and Income Segregated Portfolio (continued)

Portfolio of Investments (continued)

As at 30 June 2018

Quantity / Par Value	Description	Cost USD	Market Value USD	% of Net Assets
China (continued)				
119,249	Shenzhen Gas Corporation Limited	104,235	99,836	0.88
22,091	Shenzhen Inovance Technology Company Limited – A	113,090	109,369	0.97
40,000	Shenzhen Selen Science & Technology Company Limited – A	83,679	80,192	0.71
		2,147,858	2,020,656	17.91
Hong Kong				
18,000	AIA Group Limited	162,306	157,378	1.39
6,500	ASM Pacific Technology	89,086	82,182	0.73
200,000	China Travel International Investment Hong Kong	83,495	78,001	0.69
14,000	Galaxy Entertainment Group Limited	115,437	108,398	0.96
100,000	Guangdong Investment Limited	167,949	158,805	1.41
9,000	Hang Seng Bank	226,384	225,055	1.99
30,000	Henderson Land Development	167,854	158,677	1.41
4,000	Hong Kong Exchanges & Clearing Limited	131,428	120,314	1.07
20,000	Link REIT	179,837	182,639	1.62
80,000	New World Development Company	116,339	112,566	1.00
350,000	Yuexiu Real Estate Investment Trust	241,815	235,085	2.08
		1,681,930	1,619,100	14.35
United Kingdom				
42,000	HSBC Holdings plc	407,321	393,979	3.48
		407,321	393,979	3.48
	Listed Equities Total	6,512,862	6,136,625	54.39
	Portfolio of Investments	10,884,673	10,485,417	92.94
Forward contracts				
	AUD/USD		640	0.01
	HKD/USD		1	0.00
	HKD/USD		(1)	0.00
	HKD/USD		1	0.00
	USD/AUD		10	0.00
	Forward contracts Total		651	0.01
	Other Net Assets		797,050	7.05
	Net Assets		11,283,118	100.00

Statement of Movements in Investment Portfolios

For the year ended 30 June 2018

Financial assets at fair value through profit or loss	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets held for trading												
Equities	52,096,205	66,212,956	-	-	10,155,674	8,260,735	63,060,882	5,467,536	6,136,625	-	131,449,386	79,941,227
Australia	-	-	-	-	2,114,643	1,709,066	-	-	-	-	2,114,643	1,709,066
Bermuda	-	-	-	-	232,585	72,893	-	-	165,586	-	398,171	72,893
Cayman Islands	-	-	-	-	1,463,285	1,172,297	-	-	1,937,304	-	3,400,589	1,172,297
China	52,096,205	66,212,956	-	-	1,204,751	864,821	-	-	2,020,656	-	55,321,612	67,077,777
Hong Kong	-	-	-	-	1,017,466	909,803	-	-	1,619,100	-	2,636,566	909,803
India	-	-	-	-	70,548	175,041	-	-	-	-	70,548	175,041
Indonesia	-	-	-	-	-	329,254	-	-	-	-	-	329,254
Ireland	-	-	-	-	-	52,813	-	-	-	-	-	52,813
Jersey – Channel Islands	-	-	-	-	81,476	43,576	-	-	-	-	81,476	43,576
Malaysia	-	-	-	-	187,820	114,860	-	-	-	-	187,820	114,860
New Zealand	-	-	-	-	263,481	-	-	-	-	-	263,481	-
Republic of Korea (South)	-	-	-	-	546,106	1,349,155	-	-	-	-	546,106	1,349,155
Singapore	-	-	-	-	1,029,631	339,154	-	-	-	-	1,029,631	339,154
Taiwan	-	-	-	-	1,393,814	1,003,989	-	-	-	-	1,393,814	1,003,989
Thailand	-	-	-	-	332,441	124,013	-	-	-	-	332,441	124,013
United Kingdom	-	-	-	-	217,627	-	-	-	393,979	-	611,606	-
United States	-	-	-	-	-	-	63,060,882	5,467,536	-	-	63,060,882	5,467,536
Bonds	-	-	9,070,678	11,952,390	4,512,119	4,319,513	-	-	3,137,279	-	16,720,076	16,271,903
Australia	-	-	-	205,433	384,927	207,024	-	-	-	-	384,927	412,457
Bermuda	-	-	-	-	-	-	-	-	182,820	-	182,820	-
Cayman Islands	-	-	-	-	763,590	906,182	-	-	1,371,696	-	2,135,286	906,182

