Manulife US REIT

MANULIFE US REAL ESTATE INVESTMENT TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the Half Year Ended 30 June 2026

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INTRODUCTION

Manulife US Real Estate Investment Trust ("**Manulife US REIT**" or the "**Group**") is a Singapore real estate investment trust constituted by the Trust Deed dated 27 March 2015 (as amended and restated) between Manulife US Real Estate Management Pte. Ltd. as the Manager of Manulife US REIT (the "**Manager**") and DBS Trustee Limited as the Trustee of Manulife US REIT (the "**Trustee**").

Manulife US REIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 20 May 2016 (the "**Listing Date**"). Manulife US REIT's strategy is to principally invest, directly or indirectly, in income-producing real estate located in the United States of America ("**U.S.**" or "**United States**") and Canada, as well as real estate-related assets. Manulife US REIT's key objectives are to provide unitholders of Manulife US REIT ("**Unitholders**") with regular and stable distributions and to achieve long-term growth in distribution per unit ("**DPU**") and net asset value ("**NAV**") per Unit, while maintaining an appropriate capital structure for Manulife US REIT.

Manulife US REIT portfolio comprises of the following 6 office properties (the "**Properties**") in the United States, with an aggregate net lettable area of 2.8 million square feet ("**sq ft**"), as follows:

- Michelson (acquired on Listing Date) is a 19-storey Trophy office building, located in Irvine, Orange County, within the Greater Los Angeles market;
- Exchange (acquired on 31 October 2017) is a 30-storey Class A office building, located in Jersey City, Hudson County, New Jersey;
- Penn (acquired on 22 June 2018) is a 13-storey Class A office building, located in Washington, D.C.;
- Phipps (acquired on 22 June 2018) is a 19-storey Trophy office building, located in the heart of Buckhead, Atlanta;
- Centerpointe (acquired on 10 May 2019) is a 2-tower, 11-storey Class A office building, located in Fairfax, Virginia;
- Diablo (acquired on 20 December 2021) is a 5-building office campus, located in Tempe, Arizona.

Manulife US REIT is presenting its financial results for the financial period from 1 January 2026 to 30 June 2026 ("**1H 2026**").

Distribution Policy

Manulife US REIT's distribution policy is to distribute at least 90% of its annual distributable income as set out in the Trust Deed. This distribution policy is also subject to the conditions as stipulated in Appendix 6 to the Code on Collective Investment Schemes ("Property Funds Appendix"), in that, if Manulife US REIT were to declare a distribution in excess of profits, the Manager should be able to certify, in consultation with the Trustee, that it is able to satisfy on reasonable grounds that, immediately after making the distribution, Manulife US REIT will be able to fulfil, from the deposited property of the property fund, the liabilities of Manulife US REIT as they fall due.

Pursuant to the recapitalisation plan set out in the circular to Unitholders dated 29 November 2023 (the "Recapitalisation Plan") and the entry into the master restructuring agreement (the "Master Restructuring Agreement" or the "MRA"), Manulife US REIT halted distributions to Unitholders since 2023. On 23 December 2025, the lenders of the existing facilities (the "Lenders") granted certain concessions which include an extension of the Disposal Deadline (as defined herein) and an extension of the temporary relaxation of the financial covenants (collectively, the "MRA Concessions"). Further to the granting of the MRA Concessions, the Lenders have required Manulife US REIT to keep half-yearly distributions to Unitholders suspended until the later of the achievement of the Reinstatement Conditions (as defined herein) and the period during which the Bank ICR (as defined herein) relaxation remains in effect.

For more information on the MRA Concessions, please refer to the circular to Unitholders dated 1 December 2025, as well as the announcements dated 11 December 2025, 15 December 2025 and 24 December 2025 respectively.

SUMMARY OF RESULTS

	1H 2026 US$'000	1H 2025 US$'000	Change %
Gross Revenue[(1)]	51,915	60,365	(14.0)
Net Property Income[(2)]	23,100	30,166	(23.4)
Net Income/(Loss) for the period[(3)]	2,087	(48,575)	N.M.
Income Available for Distribution to Unitholders[(4)(5)]	11,704	14,925	(21.6)
Income Available for Distribution to Unitholders per Unit[(6)] (US cents)	0.66	0.84	(21.4)

N.M.: Not meaningful

Footnotes:

(1) Gross revenue of US$51.9 million for 1H 2026 was lower by 14.0%, mainly due to the divestments of Figueroa in June 2026, Peachtree in May 2025 and Plaza in February 2025.

(2) Net property income of US$23.1 million for 1H 2026 was lower by 23.4% mainly due to the divested properties, as well as a higher property tax expense at Michelson in the absence of the one-off property tax reduction in prior year.

(3) Net income for 1H 2026 was US$2.1 million, compared to the net loss of US$48.6 million for 1H 2025. This is primarily due to lower fair value loss, lower finance costs and lower Manager's base fees, partially offset by lower net property income and lower interest income in 1H 2026.

(4) Income available for distribution to Unitholders for 1H 2026 was lower by 21.6% mainly due to lower property income partially offset by lower finance expenses.

(5) Pursuant to the Recapitalisation Plan and the entry into the Master Restructuring Agreement, Manulife US REIT has halted distributions to Unitholders since 2023. Further to the granting of the MRA Concessions, the Lenders have required Manulife US REIT to keep half-yearly distributions to Unitholders suspended until the later of the achievement of the Reinstatement Conditions and the period during which the Bank ICR relaxation remains in effect.

(6) Income available for distribution to Unitholders per Unit is computed based on Income available for Distribution to Unitholders divided by the total number of Units in issue.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Trust	
		30 June 2026 US$'000	**31 December 2025 US$'000**	**30 June 2026 US$'000**	**31 December 2025 US$'000**
Current assets					
Cash and cash equivalents[a]		77,265	47,745	28,884	27,334
Asset held for sale[b]		-	85,703	-	-
Prepayments[c]		437	1,339	81	26
Trade and other receivables[d]		3,359	2,839	133	112
Financial derivatives[e]		48	3,091	48	3,091
		81,109	140,717	29,146	30,563
Non-current assets					
Investment properties	5	817,646	815,700	-	-
Investment in subsidiaries[f]		-	-	812,686	889,086
		817,646	815,700	812,686	889,086
Total assets		**898,755**	**956,417**	**841,832**	**919,649**
Current liabilities					
Trade and other payables[g]		42,910	32,325	14,079	12,054
Loans and borrowings	6	133,149	35,469	133,149	35,469
Security deposits		351	569	-	-
Rent received in advance		3,985	5,927	-	-
		180,395	74,290	147,228	47,523
Non-current liabilities					
Trade and other payables[g]		4,364	3,291	-	-
Loans and borrowings	6	362,043	529,217	362,043	529,217
Financial derivatives[e]		-	95	-	95
Security deposits[h]		1,908	2,257	-	-
Preferred units[h]	7	577	659	-	-
Deferred tax liabilities		4,402	3,629	-	-
		373,294	539,148	362,043	529,312
Total liabilities		**553,689**	**613,438**	**509,271**	**576,835**
Net assets attributable to Unitholders		**345,066**	**342,979**	**332,561**	**342,814**
Represented by:					
Unitholders' funds		345,066	342,979	332,561	342,814
Net assets attributable to Unitholders		**345,066**	**342,979**	**332,561**	**342,814**
Units in issue and to be issued ('000)	8	**1,835,124**	**1,835,124**	**1,835,124**	**1,835,124**
Net asset value per Unit (US$) attributable to Unitholders	9	**0.19**	**0.19**	**0.18**	**0.19**

