

## NOTICE TO UNIT HOLDERS

### RE: MANAGEMENT TEAM RESTRUCTURE AND ENHANCEMENT

Manna Industrial Fund (Value-Add) GP Corp., the general partner of Manna LP, and the asset manager, Manna Real Estate Management Corp. hereby gives notice to the limited partners, being the holders of all of the issued and outstanding Units of Manna LP, that, in order to better positioning the long term up trends related to the industrial real estate in Canada and well response to the current challenges in the real estate markets, management is making certain organizational changes to Manna LP and its affiliated entities with the aim of achieving stable, long-run growth. Management is of the view that such changes will better position Manna LP and its property portfolio in the current volatile real estate market and interest rate environment and well serve Manna LP Unit Holders/investors not only in short term but in the long run. This important development aligns with our commitment to continuously improve our operations, enhance efficiency, and drive long-term sustainable growth.

#### Changes and Enhancement of Management:

In the past three months, Management made the following key changes:

- restructured Manna Industrial Fund (Value-Add) GP Corp. ☒, Manna Industrial Real Estate Management Corp. and Manna Industrial 50 Precidio Corp. to improve management efficiency and quality;
- established an investment committee for acquisition and investment due diligence and assessment;
- enhanced finance and accounting team and system.

Management intends to execute the following enhancements:

- implement more efficient structures for Manna LP, including a Real Estate Investment Trust (REIT) structure;
- enhance the cash liquidity of Manna LP by setting up the liquidable assets within Manna LP or cash pool outside the LP;
- explore both private and public capital markets for Manna LP long term growth.

Management believes, after thorough consideration, above strategic changes will better serve unit holders' best interests including providing standardized corporate structure, better transparency, enhanced capital liquidity, stable operation income and maximize total returns.

#### Management Team and Investment Committee Updates:

After the restructured Management team, we are happy to announce the key personnel changes and welcome the core member join in as below:

- Michael Chiang: no longer work with Manna Management team or related parties; By considering the facts that Michael has been unable commit into Manna business as a key management role in past one and two years, Management team appreciated Michael's contribution to the co-founding of Manna LP and respect his intention of focusing his own business on real estate development.

- David Ho: Technology and acquisition partner of Manna.

David worked with CBRE for 22 years as the industry leader and has worked closely with Manna since inception. David Ho has over 24 years experience in the real estate industry. He joined CBRE Limited in 2001 currently leads the Vancouver chapter of the National Apartment Group. Mr. Ho travels frequently to Asia including Hong Kong, Shanghai, Chengdu, Beijing, Dubai, Singapore, Macau, and Vietnam to meet with clients and potential investors. He also liaises with the CBRE network in Asia. David is an active participant in the CBRE America China Desk which has a focus on businesses between Greater China and North America

Welcome David joining management team to bring his technology implementation on Manna's acquisition and investor's communication with capital raising.

- Anthony Liang: Acquisition and investment partner of Manna.

Anthony works with National Team of CBRE for seven years and has comprehensive experiences on commercial real estate transactions and strategies. He specializes in advising clients on the acquisition and disposition of investment properties across Western Canada and is an expert on commercial real estate assets across office, retail, industrial and development land sectors. Anthony has been part of over \$20 billion of commercial real estate transactions with notable landmark sales including Bentall Centre and St.Paul's Hospital. Prior to joining CBRE, Anthony worked at a real estate financing company and had previously worked for a Canadian pension fund investment company on multiple regional shopping center developments across BC. Anthony holds a Bachelor of Commerce degree with a Double Major in Finance and Real Estate from the Sauder School of Business at the University of British Columbia.

Welcome Anthony joining management team to enhance Manna's asset management functions.

- Steven Sun: Senior Advisor of Manna's Advisory Board.

Steven served as the President of the Canada China Realty Professional Association (CCRPA) for six years. CCRPA represents over ten thousand professional members across the nation. Steven also had the great honor of being elected as the director of Real Estate Council of Ontario (RECO) in March 2022. Welcome Steven to becoming Manna's advisory board member to support and guide Manna's business development and growth in ON.

One experienced commercial real estate analyst and lease manager: joining soon;

Two VP of Wealth Solution : on board soon.

