

MUST secures lenders' approval to extend asset disposal deadline by six months to 31 Dec 2025

- **MUST will use proceeds from Peachtree sale and US\$25.0 million of additional cash to repay debts**
- **Pro forma aggregate leverage improves to 56.3% from 59.4%**
- **Extension gives REIT additional time to meet its obligations under Master Restructuring Agreement (MRA)**

Singapore, 23 May 2025 – **Manulife US Real Estate Investment Trust (MUST)** said today it has secured the necessary approval from lenders to extend the deadline for the disposal of assets by six months to 31 December 2025. It will also use US\$25.0 million of cash, in addition to proceeds from the latest sale of Peachtree in Atlanta, to partially pay down debts due in 2026, 2027 and 2028.

Under the MRA, MUST shall be entitled to dispose up to four Tranche 1 and/or Tranche 2 assets to third-party buyers to raise minimum net sale proceeds of US\$328.7 million by 30 June 2025. Based on the cumulative proceeds from the sales of Capitol, Plaza and Peachtree, MUST will have achieved ~82% of the net proceeds target, or US\$60 million short of the net proceeds target.

The extension of the disposal deadline gives MUST time to maximise opportunities to sell Tranche 1 assets. It also allows for continued engagement with stakeholders and potential buyers in current market conditions, which have recently been challenging. This extension is conditional on the completion of the sale of Peachtree.

The additional US\$25.0 million will be funded using cash from MUST's balance sheet. As a show of support, Manulife, the Sponsor of MUST, will not receive any repayment at this stage, demonstrating its commitment to support MUST through its restructuring.

Chief Executive Officer and Chief Investment Officer of the Manager of MUST, John Casasante, said: "With the strong support of our lenders, we are making good progress towards paying down our debts, setting ourselves on the path to recovery and growth. Given the uncertain market conditions, the deadline extension will give us more time to meet our MRA obligations. We remain committed to managing risks and ensuring long-term stability."

In its announcement, MUST also said lenders have approved the sale of Peachtree, a 28-storey Class A office building in Atlanta, Georgia for US\$133.8 million. The sale is expected to be completed by June 2025.

Assuming that as at 31 March 2025, the Peachtree divestment was completed and the estimated net sales proceeds and additional US\$25.0 million of cash are used to repay existing loans, MUST's pro forma¹ aggregate leverage is expected to improve to 56.3% from 59.4% and pro forma weighted average interest cost is expected to reduce to 3.94% from 4.37%. The pro forma weighted average debt maturity will also be extended to 3.1 years from 2.7 years.

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About Manulife US REIT

Manulife US Real Estate Investment Trust ("Manulife US REIT" or "MUST") is the first pure-play U.S. office REIT listed in Asia. It is a Singapore-listed REIT established with the investment strategy principally to invest, directly or indirectly, in a portfolio of income-producing office real estate in key markets in the United States ("U.S."), as well as real estate-related assets. As at 31 March 2025, MUST's portfolio comprised eight freehold office properties in Arizona, California, Georgia, New Jersey, Virginia and Washington D.C., with an aggregate net lettable area of 4.1 million sq ft.

About the Sponsor – The Manufacturers Life Insurance Company ("Manulife")

Manulife is part of a leading Canada-based financial services group with principal operations in Asia, Canada and the United States. The Sponsor operates as John Hancock in the U.S. and as Manulife in other parts of the world, providing a wide range of financial protection and wealth management products, such as life and health insurance, group retirement products, mutual funds and banking products. The Sponsor also provides asset management services to institutional customers. Manulife Financial Corporation is listed on the Toronto Stock Exchange, the New York Stock Exchange, the Hong Kong Stock Exchange and the Philippine Stock Exchange.

About the Manager – Manulife US Real Estate Management Pte. Ltd.

The Manager is Manulife US Real Estate Management Pte. Ltd., an indirect wholly-owned subsidiary of the Sponsor. The Manager's key objectives are to provide Unitholders with regular and stable distributions and to achieve long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

¹ Pro forma basis assumes that repayment of US\$146.0 million of outstanding loans was made on 31 March 2025 and the repayment will be funded via net sales proceeds from Peachtree and US\$25.0 million of cash. In the divestment announcement dated 11 May 2025, it was stated that the net proceeds from the Peachtree divestment would be approximately US\$118.8 million. With a reduction of seller's credit, the estimated net proceeds (subject to true-up on transaction costs) receivable from the Peachtree divestment is expected to be more than US\$118.8 million.

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