Footnotes:

a. As at 30 June 2026, cash and cash equivalents include short-term fixed deposits at the Trust of US$26.5 million (31 December 2025: US$23.5 million), of which US$11.0 million (31 December 2025: US$11.0 million) is maintained as interest reserve. In relation to the Figueroa divestment, the Group is required to maintain an escrow account for the payment of certain outstanding tenant improvement allowances and capital expenditure works post-closing, and the holdback amount is US$3.7 million as at 30 June 2026.

b. The Manager announced the divestment of Figueroa on 30 March 2026, and the property was reclassified to asset held for sale based on the estimated net sale consideration as at 31 December 2025. The divestment was subsequently completed on 9 June 2026 (U.S. time).

c. The decrease was mainly due to the utilisation of prepaid insurance.

d. An allowance for expected credit losses ("ECL") of US$1.7 million (31 December 2025: US$2.0 million) has been included in the Group's trade and other receivables. As at 30 June 2026, the Group has net trade receivables of US$1.1 million (31 December 2025: US$0.6 million) that are not impaired at the end of the reporting period. The Manager has assessed that no provision of ECL is necessary in respect of these balances as majority of these balances are not past due or relate to creditworthy debtors and counterparties with good payment record.

e. This relates to the fair value of interest rate swaps entered into by the Group for hedging purposes.

f. Included in investment in subsidiaries is an accumulated allowance for impairment loss of US$785.8 million (31 December 2025: US$785.8 million).

g. Trade and other payables comprise mainly:
- trade payables
- accruals mainly for property operating expenses (including property management fee payable) and capital expenditures
- deferred revenue for lease termination and amendment fees which are amortised over the remaining lease period
- base fee payable to the Manager and interest payable at the Trust

As at 30 June 2026, this includes property management fee payable of US$11.3 million, deferred revenue of US$7.9 million (current: US$3.5 million, non-current: US$4.4 million), base fee payable of US$8.4 million and accrual for post-closing tenant improvement and capital expenditure at Figueroa of US$3.7 million. As at 31 December 2025, this includes property management fee payable of US$9.8 million, deferred revenue of US$3.9 million (current: US$0.6 million, non-current: US$3.3 million), and base fee payable of US$7.1 million.

h. The decrease was mainly due to the divestment of Figueroa.

The accompanying notes form an integral part of the condensed financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Group	
		1H 2026	**1H 2025**
		US$'000	**US$'000**
Gross revenue[a]		51,915	60,365
Property operating expenses[b]		(28,815)	(30,199)
Net property income		**23,100**	**30,166**
Interest income[c]		536	859
Manager's base fee[d]		(1,300)	(1,658)
Trustee's fee		(81)	(95)
Other trust expenses[e]		(1,056)	(1,014)
Finance expenses	10	(17,471)	(18,595)
Net income before tax and fair value changes		**3,728**	**9,663**
Net fair value change in derivatives[f]		(2,948)	(6,518)
Net fair value change in investment properties[g]		5,718	(48,155)
Loss on disposal of investment properties[h]		(3,454)	(3,323)
Net income/(loss) before tax		**3,044**	**(48,333)**
Tax expense[i]	11	(957)	(242)
Net income/(loss) attributable to Unitholders		**2,087**	**(48,575)**
Earnings per Unit ("EPU") (US cents)			
Basic and diluted EPU	12	0.11	(2.65)

Footnotes:

a. Gross revenue includes carpark income of US$4.2 million for 1H 2026 (1H 2025: US$5.0 million).

b. Property operating expenses include a net provision for ECL of US$0.1 million for 1H 2026 (1H 2025: net reversal of provision for ECL of US$0.1 million).

c. Interest income comprises mainly interest earned from interest-bearing bank accounts and short-term fixed deposits.

d. The Manager's base fee is based on 10% of distributable income (calculated before accounting for Manager's base fee and performance fee). The Manager has elected to receive 100% of its base fee in the form of cash for 1H 2026 and 1H 2025.

e. Other trust expenses consist of audit, regulatory and tax compliance, legal, foreign exchange differences and other expenses.

f. The Group has entered into interest rate swaps to hedge against floating interest rates. For accounting purposes, the derivatives are carried at fair value on the balance sheet with changes in fair value recognised in profit or loss. No hedge accounting has been elected on the derivatives. Net fair value change in derivatives is not taxable or tax-deductible, and has no impact on the distributable income to the Unitholders.

g. For 1H 2026, net fair value gain on investment properties mainly arose from the effect of amortisation and straight-line rent accounting adjustments, offset by the divestment of Figueroa in 1H 2026. For 1H 2025, net fair value loss on investment properties mainly arose from the divestments of Plaza and Peachtree in 1H 2025, partially offset by the effect of amortisation and straight-line rent accounting adjustments.

   Net fair value change in investment properties has no impact on the income available for distribution to the Unitholders. Manulife US REIT will obtain independent appraisals at least once a financial year in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

h. The loss on disposal of investment properties arose from the divestments of Figueroa, Plaza and Peachtree, which were completed on 9 June 2026 (U.S. time), 25 February 2025 (U.S. time) and 27 May 2025 (U.S. time) respectively.

i. Tax expense comprises:
   - current tax, which includes income tax and withholding tax; and
   - deferred tax, which is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

   For 1H 2026, tax expense includes withholding tax mainly incurred from halting distributions and deferred tax expense arising from tax depreciation. For 1H 2025, tax expense mainly comprises withholding tax incurred from halting distributions.

CONDENSED INTERIM DISTRIBUTION STATEMENT

	Group	
	1H 2026	**1H 2025**
	US$'000	**US$'000**
Amount available for distribution to Unitholders at the beginning of the period[1]	-	-
Net income/(loss) for the period	2,087	(48,575)
Distribution adjustments (Note A)	9,617	63,500
Income available for distribution to Unitholders for the period	11,704	14,925
Distribution withheld for the period[1]	(11,704)	(14,925)
Amount available for distribution to Unitholders at the end of the period[1]	**-**	**-**
Number of Units in issue at end of the period ('000)	**1,776,565**	**1,776,565**
Distribution per Unit[1] **(US cents)**	-	-
Note A – Distribution adjustments comprise:		
- Property related non-cash items[2]	7,614	4,818
- Amortisation of upfront debt-related transaction costs[3]	693	879
- Trustee's fee	81	95
- Net fair value change in derivatives	2,948	6,518
- Net fair value change in investment properties	(5,718)	48,155
- Loss on disposal of investment properties	3,454	3,323
- Deferred tax expense	773	-
- Other items[4]	(228)	(288)
Distribution adjustments	**9,617**	**63,500**

Footnotes:

1 Pursuant to the Recapitalisation Plan and the entry into the Master Restructuring Agreement, Manulife US REIT has halted distributions to Unitholders since 2023. Further to the granting of the MRA Concessions, the Lenders have required Manulife US REIT to keep half-yearly distributions to Unitholders suspended until the later of the achievement of the Reinstatement Conditions and the period during which the Bank ICR relaxation remains in effect.

2 This includes straight-line rent adjustments and amortisation of tenant improvement allowance, leasing commissions and free rent incentives.

3 Upfront debt-related transaction costs and costs incurred in relation to the Master Restructuring Agreement are amortised over the remaining term of the loans and borrowings.

