Manulife
US REIT

MANULIFE US REAL ESTATE INVESTMENT TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the Half Year and Financial Year Ended 31 December 2023

TABLE OF CONTENTS

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 invest, directly or indirectly, in a portfolio of income-producing office real estate in key markets in the United States of America ("**U.S.**" or "**United States**"), 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 10 office properties (the "**Properties**") in the United States, with an aggregate net lettable area of 5.0 million square feet ("**sq ft**"), as follows:

- Figueroa (acquired on Listing Date) is a 35-storey Class A office building, located in the South Park district of Downtown Los Angeles, two blocks away from a variety of entertainment venues;
- Michelson (acquired on Listing Date) is a 19-storey Trophy office building, located in Irvine, Orange County, within the Greater Los Angeles market;
- Peachtree (acquired on Listing Date) is a 27-storey Class A office building, located in the heart of Midtown, Atlanta;
- Plaza (acquired on 19 July 2017) is an 11-storey Class A office building, located in Secaucus, New Jersey;
- 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;
- Capitol (acquired on 29 October 2019) is a 29-storey top Class A office building, located in Sacramento, California; and
- 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 July 2023 to 31 December 2023 ("**2H 2023**") and the financial year from 1 January 2023 to 31 December 2023 ("FY 2023").

Distribution Policy

Manulife US REIT makes distributions to the Unitholders on a semi-annual basis. 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 Fund 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.

However, 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"), Manulife US REIT will be halting distributions to Unitholders till 31 December 2025, unless the early reinstatement conditions, being (i) consolidated total liabilities to consolidated total deposited properties being no more than 45%; or (ii) consolidated total liabilities to consolidated total deposited properties being more than 45% but not more than 50% and the interest coverage ratio is more than 2.5 times, and there are no potential events of default continuing for at least one financial quarter (the "Early Reinstatement Conditions"), are achieved earlier.

SUMMARY OF RESULTS

	2H 2023 US$'000	2H 2022 US$'000	Change %	FY 2023 US$'000	FY 2022 US$'000	Change %
Gross Revenue(1)	108,457	102,141	6.2	208,025	202,559	2.7
Net Property Income(2)	59,245	55,541	6.7	114,606	113,163	1.3
Net Loss(3)	(132,327)	(192,493)	(31.3)	(379,963)	(129,721)	>100
Income Available for Distribution to Unitholders (before retention)(4)	36,344	41,904	(13.3)	74,292	87,870	(15.5)
Distribution amount to Unitholders (after retention)(5)	-	38,083	(100.0)	-	84,049	(100.0)
DPU (after retention)(5) (cents)	-	2.14	(100.0)	-	4.75	(100.0)

Footnotes:

(1) Gross revenue of US$108.5 million for 2H 2023 was higher by 6.2%, mainly due to higher lease termination fees, partially offset by the divestment of Tanasbourne and Park Place in April 2023 and December 2023 respectively, lower rental and recoveries income as a result of higher portfolio vacancy rate. Gross revenue of US$208.0 million for FY 2023 was higher by 2.7%, mainly due to higher lease termination fees and parking income, partially offset by the divestment of Tanasbourne and Park Place, lower rental and recoveries income as a result of higher portfolio vacancy rate.

(2) Net property income of US$59.2 million for 2H 2023 was higher by 6.7%, mainly due to higher gross revenue. Net property income of US$114.6 million for FY 2023 was higher by 1.3%, mainly due to higher gross revenue, partially offset by higher property operating expenses such as non-cash amortisation of leasing commission, repair and maintenance, property taxes, insurance premiums, and utilities.

(3) Net loss for 2H 2023 of US$132.3 million was lower than net loss for 2H 2022 by 31.3%, mainly due to higher net property income and lower fair value loss on investment properties being recorded in 2H 2023, partially offset by fair value loss on derivatives, higher finance expenses and lower tax income. Net loss for FY 2023 of US$380.0 million was higher than net loss for FY 2022, mainly due to higher fair value loss on investment properties and fair value loss on derivatives, as well as higher finance expenses and lower tax income, partially offset by higher net property income.

(4) Income available for distribution to Unitholders for 2H 2023 and FY 2023 were lower by 13.3% and 15.5% respectively. This was mainly due to higher finance expenses, the Manager's base fee and property management fees for 2H 2023 being payable in cash and withholding taxes, partially offset by higher net property income.

(5) Pursuant to the Recapitalisation Plan and the entry into the Master Restructuring Agreement, Manulife US REIT will be halting distributions to Unitholders till 31 December 2025, unless the Early Reinstatement Conditions are achieved earlier.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group		Trust	
	Note	**31 December 2023 US$'000**	**31 December 2022 US$'000**	**31 December 2023 US$'000**	**31 December 2022 US$'000**
Current assets					
Cash and cash equivalents[a]		127,145	112,863	96,513	10,350
Prepayments		2,133	1,669	165	54
Trade and other receivables[b]		13,926	5,399	279	42,304
Financial derivatives[c]		2,584	1,264	2,584	1,264
		145,788	121,195	99,541	53,972
Non-current assets					
Investment properties	5	1,411,800	1,947,000	-	-
Investment in subsidiaries[d]		-	-	1,410,170	1,848,645
Financial derivatives[c]		30,682	47,655	30,682	47,655
		1,442,482	1,994,655	1,440,852	1,896,300
Total assets		**1,588,270**	**2,115,850**	**1,540,393**	**1,950,272**
Current liabilities					
Trade and other payables[e]		38,222	31,268	11,742	6,076
Loans and borrowings[f]	6	49,880	144,635	49,880	39,700
Security deposits		819	390	-	-
Rent received in advance		9,912	8,107	-	-
		98,833	184,400	61,622	45,776
Non-current liabilities					
Trade and other payables[e]		4,728	2,369	-	-
Loans and borrowings	6	870,443	884,350	870,443	884,350
Security deposits		3,950	4,262	-	-
Preferred units	7	904	1,078	-	-
Deferred tax liabilities		777	19,075	-	-
		880,802	911,134	870,443	884,350
Total liabilities		**979,635**	**1,095,534**	**932,065**	**930,126**
Net assets attributable to Unitholders		**608,635**	**1,020,316**	**608,328**	**1,020,146**
Represented by:					
Unitholders' funds		608,635	1,020,316	608,328	1,020,146
Net assets attributable to Unitholders		**608,635**	**1,020,316**	**608,328**	**1,020,146**
Units in issue and to be issued ('000)	8	**1,835,124**	**1,798,425**	**1,835,124**	**1,798,425**
Net asset value per Unit (US$) attributable to Unitholders	9	**0.33**	**0.57**	**0.33**	**0.57**

Footnotes:

a. As at 31 December 2023, cash and cash equivalents include short-term fixed deposits of US$57.4 million (2022: Nil). Cash and cash equivalents at the Trust includes cash earmarked for the repayment of loans by 31 March 2024 and the interest reserve account.

b. An allowance for expected credit losses of US$1.9 million (2022: US$1.3 million) has been included in the Group's trade and other receivables. The increase in trade and other receivables was mainly due to a termination fee receivable of US$9.0 million, which was fully received in January 2024.

