



## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of **AREIT, INC.** will be conducted virtually via <http://www.ayalagroupshareholders.com/> on **Thursday, April 21, 2022** at **2:00 o'clock in the afternoon** with the following

### A G E N D A<sup>1</sup>

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of Minutes of Previous Annual and Special Stockholders' Meetings
4. Annual Report
5. Ratification of the Acts of the Board of Directors and Officers
6. Approval of Issuance of Common Shares in Exchange for Properties
7. Election of Directors (Including the Independent Directors)
8. Appointment of External Auditor and Fixing of its Remuneration
9. Consideration of Such Other Business as May Properly Come Before the Meeting
10. Adjournment

Only stockholders of record as of **March 22, 2022** are entitled to notice of, and to vote at, this meeting.

Given the current circumstances, and pursuant to the Company's By-Laws, the Board of Directors, during its meeting on November 12, 2021, approved that the Annual Stockholders' Meeting be held in a fully virtual format, hence, stockholders may only attend the meeting by remote communication, by voting *in absentia* or by appointing the Chairman of the meeting as their proxy.

Duly accomplished proxies shall be submitted on or before April 8, 2022 to the Office of the Corporate Secretary at 4/F Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City or by email to [corporate.secretary@areit.com.ph](mailto:corporate.secretary@areit.com.ph). Validation of proxies is set for April 12, 2022 at 9:00 o'clock in the morning.

Stockholders may participate by remote communication or vote *in absentia* subject to validation procedures. Stockholders intending to participate by remote communication should notify the Company by email on or before April 8, 2022. The procedures for participating in the meeting through remote communication and for casting of votes *in absentia* will be set forth in the Information Statement.<sup>2</sup>

Stockholders of record as of March 22, 2022 owning at least 5% of the total outstanding capital stock of the Company may submit proposals on items for inclusion in the agenda on or before April 13, 2022.<sup>3</sup>

All email communications should be sent to [corporate.secretary@areit.com.ph](mailto:corporate.secretary@areit.com.ph) on or before the designated deadlines.

This notice supersedes the notice filed on March 8, 2022 with the Securities and Exchange Commission and the Philippine Stock Exchange.

Makati City, March 10, 2022.

  
**JUNE VEE D. MONTECLARO-NAVARRO**  
Assistant Corporate Secretary

<sup>1</sup> See next page for the explanation and rationale for each agenda item.

<sup>2</sup> Stockholders should notify the Company at [corporate.secretary@areit.com.ph](mailto:corporate.secretary@areit.com.ph) of their preference to receive hard copies of the Information Statement and other ASM materials on or before March 22, 2022.

<sup>3</sup> The inclusion of the proposed agenda item is in accordance with SEC Memorandum Circular No. 14, Series of 2020, and the Company's internal guidelines.

## **EXPLANATION AND RATIONALE OF AGENDA ITEMS**

### **Call to Order**

The Chairman will formally open the meeting at approximately 2:00 o' clock in the afternoon.

### **Certification of Notice and Quorum (and Rules of Conduct and Procedures)**

The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.

Pursuant to Sections 57 and 23 of the Revised Corporation Code which allow voting *in absentia* by the stockholders, the Company has set up a designated online web address which may be accessed by the stockholders to register and vote on the matters at the meeting *in absentia*.<sup>4</sup> A stockholder participating by remote communication or who votes *in absentia* shall be deemed present for purposes of quorum.

The following are the rules of conduct and procedures for the meeting to be conducted in virtual format:

- (i) Stockholders may attend the meeting remotely through the online web address (URL) provided. Questions and comments may be sent prior to or during the meeting to [corporate.secretary@areit.com.ph](mailto:corporate.secretary@areit.com.ph) and shall be limited to the items in the Agenda.
- (ii) Each of the proposed resolutions will be shown on the screen during the livestreaming as the same is taken up at the meeting.
- (iii) Stockholders must notify the Company on or before April 8, 2022 of their intention to participate in the meeting by remote communication to be included in determining the existence of a quorum, together with the stockholders who voted *in absentia* and by proxy.
- (iv) Voting shall only be allowed for stockholders registered in the Voting *in Absentia* and Shareholder (VIASH) System or through authorizing the Chairman of the meeting as proxy.
- (v) Stockholders voting *in absentia*, who have previously registered in the VIASH System, may cast their votes electronically at any time using the VIASH System prior to or during the meeting.
- (vi) All items in the agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting.
- (vii) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes. Each outstanding share of stock entitles the registered stockholder to one vote.
- (viii) The Office of the Corporate Secretary will tabulate all votes received and an independent third-party will validate the results. The Corporate Secretary shall report the results of voting during the meeting.
- (ix) The meeting proceedings shall be recorded in audio and video format.
- (x) A link to the recorded webcast of the meeting will be posted on the Company's website after the meeting. Stockholders shall have two weeks from posting to raise to the Company any issues, clarifications and concerns on the matters arising from the meeting conducted.