4 This includes non-tax deductible items and other adjustments.

CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

	2026			2025		
	Units in issue and to be issued US$'000	Accumulated losses US$'000	Total US$'000	Units in issue and to be issued US$'000	Accumulated losses US$'000	Total US$'000
Group						
At 1 January	**1,240,845**	**(897,866)**	**342,979**	**1,240,845**	**(810,213)**	**430,632**
Operations						
Net income/(loss) for the period	-	2,087	2,087	-	(48,575)	(48,575)
Net increase/(decrease) in net assets resulting from operations	**-**	**2,087**	**2,087**	**-**	**(48,575)**	**(48,575)**
At 30 June	**1,240,845**	**(895,779)**	**345,066**	**1,240,845**	**(858,788)**	**382,057**
Trust						
At 1 January	**1,240,845**	**(898,031)**	**342,814**	**1,240,845**	**(810,467)**	**430,378**
Operations						
Net loss for the period	-	(10,253)	(10,253)	-	(48,569)	(48,569)
Net decrease in net assets resulting from operations	**-**	**(10,253)**	**(10,253)**	**-**	**(48,569)**	**(48,569)**
At 30 June	**1,240,845**	**(908,284)**	**332,561**	**1,240,845**	**(859,036)**	**381,809**

The accompanying notes form an integral part of the condensed financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group 1H 2026 US$'000	Group 1H 2025 US$'000
Cash flows from operating activities			
Net income/(loss) for the period before tax		3,044	(48,333)
Adjustments for:			
Amortisation		7,614	4,818
Net change in provision for expected credit losses		51	(107)
Interest income		(536)	(859)
Finance expenses		17,471	18,595
Net fair value change in derivatives		2,948	6,518
Net fair value change in investment properties	5	(5,718)	48,155
Loss on disposal of investment properties		3,454	3,323
Net unrealised foreign exchange losses/(gains)		13	(87)
Operating income before working capital changes		28,341	32,023
Changes in working capital:			
Trade and other receivables		(571)	1,562
Prepayments		902	1,583
Trade and other payables		9,237	3,929
Security deposits		(9)	(90)
Rent received in advance		(1,867)	(798)
Cash from operating activities		36,033	38,209
Tax paid		(38)	(40)
Interest paid		(13,908)	(17,515)
Net cash from operating activities		**22,087**	**20,654**
Cash flows from investing activities			
Proceeds from disposal of investment property (net of transaction costs)[a]		84,580	161,073
Movement in restricted cash[a]		(3,652)	-
Payment for capital expenditure and other costs related to investment properties[b]		(5,226)	(19,797)
Interest received		536	859
Net cash from investing activities		**76,238**	**142,135**
Cash flows from financing activities			
Redemption of preferred units	7	(115)	(230)
Repayment of loans and borrowings[c]		(72,400)	(161,000)
Movement in interest reserve accounts[d]		19	5,916
Net cash used in financing activities		**(72,496)**	**(155,314)**
Net increase in cash and cash equivalents		**25,829**	**7,475**
Cash and cash equivalents at beginning of the period		**36,729**	**47,556**
Effect of exchange rate fluctuations on cash held in foreign currency		58	82
Cash and cash equivalents at the end of the period		**62,616**	**55,113**

The accompanying notes form an integral part of the condensed financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	30 June 2026	30 June 2025
	US$'000	US$'000
Cash and cash equivalents in the consolidated statement of financial position	**77,265**	**66,884**
Less: Restricted cash[a]	(3,652)	-
Less: Interest reserves[d]	(10,997)	(11,771)
Cash and cash equivalents in the consolidated statement of cash flows	**62,616**	**55,113**

Footnotes:

a. The divestment of Figueroa was completed on 9 June 2026 (U.S. time). After closing prorations and adjustments of US$1.5 million, cash received from the divestment was US$84.6 million, of which US$3.7 million was deposited into an escrow account to fund certain post-closing tenant improvement allowance and capital expenditure obligations.

   The divestments of Plaza and Peachtree were completed on 25 February 2025 (U.S. time) and 27 May 2025 (U.S. time) respectively with total net proceeds of US$163.6 million after factoring in transaction costs. After closing prorations and adjustments of US$2.5 million, cash received from the divestments in 1H 2026 and 1H 2025 amounted to US$84.6 million and US$161.1 million respectively.

b. This includes capital expenditures (renovations or improvements) and leasing costs (including tenant improvement allowances) largely from Figueroa, Exchange and Phipps in 1H 2026, and Peachtree, Michelson and Diablo in 1H 2025.

c. Following the divestment of Figueroa in June 2026, the Group made a full repayment of US$35.6 million of the debts maturing in FY 2026 and partial repayment of US$36.8 million of debts maturing in FY 2027, and retained approximately US$10.0 million of the net proceeds for capital expenditure. In 1H 2025, the Group utilised net proceeds from the divestment of Plaza and Peachtree to make debt repayments of US$40.0 million in March 2025 and US$121.0 million in June 2025 respectively.

d. Manulife US REIT is required, under the Recapitalisation Plan and Master Restructuring Agreement, to maintain interest reserve accounts comprising an interest reserve of six months for its outstanding loans, including the Sponsor-Lender Loan. The interest reserve accounts are cash collaterals charged in favour to the lenders. Pursuant to the granting of the MRA Concessions, the Lenders have requested Manulife US REIT to continue complying with this requirement until the later of the achievement of the Reinstatement Conditions and the period during which the Bank ICR relaxation remains in effect.

CONDENSED INTERIM STATEMENT OF PORTFOLIO

Description of Property	Tenure of Land	Occupancy Rate[1] as at 30 June 2026	Occupancy Rate[1] as at 31 December 2025	Fair Value[2] as at 30 June 2026	Fair Value as at 31 December 2025	Percentage of Total Net Assets as at 30 June 2026	Percentage of Total Net Assets as at 31 December 2025
		%	%	US$'000	US$'000	%	%
Group							
Commercial Office Properties							
Michelson	Freehold	81.6	81.4	230,465	230,400	66.8	67.2
Exchange	Freehold	72.5	72.5	192,655	191,400	55.8	55.8
Penn	Freehold	84.9	84.9	79,886	79,800	23.2	23.3
Phipps	Freehold	83.7	83.7	192,983	192,500	55.9	56.1
Centerpointe	Freehold	55.3	75.1	76,792	76,700	22.3	22.3
Diablo	Freehold	37.8	37.8	44,865	44,900	13.0	13.1
Total investment properties				**817,646**	**815,700**	**237.0**	**237.8**
Asset held for sale – Figueroa[3]	Freehold	-	45.6	-	85,703	-	25.0
Other assets and liabilities (net)				(472,580)	(558,424)	(137.0)	(162.8)
Net assets				**345,066**	**342,979**	**100.0**	**100.0**

1 Based on committed leases.
2 The fair values of the Group's investment properties as at 30 June 2026 are based on the independent valuations as at 31 December 2025, adjusted for capital expenditures, leasing costs (including tenant improvement allowances) and straight-line rent accounting adjustments incurred in 1H 2026. For more information, please refer to Note 5.
3 The Manager announced the divestment of Figueroa on 30 March 2026, and the divestment was completed on 9 June 2026 (U.S. time).

