



MANULIFE US REAL ESTATE INVESTMENT TRUST

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

UPDATE ON RESTRUCTURING OF THE EXISTING FACILITIES

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in Manulife US Real Estate Investment Trust’s Circular to Unitholders dated 29 November 2023 (the “Circular”).

Further to the announcement dated 29 November 2023 titled “Restructuring of Manulife US REIT’s Existing Facilities through a Recapitalisation Plan to Reduce Aggregate Leverage” (the “**Transaction Announcement**”) and the Circular, Manulife US Real Estate Management Pte. Ltd., as manager of Manulife US REIT (the “**Manager**”) wishes to provide an update regarding the restructuring of the Existing Facilities to unitholders of Manulife US REIT (“**Unitholders**”). As at the date of this announcement, 11 of 12 Lenders have received the necessary approvals in relation to the restructuring of the Existing Facilities and the remaining Lender is pending final board approval.

As a result of continued efforts to finalise the Master Restructuring Agreement, certain changes have been made to some of the Key Recapitalisation Terms as was set out in the table in paragraph 3.1 of the Circular, details of which are set out below. The Key Recapitalisation Terms remain the same, requiring at least Majority Lenders’ consent. However, these changes provide consent rights to all Lenders and the Sponsor-Lender in certain limited circumstances. The Manager and the board of directors of the Manager (the “**Board**”) are of the view that these changes, details of which are described below, are not adversely prejudicial to Manulife US REIT and its Unitholders, and that it is in the interest of Manulife US REIT to accept such changes.

| No. | Amendment to Key Recapitalisation Terms | Details ¹ |
|-----|---|---|
| 1 | Item 5(c) – Disposal of Tranche 1 Assets and/or Tranche 2 Assets – Sale of Tranche 1 Assets | (c) Prior consent of the Sponsor-Included Majority Lenders is required if any Tranche 1 Asset is to be sold for less than the Pre-Approved Pricing applicable to it <u>but more than or equal to 85% of such Pre-Approved Pricing. Prior consent of all Lenders and the Sponsor-Lender is required if any Tranche 1 Asset is to be sold for less than 85% of the Pre-Approved Pricing applicable to it.</u> |

¹ Amendments to reflect any additions are indicated by the underlined text and deletion are indicated by the deleted text.

| No. | Amendment to Key Recapitalisation Terms | Details ¹ |
|-----|---|---|
| 2 | Item 5(d) – Disposal of Tranche 1 Assets and/or Tranche 2 Assets – Sale of Tranche 2 Assets | <p>(d) Manulife US REIT may procure the sale of up to two Tranche 2 Assets, on condition that each selected Tranche 2 Asset and the price and other material terms of the sale of such selected Tranche 2 Asset are approved by: the Sponsor-Included Majority Lenders²;</p> <p>(1) <u>the Sponsor-Included Majority Lenders, if such Tranche 2 Asset is to be sold for more than or equal to 85% of the latest appraisal; or</u></p> <p>(2) <u>all Lenders and the Sponsor-Lender, if such Tranche 2 Asset is to be sold for less than 85% of the latest appraisal.</u></p> <p>[...].</p> |
| 3 | Item 5(e) – Disposal of Tranche 1 Assets and/or Tranche 2 Assets – Minimum Sale Targets | <p>(e) The Debtor shall ensure [...] 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 (whether the date or the amount) <u>by 15% or less.</u> Any failure to meet a Minimum Sale Target by more than 15% will have to be waived by all Lenders.</p> |
| 4 | Item 11 – No Further Financial Indebtedness | <p>Unless Sponsor-Included Majority Lenders' approval is obtained:</p> <p>(1) the Debtor shall not acquire any real properties; and, unless:</p> <p>(a) <u>where the acquisition increases the Debtor's aggregate leverage (by reference to the Consolidated Total Liabilities to Consolidated Deposited Properties), with the prior consent of all Lenders and the Sponsor-Lender; or</u></p> <p>(b) <u>where the acquisition decreases or does not affect the Debtor's aggregate leverage (by reference to the Consolidated Total Liabilities to Consolidated Deposited Properties), with the prior consent of the Sponsor-Included Majority Lenders.</u></p> <p>(2) the Debtor shall not incur any further financial indebtedness or refinance any existing financial indebtedness (and if any approval is obtained by the Sponsor-Included Majority Lenders, subject also to any terms and conditions required by the Sponsor-Included Majority Lenders, including the accession by the refinancing lender to the Master Restructuring Agreement); unless:</p> |

2 For the avoidance of doubt, the sale of more than two Tranche 2 Assets would require the requisite approval of the Lenders, similar to the sale of any Tranche 3 Assets.

| No. | Amendment to Key Recapitalisation Terms | Details ¹ |
|-----|---|---|
| | | <p>(a) <u>if (a) the new financing does not worsen the Debtor's aggregate leverage ratio (by reference to the Consolidated Total Liabilities to Consolidated Deposited Properties), and (b) the new financing is to be repaid only after all the Lenders are paid, with the prior consent of the Sponsor-Included Majority Lenders; or</u></p> <p>(b) <u>if (a) the new financing worsens the Debtor's aggregate leverage ratio (by reference to the Consolidated Total Liabilities to Consolidated Deposited Properties), or (b) the new financing is to be repaid prior to the maturity of any Existing Facility, with the prior consent of all Lenders and the Sponsor-Lender.</u></p> <p>Paragraph (2) above does not apply to any prepayment of the Existing Facilities and the Sponsor-Lender Loan in accordance with the Master Restructuring Agreement.</p> |

As mentioned in the Circular, Unitholders should note that the three Resolutions at the EGM relate to the Proposed Divestment, the Sponsor-Lender Loan and the Disposition Mandate and not the restructuring of the Existing Facilities.

The Manager and the Board are of the view that the above-mentioned changes are not adversely prejudicial to Manulife US REIT and its Unitholders, as the changes relate to the higher level of consent required from the Lenders in limited situations such as acquisition of real properties, incurring of additional indebtedness, failure to meet a Minimum Sale Target and sale price of the Tranche 1 Assets and the Tranche 2 Assets. The Manager and the Board are of the opinion that it is in the interest of Manulife US REIT to accept such changes as the alternative would be that the Master Restructuring Agreement would not be entered into and the consensual loan restructuring would not proceed, and the Lenders will have the right to accelerate payment. In addition, the higher level of consents required provide additional safeguards in respect of the Debtor's actions.

The Manager also wishes to announce that a supplemental agreement in relation to the Sponsor-Lender Loan Agreement dated 29 November 2023 (the "**SLLA Supplemental Agreement**") will be entered into for alignment with the terms of the Master Restructuring Agreement. For the avoidance of doubt, notwithstanding the entry into the supplemental agreement, the quantum of the loan provided by the Sponsor-Lender, interest (including Exit Premium) and duration of the Sponsor-Lender Loan and the principal terms of the Sponsor-Lender Loan Agreement as set out at paragraph 6.1 of the Circular remain unchanged.

As a reminder, the EGM will be held at Stephen Riady Auditorium @ NTUC, NTUC Centre, Level 7, One Marina Boulevard, Singapore 018989, on 14 December 2023 (Thursday) at 2.30 p.m. (Singapore time) and the Manager looks forward to welcoming Unitholders to the EGM.

BY ORDER OF THE BOARD

William D. Gantt III

Chief Executive Officer

Manulife US Real Estate Management Pte. Ltd.

(Company Registration No. 201503253R)

As manager of Manulife US Real Estate Investment Trust

13 December 2023

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for 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 value of 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, the Trustee 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. 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 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.