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

d. During the year, the Trust has assessed the carrying amount of the investments in subsidiaries following indicators of impairment mainly from a decrease in fair value of investment properties held by indirect subsidiaries. Included in investment in subsidiaries is an accumulated allowance for impairment loss of US$567.2 million (2022: US$195.8 million).

e. These include trade payables and accruals mainly for property operating expenses (including 2H 2023 property management fee) and capital expenditures, deferred revenue for lease termination and lease amendment fees to be amortised over the remaining lease period, as well as interest and the 2H 2023 Manager's base fee payable for the Trust. As at 31 December 2023, current portion of deferred revenue is US$4.8 million (2022: US$1.7 million) while the non-current portion is US$4.7 million (2022: US$2.4 million).

f. Pursuant to the Recapitalisation Plan and Master Restructuring Agreement, Manulife US REIT is to utilise its cash holdings to pay down US$50.0 million of debt by 31 March 2024. As such, the carrying amount of these loans have been classified as current as at 31 December 2023.

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Group			
	Note	**2H 2023 US$'000**	**2H 2022 US$'000**	**FY 2023 US$'000**	**FY 2022 US$'000**
Gross revenue[a]		108,457	102,141	208,025	202,559
Property operating expenses[b]		(49,212)	(46,600)	(93,419)	(89,396)
Net property income		**59,245**	**55,541**	**114,606**	**113,163**
Interest income[c]		512	43	617	46
Manager's base fee[d]		(4,038)	(4,190)	(7,833)	(8,787)
Trustee's fee		(128)	(154)	(267)	(304)
Other trust expenses[e]		(1,560)	(935)	(2,970)	(2,397)
Finance expenses	10	(24,330)	(18,641)	(46,020)	(33,935)
Net income before tax and fair value changes		**29,701**	**31,664**	**58,133**	**67,786**
Net fair value change in derivatives[f]		(15,537)	15,210	(15,653)	48,008
Net fair value change in investment properties[g]		(146,401)	(265,205)	(438,561)	(263,631)
Loss on disposal of investment properties[h]		(655)	-	(908)	-
Net loss before tax		**(132,892)**	**(218,331)**	**(396,989)**	**(147,837)**
Tax income[i]	11	565	25,838	17,026	18,116
Net loss attributable to Unitholders		**(132,327)**	**(192,493)**	**(379,963)**	**(129,721)**
Earnings per Unit ("EPU") (US cents)					
Basic and diluted EPU	12	**(7.45)**	**(10.86)**	**(21.39)**	**(7.34)**

Footnotes:

a. Gross revenue includes carpark income of US$6.7 million for 2H 2023 (2H 2022: US$6.6 million) and US$13.6 million for FY 2023 (FY 2022: US$12.9 million).

b. Property operating expenses include provision for expected credit losses of US$0.4 million for 2H 2023 (2H 2022: US$0.5 million) and US$0.6 million for FY 2023 (FY 2022: US$1.0 million).

c. Interest income includes interest earned from fixed deposits.

d. The Manager's base fee is based on 10% of distributable income. The Manager has elected to receive 100% of its base fee in the form of units for 1H 2023 and 100% of its base fee in the form of cash for 2H 2023.

e. Other trust expenses consist of audit, tax compliance 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. The decline in valuations is largely due to higher discount rates and terminal capitalisation rates reflecting risks posed by the volatile macroeconomic environment as well as idiosyncratic risks at the property level (i.e., higher vacancy and/or weak submarket fundamentals) and continued weakening of occupancy performance across the U.S. office market due to a slowdown in demand and leasing activity, which is leading to higher vacancy levels and higher concession package assumptions needed to attract new tenants or retain tenants, giving rise to higher leasing costs.

h. The loss on disposal of investment property arose from the divestment of Tanasbourne and Park Place, completed on 11 April 2023 (U.S. time) and 15 December 2023 (U.S. time) respectively, as a result of the transaction costs incurred.

i. Tax income consists of current tax expense and deferred tax income. Current tax includes income tax and withholding tax, including withholding tax incurred as a result of halting distributions in FY 2023 allocable to Unitholders who fail to submit a valid U.S. tax form. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. For FY 2023, deferred tax income arises mainly from net fair value loss on investment properties, partially offset by deferred tax expense from tax depreciation.

CONDENSED INTERIM DISTRIBUTION STATEMENT

	Group			
	2H 2023 US$'000	**2H 2022 US$'000**	**FY 2023 US$'000**	**FY 2022 US$'000**
Amount available for distribution to Unitholders at the beginning of the period/year	**38,004**	**46,035**	**38,075**	**5,682**
Net loss for the period/year	(132,327)	(192,493)	(379,963)	(129,721)
Distribution adjustments (Note A)	168,671	234,397	454,255	217,591
Income available for distribution to Unitholders for the period/year	36,344	41,904	74,292	87,870
Amount available for distribution to Unitholders	**74,348**	**87,939**	**112,367**	**93,552**
Distributions to Unitholders:				
- Distribution of US 0.32 cent per Unit for the period from 9 December 2021 to 31 December 2021	-	-	-	(5,613)
- Distribution of US 2.61 cents per Unit for the period from 1 January 2022 to 30 June 2022	-	(46,043)	-	(46,043)
- Distribution of US 2.14 cents per Unit for the period from 1 July 2022 to 31 December 2022	-	-	(38,019)	-
Total distributions to Unitholders	-	(46,043)	(38,019)	(51,656)
Amount available for distribution to Unitholders at the end of the period/year	**74,438**	**41,896**	**74,438**	**41,896**
Distribution amount to Unitholders (after retention) at the end of the period/year[1]	**-**	**38,075**	**-**	**38,075**
Number of Units in issue at end of the period/year ('000)	**1,776,565**	**1,776,565**	**1,776,565**	**1,776,565**
DPU (after retention) (US cents)[2]	**-**	**2.14**	**-**	**4.75**

Note A – Distribution adjustments comprise:

- Property related non-cash items[3]	5,896	2,776	8,346	4,350
- Amortisation of upfront debt-related transaction costs[4]	1,331	852	2,121	1,696
- Manager's base fee paid/payable in Units[5]	-	4,190	3,795	8,787
- Property Manager's management fee paid/payable in Units[5]	-	2,626	2,506	5,190
- Trustee's fee	128	154	267	304
- Net fair value change in derivatives	15,537	(15,210)	15,653	(48,008)
- Net fair value change in investment properties	146,401	265,205	438,561	263,631
- Loss on disposal of investment properties	655	-	908	-
- Deferred tax income	(1,750)	(25,849)	(18,298)	(18,186)
- Other items[6]	473	(347)	396	(173)
Distribution adjustments	**168,671**	**234,397**	**454,255**	**217,591**

Footnotes:

1 Pursuant to the Recapitalisation Plan and the Master Restructuring Agreement, Manulife US REIT will be halting distributions to Unitholders till 31 December 2025, unless the Early Reinstatement Conditions are achieved earlier.
2 The DPU relates to the distributions in respect of the relevant financial year. The distribution for the period from 1 July 2022 to 31 December 2022 was paid in 2023.
3 This includes straight-line rent adjustments and amortisation of tenant improvement allowance, leasing commissions and free rent incentives.
4 Upfront debt-related transaction costs and costs incurred in relation to the Master Restructuring Agreement are amortised over the life of the loans and borrowings.
5 The Manager has elected to receive 100% payment of the Manager's base fee in the form of cash commencing from 1 July 2023. The Property Manager has also elected to receive 100% payment of the property management fee in the form of cash commencing 1 July 2023 as directed by each of the property holding U.S. entities of the Group.
6 This includes non-tax deductible items and other adjustments including rent-free reimbursements. The rent-free reimbursements were in relation to the vendors of certain properties that had granted rent-free periods to certain tenants under the existing lease arrangements. As part of the terms of the acquisitions, these vendors reimbursed Manulife US REIT the free rent under existing lease arrangements and the rent-free reimbursements are applied towards the distributable income.

CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

		2023			2022		
	Note	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	Retained earnings / (Accumulated losses) US$'000	Total US$'000
Group							
At 1 July		**1,240,845**	**(499,883)**	**740,962**	**1,234,784**	**17,252**	**1,252,036**
Operations							
Net loss for the period		-	(132,327)	(132,327)	-	(192,493)	(192,493)
Net decrease in net assets resulting from operations		**-**	**(132,327)**	**(132,327)**	**-**	**(192,493)**	**(192,493)**
Unitholders' transactions							
Issue of new Units:							
- Manager's base fee paid/payable in Units		-	-	-	4,190	-	4,190
- Property Manager's management fee paid/payable in Units		-	-	-	2,626	-	2,626
Distributions[a]	8	-	-	-	(7,056)	(38,987)	(46,043)
Net decrease in net assets resulting from Unitholders' transactions		**-**	**-**	**-**	**(240)**	**(38,987)**	**(39,227)**
At 31 December		**1,240,845**	**(632,210)**	**608,635**	**1,234,544**	**(214,228)**	**1,020,316**
Trust							
At 1 July		**1,240,845**	**(500,175)**	**740,670**	**1,234,784**	**(13,289)**	**1,221,495**
Operations							
Net loss for the period		-	(132,342)	(132,342)	-	(162,122)	(162,122)
Net decrease in net assets resulting from operations		**-**	**(132,342)**	**(132,342)**	**-**	**(162,122)**	**(162,122)**
Unitholders' transactions							
Issue of new Units:							
- Manager's base fee paid/payable in Units		-	-	-	4,190	-	4,190
- Property Manager's management fee paid/payable in Units		-	-	-	2,626	-	2,626
Distributions[a]	8	-	-	-	(7,056)	(38,987)	(46,043)
Net decrease in net assets resulting from Unitholders' transactions		**-**	**-**	**-**	**(240)**	**(38,987)**	**(39,227)**
At 31 December		**1,240,845**	**(632,517)**	**608,328**	**1,234,544**	**(214,398)**	**1,020,146**

Footnotes:

a. For 2H 2022, the amount comprises the distribution paid to Unitholders for the period from 1 January 2022 to 30 June 2022.

CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

	Note	2023 Units in issue and to be issued US$'000	2023 Accumulated losses US$'000	2023 Total US$'000	2022 Units in issue and to be issued US$'000	2022 Accumulated losses US$'000	2022 Total US$'000
Group							
At 1 January		**1,234,544**	**(214,228)**	**1,020,316**	**1,228,500**	**(40,784)**	**1,187,716**
Operations							
Net loss for the year		-	(379,963)	(379,963)	-	(129,721)	(129,721)
Net decrease in net assets resulting from operations		**-**	**(379,963)**	**(379,963)**	**-**	**(129,721)**	**(129,721)**
Unitholders' transactions							
Issue of new Units:							
- Manager's base fee paid/payable in Units		3,795	-	3,795	8,787	-	8,787
- Property Manager's management fee paid/payable in Units		2,506	-	2,506	5,190	-	5,190
Distributions[a]	8	-	(38,019)	(38,019)	(7,933)	(43,723)	(51,656)
Net increase/(decrease) in net assets resulting from Unitholders' transactions		**6,301**	**(38,019)**	**(31,718)**	**6,044**	**(43,723)**	**(37,679)**
At 31 December		**1,240,845**	**(632,210)**	**608,635**	**1,234,544**	**(214,228)**	**1,020,316**
Trust							
At 1 January		**1,234,544**	**(214,398)**	**1,020,146**	**1,228,500**	**(66,052)**	**1,162,448**
Operations							
Net loss for the year		-	(380,100)	(380,100)	-	(104,623)	(104,623)
Net decrease in net assets resulting from operations		**-**	**(380,100)**	**(380,100)**	**-**	**(104,623)**	**(104,623)**
Unitholders' transactions							
Issue of new Units:							
- Manager's base fee paid/payable in Units		3,795	-	3,795	8,787	-	8,787
- Property Manager's management fee paid/payable in Units		2,506	-	2,506	5,190	-	5,190
Distributions[a]	8	-	(38,019)	(38,019)	(7,933)	(43,723)	(51,656)
Net increase/(decrease) in net assets resulting from Unitholders' transactions		**6,301**	**(38,019)**	**(31,718)**	**6,044**	**(43,723)**	**(37,679)**
At 31 December		**1,240,845**	**(632,517)**	**608,328**	**1,234,544**	**(214,398)**	**1,020,146**

Footnotes:

a. For FY 2023, the amount comprises the distribution paid to Unitholders for the period from 1 July 2022 to 31 December 2022. For FY 2022, the amount comprises the distribution paid to Unitholders for the period from 9 December 2021 to 30 June 2022.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group			
		2H 2023 US$'000	**2H 2022 US$'000**	**FY 2023 US$'000**	**FY 2022 US$'000**
Cash flows from operating activities					
Net loss for the period/year before tax		(132,892)	(218,331)	(396,989)	(147,837)
Adjustments for:					
Amortisation		5,896	2,776	8,346	4,350
Net change in provision for expected credit losses		448	493	634	1,003
Interest income		(512)	(43)	(617)	(46)
Finance expenses		24,330	18,641	46,020	33,935
Manager's base fee paid/payable in Units		-	4,190	3,795	8,787
Property Manager's management fee paid/payable in Units		-	2,626	2,506	5,190
Net fair value change in derivatives		15,537	(15,210)	15,653	(48,008)
Net fair value change in investment properties		146,401	265,205	438,561	263,631
Loss on disposal of investment properties		655	-	908	-
Net unrealised foreign exchange gains		(60)	(87)	(42)	(27)
Operating income before working capital changes		**59,803**	**60,260**	**118,775**	**120,978**
Changes in working capital:					
Trade and other receivables		(9,483)	(966)	(9,161)	(852)
Prepayments		(1,622)	(1,140)	(464)	(225)
Trade and other payables		4,474	(4,049)	10,574	1,691
Security deposits		(172)	331	117	547
Rent received in advance		1,837	(33)	1,805	88
Cash from operating activities		**54,837**	**54,403**	**121,646**	**122,227**
Tax paid		(2)	(4)	(90)	(65)
Interest paid		(25,171)	(15,899)	(44,735)	(30,174)
Net cash from operating activities		**29,664**	**38,500**	**76,821**	**91,988**
Cash flows from investing activities					
Proceeds from disposal of investment properties (net of transaction costs)[a]		97,194	-	130,441	-
Payment for capital expenditure and other costs related to investment properties[b]		(23,462)	(14,202)	(44,475)	(25,414)
Interest received		512	43	617	46
Net cash from/(used in) investing activities		**74,244**	**(14,159)**	**86,583**	**(25,368)**
Cash flows from financing activities					
Proceeds from issuance of preferred units	7	-	-	-	345
Redemption of preferred units	7	(126)	-	(253)	-
Payment of transaction costs relating to preferred units	7	-	-	-	(92)
Proceeds from loans and borrowings[c]		137,000	282,200	242,000	380,400
Repayment of loans and borrowings[c]		(244,000)	(232,716)	(349,000)	(322,716)
Payment of transaction costs relating to loans and borrowings, including costs incurred in relation to the Master Restructuring Agreement		(3,412)	(1,170)	(3,882)	(1,688)
Distributions paid to Unitholders		-	(46,043)	(38,019)	(88,618)
Movement in interest reserve account[d]		(22,419)	-	(22,419)	-
Net cash (used in)/from financing activities		**(132,957)**	**2,271**	**(171,573)**	**(32,369)**
Net (decrease)/increase in cash and cash equivalents		**(29,049)**	**26,612**	**(8,169)**	**34,251**
Cash and cash equivalents at beginning of the period/ year		**133,719**	**86,167**	**112,863**	**78,581**
Effect of exchange rate fluctuations on cash held in foreign currency		56	84	32	31
Cash and cash equivalents at end of the period/year		**104,726**	**112,863**	**104,726**	**112,863**