The accompanying notes form an integral part of the condensed financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 General

Manulife US Real Estate Investment Trust (the "Trust" or "Manulife US REIT") is a Singapore real estate investment trust constituted pursuant to a trust deed dated 27 March 2015 (as amended and restated) (the "Trust Deed") made between Manulife US Real Estate Management Pte. Ltd. (the "Manager") and DBS Trustee Limited (the "Trustee"). The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries in trust for the Unitholders of the Trust. The Trust and its subsidiaries are collectively referred to as the "Group" and individually as "Group entities".

The Trust was admitted to the Official List of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 May 2016.

The registered office and principal place of business of the Manager is located at 8 Cross Street, #16-03 Manulife Tower, Singapore 048424.

The principal activity of the Trust is investment holding. The principal activities of the Trust's subsidiaries are to own and invest, directly or indirectly, in income-producing real estate located in the United States and Canada, as well as real estate-related assets. The primary objective of the Group is 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.

The condensed interim consolidated financial statements relate to the Trust and its subsidiaries.

2 Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB"), the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

The condensed interim financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the Group's audited annual financial statements for the year ended 31 December 2025, which has been prepared in accordance with the International Financial Reporting Standard ("IFRS"). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

The Group has applied the same accounting policies and methods of computation consistent with those used in the audited financial statements for the financial year ended 31 December 2025 in the preparation of the consolidated financial statements for the current reporting period except for the adoption of revised IFRS (including its consequential amendments) and interpretations effective for the financial period beginning 1 January 2026. The adoption of these revised IFRS and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

The condensed interim financial statements are presented in United States Dollars ("US$" or "USD"), which is the functional currency of the Trust. All financial information presented has been rounded to the nearest thousand (US$'000), unless otherwise stated.

2 Basis of preparation (cont'd)

2.2 Going concern basis of preparation of financial statements

As disclosed in Note 6, in the financial year ended 31 December 2023, the decrease in the fair value of the investment properties (Note 5) contributed to the Group's breach of a financial covenant imposed by the Group's lenders and limited the Group's ability to raise further debt funding. In response to this, the Group has undertaken a restructuring of existing credit facilities through the Recapitalisation Plan.

Under the terms and conditions of the Recapitalisation Plan and the Master Restructuring Agreement, the Group is required to procure the sale of certain of the Group's properties and to achieve minimum cumulative net sale proceeds of US$328.7 million (the "Minimum Sale Target") by 30 June 2025 (the "Disposal Deadline"). In May 2025, the Manager obtained the consent of the lenders to extend the Disposal Deadline from 30 June 2025 to 31 December 2025.

Pursuant to the growth and value up plan set out in the circular to Unitholders dated 1 December 2025 (the "Growth and Value Up Plan") and the extraordinary general meeting held on 16 December 2025, Unitholders approved a disposition mandate to authorise the disposal of up to three existing properties to raise aggregate net proceeds not exceeding US$350.0 million (the "Disposition Mandate") and an acquisition mandate to authorise acquisitions and investments with aggregate agreed property value not exceeding US$600.0 million within the broadened investment mandate (the "Acquisition Mandate").

The implementation of the Growth and Value Up Plan formed the basis of the Manager's discussion with the lenders in relation to the MRA Concessions. On 23 December 2025, the Manager and lenders executed the relevant document to effect the MRA Concessions. The MRA Concessions granted are as follows:

(i) an extension of the Disposal Deadline from 31 December 2025 to 30 June 2026 (the "Updated Disposal Deadline"); and
(ii) an extension of the temporary relaxation of the financial covenants as follows:
  (a) the Unencumbered Gearing, which is the percentage of consolidated total unencumbered debt to consolidated total unencumbered assets, being not more than 80% (compared to 60%) from 31 December 2025 to 30 June 2026; and
  (b) the Bank ICR, which is the ratio of consolidated earnings before interest, taxes, depreciation and amortisation to consolidated interest expense, being no less than 1.5 times (compared to 2.0 times) from 31 December 2025 to 31 December 2026.

Further to the granting of the MRA Concession relating to Bank ICR in (ii)(b) above for an additional six months beyond the Updated Disposal Deadline of 30 June 2026, the lenders have required the Group to continue complying with two existing conditions under the Master Restructuring Agreement for the same extended period. Specifically, the Group must (i) maintain the interest reserve requirements[1] and (ii) keep half-yearly distributions to Unitholders suspended until the later of the achievement of the Reinstatement Conditions (as defined herein) and the period during which the Bank ICR relaxation remains in effect.

The reinstatement conditions which are currently applicable to Manulife US REIT (the "Reinstatement Conditions") are as follows:

(i) consolidated total liabilities to consolidated deposited properties (as defined in the MRA) being no more than 50%;
(ii) minimum interest coverage ratio of 1.5 times; and
(iii) there being no default continuing for at least one full financial quarter after Manulife US REIT delivers its financial statement evidencing compliance with (i) and (ii).

For more details, please refer to the key terms of the Recapitalisation Plan in paragraph 3.1 of the circular dated 29 November 2023, the announcement on "Update On Restructuring Of The Existing Facilities" dated 13 December 2023, the announcement on "Amendments To The Terms Of Master Restructuring Agreement" dated 23 May 2025, as well as the announcement on "Updates in relation to the MRA Concessions" dated 24 December 2025.

[1] This refers to Manulife US REIT being required to maintain an interest reserve account and to deposit such sum which consists of the interest reserve of six months for the lenders.

2 Basis of preparation (cont'd)

2.2 Going concern basis of preparation of financial statements (cont'd)

During the financial years ended 31 December 2024 and 31 December 2025, the Group completed the sale of three properties, i.e. Capitol in October 2024, Plaza in February 2025 and Peachtree in May 2025 to achieve net proceeds of US$273.1 million. On 30 March 2026, the Manager announced the divestment of Figueroa to a third-party purchaser, and the property was reclassified as an asset held for sale at the estimated net consideration of US$85.7 million as at 31 December 2025. The divestment was completed on 9 June 2026 (U.S. time), and US$72.4 million of the net proceeds was utilised for debt repayment. Following the completion of the divestment of Figueroa, the Group has achieved net divestment proceeds in excess of the Minimum Sale Target of US$328.7 million under the Master Restructuring Agreement.

As at 30 June 2026, the Group is in a net current liability position of US$99.3 million, mainly due to US$133.4 million of debts maturing in April 2027. Notwithstanding this, the financial statements of the Group have been prepared on a going concern basis in view of the following factors considered by the Manager:

(i) The Group expects to address upcoming debt maturities through a combination of further divestments pursuant to the Disposition Mandate, refinancing and/or debt maturity extensions, each of which is subject to, among other things, market conditions and negotiations with lenders. Based on the Group's expectations and cash flow forecast for the next 12 months from the date of issuance of these financial statements, the Manager believes the Group will be able to meet its obligations as and when they fall due. The Group has continued to generate positive cash flows from operating activities during the current and prior years, and is expected to meet its operating cash flow requirements through cash flows from its existing and future lease agreements with tenants; and

(ii) The Manager will continue to engage with the lenders to seek their continued support of Manulife US REIT in the implementation of the Growth and Value Up Plan, including matters relating to ongoing compliance with the Group's loan covenants, and where necessary, the granting of covenant concessions.

As set out in Note 2.3, the assessment of the Group's ability to continue as a going concern involves significant judgement, particularly in relation to assumptions regarding refinancing, divestments and continued lender support. If the Group is unable to successfully refinance or extend the maturity date of its loans, or execute its planned capital management initiatives, it may be required to realise assets and settle liabilities other than in the normal course of business.

