Manulife
US REIT

PRESS RELEASE

MUST exceeds Minimum Sale Target following Figueroa sale; occupancy improves to 70.4%

- **Same-store cash NPI up 7.3% to US$29.2 million**
- **US$82.4 million net proceeds from Figueroa sale used to fully repay 2026 debt and partially repay 2027 debt, with US$10.0 million retained for capital expenditure**
- **Portfolio occupancy rises to 70.4% from 67.6% in previous quarter**

Singapore, 6 August 2026 – Manulife US REIT (MUST) today reported that net proceeds of US$82.4 million from its divestment of Figueroa in downtown Los Angeles have lifted its asset sales proceeds above the Minimum Sale Target of US$328.7 million under its Master Restructuring Agreement (MRA), marking further progress as the Manager works towards exiting the MRA by end-2026.

Net proceeds have been used to fully repay 2026 debt and partially repay 2027 debt, with approximately US$10.0 million retained for capital expenditure. This brings total debt repaid since November 2024 to approximately US$389 million.

It also announced its financial results for the first half of 2026 (1H 2026). On a same-store basis, MUST reported net property income (NPI) of US$22.8 million, down 8.7% year-on-year. Same-store cash NPI, which excludes amortisation of leasing costs and straight-line rental adjustments, grew 7.3% to US$29.2 million, driven mainly by contributions from new leases at Phipps, lower free-rent concessions at Exchange and Michelson, and higher lease termination income at Centerpointe. These gains were partially offset by higher property taxes at Michelson in the absence of the one-off reduction from successful tax appeals in 1H 2025.

Income available for distribution fell 21.6% year-on-year to US$11.7 million, owing to lower cash NPI mainly due to the divestments of Figueroa, Peachtree and Plaza, partially offset by improvements in cash NPI for the six remaining properties as well as lower finance expenses resulting from debt repayments in 2025 and 2026, net of higher interest costs following the expiry of interest rate swaps in July 2025 and April 2026.

In 1H 2026, MUST had received US$4.4 million from a tenant at Centerpointe that returned approximately 70,000 sq ft of underutilised space ahead of its lease expiry, spanning four out of its five floors, including space on the building’s top two floors. The payment included its full rent for its remaining lease term of the returned space, which will be recognised through the lease expiry of 31 December 2027. The Manager believes that this arrangement has fostered goodwill with the tenant, which may enhance the prospects of renewing the tenant's remaining space when its lease expires. It is actively marketing the vacated space to prospective tenants.

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	1H 2026 (US$ m)	1H 2025 (US$ m)	Change (US$ m)	Change (%)
Gross Revenue	51.9	60.4	(8.5)	(14.0)
Same-store Gross Revenue[1]	46.0	46.4	(0.4)	(0.9)
Net Property Income	23.1	30.2	(7.1)	(23.4)
Same-store NPI[1]	22.8	25.0	(2.2)	(8.7)
Cash NPI[2]	30.7	35.0	(4.3)	(12.2)
Same-store Cash NPI[1,2]	29.2	27.2	2.0	7.3
Income Available for Distribution (DI)[3]	11.7	14.9	(3.2)	(21.6)
DI per Unit[3,4] (US cents)	0.66	0.84	(0.18)	(21.4)

As at 30 June 2026, aggregate leverage[5] improved to 54.1%, approximately 400 basis points lower than a quarter ago due to debt repayment from the sales proceeds of Figueroa, reflecting MUST's continued progress in strengthening its balance sheet. Interest coverage ratio was 1.6 times as at 30 June 2026.

Chief Executive Officer and Chief Investment Officer of the Manager, John Casasante, said: "We have reached a pivotal point in our strategy to exit the 2023 debt restructuring plan, given that we have exceeded our Minimum Sale Target, a key requirement under the MRA. There is still work to be done, and we will continue discussions with our lenders, targeting an exit from the restructuring by end-2026[6].

"We are cautiously optimistic as we see leasing momentum picking up in most of our submarkets. While we navigate this recovery phase, our focus is clear: to continue to deleverage our balance sheet, build financial flexibility and enhance the resilience of our portfolio. We are taking disciplined steps to lay the groundwork to position the REIT for sustainable long-term growth and value creation."

MUST's portfolio occupancy rose to 70.4% from 67.6% in the previous quarter following the sale of Figueroa, which was approximately 45% occupied when it was sold. Among MUST's top 10 tenants, seven have renewed their leases since 2023, supporting a weighted average lease expiry (WALE) of 4.8 years among MUST's top 10 tenants as at 30 June 2026. MUST remains focused on signing strategic leases that are accretive and optimise its use of capital.

[1] 1H 2026 gross revenue and NPI have been adjusted to exclude Figueroa (sold in Jun 2026), and 1H 2025 gross revenue and NPI have been adjusted to exclude Figueroa, Peachtree and Plaza.
[2] Cash NPI is NPI adjusted for non-cash adjustments including amortisation of leasing costs and straight-line rental adjustments.
[3] Pursuant to the Recapitalisation Plan and the entry into the Master Restructuring Agreement, MUST has halted distributions to Unitholders since 2023. Further to the granting of the MRA Concessions, the Lenders have required MUST 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. For more information on the MRA Concessions, please refer to the circular, as well as the announcements dated 11 Dec 2025, 15 Dec 2025 and 24 Dec 2025, respectively.
[4] DI per Unit is computed based on DI divided by the total number of Units in issue as at 30 Jun 2026 and 30 Jun 2025, respectively.
[5] Based on gross borrowings as a percentage of total assets. As set out in the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (MAS) Appendix 6 Para 9.4, the aggregate leverage limit is not considered to be breached if due to circumstances beyond the control of the Manager. If the aggregate leverage limit (50%) is exceeded as a result of a depreciation in the asset value of the property fund or any redemption of units or payments made from the property fund, the Manager should not incur additional borrowings or enter into further deferred payment arrangements. The Manager has obtained a waiver from this requirement under the Property Funds Appendix in relation to the Acquisition Mandate. Please refer to the announcement dated 11 Dec 2025 for further information.
[6] Subject to lender negotiations.

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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 with the investment strategy of principally investing, directly or indirectly, in income-producing real estate in the United States (U.S.) and Canada, as well as real estate-related assets. As at 30 June 2026, MUST's portfolio comprised six freehold office properties in Arizona, California, Georgia, New Jersey, Virginia and Washington D.C., with an aggregate net lettable area of 2.8 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 objective is to provide Unitholders with sustainable distributions and risk-adjusted total returns.