



## **Performance Report for the Fourth Quarter of 2021**

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February 14, 2022

This document was prepared by AREIT Fund Managers, Inc. ("AFMI") for AREIT, Inc. ("AREIT" or the "Company") in compliance with the reportorial requirements of the REIT Implementing Rules & Regulations under Republic Act No. 9856.



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## I. PERFORMANCE METRICS

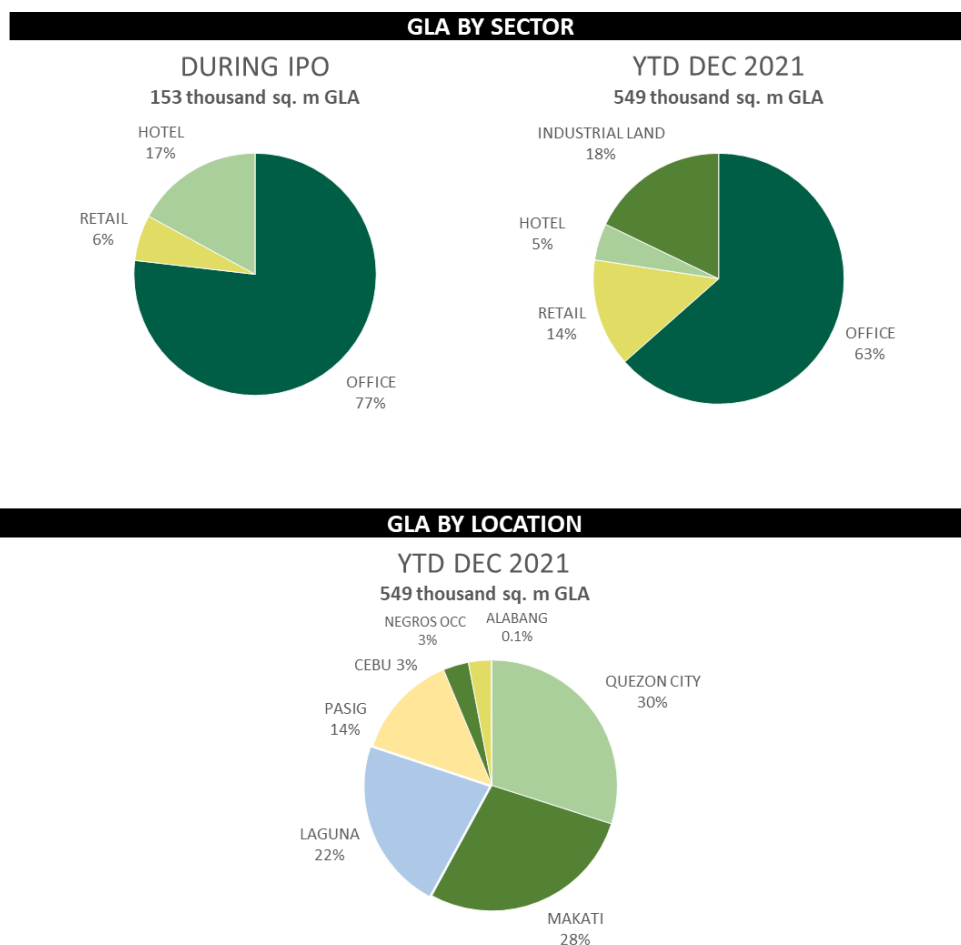
### Performance Highlights

AREIT, since its listing last August 2020, consistently adhered to its four investment fundamentals: prime location and quality of assets, stable occupancy with long term contracts from top BPO and corporate locators, inflation-hedged growth and new asset infusions, and execution by an experienced management team backed by the strength of its sponsor Ayala Land.

Total portfolio size of 549 thousand sqm is now 3.6 times larger than its initial size of only 153 thousand sqm during the IPO. This includes the recently concluded asset infusion via property-for-share swap approved by the SEC on October 7, 2021. All income from the parties accrued to AREIT beginning October 1, 2021. The property-for-share swap transaction added 205 thousand sqm of new GLA in AREIT's portfolio covering Vertis North Commercial Development (Vertis), BPI-Philam Makati, BPI-Philam Alabang, Bacolod Capitol Corporate Center (Bacolod Capitol), Ayala Northpoint Technohub (Ayala Northpoint), and One Evotech and Two Evotech (collectively called Evotech) buildings.

### Diversified Asset Portfolio in Prime Locations

From its initial portfolio of 153 thousand sq. m gross leasable area (GLA) during IPO, AREIT's portfolio diversified and grew to 549 thousand sq. m GLA as of end 2021 with the office sector comprising 63% of its total GLA. AREIT's properties are now located in several central business districts and prime locations across the Philippines.



*AREIT's total GLA during IPO was 153 thousand sq. m. All IPO assets are located in Makati.*

### Stable Occupancy and Tenancy

AREIT's consistent and solid operations in the fourth quarter resulted in an average occupancy of 98%. All properties remained operational despite mandatory COVID restrictions.