2.3 Use of estimates and judgements

The preparation of the Group's condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements and accounting estimates in applying accounting policies have the most significant effect on the amounts recognised in the financial statements in the following areas:

- Basis of measurement and use of going concern assumption
- Measurement of expected credit losses for trade receivables
- Valuation of investment properties
- Fair value of derivatives

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment reporting

An operating segment is a component of the Group:

- that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components;
- whose operating results are regularly reviewed by the Chief Executive Officer and the directors of the Manager to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

The Group's investment properties comprise commercial office properties located in the United States. Therefore, the Manager considers that the Group operates within a single business segment and within a single geographical segment in the United States. Accordingly, no segment information has been presented in these financial statements.

5 Investment properties

	Group	
	30 June 2026 US$'000	**31 December 2025 US$'000**
Consolidated Statement of Financial Position		
As at 1 January	815,700	1,093,500
Capital expenditure capitalised	1,946	24,733
Disposal of investment property	-	(125,366)
Fair value changes in investment properties	-	(91,464)
Reclassification to asset held for sale	-	(85,703)
As at 30 June / 31 December	817,646	815,700
Consolidated Statement of Comprehensive Income		
Fair value changes in investment properties for the period/year	-	(91,464)
Fair value change in asset held for sale for the period/year	(1,896)	(2,121)
Net effect of amortisation and straight lining for the period/year	7,614	10,070
Net fair value changes recognised in the statement of comprehensive income for the period/year	5,718	(83,515)

As set out in Note 2.2, the Group is required to procure the sale of the Group's properties to achieve the Minimum Sale Target under the terms and conditions of the Master Restructuring Agreement. The Group has achieved net divestment proceeds in excess of the Minimum Sale Target with the divestments of Capitol in October 2024, Plaza in February 2025, Peachtree in May 2025 and Figueroa in June 2026.

5 Investment properties (cont'd)

Measurement of fair value

The carrying amounts of the Group's investment properties as at 30 June 2026 were based on the independent valuations as at 31 December 2025, adjusted for capital expenditures, leasing costs (including tenant improvement allowances) and straight-line rent accounting adjustments incurred in 1H 2026. The Manager has utilised the services of asset managers and a third-party valuation specialist to assess the key assumptions and inputs used in the valuations as at 31 December 2025. Based on their assessment, the Manager concluded that the assumptions and inputs remain appropriate for the half year ended 30 June 2026, and the carrying values of investment properties approximate their fair values. A full valuation of the Group's investment properties will be performed for the financial year ending 31 December 2026, in line with the Property Fund Guidelines on annual valuation.

As at 31 December 2025, investment properties, were stated at fair value based on independent valuations undertaken by Cushman and Wakefield of Texas, Inc., except for Figueroa which has been reclassified to held for sale at the estimated net sale consideration. The independent valuers have the appropriate professional qualifications and recent experience in the location and category of the properties being valued.

The fair values were generally calculated using the income approach. The two primary income approaches that may be used are the Discounted Cash Flow ("DCF") and the Direct Capitalisation Method ("DCM"). DCF calculates the present values of future cash flows over a specified time period, including the potential proceeds of a deemed disposition, to determine the fair value. DCM measures the relationship of value to the stabilised net operating income, normally at the first year. Both the DCF and DCM approaches convert the earnings of a property into an estimate of value. The market or direct comparison approach may also be used, which is based on sound considerations for similarity and comparability between properties. Considerations may include geographic location, physical, legal, and revenue generating characteristics, market conditions and financing terms and conditions. The final step in the appraisal process involves the reconciliation of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property.

The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal capitalisation rate and capitalisation rate, which are unobservable. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates used are reflective of the current market conditions.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

Valuation techniques and significant unobservable inputs

The following table shows the significant unobservable inputs used in the measurement of fair value of investment properties as at 31 December 2025:

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow approach	Rental rate per square foot per year 31 December 2025: US$15.00 - US$52.00	Higher rental rate would result in a higher fair value, while lower rates would result in a lower fair value.
	Discount rate 31 December 2025: 8.00% - 10.50% Terminal capitalisation rate 31 December 2025: 6.00% - 7.75%	Higher discount rate or terminal capitalisation rate would result in a lower fair value, while lower rates would result in a higher fair value.

5 Investment properties (cont'd)

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Direct capitalisation method	Rental rate per square foot per year 31 December 2025: US$15.00 - US$52.00	Higher rental rate would result in a higher fair value, while lower rates would result in a lower fair value.
	Capitalisation rate 31 December 2025: 7.00% - 8.00%	Higher capitalisation rate would result in a lower fair value, while lower rates would result in a higher fair value.
Market or Direct comparison approach	Price per square foot 31 December 2025: US$129 - US$430	Higher price per square foot would result in a higher fair value, while a lower price per square foot would result in a lower fair value.

6 Loans and borrowings

	Group and Trust	
	30 June 2026 US$'000	**31 December 2025 US$'000**
Current		
Unsecured bank loans	133,441	35,554
Less: Unamortised transaction costs	(292)	(85)
	133,149	35,469
Non-current		
Unsecured bank loans	171,675	341,962
Unsecured bank loan due to a related party	44,498	44,498
Unsecured Sponsor-Lender Loan	137,000	137,000
Accrual for Sponsor-Lender Loan exit premium	10,158	7,945
Less: Unamortised transaction costs	(1,288)	(2,188)
	362,043	529,217
	495,192	564,686

The Property Funds Appendix states that the aggregate leverage limit is not considered to be breached if exceeding the limit is due to circumstances beyond the control of the Manager. As a decline in the valuation of investment properties has resulted in the aggregate leverage of Manulife US REIT exceeding 50%, there is no breach of the aggregate leverage limit as defined by the Property Funds Appendix.

As at 30 June 2026, the Group had gross borrowings of US$486.6 million (31 December 2025: US$559.0 million), an aggregate leverage ratio of 54.1% (31 December 2025: 58.4%) and interest coverage ratio ("ICR") of 1.6 times (31 December 2025: 1.7 times). 34.3% of the gross borrowings have fixed interest rates or have been hedged (31 December 2025: 74.6%), which reduces short-term cash flow volatility from floating interest rate movements.

The weighted average interest rate on borrowings as at 30 June 2026 was 5.84% (31 December 2025: 4.58%) per annum, and the weighted average debt maturity was 2.0 years (31 December 2025: 2.3 years). Including the exit premium on the Sponsor-Lender Loan, the weighted average interest rate on borrowings as at 30 June 2026 was 6.61% (31 December 2025: 5.25%).

All of the Group's properties are unencumbered as at 30 June 2026 and 31 December 2025.

6 Loans and borrowings (cont'd)

Loans and borrowings due to related parties

Pursuant to the Recapitalisation Plan, the approval of the resolutions during the extraordinary general meeting held on 14 December 2023, and the Master Restructuring Agreement, the Sponsor granted an unsecured loan of US$137.0 million for a period of six-years at an interest rate of 7.25% per annum paid quarterly (the "Sponsor-Lender Loan"), with an exit premium of up to 21.16%.

During the financial year ended 31 December 2025, an unrelated bank lender of Manulife US REIT transferred its remaining loan balance of US$44.5 million to a related entity of the Sponsor.

