



07 March 2023

Philippine Stock Exchange, Inc.

6th Floor, PSE Tower, 28th Street corner 5th Avenue,
Bonifacio Global City, Taguig City

To **Alexandra D. Tom Wong**
OIC, Disclosure Department

Philippine Dealing and Exchange Corporation

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

To **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosures Department

Securities and Exchange Commission

17/F SEC Headquarters, 7907 Makati Avenue,
Barangay Bel-Air, Makati City

To **Hon. Vicente Graciano P. Felizmenio, Jr.**
Director, Market Regulation Department

Dear Mesdames and Gentlemen,

Please be informed that the Board of Directors of AREIT, Inc. (AREIT), at its special meeting, approved the subscription of Ayala Land, Inc (ALI), and its subsidiaries, Ayalaland Malls, Inc. (ALMI), and Northbeacon Commercial Corporation (NBCC) to 607,559,380 AREIT primary common shares, in Exchange for flagship offices and malls with an aggregate value of P22,479,697,060, as validated by a third-party fairness opinion.

The proposed property-for-share swap is for approval of AREIT shareholders at their annual meeting on 26 April 2023 and relevant regulatory bodies afterward.

The transaction will be indicated in AREIT's Definitive Information Statement, which will be available to its shareholders by 28 March 2023. AREIT shall submit the required Comprehensive Corporate Disclosure on the transaction within the period set under the PSE Listing Rules.

Attached is the press release for further details.

Thank you.

A handwritten signature in black ink, appearing to read 'mfamy'.

MA. TERESA R. FAMY

CFO, Treasurer, and Chief Compliance Officer



Press Release

AREIT to add P22.5B of ALI offices and malls; AUM to reach P87B, nearly 3x from IPO



One Ayala Avenue East and West Towers



Glorietta 1 and 2 mall

07 March 2023 – AREIT, Inc. ("AREIT" or the "Company"), the first Philippine Real Estate Investment Trust, will conduct a third property-for-share swap with its sponsor, Ayala Land, Inc. (ALI). The transaction will involve flagship offices and malls with an aggregate value of P22,479,697,060 for 607,559,380 AREIT primary common shares, as validated by a third-party fairness opinion.

The assets are mainly located in the Makati CBD, specifically, the newest One Ayala Avenue East and West BPO Towers at the corner of Ayala Avenue and EDSA, as well as the Glorietta 1 and 2 mall wing and BPO buildings at Ayala Center. Aside from these, the MarQueue mall in Angeles, Pampanga, located close to the Angeles exit of the North Luzon Expressway (NLEX), will also be added to AREIT's portfolio. These assets have a combined gross leasable area (GLA) of 190 thousand square meters (sqm), an overall occupancy rate of 99%, and a weighted average lease expiry (WALE) of 14.5 years.

AREIT's Board of Directors approved the transaction on 07 March 2023, subject to the approval of AREIT shareholders at their annual meeting on 26 April 2023 and relevant regulatory bodies afterward. ALI and AREIT are targeting to complete the transaction within the year.

Since its IPO, AREIT has exceeded its growth plans, resulting in a 52% total shareholder return. The Company started with 153 thousand sqm, equivalent to P30 billion in Assets Under Management (AUM) in 2020. By December 2021, the Company has grown to 549 thousand sqm, equivalent to P53 billion in AUM. Today, the Company stands at 673 thousand sqm, equivalent to P64 billion, more than double since it was listed on the Exchange. This new infusion in 2023 will almost triple the Company's AUM to P87 billion and boost its GLA more than five-fold to 863 thousand sqm from the IPO, making AREIT one of the largest and the most diversified commercial REIT in the Philippines.

"The rebound of commercial businesses is an opportunity for AREIT to widely diversify its assets with more retail buildings. The infusion of Glorietta 1 and 2 mall and BPO buildings, as well as the brand new One Ayala Avenue BPO towers, is testament to AREIT as Ayala Land's flagship REIT", said AREIT President and CEO Carol T. Mills. "As we did in the last two years, we are committed to continually grow and diversify our assets to increase shareholder value for AREIT while ALI maximizes capital recycling and reinvests further in Philippine real estate," she added.



Last 24 February 2023, AREIT's Board of Directors approved the declaration of dividends of P0.52 per share for the fourth quarter of 2022, to be distributed on 24 March 2023 to stockholders on record as of 10 March 2022. AREIT's dividend per share increased by 6% to P0.52 in the fourth quarter from P0.49 in the previous quarter. AREIT's full-year dividends from its 2022 income totaled P1.98 per share, 12% higher than P1.77 in 2021.

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NOTE: This document contains forward-looking statements and forward-looking financial information that are subject to significant risks and uncertainties. Such forward-looking statements and financial information are based on numerous assumptions regarding present and future business strategies. Important factors can cause some or all assumptions not to occur or cause actual results, performance, or achievements to differ materially from those in the forward-looking statements. The Company gives no assurance that such opinions or beliefs will prove correct or that such intentions will not change.