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	
	31 December 2023 US$'000	**31 December 2022 US$'000**
Cash and cash equivalents in the consolidated statement of financial position	**127,145**	**112,863**
Less: Interest reserves[d]	(22,419)	-
Cash and cash equivalents in the consolidated statement of cash flows	**104,726**	**112,863**

Footnotes:

a. Pursuant to the Recapitalisation Plan, the divestment of Park Place was completed on 15 December 2023 (U.S. time) for US$98.7 million, of which US$98.0 million was used to pay down existing debt. Please refer to the circular to Unitholders dated 29 November 2023 and the announcement dated 18 December 2023 for more information. The divestment of Tanasbourne was completed on 11 April 2023 (U.S. time) for US$33.5 million, which provided additional liquidity for Manulife US REIT to fund capital expenditure and leasing costs. Please refer to the announcement dated 12 April 2023 for more information.

b. For FY 2023, this includes capital expenditures (renovations or improvements) and leasing costs (including tenant improvement allowances) largely from Figueroa, Capitol, Peachtree, Plaza and Phipps. For FY 2022, this includes capital expenditures (renovations or improvements) and leasing costs (including tenant improvement allowances) largely from Figueroa, Michelson, Peachtree, Exchange and Capitol.

c. Pursuant to the Recapitalisation Plan, Manulife US REIT utilised proceeds of US$137.0 million from the Sponsor-Lender Loan of and US$98.0 million from Park Place divestment proceeds to pay down Trust-level term loans on a *pari passu* basis on 22 December 2023. In addition, Trust-level credit facilities were utilised to refinance the mortgage facility related to Phipps in March 2023. In FY 2022, Manulife US REIT utilised Trust-level credit facilities to refinance the mortgage facilities related to Plaza and Exchange in July 2022, as well as the bridge financing, which had previously been drawn down in December 2021 to fund the acquisitions, in January 2022.

d. Pursuant to the Recapitalisation Plan and Master Restructuring Agreement, Manulife US REIT is required to maintain an interest reserve account 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.

CONDENSED INTERIM STATEMENT OF PORTFOLIO

Description of Property	Tenure of Land	Occupancy Rate[1] as at 31 December 2023 %	Occupancy Rate[1] as at 31 December 2022 %	Fair Value as at 31 December 2023 US$'000	Fair Value as at 31 December 2022 US$'000	Percentage of Total Net Assets as at 31 December 2023 %	Percentage of Total Net Assets as at 31 December 2022 %
Group							
Commercial Office Properties							
Figueroa	Freehold	81.9	76.3	139,000	211,000	22.8	20.7
Michelson	Freehold	83.3	90.7	240,000	292,000	39.4	28.6
Peachtree	Freehold	78.9	84.7	171,000	205,000	28.1	20.1
Plaza	Freehold	83.4	91.1	58,000	92,000	9.5	9.0
Exchange	Freehold	86.6	86.2	234,000	290,000	38.5	28.4
Penn	Freehold	90.9	90.9	108,000	156,000	17.8	15.3
Phipps	Freehold	78.8	94.5	176,000	210,000	28.9	20.6
Centerpointe	Freehold	86.4	88.1	75,800	101,000	12.5	9.9
Capitol	Freehold	86.6	85.4	158,000	190,000	26.0	18.6
Diablo	Freehold	93.7	91.1	52,000	63,500	8.5	6.2
Total investment properties, excluding Tanasbourne and Park Place				1,411,800	1,810,500	232.0	177.4
Tanasbourne[2]	Freehold	-	100.0	-	33,500	-	3.3
Park Place[3]	Freehold	-	100.0	-	103,000	-	10.1
Total investment properties				**1,411,800**	**1,947,000**	**232.0**	**190.8**
Other assets and liabilities (net)				(803,165)	(926,684)	(132.0)	(90.8)
Net assets				**608,635**	**1,020,316**	**100.0**	**100.0**

[1] Based on committed leases.
[2] The divestment of Tanasbourne was completed on 11 April 2023 (U.S. time).
[3] The divestment of Park Place was completed on 15 December 2023 (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 a portfolio of income-producing office real estate in major markets in the United States, 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 distributions and the net asset value 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 and full year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") 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 2022. However, 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 2022.

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 2022 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 2023. 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

The Group reported a net loss of US$380.0 million for the year ended 31 December 2023, which is largely attributed by the net decrease in fair value of the Group's investment properties of US$438.6 million. As disclosed in Note 6, during the financial year, the decrease in the fair value of the investment properties 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 these, the Group has undergone a restructuring of existing credit facilities through the Recapitalisation Plan that serves to augment the financial position and cash flows of the Group through divestment of assets, provision of long-term Sponsor-Lender Loan, partial repayment of existing loans, extension of maturities of existing loan facilities, waiver of past and existing breaches of financial covenants, temporary amendment of on-going financial covenants and the temporary halt of distributions to Unitholders.

The Manager has prepared the Group's financial statements on a going concern basis and have applied significant judgement in evaluating the Group's ability to meets its obligations as and when they fall due. As part of this evaluation, the Manager has considered the current and expected financial effects of the Recapitalisation Plan, the Group's continuing ability to meet the conditions, obligations and covenants under the Recapitalisation Plan and its existing loans and borrowings, the Group's available cash resources, and the cash flows forecasted to be generated from the Group's operating activities and planned divestment of assets.

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 2022.

