

## ADVISEMENT REPORT ON MATERIAL RELATED PARTY TRANSACTIONS

Reporting PLC: AREIT, Inc. (AREIT)

SEC Identification Number: CS200613870

Name of Related Party: Ayala Land, Inc. (ALI)

Execution Date of Transaction: 19 March 2024

Relationship between the Parties including financial/non-financial interest: ALI as the Sponsor owns (directly and indirectly) 58.43% of AREIT

Type/Nature of Transaction and Description of Assets Involved	Terms and Conditions	Rationale for Entering into the Transaction	Total Assets <sup>1</sup> of Reporting PLC	Amount/ Contract Price	Percentage of the Contract Price to the Total Assets of the Reporting PLC	Carrying Amount of Collateral, if any	Approving Authority <sup>2</sup>
On 19 March 2024, AREIT, Inc. (AREIT) entered into a Deed of Exchange with Ayala Land Inc. (ALI), Greenhaven Property Ventures, Inc. (Greenhaven), Cebu Insular Hotel Co., Inc. (Cebu Insular), and Buendia Christiana Holdings Corp. (BCHC), whereby AREIT will issue 841,259,412 common shares to ALI, Greenhaven, Cebu Insular, and BCHC out of the AREIT's authorized capital stock, at an issue price of	The Swap shall be subject to the approval of the Securities and Exchange Commission of the subscription of ALI, Greenhaven, Cebu Insular, and BCHC to an aggregate of 841,259,412 common shares. The respective subscriptions of ALI, Greenhaven, Cebu Insular, and BCHC are indicated in Annex A.	As the first Philippine REIT which successfully listed amidst the pandemic, and true to its commitment to diversify and expand its portfolio through constant, accretive asset infusions, AREIT aspires to further grow its leasing portfolio with prime and stable assets. Upon completion of the infusion, AREIT will own the Properties, thereby increasing AREIT's building portfolio from 861 thousand square meters to over one	Php93,272,292,451	Php28,602,820,008.00  ALI: Php17,894,780,244.00 Greenhaven: Php2,635,203,116.00 Cebu Insular: Php1,303,115,756.00 BCHC: Php6,769,720,892.00	30.67%	N.A.	ALI Board and RPT Committee (100% of Votes): 1. Jaime Augusto Zobel de Ayala 2. Cezar P. Consing 3. Anna Ma. Margarita B. Dy 4. Daniel Gabriel M. Montecillo (LID) 5. Rex Ma. A. Mendoza (ID) 6. Surendra Mohan Menon (ID) 7. Cesar V. Purisima (ID) 8. Arturo G. Corpuz 9. Mariana Beatriz E. Zobel de Ayala  AREIT Board and RPT Committee (100% of Votes): 1. Anna Ma. Margarita B. Dy 2. Carol T. Mills 3. Augusto D. Bengzon 4. Bernard Vincent O. Dy 5. Mariana Beatriz E. Zobel de Ayala

<sup>1</sup> Total assets shall pertain to consolidated assets if the reporting PLC is a parent company.

<sup>2</sup> The information shall include the names of directors present, names of directors who approved the Material Related Party Transaction and the corresponding voting percentage obtained.

