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MANULIFE US REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 27 March 2015 under the laws of the Republic of Singapore)

ANNOUNCEMENT

**LAUNCH OF PRIVATE PLACEMENT TO RAISE GROSS PROCEEDS OF
NO LESS THAN APPROXIMATELY US\$80.0 MILLION**

1. Introduction

Manulife US Real Estate Management Pte. Ltd., as manager of Manulife US Real Estate Investment Trust (“**Manulife US REIT**”, and the manager of Manulife US REIT, the “**Manager**”), wishes to announce the proposed private placement of such number of new units in Manulife US REIT (“**Units**”, and the new Units, the “**New Units**”) at an issue price of between US\$0.649 and US\$0.676 per New Unit (both figures inclusive) (the “**Issue Price Range**”) to raise gross proceeds of no less than approximately US\$80.0 million (the “**Private Placement**”).

The Manager may, together with the Joint Lead Managers and Underwriters (as defined below), decide to increase the size of the Private Placement by up to 30.8 million New Units to raise additional gross proceeds of up to approximately US\$20.0 million (the “**Upsize Option**”).

2. Details of the Private Placement

The Manager has appointed DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited as the joint lead managers and underwriters in relation to the Private Placement (the “**Joint Lead Managers and Underwriters**”) on the terms and subject to the conditions of the placement agreement entered into today between the Manager and the Joint Lead Managers and Underwriters (the “**Placement Agreement**”). Pursuant to the Placement Agreement, each of the Joint Lead Managers and Underwriters has agreed to procure

subscriptions for or place out, as applicable, and failing which, to severally subscribe and pay for, the New Units at the issue price per New Unit (the “**Issue Price**”) to be determined, on the terms and subject to the conditions of the Placement Agreement. The Private Placement shall be subject to certain conditions precedent set out in the Placement Agreement, including the approval in-principle of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. The Private Placement is fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between US\$0.649 and US\$0.676 per New Unit (both figures inclusive) represents a discount of between:

- (i) 5.1% and 8.9% to the volume weighted average price (the “**VWAP**”) of US\$0.7124 per Unit of all trades in the Units on SGX-ST for the Market Day¹ on 29 November 2021 (being the preceding Market Day up to the time the Placement Agreement was signed); and
- (ii) (for illustrative purposes only) 2.0% and 5.9% to the adjusted VWAP² (the “**Adjusted VWAP**”) of US\$0.6898 per Unit.

The Issue Price will be determined by the Manager and the Joint Lead Managers and Underwriters following a book-building process. The Manager will make an announcement via SGXNET once the Issue Price and number of New Units have been determined.

3. Rationale for the Private Placement

3.1 Benefits of the Acquisitions

The Acquisitions will be financed by a combination of debt and equity so as to ensure that the Acquisitions will provide overall distribution per Unit accretion to Unitholders while maintaining a well-balanced capital structure. (See announcement titled “Entry into high-growth markets with acquisitions in Phoenix, Arizona and Portland, Oregon in the United States” dated 30 November 2021 for further details.)

3.2 Expected increase in trading liquidity of Units

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by up to approximately 154.1 million New Units (based on the minimum of the Issue Price Range and assuming the Upsize Option is fully exercised), which represents an increase of 9.6% over the total number of Units currently in issue.

This increase in the total number of Units in issue and enlarged Unitholder base are expected to improve the trading liquidity of the Units.

1 “**Market Day**” means a day on which the SGX-ST is open for securities trading.

2 The “**Adjusted VWAP**” is computed based on the VWAP of all trades in the Units on the SGX-ST for the Market Day on 29 November 2021 (being the preceding Market Day up to the time the Placement Agreement was signed and subtracting the estimated Advanced Distribution (as defined in paragraph 7.1 below) of approximately 2.26 US cents per Unit (which represents the mid-point of the range of the Advanced Distribution Range (as defined herein)). This amount is only an estimate based on information currently available to the Manager and the actual Advanced Distribution may differ and will be announced at a later date.

3.3 Reduced time of issuance

The Private Placement represents a fast and efficient means of raising capital to finance the Acquisitions with certainty. It also minimises the exposure of the equity fund raising to the volatility of the market price of the Units.

4. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately US\$80.0 million (excluding the exercise of Upsize Option) from the Private Placement in the following manner:

- (i) approximately US\$73.9 million (which is equivalent to approximately 92.4% of the gross proceeds of the Private Placement) to finance part of the total acquisition cost of the Acquisitions;
- (ii) approximately US\$6.1 million (which is equivalent to approximately 7.6% of the gross proceeds of the Private Placement) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by Manulife US REIT in connection with the Acquisitions and the Private Placement,

with the balance of the gross proceeds of the Private Placement, if any, to be used for general corporate and/or working capital purposes.