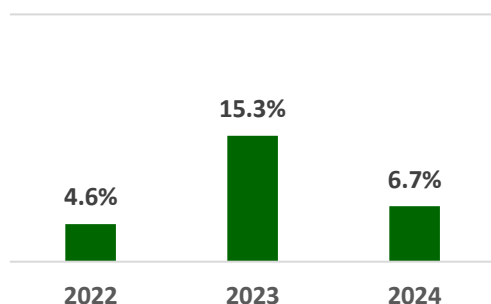
Property	Location	Total GLA in sq. m	Overall		Total GLA in sq. m	Office	
			Occupied GLA in sq. m	Occupancy rate		Occupied GLA in sq. m	Occupancy rate
<b>Solaris</b>	Makati	46,768	45,740	98%	46,027	44,999	98%
<b>Ayala North Exchange</b>	Makati	95,300	94,003	99%	61,724	61,724	100%
<b>MECC</b>	Makati	10,688	10,593	99%	9,633	9,633	100%
<b>TP Cebu</b>	Cebu	18,093	18,093	100%	17,682	17,682	100%
<b>The30th</b>	Pasig	74,704	71,832	96%	47,871	44,999	94%
<b>Laguna Technopark Land</b>	Laguna	98,179	98,179	100%	N/A	N/A	N/A
<b>Vertis</b>	Quezon City	164,628	157,218	95%	125,322	117,913	94%
<b>BPI-Philam Makati</b>	Makati	1,072	1,072	100%	1,072	1,072	100%
<b>BPI-Philam Alabang</b>	Muntinlupa	551	551	100%	551	551	100%
<b>Bacolod Capitol</b>	Negros Occidental	11,313	11,313	100%	11,313	11,313	100%
<b>Ayala Northpoint</b>	Negros Occidental	4,654	4,654	100%	4,654	4,654	100%
<b>Evotech</b>	Laguna	23,058	23,058	100%	23,058	23,058	100%

Stable recurring income is ensured with AREIT's contracted leases and Weighted Average Lease Expiry of AREIT's portfolio of 9.6 years and 3.8 years for offices higher than third quarter averages due to longer leases of the property-for-share swap assets infused in October 2021. Lease expiries are also minimal in the next three years.

### Weighted Average Lease Expiry (WALE)

Property	WALE (years)
Office	3.8
Retail	30.7
Hotel	36.5
Industrial Land	6.0
Overall	9.6

#### Percentage of GLA expiring between 2022-2024



#### Strong Tenancy of High Credit Grade Locators

AREIT continues to derive recurring income from its solid base of high credit grade tenants composed of top multinational and local companies. The table below shows the top ten largest tenants of AREIT in terms of gross leasable area.

Rank	Tenant	GLA (sq. m)	%
1	Integrated Microelectronics, Inc. <sup>1</sup>	98,179	18.2%
2	North Eastern Commercial Corporation (Ayala Malls The 30 <sup>th</sup> and Vertis Mall) <sup>2</sup>	66,139	12.3%
3	Google Services Philippines, Inc.	42,352	7.9%
4	TPPH-FHCS, Inc.	38,154	7.1%
5	Concentrix CVG Philippines, Inc.	33,430	6.2%
6	Shell Shared Services (Asia), B.V.	33,109	6.1%
7	Telus International (Philippines), Inc.	31,134	5.8%
8	Makati North Hotel Ventures, Inc. (Seda Residences Makati) <sup>3</sup>	26,034	4.8%
9	Global Payments Process Centre, Inc.	13,683	2.5%
10	ARB Call Facilities, Inc.	11,313	2.1%
<b>Total GLA</b>		<b>393,527</b>	<b>73.0%</b>

<sup>(1)</sup> Subsidiary of Ayala Corporation

<sup>(2)</sup> Subsidiary of Ayala Land, Inc.

<sup>(3)</sup> Subsidiary of Ayala Hotels and Resorts Corporation

## II. FINANCIAL PERFORMANCE AS OF END DECEMBER 31, 2021

AREIT is still in the process of finalizing its audited financial statements for the year ending December 31, 2021. We shall submit a Supplemental Performance Report for the Fourth Quarter of 2021 once the audited financial statements are available. We endeavor to submit the same on 28 February 2022.

**CERTIFICATION**

This PERFORMANCE REPORT was prepared and assembled under our supervision in accordance with existing rules of the Securities and Exchange Commission. The information and data provided herein are complete, true, and correct to the best of our knowledge and/or based on authentic records.

By:

**AREIT FUND MANAGERS, INC.**  
Fund Manager for AREIT, Inc.

  
**PATRICIA GAIL Y. SAMANIEGO**  
*Attorney-in-Fact*


  
**BIANCA CAMILLE B. CATOLICO**  
*Attorney-in-Fact*

**FEB 10 2022**

SUBSCRIBED AND SWORN to before me this 10 day of Feb 2022 at Makati City, with the affiant/s exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AREIT FUND MANAGERS, INC.	TIN: 007-888-715-000	
<i>Represented by:</i>		
Patricia Gail Y. Samaniego	Passport No. P4748326B	8 Feb 2020/DFA NCR South
Bianca Camille B. Catolico	Passport No. P7463723B	25 Aug 2021/DFA NCR East

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Page No. 31;  
Book No. 4;  
Series of 2022.

  
**ATTY. JOSHUA P. LAPUZ**  
Notary Public for Makati City  
Appointment No. M-19 until 12/31/2023  
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