Statement of Movements in Investment Portfolios (continued)

For the year ended 30 June 2018 (continued)

Financial assets at fair value through profit or loss	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Bonds (continued)												
China	-	-	9,070,678	10,388,207	183,826	213,665	-	-	-	-	9,254,504	10,601,872
Hong Kong	-	-	-	-	1,099,827	-	-	-	979,275	-	2,079,102	-
Indonesia	-	-	-	-	381,559	200,625	-	-	-	-	381,559	200,625
Malaysia	-	-	-	-	602,519	629,032	-	-	-	-	602,519	629,032
Netherlands	-	-	-	-	-	280,368	-	-	-	-	-	280,368
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
Republic of Korea (South)	-	-	-	-	184,763	193,793	-	-	-	-	184,763	193,793
Singapore	-	-	-	1,358,750	526,385	-	-	-	202,703	-	729,088	1,358,750
Thailand	-	-	-	-	-	309,335	-	-	-	-	-	309,335
United Kingdom	-	-	-	-	-	-	-	-	-	-	-	-
United States	-	-	-	-	-	274,235	-	-	-	-	-	274,235
Virgin Islands (British)	-	-	-	-	384,723	1,105,254	-	-	400,785	-	785,508	1,105,254
Supranationals, Governments and Local Public Authorities, Debt Instruments												
China	-	-	20,827,041	21,872,563	991,646	-	-	-	1,211,513	-	23,030,200	21,872,563
Indonesia	-	-	-	-	-	-	-	-	-	-	20,827,041	21,872,563
Republic of Korea (South)	-	-	-	-	262,112	-	-	-	-	-	262,112	-
Supranational	-	-	-	-	565,912	-	-	-	-	-	565,912	-
United States	-	-	-	-	163,622	-	-	-	-	-	163,622	-
	-	-	-	-	-	-	-	-	1,211,513	-	1,211,513	-

Statement of Movements in Investment Portfolios (continued)

For the year ended 30 June 2018 (continued)

Financial assets at fair value through profit or loss	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Funds												
United States	-	-	-	-	120,610	334,688	-	-	-	-	120,610	334,688
	-	-	-	-	120,610	334,688	-	-	-	-	120,610	334,688
Derivatives												
Forward currency contracts	-	-	-	-	18,861	37,454	-	-	652	-	19,513	37,454
	-	-	-	-	18,861	37,454	-	-	652	-	19,513	37,454
Total financial assets at fair value through profit or loss	52,096,205	66,212,956	29,897,719	33,824,953	15,798,910	12,952,390	63,060,882	5,467,536	10,486,069	-	171,339,785	118,457,835

Financial liabilities at fair value through profit or loss	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S. Bank Equity Fund		Greater Bay Area Growth and Income Fund		Combined	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	USD	USD	USD	USD	RMB	RMB	USD	USD	USD	USD	USD	USD
Financial liabilities held for trading												
Derivatives												
Forward currency contracts	-	-	-	-	(220)	-	-	-	(1)	-	(221)	-
	-	-	-	-	(220)	-	-	-	(1)	-	(221)	-
Total financial liabilities at fair value through profit or loss	-	-	-	-	(220)	-	-	-	(1)	-	(221)	-

Manulife Advanced Fund SPC

Performance Table

As at 30 June 2018 and 30 June 2017 (Performance record since inception)