Notwithstanding its current intention, in the event that the Private Placement is completed but the Acquisitions do not proceed for whatever reason, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Private Placement at its absolute discretion for other purposes, including and without limitation, future acquisitions, the repayment of existing indebtedness and for funding capital expenditures or other general corporate and/or working capital purposes.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in Manulife US REIT's announcements on the use of proceeds and in Manulife US REIT's annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

5. Authority to Issue New Units

The New Units will be issued pursuant to a general mandate (the “**General Mandate**”) given to the Manager at the annual general meeting (the “**AGM**”) held on 30 April 2021.

Pursuant to the General Mandate, the Manager may, during the period from 30 April 2021 to (i) the conclusion of the next annual general meeting of Manulife US REIT or (ii) the date by which the next AGM of Manulife US REIT is required by applicable laws or regulations to be held, whichever is earlier, issue new Units and/or options, warrants, debentures or other instruments convertible into Units (the “**Convertible Securities**”) such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue as at 30 April 2021 (the “**Base Figure**”), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a *pro rata* basis to existing Unitholders, shall not be more than 20.0% of the Base Figure.

The Base Figure, being the number of units in issue as at 30 April 2021, was 1,591,660,945.

The number of Units that can be issued under the General Mandate on a *pro rata* basis to existing Unitholders is 795,830,472 Units, of which no more than 318,332,189 Units may be issued on a non *pro rata* basis. The Manager has issued 8,409,744 Units since 30 April 2021 on a non *pro rata* basis.

Up to approximately 154.1 million New Units to be issued pursuant to the Private Placement (assuming the Upsize Option is fully exercised) would constitute 9.7% of the Base Figure, which is within the 20.0% limit for issue of new Units other than on a *pro rata* basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. Eligibility to Participate in the Private Placement

The offer of New Units under the Private Placement will be made to eligible institutional, accredited and other investors.

The New Units to be offered under the Private Placement have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States or any other jurisdiction, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws.

The Manager, along with the Joint Lead Managers and Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. Status of the New Units

7.1 Entitlement to Advanced Distribution

Manulife US REIT's policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Manager intends to declare, in respect of the Units in issue on the day immediately prior to the issue of the New Units (the "**Existing Units**"), an advanced distribution for the period from 1 July 2021 to the date immediately prior to the date on which the New Units will be issued pursuant to the Private Placement (the "**Advanced Distribution**").

The New Units pursuant to the Private Placement are expected to be issued and commence trading on the SGX-ST on or around 9 December 2021. The quantum of distribution per Existing Unit for the period from 1 July 2021 to the date immediately prior to the date on which the New Units will be issued pursuant to the Private Placement is currently estimated to range from 2.16 US cents to 2.36 US cents³ (the "**Advanced Distribution Range**"). A further announcement on the actual quantum of distribution per Unit (which may differ from the estimate above) under the Advanced Distribution will be made by the Manager in due course.

The Advanced Distribution is intended to ensure that the distribution accrued by Manulife US REIT up to the day immediately preceding the date of issue of the New Units pursuant to the Private Placement (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The next distribution following the Advanced Distribution will comprise Manulife US REIT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 31 December 2021. Semi-annual distributions will resume thereafter.

7.2 Status of New Units issued pursuant to the Private Placement

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to Manulife US REIT's distributable income from the day of issuance of the New Units under the Private Placement as well as all distributions thereafter.

For the avoidance of doubt, the holders of the New Units will not be entitled to participate in the distribution of any distributable income accrued by Manulife US REIT prior to the date of issue of the New Units (including the Advanced Distribution).

³ This amount is an estimate only based on information currently available to the Manager and the Manager's pro-rated estimate of Manulife US REIT's revenue and expenses. The actual Advanced Distribution may differ and will be announced at a later date.

8. Application to the SGX-ST for Approval in-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

BY ORDER OF THE BOARD

Jill Smith

Chief Executive Officer

Manulife US Real Estate Management Pte. Ltd.

(Company registration no. 201503253R)

(as manager of Manulife US Real Estate Investment Trust)

30 November 2021

IMPORTANT NOTICE

This announcement is not for distribution, directly or indirectly, in or into the United States and is not an offer of securities for sale in the United States or any other jurisdictions.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any securities of Manulife US REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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

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 property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, the United Kingdom, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities referred to herein have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, and any such new Units may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

This publication has not been reviewed by the Monetary Authority of Singapore.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore:

The New Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).