Manulife US REIT

PRESS RELEASE

MUST's portfolio valuation -1.6%; significant debt repayment made in 2025

- **4 of 7 assets record valuation improvements**
- **Same-store gross revenue, net property income down 11.5% and 13.7% for FY 2025**
- **Growth and Value Up Plan a key priority in 2026**

Singapore, 18 March 2026 – Manulife US REIT (MUST) today reported that its portfolio valuation declined marginally by 1.6% to US$913.8 million as at 31 December 2025, compared to US$928.9 million[1] as at 31 December 2024. Compared to 2024, there was nominal change in portfolio weighted average discount rates (-12 bps) and weighted average terminal capitalisation rates (+4 bps), reflecting improved fundamentals across certain submarkets.

MUST reported same-store gross revenue of US$105.8 million and same-store net property income (NPI) of US$49.3 million for the full year ended 31 December 2025 (FY 2025), down 11.5% and 13.7% respectively from FY 2024. The decline in same-store NPI was mainly due to higher vacancies, particularly at Diablo and Figueroa, and lower lease termination income at Diablo and Exchange, partially offset by lower property tax expense, net of property tax recoveries compared to the previous year.

	2H 2025 (US$'000)	2H 2024 (US$'000)	Change (%)	FY 2025 (US$'000)	FY 2024 (US$'000)	Change (%)
Gross Revenue	53,549	80,842	(33.8)	113,914	167,582	(32.0)
Same-store Gross Revenue[2]	53,549	59,265	(9.6)	105,759	119,509	(11.5)
Net Property Income	23,012	37,075	(37.9)	53,178	79,874	(33.4)
Same-store NPI[2]	23,012	27,267	(15.6)	49,255	57,078	(13.7)
Income Available for Distribution (DI)[3]	10,617	15,407	(31.1)	25,542	38,260	(33.2)
DI per Unit[3] (US cents)	0.60	0.87	(31.0)	1.44	2.15	(33.0)

Income available for distribution fell 33.2% year-on-year to US$25.5 million, reflecting lower NPI on the back of the afore-mentioned reasons as well as the asset disposals of Capitol in October 2024, Plaza in February 2025 and Peachtree in May 2025. This was partially offset by a decrease in finance expense, including an absence of one-off fee related to the Master Restructuring Agreement (MRA), and lower Manager's base fees.

[1] The portfolio valuation as at 31 December 2024 has been adjusted to remove Plaza and Peachtree, which were divested in February 2025 and May 2025, respectively.

[2] 2H 2024 and FY 2024 gross revenue and NPI have been adjusted to exclude Capitol, Plaza and Peachtree. FY 2025 gross revenue and NPI have been adjusted to exclude Plaza and Peachtree.

[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 to Unitholders dated 1 Dec 2025, as well as the announcements dated 11 Dec 2025, 15 Dec 2025 and 24 Dec 2025.

Chief Executive Officer and Chief Investment Officer of the Manager, Mr John Casasante, said: "Following Unitholders' approval of the Growth and Value Up Plan last December, our key priorities are to achieve the Minimum Sale Target by June 2026, reduce MUST's aggregate leverage, and strengthen our cash flows and credit profile through strategic diversification into industrial, living sector and retail assets, positioning MUST for sustainable long-term growth."

As of the date of this release, the Manager is in negotiations on the sale of an asset[4].

As at 31 December 2025, aggregate leverage was 58.0%. In 2025, the Manager repaid US$186.0 million of debts using proceeds from the sale of Plaza and Peachtree as well as available cash. MUST has no debt due in 2026 except for a US$35.6 million loan in July 2026. Lenders have extended the temporary relaxation of the unencumbered gearing[5] covenant from being not more than 60% to 80% until 30 June 2026, and the bank interest coverage ratio[6] covenant from being no less than 2.0 times to 1.5 times until 31 December 2026.

Operationally, portfolio occupancy dipped to 67.7% from 73.6% a year earlier, mainly due to tenant vacates at Diablo, offset by new deals signed at Phipps, Centerpointe and Figueroa, including Banc of California's 40,000 square feet (sq ft) lease at Figueroa signed in October 2025. As at 31 December 2025, the portfolio weighted average lease expiry remains healthy at 4.5 years.

Of the 407,000 sq ft of leases signed in FY 2025, comprising 11.5% of MUST's portfolio net lettable area, more than 70% of leases were signed without tenant improvement (TI) allowances. For leases signed with TIs, their TI allowances averaged US$43 psf, approximately 30% below MUST's submarkets, underscoring MUST's strategic leasing discipline.

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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 31 December 2025, MUST's portfolio comprised seven freehold office properties in Arizona, California, Georgia, New Jersey, Virginia and Washington D.C., with an aggregate net lettable area of 3.5 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

[4] For the avoidance of doubt, this refers to the sale of the same asset referred to in the announcement dated 25 February 2026. Unitholders should note that there is no assurance that the Manager will be able to sell the asset.

[5] Unencumbered Gearing refers to the percentage of consolidated total unencumbered debt to consolidated total unencumbered assets.

[6] Bank ICR refers to the ratio of Consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) to Consolidated Interest Expense. The terms "Consolidated EBITDA" and "Consolidated Interest Expense" shall have the same meanings attributed to them in each facility agreement.

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.

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