### **Approval of Minutes of Previous Annual and Special Stockholders' Meetings**

The soft copy of the minutes of the Annual and Special Stockholders' Meetings held on April 23, 2021 will be distributed to the stockholders after their registration for the meeting.

A resolution approving the minutes will be presented to the stockholders and approved by the vote of the stockholders representing at least a majority of the outstanding capital stock voting *in absentia* or voting through the Chairman of the meeting as proxy.

### **Annual Report**

The President and Chief Executive Officer will deliver the "Message from the Chairman and President" which provides the highlights of the performance of the Company for the year 2021, including the significant operational and financial performance as well as, the milestones and achievements of the Company and the outlook of the Company for the year 2022 and beyond.

The Company's 2021 Integrated Report will contain the "Message from the Chairman and President." The Integrated Report in PDF format will be posted on the Company's website, [areit.com.ph](http://areit.com.ph).

The Audited Financial Statements (AFS) as of December 31, 2021 will be presented to the stockholders for their approval. The AFS will be embodied in the Information Statement that may be accessed by the stockholders at the Company's website, [areit.com.ph](http://areit.com.ph), and will also be set forth in the Integrated Report. The Audit Committee has recommended to the Board the approval of the AFS, and the Board approved the AFS on February 24, 2022.

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<sup>4</sup> The detailed instructions pertaining to the URL and the use thereof will be provided in the Information Statement.

A resolution noting the report and approving the AFS will be presented to the stockholders for approval by the affirmative vote of the stockholders representing at least a majority of the outstanding capital stock voting *in absentia* or voting through the Chairman of the meeting as proxy.

#### Ratification of the Acts of the Board of Directors and Officers

The acts of the Board and its Committees were those adopted since the annual stockholders' meeting on April 23, 2021 until April 22, 2022. They include the approval of agreements, projects, investments, treasury-related matters and other matters covered by disclosures to the Securities and Exchange Commission, the Philippine Stock Exchange, and Philippine Dealing and Exchange Corporation. The acts of the officers were those taken to implement the resolutions of the Board or its Committees or in the general conduct of business.

A resolution on this agenda item will be presented to the stockholders for approval by the vote of the stockholders representing at least a majority of the outstanding capital stock voting *in absentia* or voting through the Chairman of the meeting as proxy.

#### Approval of Issuance of Common Shares in Exchange for Properties

Approval of the stockholders will be sought for the issuance of up to 263,959,895 primary common shares to Ayala Land, Inc. in exchange for identified properties owned by Ayala Land, Inc. valued at Eleven Billion Two Hundred Fifty-Seven Million Eight Hundred Eighty-Nine Thousand Five Hundred Thirty-Five and 91/100 Pesos (P11,257,889,535.91), under a property-for-share swap.

A resolution on this agenda item will be presented to the stockholders for approval by the vote of the stockholders representing at least a majority of the outstanding capital stock voting *in absentia* or voting through the Chairman of the meeting as proxy.

#### Election of Directors (Including the Independent Directors)

The Corporate Governance and Nomination Committee of the Board has evaluated and determined that the eight (8) nominees to the Board, including the nominees for independent directors, have all the necessary qualifications to serve as directors and the expertise and competence, individually and collectively, to enable the Board to fulfill its roles and responsibilities and manage the Company to achieve its objectives.

The profiles of the candidates to the Board of Directors will be provided in the Information Statement.

#### Appointment of External Auditor and Fixing of its Remuneration

The Audit Committee of the Board will endorse to the stockholders the appointment of SyCip Gorres Velayo & Co. (SGV & Co.) as the external auditor for the ensuing year as well as its proposed remuneration. The external audit conducts an independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements.

The profile of SGV & Co. will be provided in the Information Statement.

A resolution for the appointment of the external auditor, SGV, and the fixing of its remuneration will be presented to the stockholders for adoption by the affirmative vote of stockholders representing a majority of the outstanding capital stock voting *in absentia* or voting through the Chairman of the meeting as proxy.

#### Consideration of Such Other Business as May Properly Come Before the Meeting

The Chairman will open the floor for comments and questions by the stockholders, and take up agenda items received from stockholders on or before April 13, 2022 in accordance with existing laws, rules and regulations of the Securities and Exchange Commission and the Company's internal guidelines.<sup>5</sup>

<sup>5</sup> SEC Memorandum Circular No. 14, series of 2020 or "Shareholders' Right to Put items on the Agenda for Regular/Special Stockholders' Meetings": <https://www.sec.gov.ph/mc-2020/mc-no-14-s-2020shareholders-right-to-put-items-on-the-agenda-for-regular-special-stockholders-meetings/>.