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
- Measurement of expected credit losses ("ECLs") 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	
	2023 US$'000	2022 US$'000
Consolidated Statement of Financial Position		
As at 1 January	1,947,000	2,184,400
Capital expenditure capitalised	43,907	30,581
Disposal of investment properties	(132,200)	-
Fair value changes in investment properties	(446,907)	(267,981)
As at 31 December	1,411,800	1,947,000
Consolidated Statement of Comprehensive Income		
Fair value changes in investment properties	(446,907)	(267,981)
Net effect of amortisation and straight lining	8,346	4,350
Net fair value changes recognised in the statement of comprehensive income	(438,561)	(263,631)

Pursuant to the Recapitalisation Plan and Master Restructuring Agreement, the Manager is authorised to dispose the Group's existing investment properties to provide funds for the Group's approved capital expenditures and repayment of outstanding loans and borrowings. During the financial year, the Group completed the divestment of the investment properties named Tanasbourne for US$33.5 million and Park Place for US$98.7 million to John Hancock Life Insurance Company (U.S.A.), an indirect wholly-owned subsidiary of the Sponsor on 11 April 2023 (U.S. time) and 15 December 2023 (U.S. time), respectively.

Under the terms and conditions of the Recapitalisation Plan and Master Restructuring Agreement, the Group is required to procure, on a best endeavours basis, the sale of the Group's properties prioritised by specified tranches, and to achieve minimum cumulative net sale proceeds targets (each a "Minimum Sale Target") by certain dates as follows:

- by 31 December 2024: Minimum cumulative net sale proceeds of US$230.0 million ("2024 Net Proceeds Target")
- by 30 June 2025: Minimum cumulative net sale proceeds of US$328.7 million (inclusive of the above 2024 Net Proceeds Target)

5 Investment properties (cont'd)

The minimum cumulative net sale proceeds shall be made up from the sale of up to four of the following assets, being Centerpointe, Diablo, Figueroa and Penn (collectively, the "Tranche 1 Assets") and Capitol, Exchange, Peachtree and Plaza (collectively, the "Tranche 2 Assets"), of which not more than two may be Tranche 2 Assets. Under the Master Restructuring Agreement, the sale of Michelson and/or Phipps is subject to the necessary consents under each of the respective facility agreements.

If the 2024 Net Proceeds Target is not achieved by 31 December 2024, the Group is required to pay the higher of, a flat fee of 1% on the shortfall amount between the 2024 Net Proceeds Target and the cumulative net sale proceeds received, and an additional interest margin payment, at a rate of 0.75% per annum on the outstanding amounts under the existing facilities as at 31 December 2024 for a period of 180 days. The prior approval of the majority lenders (for the avoidance of doubt, excluding the Sponsor-Lender) is required to waive any failure to meet a Minimum Sale Target by 15% or less. Any failure to meet a Minimum Sale Target by more than 15% will have to be waived by all lenders.

For details, please refer to the key terms of the Recapitalisation Plan in paragraph 3.1 of the circular dated 29 November 2023, and the announcement on "Update On Restructuring Of The Existing Facilities" dated 13 December 2023.

The fair value measurement of the Group's investment properties at the reporting date are estimated based on the measurement of objective of IFRS 13 Fair value measurement i.e., to reflect the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date under current market conditions. Depending on the future market conditions, and the commercial considerations of the Manager and the Trustee in procuring the sale of the Group's properties under the terms and conditions of the above-mentioned Recapitalisation Plan and Master Restructuring Agreement, the actual subsequent sales proceeds from the Group's properties may be different from their fair value measurement estimated as at 31 December 2023 provides in the list above, and whose information on fair value hierarchy, the valuation techniques and inputs applied are provided below.

Measurement of fair value

As at 31 December 2023, the investment properties, were stated at fair value based on independent valuations undertaken by JLL Valuation & Advisory Services, LLC, except for Diablo, which was undertaken by Colliers International Valuation & Advisory Services, LLC. As at 31 December 2022, all investment properties were stated at fair value based on independent valuations undertaken by JLL Valuation & Advisory Services, LLC. 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.

5 Investment properties (cont'd)

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:

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 2023: US$15.00 - US$55.00 (2022: US$15.50 - US$55.00)	Higher rental rate would result in a higher fair value, while lower rates would result in a lower fair value.
	Discount rate 2023: 7.25% - 9.75% (2022: 6.00% - 9.00%)	Higher discount rate or terminal capitalisation rate would result in a lower fair value, while lower rates would result in a higher fair value.
	Terminal capitalisation rate 2023: 6.50% - 8.00% (2022: 5.25% - 7.75%)	
Direct capitalisation method	Rental rate per square foot per year 2023: US$15.00 - US$55.00 (2022: US$15.50 - US$55.00)	Higher rental rate would result in a higher fair value, while lower rates would result in a lower fair value.
	Capitalisation rate 2023: 6.50% - 8.25% (2022: 5.25% - 7.75%)	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 2023: US$165 - US$485 (2022: US$204 - US$575)	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		Trust	
	31 December 2023 US$'000	31 December 2022 US$'000	31 December 2023 US$'000	31 December 2022 US$'000
Current				
Secured bank loan	-	105,000	-	-
Unsecured bank loans	48,078	-	48,078	-
Unsecured revolving credit facility ("RCF")	1,922	39,700	1,922	39,700
Less: Unamortised transaction costs	(120)	(65)	(120)	-
	49,880	144,635	49,880	39,700

6 Loans and borrowings (cont'd)

	Group		Trust	
	31 December 2023 US$'000	31 December 2022 US$'000	31 December 2023 US$'000	31 December 2022 US$'000
Non-current				
Unsecured bank loans	710,302	888,000	710,302	888,000
Unsecured RCF	28,398	-	28,398	-
Unsecured Sponsor-Lender Loan	137,000	-	137,000	-
Accrual for Sponsor-Lender Loan exit premium	99	-	99	-
Less: Unamortised transaction costs	(5,356)	(3,650)	(5,356)	(3,650)
	870,443	884,350	870,443	884,350
	920,323	1,028,985	920,323	924,050

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 31 December 2023, the Group had gross borrowings of US$925.7 million (2022: US$1,032.7 million), an aggregate leverage ratio of 58.3% (2022: 48.8%) and interest coverage ratio of 2.4 times (2022: 3.1 times). 91.3% of the gross borrowings have fixed interest rates or have been hedged (2022: 77.3%), which reduces short-term cash flow volatility from floating interest rate movements.

Pursuant to the Recapitalisation Plan, the approval of the resolutions during the Extraordinary General Meeting (the "EGM") 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% paid quarterly (the "Sponsor-Lender Loan") with an exit premium of up to 21.16%. In addition, Manulife US REIT is to utilise its cash balance to pay down an additional US$50.0 million of debt by 31 March 2024.

The weighted average interest rate on borrowings as at 31 December 2023 was 4.15% (2022: 3.74%) per annum, and the weighted average debt maturity was 3.3 years (31 December 2022: 2.8 years). Including the exit premium on the Sponsor-Lender Loan, the weighted average interest rate on borrowings as at 31 December 2023 was 4.55%.

While 89.2% of the Group's properties (based on appraised values) were unencumbered as at 31 December 2022, all of the Group's properties are unencumbered post refinancing of Phipps mortgage loan in March 2023.

Waiver of loan covenant breach and temporary amendment of loan covenant

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.