Class	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S.Bank Equity Fund			Greater Bay Area Growth and Income Fund		
	Class AA		Class I	Class AA		Class P	Class AA		Class AA	Class AA		Class AA	Class AA		Class AA
	USD	USD		USD	USD	USD	USD	USD		USD	CAD	USD	USD	USD	HKD
As at 30 June 2018															
Total Net Asset Value	49,037,881	2,274,612		26,347,407	4,915,531	–	7,724,383	1,932,378	44,232,215	50,368,754	2,056,479	4,778,288	3,940,100	358,321	18,046,445
Net Asset Value per Share	10.0171	11.5263		12.1408	12.3832	–	9.2810	9.2289	93.9003	11.7741	9.0507	9.5566	9.5543	9.5385	95.5612
As at 30 June 2017															
Total Net Asset Value	63,396,864	2,221,498		29,179,522	4,812,553	–	5,220,568	1,720,393	40,289,559	2,738,585	2,130,603	–	–	–	–
Net Asset Value per Share	9.6911	11.1235		11.5533	11.7542	–	9.3434	9.3422	94.0450	10.5190	9.2122	–	–	–	–
As at 30 June 2016															
Total Net Asset Value	88,152,856	1,986,557		36,367,956	6,137,784	–	4,792,072	1,358,939	36,841,873	–	1,753,072	–	–	–	–
Net Asset Value per Share	8.6878	9.9471		11.8319	12.0076	–	8.7548	8.7811	87.605	–	8.7094	–	–	–	–
As at 30 June 2015															
Total Net Asset Value	149,993,132	3,900,421		42,725,195	10,436,280	–	5,233,113	1,367,893	39,957,130	–	1,994,472	–	–	–	–
Net Asset Value per Share	12.3136	14.0613		12.0495	12.1964	–	9.7043	9.769	97.0283	–	9.7204	–	–	–	–
As at 30 June 2014															
Total Net Asset Value	96,989,445	9,606,420		51,241,444	14,246,464	–	4,379,533	1,058,496	575,548	–	978,123	–	–	–	–
Net Asset Value per Share	6.6228	7.5438		11.3180	11.4253	–	10.1282	10.1423	101.2458	–	10.1293	–	–	–	–

Manulife Advanced Fund SPC

Performance Table (continued)

As at 30 June 2018 and 30 June 2017 (Performance record since inception) (continued)

Class	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund			U.S.Bank Equity Fund			Greater Bay Area Growth and Income Fund		
	Class AA	Class I	Class P	Class AA	Class I	Class AA	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	CAD	USD	USD	USD	USD
As at 30 June 2013															
Total Net Asset Value	110,969,464	9,740,060	31,905,003	61,280,837	36,868,938	-	-	-	-	-	-	-	-	-	-
Net Asset Value per Share	6.7200	7.6349	7.9763	11.4435	11.5162	-	-	-	-	-	-	-	-	-	-
As at 30 June 2012															
Total Net Asset Value	79,874,341	212,696	35,069,428	28,785,440	50,241,102	-	-	-	-	-	-	-	-	-	-
Net Asset Value per Share	7.5165	8.5187	8.7674	10.9262	10.9733	-	-	-	-	-	-	-	-	-	-
As at 30 June 2011															
Total Net Asset Value	100,861,197	2,429,832	41,872,284	26,834,794	41,053,302	-	-	-	-	-	-	-	-	-	-
Net Asset Value per Share	9.1290	10.3203	10.4681	10.2728	10.2876	-	-	-	-	-	-	-	-	-	-
For the year ended 30 June 2018															
Highest issue price per share	12.1382	n/a ⁽¹⁾	-	12.7771	n/a ⁽¹⁾	10.3492	10.0247	101.2805	9.8498	12.3717	124.5570	10.0000	10.0000	100.0312	100.0312
Lowest redemption price per share	9.6325	12.6521	-	11.5145	11.7354	9.2199	9.3889	97.0600	9.1924	10.5574	108.3187	n/a ⁽¹⁾	n/a ⁽¹⁾	n/a ⁽¹⁾	n/a ⁽¹⁾
For the year ended 30 June 2017															
Highest issue price per share	9.6911	n/a ⁽¹⁾	-	11.8504	n/a ⁽¹⁾	9.4041	9.3706	94.1913	9.2453	10.5245	102.5134	-	-	-	-
Lowest redemption price per share	8.3774	n/a ⁽¹⁾	-	11.2286	11.5958	8.5663	n/a ⁽¹⁾	86.9623	n/a ⁽¹⁾	n/a ⁽¹⁾	n/a ⁽¹⁾	-	-	-	-