Loan covenants

The majority of existing loans of Manulife US REIT contain a financial covenant which states that Manulife US REIT must at all times ensure and procure that the ratio of consolidated total unencumbered debt to consolidated total assets (the "Unencumbered Gearing Ratio") for any measurement period (being a period of 12 months ending on the last day of each financial half-year of Manulife US REIT) is not more than 60:100. As announced on 18 July 2023, the Unencumbered Gearing Ratio as at 30 June 2023 was 60.2:100 as a result of the decline in valuation of investment properties and the breach of the financial covenant has triggered a cross default under all of the Group's loan facilities and interest rate swaps.

As part of the Master Restructuring Agreement, Manulife US REIT obtained a waiver of the breach in addition to an extension of all loan maturities of the existing facilities by one year, and a temporary amendment of financial covenants such that Unencumbered Gearing Ratio for any measurement period (being a period of 12 months ending on the last day of each financial year of Manulife US REIT) is not more than 80:100 and ratio of Consolidated EBITDA to Consolidated Interest Expense, as defined in the facility agreements, shall be no less than 1.5 times, till 31 December 2025, unless the early reinstatement conditions are achieved earlier.

As disclosed in Note 2.2, the MRA Concessions, which include the extension of the Disposal Deadline and temporary relaxation of the financial covenants for Unencumbered Gearing and Bank ICR, were effected on 23 December 2025. The Group has complied with the revised financial covenants as at 30 June 2026 and expects to continue complying with its financial covenants for the next 12 months after the reporting date, subject to the matters disclosed in Note 2.2.

Interest coverage ratio

As set out in the revised CIS Code, the ICR is calculated by dividing the trailing 12 months' earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation) (the "EBITDA"), by the trailing 12 months' interest expense, borrowing-related fees and distributions on hybrid securities. During the period ended 30 June 2026, the Group did not have any hybrid securities.

A sensitivity analysis for the Group's ICR is set out in the table below:

	30 June 2026	**Assuming 10% decrease in EBITDA**	**Assuming 100 basis points increase in weighted average interest rate**
Interest coverage ratio (times)	1.6	1.5	1.4
Interest coverage ratio, excluding Sponsor-Lender exit premium (times)	1.9	1.7	1.6

6 Loans and borrowings (cont'd)

Interest coverage ratio (cont'd)

Excluding the Sponsor-Lender exit premium, the Group's ICR would have been 1.9 times. The Manager will continue to maintain prudent capital management and will seek to improve the Group's ICR through various strategies, including:

- Using divestment proceeds under the Growth and Value Up Plan to repay loans and acquire higher-yielding assets from the industrial, living and retail sectors;
- Focusing on leasing and asset management strategies to improve EBITDA;
- Exploring refinancing options for higher-interest debt; and
- Managing interest rate risk in line with the Group's hedging policy.

The details of credit facilities as at 30 June 2026 and 31 December 2025 are set out below:

	30 June 2026		31 December 2025	
	Facility amount US$'000	Utilised US$'000	Facility amount US$'000	Utilised US$'000
Group and Trust				
Unsecured				
Trust-level term loans	565,000	349,614	665,000	422,014
Sponsor-Lender Loan	137,000	137,000	137,000	137,000
	702,000	486,614	802,000	559,014

7 Preferred units

	Group	
	30 June 2026 US$'000	31 December 2025 US$'000
As at 1 January	659	822
Redemption of preferred units (net of transaction costs)	(82)	(163)
As at 30 June / 31 December	577	659

In connection with the divestment of Figueroa, Hancock S-REIT LA Corp. in 1H 2026, which held the Figueroa property, redeemed all outstanding preferred shares held by the preferred shareholders on 30 June 2026. The total cash paid for the redemption of approximately US$0.1 million was funded from internal resources.

In connection with the divestments of Plaza and Peachtree in 1H 2025, Hancock S-REIT SECA LLC, which held the Plaza property, and Hancock S-REIT ATL LLC, which held the Peachtree property, redeemed all outstanding preferred units held by the preferred unitholders on 10 March 2025 and 11 June 2025 respectively. The total cash paid for the redemption of approximately US$0.2 million was funded from internal resources.

8 Units in issue and to be issued

	Group and Trust			
	2026		**2025**	
	No of Units ’000	**US$’000**	**No of Units ’000**	**US$’000**
Units in issue				
As at 1 January/30 June	1,776,565	1,227,728	1,776,565	1,227,728
Units to be issued				
Manager’s base fee payable in Units[a][b]	35,541	7,985	35,541	7,985
Property management fees payable in Units[a][b]	23,018	5,132	23,018	5,132
	58,559	13,117	58,559	13,117
Total Units issued and to be issued as at 30 June	1,835,124	1,240,845	1,835,124	1,240,845

Footnotes:

a. The Manager deferred the issuance of units in Manulife US REIT in relation to the Manager’s base fee and the Property Manager’s management fee for the periods from 1 July 2022 to 31 December 2022 (“2H 2022”) and 1 January 2023 to 30 June 2023 (“1H 2023”) to a date where the Manager is satisfied that such issuance would be in compliance with the unit ownership limit of 9.8% prescribed in the Trust Deed.

b. There are 21,859,395 Units to be issued in satisfaction of the Manager’s base fee and Property Manager’s management fee for 2H 2022 based on the volume weighted average price for the last 10 Business Days immediately preceding 31 December 2022 of US$0.3118, and 36,699,067 Units to be issued in satisfaction of the Manager’s base fee and Property Manager’s management fee for 1H 2023 based on the volume weighted average price for the last 10 Business Days immediately preceding 30 June 2023 of US$0.1717. Actual Units from payment of property management fees may be different as it will be based on the higher of (i) volume weighted average price for last 10 Business Days immediately preceding 31 December 2022 and 30 June 2023 respectively, or (ii) the closing price on the day of issuance of Units in payment of property management fees.

Manulife US REIT did not hold any treasury units as at 30 June 2026 and 31 December 2025. The total number of issued Units in Manulife US REIT as at 30 June 2026 and 31 December 2025 was 1,776,565,421.

9 Net asset value per Unit

		Group		Trust	
	Note	**30 June 2026**	**31 December 2025**	**30 June 2026**	**31 December 2025**
Net asset value per Unit is based on:					
- Net assets (US$’000)[a]		345,066	342,979	332,561	342,814
- Total Units issued and to be issued at end of period (’000)	8	1,835,124	1,835,124	1,835,124	1,835,124

Footnotes:

a. Net asset value and net tangible asset are the same as there are no intangible asset as at 30 June 2026 and 31 December 2025.

10 Finance expenses

	Group	
	1H 2026 US$'000	1H 2025 US$'000
Interest expense on loans and borrowings	14,390	15,396
Amortisation of upfront debt-related transaction costs[a]	693	879
Exit premium on Sponsor-Lender Loan	2,213	2,006
Dividends on preferred units	56	64
Redemption of preferred units[b]	33	67
Commitment and financing fees[c]	86	183
	17,471	18,595

Footnotes:

a. Upfront debt-related transaction costs, including costs in relation to the Master Restructuring Agreement and the MRA Concessions, are amortised over the remaining term of the loans and borrowings.

b. Following the completion of the divestments of Figueroa, Peachtree and Plaza, indirect subsidiaries of Manulife US REIT which held these properties redeemed all outstanding preferred shares and units held by the preferred shareholders and unitholders.

c. This includes the commitment fees on the US$50.0 million revolving credit facility at the Trust level for 1H 2025.

11 Tax expense

	Group	
	1H 2026 US$'000	1H 2025 US$'000
Current tax expense		
Income tax	52	63
Withholding tax[a]	132	179
	184	242
Deferred tax expense		
Movement in temporary differences	773	-
	957	242

Footnotes:

a. Withholding tax is incurred as a result of halting distributions, allocable to Unitholders who fail to submit a valid U.S. tax form.

