

## Questions from Investors for Manulife US REIT AGM - 18 May 2020

Due to the Covid-19 pandemic that necessitates Manulife US REIT to hold a virtual AGM, Unitholders will not be able to ask questions during the live AGM webcast and audio-stream. Instead, Unitholders had been asked to submit their questions by 15 May 2020 via the pre-registration website, by post or by email in relation to the agenda of this AGM.

For transparency, we have listed all the questions that we had received from Unitholders below. All relevant questions will be addressed by the CEO during her AGM presentation and through a Q&A session with Management post the presentation.

NO.	QUESTIONS
1	Please share management's view of the current COVID-19 situation in the US, guidance on how it is and will affect the performance of the REIT for the next 12 months, and what management is doing to mitigate the risks.
2	Please do elaborate on the REIT's cash flow situation and whether management expects significant reduction of cash inflow as a result of lease defaults or cancellations.
3	A comment: I am an absolute supporter of virtual/online AGM's and electronic distribution of materials. Kudos to Manulife REIT for being the rare SGX-listed company to do so. I imagine there will be some investor complaints, but wanted you to know that you have supporters too. Hopefully at some point in the future, verified electronic/online voting during the AGM rather than by proxy can be enabled too.
4	Base on the current Covid-19 issue, what is the currently state of the office rental occupancy? Meaning is there any sharp down trends that company give out to rent the offices. If yes, how the Manulife company helps the current situation.
5	Looking forward 3 year down the road, will there any impact more company give out to rent the offices due to people slowly use to work from home. If this happens, will Manulife company will change any direction?
6	Can we have the details (Name, industry of tenant, sq ft of lease, % of total floor space) of the new tenant leases that was signed and the tenant leases that will be expiring in the coming 3 months?
7	How much of an impact does the Board foresee Covid-19 to have on rentals and distribution in this financial year? And what are some of the plans you can share in the coming year to mitigate and position the REIT for the better after this pandemic?
8	Why is Prime Reit performed better than MUST?
9	Have tenants requested for rental rebates, and what considerations has the manager taken in deciding an appropriate response?
10	Has the manager set aside any reserves for loss of rental revenue due to the COVID-19 situation? If so, how much has been set aside?
11	Does the manager plan to defer acquisition activities for the calendar year of 2020?
12	Over the past weeks, how many tenants have not been able to pay their rents or asked for rebate or deferment? How much do they represent in terms of percentage of total rental income? Will the trust continue to pay the dividend on a quarterly basis? Will the payout of at least 90% continue for the next quarters?

13	Is the REIT Manager setting aside any provisions to assist tenants due to the Covid19 outbreak at the moment? If yes, how much is it and what would be the effect to our dpu moving forward?
14	Are there currently any problems with rental collection from the tenants in the portfolio?
15	How do you see MUST compares to your peers in terms of emerging stronger post covid-19
16	All my friends ask me sell the units as soon as possible, any views from Board that I shouldn't do that?
17	How does the management foresee 'Working from Home' to impact demand for office space in the portfolio?
18	Will there be a substantial increase in operating expenses due to enhanced measures to increase the safety and hygiene of the properties?
19	What is the percentage of tenants that is using their office space as corporate HQs?
20	Would the Management consider buying back units under the 'Unit Buy-Back Mandate'? As the REIT trades at over 8% dividend yield and below its NAV, this would be DPU-accretive.
21	What is the outlook of US office REIT in view of the coronavirus situation and when would the situation likely recover in the US?
22	How would the US Fed policies affect US office REIT going forward?
23	Has management adopted strategies to deal with non-renewal of leases due to poor business sentiments created by the Covid-19 pandemic?
24	Will there be opportunities to grow the reit in the current situation?
25	Are there any rental renewal and revision in the coming one year? if so, what will be the percentage of current revenue being affected?
26	What is the impact of Covid19 on the business short term and long term?
27	How will the dividend be affected due to Covid19?
28	What is the status of WeWork as a tenant in the current situation?
29	Will there be any planned distribution delay or cut in view of Covid-19?
30	Will there be any general trend of demand decrease for office space in view of more WFH scheme happening?
31	What are the measures the management planning to ride over this Covid-19 pandemic?
32	What is the outlook of the company post Convid19?
33	Many reits have withheld distributions. Does US Manulife reit have any plans now or in the near future to do the same?
34	How will the revenue and distributions be affected going forward in view of the pandemic?
35	Does management expect to utilise the Unit Buyback mandate given the market sell-off during the Covid-19 crisis?
36	Covid-19 is reshaping work life. Please comment how the new normal work life will impact your business strategies post Covid-19 pandemic. Thank you. Stay home, Stay Safe & Fit.
37	What is the proportion of MUST's tenants affected by the Covid-19 pandemic? What is the likely impact to the distributable income?