6 Loans and borrowings (cont'd)

The details of credit facilities as at 31 December are set out below:

	2023		2022	
	Facility amount US$'000	Utilised US$'000	Facility amount US$'000	Utilised US$'000
Group				
Secured				
Mortgage facility	-	-	105,000	105,000
Unsecured				
Trust-level term loans	993,000	758,380	993,000	888,000
Sponsor-Lender Loan	137,000	137,000	-	-
Committed RCFs	50,000	30,320	100,000	39,700
Uncommitted RCF	-	-	200,000	-
	1,180,000	925,700	1,293,000	927,700
	1,180,000	925,700	1,398,000	1,032,700
Trust				
Unsecured				
Trust-level term loans	993,000	758,380	993,000	888,000
Sponsor-Lender Loan	137,000	137,000	-	-
Committed RCFs	50,000	30,320	100,000	39,700
Uncommitted RCF	-	-	200,000	-
	1,180,000	925,700	1,293,000	927,700

7 Preferred Units

	Group	
	2023 US$'000	2022 US$'000
As at 1 January	1,078	825
Issuance of preferred units (net of issuance costs)	-	253
Redemption of preferred units	(174)	-
As at 31 December	904	1,078

In connection with the divestment of Tanasbourne and Park Place, Hancock-SREIT Portland LLC, which held the Tanasbourne property, and Hancock S-REIT Chandler LLC, which held the Park Place property, each redeemed all outstanding preferred units held by the preferred unitholders on 31 May 2023 and 22 December 2023 respectively. The total cash paid for the redemption was approximately US$0.3 million and was funded from internal resources and the proceeds from the divestment of Tanasbourne.

On 26 January 2022, indirect subsidiaries of Manulife US REIT each issued 115 preferred units at US$1,000 per preferred unit to persons who are unrelated to The Manufacturers Life Insurance Company and the Group. The subsidiaries were established to each hold Tanasbourne, Park Place and Diablo, which were acquired in December 2021. The preferred shares issuance is required in order to meet one of the requirements for the subsidiaries to qualify for taxation as a real estate investment trust for U.S. federal income tax purposes under the United States Internal Revenue Code of 1986, as amended. Each of the preferred shares carries a fixed dividend of 12.0% per annum, are non-voting and are redeemable at the option of each subsidiary.

8 Units in issue and to be issued

	Group and Trust			
	2023		2022	
	No of Units '000	US$'000	No of Units '000	US$'000
Units in issue				
As at 1 July	1,776,565	1,227,728	1,764,085	1,227,623
Issuance of Units:				
- Manager's base fee paid in Units[a]	-	-	8,011	4,596
- Property Manager's management fees paid in Units[a]	-	-	4,469	2,565
Capital distribution	-	-	-	(7,056)
As at 31 December	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	13,440	4,190
Property Manager's management fees payable in Units[a][b]	23,018	5,132	8,420	2,626
	58,559	13,117	21,860	6,816
Total Units issued and to be issued as at 31 December	1,835,124	1,240,845	1,798,425	1,234,544
Units in issue				
As at 1 January	1,776,565	1,227,728	1,754,155	1,221,878
Issuance of Units:				
- Manager's base fee paid in Units[a]	-	-	14,400	8,857
- Property Manager's management fees paid in Units[a]	-	-	8,010	4,926
Capital distribution	-	-	-	(7,933)
As at 31 December	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	13,440	4,190
Property Manager's management fees payable in Units[a][b]	23,018	5,132	8,420	2,626
	58,559	13,117	21,860	6,816
Total Units issued and to be issued as at 31 December	1,835,124	1,240,845	1,798,425	1,234,544

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 31 December 2023 and 31 December 2022. The total number of issued Units in Manulife US REIT as at 31 December 2023 and 31 December 2022 were 1,776,565,421.

9 Net asset value per Unit

	Note	Group 2023	Group 2022	Trust 2023	Trust 2022
Net asset value per Unit is based on:					
- Net assets (US$'000)[a]		608,635	1,020,316	608,328	1,020,146
- Total Units issued and to be issued at end of year ('000)	8	1,835,124	1,798,425	1,835,124	1,798,425

Footnotes:

a. Net asset value and net tangible asset are the same as there are no intangible asset as at 31 December 2023 and 31 December 2022.

10 Finance expenses

	Group			
	2H 2023 US$'000	2H 2022 US$'000	FY 2023 US$'000	FY 2022 US$'000
Interest expense on loans and borrowings	22,632	17,528	43,277	31,728
Amortisation of upfront debt-related transaction costs[a]	1,331	852	2,121	1,696
Exit premium on Sponsor-Lender Loan	99	-	99	-
Dividends on preferred units	83	90	171	177
Redemption of preferred units[b]	39	-	79	-
Commitment and financing fees[c]	146	171	273	334
	24,330	18,641	46,020	33,935

Footnotes:

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

b. Following the completion of the disposal of Tanasbourne and Park Place, Hancock-SREIT Portland LLC, which held the Tanasbourne property, and Hancock S-REIT Chandler LLC, which held the Park Place property, each redeemed all outstanding preferred units held by the preferred unitholders on 31 May 2023 and 22 December 2023 respectively.

c. This includes the financing fees on trust-level committed lines of credit.

11 Tax income

	Group			
	2H 2023 US$'000	2H 2022 US$'000	FY 2023 US$'000	FY 2022 US$'000
Current tax expense				
Income tax	3	11	90	70
Withholding tax[a]	1,182	-	1,182	-
	1,185	11	1,272	70
Deferred tax income				
Movement in temporary differences	(1,750)	(25,849)	(18,298)	(18,186)
	(565)	(25,838)	(17,026)	(18,116)

Footnotes:

a. US$0.7 million of withholding tax incurred as a result of halting distributions, allocable to Unitholders who fail to submit a valid U.S. tax form, has been included in 2H 2023 and FY 2023 withholding tax expense.

12 Earnings per Unit ("EPU")

Basic earnings per Unit is based on:

	Group			
	2H 2023	**2H 2022**	**FY 2023**	**FY 2022**
Net loss for the period/year (US$'000)	(132,327)	(192,493)	(379,963)	(129,721)
	No. of Units	**No. of Units**	**No. of Units**	**No. of Units**
Weighted average number of Units in issue and issuable ('000)	1,776,884	1,772,954	1,776,726	1,767,087

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 for the period; and

(ii) the estimated weighted average number of Units issuable as payment of the Manager's base fees and Property Manager's management fees for the period.

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

13 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**
31 December 2023									
Financial assets									
Financial derivatives		-	33,266	-	33,266	-	33,266	-	33,266
Financial liabilities									
Loans and borrowings	6	-	-	925,700	925,700	-	-	925,700	925,700
Preferred units	7	-	-	1,265	1,265	-	-	-	-
31 December 2022									
Financial assets									
Financial derivatives		-	48,919	-	48,919	-	48,919	-	48,919
Financial liabilities									
Loans and borrowings	6	-	-	1,031,669	1,031,669	-	-	927,700	927,700
Preferred units	7	-	-	1,495	1,495	-	-	-	-

13 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 the 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.