12 Earnings per Unit ("EPU")

Basic earnings per Unit is based on:

	Group	
	1H 2026	**1H 2025**
Net income/(loss) for the period (US$'000)	2,087	(48,575)
	30 June 2026 No. of Units	**30 June 2025 No. of Units**
Weighted average number of Units in issue and issuable ('000)	1,835,124	1,835,124

Basic EPU is calculated based on the weighted number of Units for the period. This is comprised of:
(i) the weighted average number of Units in issue; and
(ii) the estimated weighted average number of Units issuable as payment of the Manager's base fees and Property Manager's management fees.

Diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

13 Contingent Asset

During the reporting period, the Group received a notice from the Los Angeles County Assessment Appeals Board approving a reduction in the assessed value of Figueroa in relation to prior year property taxes, which is expected to result in an estimated property tax refund of approximately US$1.2 million. The Group has submitted a refund claim, which remains subject to administrative review and processing by the relevant authorities. Accordingly, no asset has been recognised as at the reporting date.

In addition, pursuant to the lease agreements at the property, a portion of any property tax refund received will be payable to tenants. Based on current estimates, approximately US$0.4 million would be refunded to tenants upon receipt of the refund from the County of Los Angeles.

14 Fair value of assets and liabilities

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

a) Level 1: for unadjusted price quoted in active markets for identical assets or liabilities;
b) Level 2: for inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
c) Level 3: for inputs that are based on unobservable market data. These unobservable inputs reflect the Group's own assumptions about the assumptions that market participants would use in pricing the asset or liability, and are developed based on the best information available in the circumstances (which might include the Group's own data).

		Group				Trust			
	Note	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**	**Total US$'000**	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**	**Total US$'000**
30 June 2026									
Financial assets									
Financial derivatives		-	48	-	48	-	48	-	48
Financial liabilities									
Loans and borrowings	6	-	-	494,852	494,852	-	-	494,852	494,852
Preferred units	7	-	-	805	805	-	-	-	-
31 December 2025									
Financial assets									
Financial derivatives		-	3,091	-	3,091	-	3,091	-	3,091
Financial liabilities									
Financial derivatives		-	95	-	95	-	95	-	95
Loans and borrowings	6	-	-	567,621	567,621	-	-	567,621	567,621
Preferred units	7	-	-	920	920	-	-	-	-

14 Fair value of assets and liabilities (cont'd)

Measurement of fair values

The following is a description of the valuation techniques and inputs used in measuring Level 2 and Level 3 fair values.

Financial instruments measured at fair value

Financial derivatives

The fair value of interest rate swaps are based on valuations provided by the financial institutions that are the counterparties of the transactions. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Financial instruments not measured at fair value

Loans and borrowings

The fair values of loans and borrowings are calculated using the discounted cash flow technique based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

15 Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions were carried out at terms agreed between the parties:

	Group	
	1H 2026 US$'000	1H 2025 US$'000
Interest expense paid/payable to a related party[1]	1,404	-
Rental received/receivable from a related party	77	226
Interest expense paid/payable pursuant to the Sponsor-Lender Loan	4,994	4,994
Manager's divestment fee paid/payable	429	835
Manager's base fee paid/payable	1,300	1,658
Property manager's management fee paid/payable	1,481	1,600
Trustee's fee paid/payable[2]	93	114
Leasing fees to a related party	29	85
Construction supervision fees to a related party	89	31
Reimbursements to a related party	107	125

[1] On 2 December 2025, an unrelated bank lender of Manulife US REIT transferred its remaining loan balance of US$44.5 million to a related entity of the Sponsor. This relates to the interest expense for 1H 2026.

[2] Including fees for the divestment of investment properties

16 Financial ratios

	Group	
	1H 2026	**1H 2025**
	%	**%**
Ratio of expenses to weighted average net assets[1]		
- including performance component of the Manager's management fees	1.28	1.19
- excluding performance component of the Manager's management fees	1.28	1.19
Portfolio turnover rate[2]	-	-

1 The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses, finance expenses, net foreign exchange differences and income tax expense.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value in accordance with the formulae stated in the CIS Code.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

I SALES, TRANSFERS, CANCELLATION AND/OR USE OF TREASURY UNITS AND SUBSIDIARY HOLDINGS

(a) Treasury units

There were no sales, transfers, cancellation and/or use of treasury units as at the end of the current financial period ended 30 June 2026.

(b) Subsidiary holdings

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period ended 30 June 2026.

II AUDIT STATEMENT

(a) Whether the figures have been audited or reviewed, and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", or an equivalent standard)

The figures have not been audited or reviewed by the auditors.

(b) Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

III REVIEW OF PERFORMANCE OF THE GROUP

	1H 2026 US$'000	1H 2025 US$'000	Change %
Consolidated Statement of Comprehensive Income			
Gross revenue	51,915	60,365	(14.0)
Property operating expenses	(28,815)	(30,199)	(4.6)
Net property income	**23,100**	**30,166**	**(23.4)**
Interest income	536	859	(37.6)
Manager's base fee	(1,300)	(1,658)	(21.6)
Trustee's fee	(81)	(95)	(14.7)
Other trust expenses	(1,056)	(1,014)	4.1
Finance expenses	(17,471)	(18,595)	(6.0)
Net income before tax and fair value changes	**3,728**	**9,663**	**(61.4)**
Net fair value change in derivatives	(2,948)	(6,518)	(54.8)
Net fair value change in investment properties	5,718	(48,155)	N.M.
Loss on disposal of investment property	(3,454)	(3,323)	3.9
Net income/(loss) before tax	**3,044**	**(48,333)**	**N.M.**
Tax expense	(957)	(242)	>100
Net income/(loss) attributable to Unitholders	**2,087**	**(48,575)**	**N.M.**

	1H 2026 US$'000	1H 2025 US$'000	Change %
<u>Distribution Statement</u>			
Net income/(loss) for the period	2,087	(48,575)	N.M.
Distribution adjustments	9,617	63,500	(84.9)
Income available for distribution to Unitholders	**11,704**	**14,925**	**(21.6)**
Distribution amount to Unitholders	**-**	**-**	**N.M.**

N.M.: Not meaningful

1H 2026 vs 1H 2025

Gross revenue of US$51.9 million for 1H 2026 was lower by US$8.5 million or 14.0%, of which US$8.0 million was due to the divestment of Plaza, Peachtree and Figueroa in February 2025, May 2025 and June 2026 respectively. This was in addition to lower rental income as a result of higher portfolio vacancy rate across the same-store properties, partially offset by higher recoveries income mainly on the back of higher property tax.

Property operating expenses for 1H 2026 was US$28.8 million, a decrease of US$1.4 million or 4.6% from 1H 2025, of which US$3.2 million was due to the divested properties. This was mainly offset by the absence of one-off property tax savings from successful tax appeals recorded in 1H 2025 at Michelson.

As a result of the above, the net property income for 1H 2026 was US$23.1 million, a decrease of US$7.1 million or 23.4% from 1H 2025.

Interest income of US$0.5 million for 1H 2026 was US$0.3 million or 37.6% lower than 1H 2025 as a result of lower interest rates. Finance expenses for 1H 2026 was US$17.5 million, a decrease of US$1.1 million or 6.0% from 1H 2025. This reduction was driven primarily by lower average borrowings following loan repayments funded by divestment proceeds in 2025 and 2026. This was partially offset by higher interest costs after the expiry of interest rate swaps in July 2025 and April 2026.