38	In light of the corona virus, could you provide some colour on the likelihood of being able to sustain the dividend in the coming 1-2 years. While I realize this is not an easy area to forecast, I suspect most investors, like myself, hold MUST for its dividend income. Many dividend paying companies have been retaining large portions of the funds that would ordinarily be paid out as a hedge against future cash needs. In MUST's case, your past announcements have talked about the resilience of your tenants and grade A/trophy properties. Will that allow the dividend to be sustained in terms of DPU's to unit holders? Thank you.
39	Can MUST pay dividend in form of shares. This would provide a cash reserve during this period. Thank you.
40	Please state the dividend payout policy in the next few quarters i.e will you be cutting dividends by holding back some distributable income to cater for the COVID-19 potential impact
41	Please provide DPU growth outlook in the next 12-24 months, and how management will manage this?
42	How would demand for commercial assets (especially for MUST's assets) be affected amidst the enforced WFH arrangement - which may likely influence how people work going forward?
43	How does MUST carry out its ESG initiatives midst lockdown?
44	Were there requests for rent deferment by tenants? If so, what is the impact to GRI if their requests are acceded?
45	Are there plans to refinance debt to reduce interest rate? If so, what is the estimated savings in interest expense?
46	What are your thoughts on space demand of companies for Manulife REIT's properties as a result of social distancing measures when USA reopens?
47	With the current COVID-19 outbreak situation in the US, how is this going to impact Manulife US REIT's performance in the coming 12 months?
48	There are companies & REITs reducing dividends or DPU, what is Manulife US REIT's foreseeable future in terms of DPU?
49	What steps are taken if this covid-19 going to last more than 2 years, restrictions for numbers of people in a building imposed by law.
50	Will there be a competition for grapping of tenants by other property owners?
51	What is your expected loss of income for the next 2 years and what steps to gain back occupancy rates and rental rates. thank you
52	Are there any default monthly rental payments from tenants from February to April 2020?
53	With the easing of lockdown in US, how do they see the impact of this on future earnings of the reit assets for the 2H of 2020
54	What's the potential reduction in dividend going forward for 2020?
55	Where is the most resilient part of their REIT portfolio?
56	Will there be right issues this year?

57	<p>The FY2019 financial and portfolio highlights are shown on page 2 of the annual report and reproduced below. The REIT’s portfolio has grown to 9 prime freehold office properties with a combined asset value of US\$2.1 billion as at 31 December 2019. At its IPO, the initial portfolio consisted of three US office properties with a total value of US\$799 million. As seen in the table above (reference: MUST Annual Report – page 2), as at 31 December 2019, the REIT has higher gross borrowing, higher gearing ratio, lower interest cover. From FY17 to FY19, net property income has nearly doubled while distribution per unit (“DPU”) has increased marginally over the same period. In addition, since the manager’s base fee is 10.0% per annum of trust’s annual distributable income (before fees), the base fee has increased by 78% over the same period.</p> <p>The net asset value per unit (excluding distributable income) as at the end of financial year remained largely constant:</p> <ul style="list-style-type: none"> <li>- 31 December 2017: US\$0.80</li> <li>- 31 December 2018: US\$0.80</li> <li>- 31 December 2019: US\$0.79</li> </ul> <p>From the perspective of an unitholder, the NAV and DPU per unit have largely remained flat even though the AUM has gone up by more than 1.5x since the IPO (and together with it, the manager’s fees).</p> <p>(i) Other than the increased diversity of its tenant base, can the manager elaborate further on how the growth strategy has benefitted unitholders?  (ii) Please also provide examples to help unitholders understand how the REIT’s acquisition strategy has led to value creation for unitholders.</p>
58	<p>Pursuant to the Trust Deed, the manager is entitled to a performance fee of 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee, but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year (page 128).</p> <p>In the past two financial years, the trust has carried out private placements, preferential offerings and a rights issue. As such, the trust has to adjust the DPU as follows (reference: MUST 2018 and 2019 Annual Report):</p> <p>(i) Would the manager help unitholders understand how DPU is calculated when there is a corporate action such as preferential offering/rights issue?  (ii) Is the performance fee calculated using DPU or adjusted DPU?</p>

59	<p>Even as the portfolio increases, the total operating expenses as a percentage of net asset increased.</p> <p>In FY2019, total operating expenses, including all fees, charges and reimbursable costs paid to the manager and interested parties increased by 26% to US\$79.5 million (page 22). This is higher than the increase in net assets which stood at \$1.26 billion, up 18% year-on-year.</p> <p>The total operating expenses as a percentage of net asset has crept up since the trust was listed, as follows:</p> <ul style="list-style-type: none"> <li>- FY2016: 3.8%</li> <li>- FY2017: 4.7%</li> <li>- FY2018: 5.9%</li> <li>- FY2019: 6.3%</li> </ul> <p>(i) Would the independent directors help unitholders understand the breakdown of the operating expenses and the reasons for the increase despite the trust enjoying economies of scale?</p> <p>(ii) How would the manager be better controlling the operating expenses?</p>
60	What is the anticipated asset devaluation risk for 2020/21?
61	Is spending on Covid-19 management going to result in significant expenditure?
62	Any acquisitions planned for 2020/21?
63	How could Covid-19 impact the REIT in the 1st quarter if 2020?
64	Currently, what percentage of the offices are closed?
65	Is there likely to be a cut in the coming DPU?
66	What measures will the management take to mitigate the drop in DPU?
67	Will the management consider taking any pay cut like other businesses which are hit by this pandemic?