14 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 and included in the Group's loss before tax:

	Group			
	2H 2023 US$'000	**2H 2022 US$'000**	**FY 2023 US$'000**	**FY 2022 US$'000**
Rental received/receivable from a related party	326	511	686	977
Disposal of investment property to a related party	98,700	-	132,200	-
Unsecured loan extended by the Sponsor	137,000	-	137,000	-
Interest expense paid/payable pursuant to the Sponsor-Lender Loan	276	-	276	-
Manager's base fee paid/payable	4,038	4,190	7,833	8,787
Property manager's management fee paid/payable	2,538	2,626	5,044	5,190
Trustee's fee paid/payable	151[1]	154	298[1]	304
Leasing fees to a related party	211	257	489	581
Construction supervision fee to a related party	207	16	427	23
Reimbursements to a related party	3,959	3,164	4,144	3,377
Settlement of liabilities including withholding taxes	-	155	174	539

[1] Including fees incurred in connection with the divestments during the year and the costs incurred in relation to the Master Restructuring Agreement, which has been included as part of the loss on disposal of investment properties and unamortised transaction costs respectively.

15 Financial ratios

	Group	
	FY 2023 %	FY 2022 %
Ratio of expenses to weighted average net assets[1]		
- including performance component of the Manager's management fees	1.31	0.94
- excluding performance component of the Manager's management fees	1.31	0.94
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 year ended 31 December 2023.

(b) Subsidiary holdings

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial year ended 31 December 2023.

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

	2H 2023 US$'000	2H 2022 US$'000	Change %	FY 2023 US$'000	FY 2022 US$'000	Change %
Consolidated Statement of Comprehensive Income						
Gross revenue	108,457	102,141	6.2	208,025	202,559	2.7
Property operating expenses	(49,212)	(46,600)	5.6	(93,419)	(89,396)	4.5
Net property income	**59,245**	**55,541**	**6.7**	**114,606**	**113,163**	**1.3**
Interest income	512	43	>100	617	46	>100
Manager's base fee	(4,038)	(4,190)	(3.6)	(7,833)	(8,787)	(10.9)
Trustee's fee	(128)	(154)	(16.9)	(267)	(304)	(12.2)
Other trust expenses	(1,560)	(935)	66.8	(2,970)	(2,397)	23.9
Finance expenses	(24,330)	(18,641)	30.5	(46,020)	(33,935)	35.6
Net income before tax and fair value changes	**29,701**	**31,664**	**(6.2)**	**58,133**	**67,786**	**(14.2)**
Net fair value change in derivatives	(15,537)	15,210	N.M.	(15,653)	48,008	N.M.
Net fair value change in investment properties	(146,401)	(265,205)	(44.8)	(438,561)	(263,631)	66.4
Loss on disposal of investment properties	(655)	-	N.M.	(908)	-	N.M.
Net loss before tax	**(132,892)**	**(218,331)**	**(39.1)**	**(396,989)**	**(147,837)**	**>100**
Tax income	565	25,838	(97.8)	17,026	18,116	(6.0)
Net loss attributable to Unitholders	**(132,327)**	**(192,493)**	**(31.3)**	**(379,963)**	**(129,721)**	**>100**

	2H 2023 US$'000	2H 2022 US$'000	Change %	FY 2023 US$'000	FY 2022 US$'000	Change %
Distribution Statement						
Net loss	(132,327)	(192,493)	(31.3)	(379,963)	(129,721)	>100
Distribution adjustments	168,671	234,397	(28.0)	454,255	217,591	>100
Income available for distribution to Unitholders	**36,344**	**41,904**	**(13.3)**	**74,292**	**87,870**	**(15.5)**
Distribution amount to Unitholders (after retention)	**-**	**38,083**	**(100.0)**	**-**	**84,049**	**(100.0)**

N.M.: Not meaningful

2H 2023 vs 2H 2022

Gross revenue increased by US$6.3 million or 6.2% from US$102.1 million in 2H 2022 to US$108.5 million in 2H 2023, mainly contributed by lease termination fees of US$9.0 million and US$4.0 million from a tenant at Exchange and Plaza respectively. This was partially offset by the divestment of Tanasbourne and Park Place in April 2023 and December 2023 respectively, lower rental and recoveries income as a result of higher portfolio vacancy rate.

Property operating expenses increased by US$2.6 million or 5.6% from US$46.6 million in 2H 2022 to US$49.2 million in 2H 2023, mainly due to higher property operating expenses such as non-cash amortisation of leasing commission, repair and maintenance, property taxes, insurance premiums and utilities. As a result, the net property income for 2H 2023 was US$59.2 million, US$3.7 million or 6.7% higher than 2H 2022.

Other trust expenses increased by US$0.6 million or 66.8% from US$0.9 million in 2H 2022 to US$1.5 million in 2H 2023 mainly due to accounting write-off of professional fees related to the multicurrency debt issuance programme as it is unlikely for the programme to be utilised in view of the existing aggregate leverage of the Group.

Finance expenses increased by US$5.7 million or 30.5% from US$18.6 million in 2H 2022 to US$24.3 million in 2H 2023, largely due to the Phipps mortgage loan being refinanced at higher interest rate in March 2023, as well as higher interest cost on the unhedged loans. In addition, upfront debt-related transaction costs of US$0.6 million for the loans prepaid pursuant to the Recapitalisation Plan was written off in 2H 2023.

Fair value loss on derivatives of US$15.5 million recognised in 2H 2023 was attributable to the fair valuation of interest rate swaps entered into to hedge against interest rate exposures.

Fair value loss on investment properties of US$146.4 million in 2H 2023 was largely due to higher discount rates and terminal capitalisation rates reflecting risks posed by the volatile macroeconomic environment as well as idiosyncratic risks at the property level (i.e., higher vacancy and/or weak submarket fundamentals) and continued weakening of occupancy performance across the U.S. office market due to a slowdown in demand and leasing activity, which is leading to higher vacancy levels and higher concession package assumptions needed to attract new tenants or retain tenants, giving rise to higher leasing costs.

Tax income decreased by US$25.3 million from 2H 2022, mainly due to lower deferred tax income from lower fair value loss on investment properties and withholding tax expenses in 2H 2023.

Due to the effects of the above, the Group recorded a net loss of US$132.3 million, which was lower than the net loss of US$192.5 million recorded for 2H 2022. After adjusting for net fair value loss and other distribution adjustments, income available for distribution to Unitholders for 2H 2023 was US$36.3 million, 13.3% lower than 2H 2022. However, pursuant to the Recapitalisation Plan and the Master Restructuring Agreement, Manulife US REIT will be halting distributions to Unitholders till 31 December 2025, unless the Early Reinstatement Conditions are achieved earlier.

FY 2023 vs FY 2022

Gross revenue increased by US$5.5 million or 2.7% from US$202.6 million in FY 2022 to US$208.0 million in FY 2023, mainly contributed by lease termination fees of US$9.0 million and US$4.0 million from a tenant at Exchange and Plaza respectively. This was partially offset by the divestment of Tanasbourne and Park Place, lower rental and recoveries income as a result of higher portfolio vacancy rate.

Property operating expenses increased by US$4.0 million or 4.5% from US$89.4 million in FY 2022 to US$93.4 million in FY 2023, mainly due to higher property operating expenses such as non-cash amortisation of leasing commission, repair and maintenance, property taxes, insurance premiums and utilities. As a result, the net property income for FY 2023 was US$114.6 million, US$1.4 million or 1.3% higher than FY 2022.