The Manager's base fee was US$1.3 million or 21.6% lower than 1H 2025 due to a decrease in income available for distribution to Unitholders.

Net fair value loss on derivatives of US$2.9 million recognised in 1H 2026 was attributable to the fair valuation of interest rate swaps entered into to hedge against interest rate exposures.

Net fair value gain of US$5.7 million in 1H 2026 was mainly due to the effect of amortisation and straight-line rent accounting adjustments, offset by the fair value loss from the divestment of Figueroa. The Group also recorded a loss on disposal of US$3.5 million. This was compared to the net fair value loss of US$48.2 million and loss on disposal of US$3.3 million in 1H 2025, which resulted mainly from the divestment of Plaza and Peachtree in 1H 2025.

Tax expense of US$1.0 million for 1H 2026 mainly relates to deferred tax expense arising from tax depreciation.

Due to the effects of the above, the Group recorded a net income of US$2.1 million in 1H 2026, compared to a net loss of US$48.6 million in 1H 2025. After adjusting for net fair value changes and other distribution adjustments, income available for distribution to Unitholders for 1H 2026 was US$11.7 million, 21.6% lower than 1H 2025. Pursuant to the Recapitalisation Plan and the entry into the Master Restructuring Agreement, Manulife US REIT has halted distributions to Unitholders since 2023. Further to the granting of the MRA Concessions, the Lenders have required Manulife US REIT to keep half-yearly distributions to Unitholders suspended until the later of the achievement of the Reinstatement Conditions and the period during which the Bank ICR relaxation remains in effect.

IV VARIANCE BETWEEN ACTUAL AND PROJECTION

Where a forecast, or prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

V OUTLOOK AND PROSPECTS

Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

At the mid-point of 2026, the U.S. economy remains broadly resilient. Real GDP expanded at an annualised 2.1% in the first quarter, with the second-quarter coming in at 1.5% driven by consumer spending, investments and exports. Inflation eased in June, with the Consumer Price Index falling to 3.5% from 4.2% in May, while core inflation was 2.6%. The labour market has cooled: non-farm payrolls rose by 57,000 in June and unemployment edged down to 4.2%. The Federal Reserve has held its policy rate at 3.50%–3.75% and adopted a more hawkish posture, signalling that a further hike remains more likely than a cut this year. Trade policy remains a live source of uncertainty amid tariff transitions, yet U.S. equities delivered one of their strongest quarters of the century—the S&P 500 gained roughly 15% and the Nasdaq-100 more than 20%—leaving benchmarks near record highs into the second half.

Within commercial real estate, the U.S. office leasing market has moved from stabilisation into a nascent expansionary cycle, per insights from JLL. Gross leasing reached 55.1 million square feet in the second quarter—a new post-pandemic high, up 7.1% year-on-year—while net absorption topped 30 million square feet over the trailing twelve months and total vacancy compressed 60 basis points to 21.6%. Tenants are increasingly acting on long-term needs, with ten-year-plus leases comprising 57% of first-half volume, the highest share since 2018. Supply, by contrast, has become acutely constrained, with quarterly deliveries falling below 2 million square feet as elevated construction costs suppress new starts. That scarcity is restoring pricing power to landlords of quality space: overall direct asking rents rose to $40.27 per square foot and effective rents on signed leases grew more than 10% over the past year. Recovery remains uneven, however—gateway momentum has been led by New York and San Francisco, while many core markets remain in the bottoming or early-rising phases of the cycle.

For Manulife US REIT, the completion of the Figueroa divestment during the first half streamlined the portfolio to six freehold office assets totaling approximately 2.8 million square feet. Committed occupancy stood at 70.4% and portfolio WALE at 4.4 years as at 30 June 2026, providing a buffer against a still-choppy economy, a hawkish rate environment and an office recovery that, while strengthening, remains geographically uneven. Leasing momentum was steady in the first half, with approximately 141,000 square feet signed at a marginally positive rent reversion of 0.3%, anchored by a 117,000 square foot renewal with ACE American Insurance. The Manager remains mindful that the portfolio is exposed to the secular reset in office demand and to concentration in submarkets that have yet to fully turn. With the acquisition and disposition mandates adopted at the EGM now in force, the Manager will continue to leverage the expanded investment mandate to optimise the portfolio, while sustaining its focus on disciplined asset, lease and capital management, alongside its continued commitment to environmental, social and governance (ESG) performance.

VI DISTRIBUTION

(a) Current financial period
(b) Corresponding period of the immediately preceding financial period

Any distribution declared for the current period or the corresponding period of the immediately preceding financial period?	Pursuant to the Recapitalisation Plan and the entry into the Master Restructuring Agreement, Manulife US REIT has halted distributions to Unitholders since 2023. Further to the granting of the MRA Concessions, the Lenders have required Manulife US REIT to keep half-yearly distributions to Unitholders suspended until the later of the achievement of the Reinstatement Conditions and the period during which the Bank ICR relaxation remains in effect.

VII GENERAL MANDATE RELATING TO INTERESTED PERSON TRANSACTIONS

If the group has obtained a general mandate from unitholders for interested person transactions ("IPT"), the aggregate value of such transactions is required under rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group has not obtained a general mandate from Unitholders for interested person transactions.

VIII CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors of Manulife US Real Estate Management Pte. Ltd. (as manager of Manulife US Real Estate Investment Trust) (the "Manager") hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the unaudited financial results of Manulife US REIT for the financial period ended 30 June 2026, to be false or misleading, in any material aspect.

IX CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Manager confirms that it has procured undertakings from all its Directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

X ADDITIONAL INFORMATION REQUIRED PURSUANT TO RULE 706A OF THE LISTING MANUAL

Dissolution of wholly-owned subsidiaries

Manulife US REIT Beta 4 (Singapore) Pte. Ltd., a wholly-owned subsidiary of Manulife US REIT incorporated in the Republic of Singapore, was struck off the register pursuant to Section 344A of the Companies Act 1967 on 30 April 2026.

Further to the announcements dated 20 February 2025, 26 February 2025 and 10 March 2025 in relation to the divestment of Plaza, Hancock S-REIT SECA LLC, the indirect subsidiary of Manulife US REIT which held the Property, has been voluntarily wound up and dissolved on 10 June 2026.

The dissolution of the subsidiaries set out above does not have a material impact on the consolidated net tangible assets or earnings per unit of Manulife US REIT for the financial year ending 31 December 2026. Save for any interest from their respective unitholdings in Manulife US REIT, none of the directors of the Manager has an interest, direct or indirect, in the winding-up of the subsidiaries.

On behalf of the Board

MANULIFE US REAL ESTATE MANAGEMENT PTE. LTD.
AS MANAGER OF MANULIFE US REIT
(Company registration no. 201503253R)

Marc Feliciano	Professor Francis Koh
Director	Director

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of office rental revenue, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

The value of units in Manulife US REIT (“Units”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of Manulife US REIT) or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (“Unitholders”) have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Manulife US REIT is not necessarily indicative of the future performance of Manulife US REIT.

By Order of the Board

Daphne Chua
Company Secretary
MANULIFE US REAL ESTATE MANAGEMENT PTE. LTD.
AS MANAGER OF MANULIFE US REIT
(Company registration no. 201503253R)
6 August 2026