#### **The members of current Investment Committee of Manna:**

- Nancy Wei
- David Ho
- Anthony Liang
- Daniel Newfield (from KKBL, BC legal counsel of DD and acquisition)
- Patrick Gordon (from Blakes, ON legal counsel of DD and acquisition)

#### **The members of Advisory Board of Manna:**

- Steven Sun (Senior Advisor, business development)
- Tim Loo (Senior Advisor, Commercial Real Estate Investment and development. Former COO and Co-Founder of Omicron Vancouver, industry leader and expert in the real estate investment of Vancouver with 40 years of industry experience)
- Glenn Ross (Senior Advisor, Logistics Supply Chain. Currently, a senior consultant at Walmart, with more than 30 years of industry experience)
- Steve Youn (Counsel – Accounting. CPA, CA, Partner of MNP with over 20 years' experience in the accounting and tax consultant industry)

## Manna's Review and Outlook

Manna LP was established in June 2020 to provide unit holders with stable cash distributions on a tax efficient basis and to have unit holders participate in the income and growth of Manna LP. Manna LP was formed to outperform other commercial real estate funds in the next decade. Prior to COVID-19, retail sectors experienced downside trends; the multi-family residential sector hit historical low valuations; the office sector was at a turning point due to changes in the business model. Despite the foregoing, the fundamentals of the industrial sector remained solid with high demand among lenders and investors.

Manna LP's performance stems from focusing on the industrial real estate sectors in the Greater Vancouver and Greater Toronto Areas. After the mid-2022, due to interest rate hikes, almost all real estate sectors, other than the industrial sector, experienced a downturn, showing the resilience of the industrial sector.

Management is proud that Manna LP has generated strong performance above three major different asset classes (including retail, office and multi-residential) in past three years:

- Delivered the total returns of 122.88% since June 2020;
- Distributed 14 quarterly distributions in past each quarter;
- Be able to deliver extraordinary cash distribution of 5-8.3% (from one industrial property in Richmond sold) in 2022 and coming another extraordinary cash distribution 1-1.3% (from one property in Burnaby sold).

According to Manna LP's investment methodology, e-commerce penetration rate increasing, lack of industrial land with properties, and lengthy development cycle limiting supply, three long-term driving factors of the industrial sector, did not change under the high interest rate environment. Management is of the view that industrial sector in Canada is a rare long-term upside trend.

Under current challenging market, Manna has targeted to manage the risks by lower the leverage from 60% to 50-55% of whole portfolio, enhance the quality and net operation income of holding properties, improve the cash liquidity and increase the value of assets.

We are happy to see many good news from our assets in the beginning of new year. Brampton's current tenant, Blanco, one international large corporation has confirmed the renewal another five years plus five years from July 2024. The base rent will increase from \$7.5 psf to \$20.5 psf. Also the latest appraisal from Colliers valued Brampton's portfolio at \$51.30M compared to acquisition price of \$41.3M which is significant grow within one year. The performance which is rare under the high interest rate market has continuously approved Manna Management team's deep understanding of the trend and the markets with consistent strategy of maximum investors' returns based on well managed the risks.

In the past several months, due to the management adjustment and lender's requirements, there was temperately restrictions on the functions of Manna LP. Right now, the operation has backed to regular. Manna's new management team will dedicate to provide high standard asset management services to investors and always put investors' best interest ahead.

As always, we remain committed to addressing your questions and concerns.

You can reach us at 604-270-1578 or [Investor@mannafund.ca](mailto:Investor@mannafund.ca).

Sincerely,

Manna Industrial Fund (Value-Add) GP Corp.

Manna Industrial Real Estate Management Corp.

Manna Industrial 50 Precidio Corp.

Disclaimer: This Notice contains "forward-looking statements" within the meaning of Canadian securities legislation. Such forward-looking statements concern, without limitation: the future performance of the industrial real estate sector in the jurisdictions in which Manna LP operates, including statements of perceived demand among lenders and investors; the benefits to be realized from the Redemption Suspension and the execution of certain organization changes to Manna LP and its related entities; and the future structure of Manna LP.

Such forward-looking statements or information reflect the current belief of Manna LP, Manna Industrial Fund (Value-Add) GP Corp., and management of Manna LP and are based on a number of assumptions, which may prove to be incorrect. Assumptions have been made regarding, among other things: conditions in general economic and financial markets; the performance of the industrial real estate sector; and the future operating costs of Manna LP. The actual results could differ materially from those anticipated in these forward-looking statements as a result of risk factors, including interest rate risks; risks related to the industrial real estate industry; cost overruns or unanticipated costs and expenses; availability of funds; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of Manna LP, Manna Industrial Fund (Value-Add) GP Corp., and management of Manna LP on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. Manna LP, Manna Industrial Fund (Value-Add) GP Corp., and management of Manna LP undertakes no obligation to update or revise any forward-looking statements included in this news release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.