Other trust expenses increased by US$0.6 million or 23.9% from US$2.4 million in FY 2022 to US$3.0 million in FY 2023, mainly due to accounting write-off of professional fees related to the multicurrency debt issuance programme as it is unlikely for the programme to be utilised in view of the existing aggregate leverage of the Group.

Finance expenses increased by US$12.1 million or 35.6% from US$33.9 million in FY 2022 to US$46.0 million in FY 2023, largely due to loans being refinanced at higher interest rates across FY 2022 and FY 2023, as well as higher interest cost on the unhedged loans. In addition, upfront debt-related transaction costs of US$0.6 million for the loans prepaid pursuant to the Recapitalisation Plan was written off in FY 2023.

Fair value loss on derivatives of US$15.7 million recognised in FY 2023 was attributable to the fair valuation of interest rate swaps entered into to hedge against interest rate exposures.

Fair value loss on investment properties of US$438.6 million in FY 2023 was largely due to higher discount rates and terminal capitalisation rates reflecting risks posed by the volatile macroeconomic environment as well as idiosyncratic risks at the property level (i.e., higher vacancy and/or weak submarket fundamentals) and continued weakening of occupancy performance across the U.S. office market due to a slowdown in demand and leasing activity, which is leading to higher vacancy levels and higher concession package assumptions needed to attract new tenants or retain tenants, giving rise to higher leasing costs.

Tax income decreased by US$1.1 million from FY 2022 mainly due to withholding tax expenses in FY 2023.

Due to the effects of the above, the Group recorded a net loss of US$380.0 million, which was higher than the net loss of US$129.7 million recorded for FY 2022. After adjusting for net fair value loss and other distribution adjustments, income available for distribution to Unitholders for FY 2023 was US$74.3 million, 15.5% lower than FY 2022. However, pursuant to the Recapitalisation Plan and the Master Restructuring Agreement, Manulife US REIT will be halting distributions to Unitholders till 31 December 2025, unless the Early Reinstatement Conditions are achieved earlier.

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

U.S. real GDP continued to trend positively into the end of 2023. After year-on-year (YoY) growth in 1Q, 2Q and 3Q 2023 of 2.2%, 2.1% and 4.9%, respectively, the YoY growth rate in Q4 2023 was 3.3%. The U.S. labor market remains healthy as reflected by an unemployment rate of 3.7% in January 2024, with 680,000 jobs gained in 4Q 2023. The Federal Reserve appears to have paused further policy rate increases, and the market is broadly expecting potential policy rate decreases in 2024 due to evidence that inflationary pressures may be easing. Inflation grew 3.4% in December 2023, with rising rents contributing to more than half of the increase in the month’s Consumer Price Index.

US office leasing demand showed positive momentum to finish 2023 but the overall picture remains mixed. According to JLL, Active leasing requirements increased in Q4 by 6.6% quarter-on-quarter (QoQ), reflecting the third consecutive quarter of requirement increases and a YoY growth of 20.4%. Q4 office leasing volume of 46.4 million square feet was a 14.1% QoQ increase and the highest quarterly volume since Q2 2022, but Q4 2023 and FY 2023 demand was 72% and 81% of pre-COVID-19 volume levels for the quarter and year, respectively. Further, Q4 experienced 13.4 million square feet of negative net absorption which pushed up the national vacancy rate to 21.4%, up 1.8% YoY.

Manulife US REIT's committed occupancy of 84.4% and a long WALE of 5.0 years provide some buffer to withstand additional market uncertainty from a slowing economy or weak occupational market in the office sector, but the portfolio remains susceptible to secular reductions in overall demand from office tenants. With the Recapitalisation Plan in place, the Manager will be able to leverage on the disposition mandate adopted during the EGM to optimise Manulife US REIT's portfolio. At the same time, the Manager will continue to focus on asset, lease and capital management in addition to its commitment to sustaining and enhancing environmental, social and governance (ESG).

VI DISTRIBUTION

(a) Current financial period

Any distribution declared for the current period?	Pursuant to the Recapitalisation Plan, the approval of the resolutions during the EGM, and the entry into the Master Restructuring Agreement, Manulife US REIT will be halting distributions to Unitholders till 31 December 2025, unless the Early Reinstatement Conditions are achieved earlier.

(b) Corresponding period of the immediately preceding financial period

Any distribution declared for the current period?	Yes – US 2.14 cents per Unit for the period from 1 July 2022 to 31 December 2022

Distribution period	1 July 2022 to 31 December 2022
Distribution type/rate	Tax-exempt income: US 2.14 cents (being 90.7% of Manulife US REIT's Distributable Income for the period)
Tax rate	Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders.

While distributions to unitholders are slated to be halted till 31 December 2025 pursuant to the Recapitalisation Plan, distributions may resume earlier if the Early Reinstatement Conditions are achieved. Manulife US REIT would have to bear the burden of withholding tax based on the proportion of unitholdings of Unitholders who fail to submit the U.S. withholding forms and certificates while distributions are halted, which would adversely impact the income retained. Accordingly, every unitholder has an interest in continuing to submit the appropriate U.S. tax forms even in the absence of distributions. When the distributions resume, distributions to a unitholder with valid U.S. tax forms will continue to be exempted from U.S. withholding tax deduction.

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 are 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 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.

IX SEGMENT REVENUE AND RESULTS FOR OPERATING SEGMENTS (OF THE GROUP) IN THE FORM PRESENTED IN THE ISSUER'S MOST RECENTLY AUDITED FINANCIAL STATEMENTS, WITH COMPARATIVE INFORMATION FOR THE IMMEDIATELY PRECEDING YEAR

Not applicable. The Group operates within a single business segment and within a single geographical segment in the U.S.

X IN THE REVIEW OF THE PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTION TO TURNOVER AND EARNINGS BY THE BUSINESS OR GEOGRAPHICAL SEGMENTS

Refer to paragraph III above for the review of actual performance.

XI BREAKDOWN OF REVENUE

	FY 2023 US$'000	FY 2022 US$'000	Change %
Gross revenue reported for the first half year	99,568	100,418	(0.8)
Net (loss)/income reported for the first half year	(247,636)	62,772	N.M.
Gross revenue reported for the second half year	108,457	102,141	6.2
Net loss reported for the second half year	(132,327)	(192,493)	(31.3)

XII BREAKDOWN OF TOTAL DISTRIBUTIONS

	FY 2023 US$'000	FY 2022 US$'000
1 July 2023 to 31 December 2023	-	-
1 January 2023 to 30 June 2023	-	-
1 July 2022 to 31 December 2022 (paid)	-	38,019
1 January 2022 to 30 June 2022 (paid)	-	46,043

XIII CONFIRMATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL

Pursuant to Rule 704(13) of the Listing Manual of SGX-ST, the "Manager confirms that there is no person occupying a managerial position in the Manager who is a relative of a Director, Chief Executive Officer, substantial shareholder of the Manager or substantial unitholder of Manulife US REIT.

On behalf of the Board

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

Marc Feliciano Director	Veronica Julia McCann 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

Ling Chui Shee
Company Secretary
MANULIFE US REAL ESTATE MANAGEMENT PTE. LTD.
AS MANAGER OF MANULIFE US REIT
(Company registration no. 201503253R)
8 February 2024