Manulife Advanced Fund SPC

Performance Table (continued)

As at 30 June 2018 and 30 June 2017 (Performance record since inception) (continued)

Class	China A Fund			Bond Fund			Asia Pacific Income and Growth Fund				U.S.Bank Equity Fund				Greater Bay Area Growth and Income Fund				HKD
	Class AA	Class I	USD	Class P	Class AA	USD	Class AA	Class I	Class AA	USD	Class AA	Class AA	Class AA	Class AA	Class AA	Class AA	Class AA	Class AA	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	CAD	USD	USD	USD	USD	USD	AUD	
For the year ended 30 June 2016																			
Highest issue price per share	11.9164	n/a ⁽¹⁾	-	12.1531	n/a ⁽¹⁾	9.7153	9.4869	95.6770	9.4389	-	-	-	-	-	-	-	-	-	
Lowest redemption price per share	7.8778	12.1149	-	11.7872	11.9882	7.9852	8.7877	85.7627	8.6301	-	-	-	-	-	-	-	-	-	
For the year ended 30 June 2015																			
Highest issue price per share	15.5476	16.8015	-	12.0484	n/a ⁽¹⁾	10.4435	10.4100	104.0800	10.4400	-	-	-	-	-	-	-	-	-	
Lowest redemption price per share	6.3900	7.5416	-	11.3521	11.4632	9.4578	8.6121	99.7846	9.7269	-	-	-	-	-	-	-	-	-	
For the year ended 30 June 2014																			
Highest issue price per share	7.5204	n/a ⁽¹⁾	n/a ⁽¹⁾	11.4220	n/a ⁽¹⁾	10.1520	10.1400	101.2100	10.1300	-	-	-	-	-	-	-	-	-	
Lowest redemption price per share	6.1964	7.3168	7.8478	11.0666	11.1679	10.0851	n/a ⁽¹⁾	n/a ⁽¹⁾	9.0692	-	-	-	-	-	-	-	-	-	
For the year ended 30 June 2013																			
Highest issue price per share	7.9496	8.8191	n/a ⁽¹⁾	11.5309	11.2301	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lowest redemption price per share	6.4197	8.3735	n/a ⁽¹⁾	10.9744	11.0259	-	-	-	-	-	-	-	-	-	-	-	-	-	
For the year ended 30 June 2012																			
Highest issue price per share	8.0061	n/a ⁽¹⁾	n/a ⁽¹⁾	10.9018	10.9334	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lowest redemption price per share	7.4985	9.7336	n/a ⁽¹⁾	10.2956	10.3131	-	-	-	-	-	-	-	-	-	-	-	-	-	

Manulife Advanced Fund SPC

Performance Table (continued)

As at 30 June 2018 and 30 June 2017 (Performance record since inception) (continued)

Class	China A Fund		Bond Fund		Asia Pacific Income and Growth Fund		U.S.Bank Equity Fund		Greater Bay Area Growth and Income Fund	
	Class AA	Class I	Class P	Class AA	Class I	Class AA	Class AA	Class AA	Class AA	Class AA
	USD	USD	USD	USD	USD	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc	Class AA Inc
For the Period from 21 September 2010 (Date of Commencement) to 30 June 2011										
Highest issue price per share	10.0000	10.6574	10.0000	10.3100	10.3570	-	-	-	-	-
Lowest redemption price per share	8.9047	10.0640	n/a (1)	10.0483	10.1923	-	-	-	-	-

(1) No transaction during the year/period

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