<p>Php34.00 per share, set at a 3.75% premium over the thirty (30)-day volume weighted average price ("30-day VWAP") or the Market Price<sup>3</sup> of Php32.77, in exchange for identified properties owned by ALI, its subsidiaries, Greenhaven and Cebu Insular (Subsidiaries), and BCHC valued at Php 28,602,820,008.00 (Swap). Pursuant to the Exchange, ALI transferred the properties indicated in Annex A.</p>		<p>million square meters in gross leasable area and 286 hectares of industrial land, a size at par with regional players; increasing AREIT's assets under management from Php87B to around Php117B; diversify its asset base of offices, malls, hotels, and industrials to reduce sector risks; capitalize on flagship commercial assets from its Sponsor, ALI, and expand opportunities across the Ayala Group; include freehold land which generates income and long-term value appreciation; and at the Transaction Price of Php34.00 per share, the assets to be infused are yield accretive to AREIT at a capitalization rate of 6.8% for the Properties of ALI and the Subsidiaries, and 6.92% for the BCHC industrial land, ultimately redounding to the benefit of all</p>					<p>6. Omar T. Cruz (LID) 7. Enrico S. Cruz (ID) 8. Sherisa P. Nuesa (ID)</p>
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<sup>3</sup> **Market Price** means the volume weighted average of the closing price for a period of thirty (30) trading days prior to the approval of the transaction (PSE Consolidated Listing and Disclosure Rules, Rule V, Section 3, paragraph (a)). Transaction date refers to the approval of the Board of Directors when issue price was set, or the meeting of the Board of Directors of AREIT on 26 November 2023.

		stockholders, including the minority retail investors through dividend accretion.					
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### SIGNATURES

Pursuant to the requirements of the Commission, the company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AREIT, INC.



MA. TERESA R. FAMY

Chief Finance Officer and Treasurer



MA. FLORENCE THERESE DG. MARTIREZ-CRUZ

Assistant Corporate Secretary and Chief Compliance Officer

(Name, Signature of the Corporate Secretary/Authorized Representative<sup>4</sup>)

AYALA LAND, INC.



AUGUSTO D. BENGZON

Chief Finance Officer, Treasurer, and Chief Compliance Officer

(Name, Signature of the Related Party/Authorized Representative<sup>4</sup>)



<sup>4</sup> Proof of authority must be attached to the Advisement Report.

## ANNEX A

Table 1 – Properties Subject of Property-For-Share Swap

Property	Registered Owner	Fair Market Value (in Php)	Transaction Value (in Php)
ATG Tower 2	ALI	12,474,406,000.00	12,480,755,836.00
Greenbelt 3 and 5	ALI	5,423,621,000.00	5,414,024,408.00
Holiday Inn	Greenhaven*	2,638,647,000.00	2,635,203,116.00
Seda Ayala Center Cebu	Cebu Insular*	1,327,325,000.00	1,303,115,756.00
BCHC Industrial Land	BCHC	6,734,208,000.00	6,769,720,892.00
<b>Total</b>		<b>₱28,598,207,000.00</b>	<b>₱28,602,820,008.00</b>

*\*Greenhaven and Cebu Insular are subsidiaries of ALI. Greenhaven is a wholly-owned subsidiary of Ayala Hotels and Resorts Corporation (AHRC), a wholly-owned subsidiary of ALI. Cebu Insular is owned by both ALI and AHRC. (collectively, the "Properties")*

Table 2 – Breakdown of Shares to be Issued to ALI, Greenhaven, Cebu Insular and BCHC

Stockholder	Number of Shares
ALI	526,317,066
Greenhaven	77,505,974
Cebu Insular	38,326,934
BCHC	199,109,438
<b>TOTAL</b>	<b>841,259,412</b>



REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) S.S.

### SECRETARY'S CERTIFICATE

I, **MA. FLORENCE THERESE DG. MARTIREZ-CRUZ**, of legal age, being the duly elected, qualified and incumbent Assistant Corporate Secretary of **AREIT, INC.** (formerly *AyalaLand REIT, Inc.*) (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines with principal office address at the 28<sup>th</sup> Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City, do hereby certify that –

1. The following are duly authorized Attorneys-in-Fact of the Corporation:

Carol T. Mills  
Elaine Marie F. Alzona  
Jennifer L. Gallaga  
Ma. Florence Therese dG. Martirez-Cruz

Ma. Teresa R. Famy  
Francisco Ma. D. Roxas  
Anna Ma. Margarita B. Dy  
Michael Anthony D. Garcia

2. Any two (2) of the aforementioned Attorneys-in-Fact, signing jointly, are authorized to sign, execute, and deliver the Advisement Report on Material Related Party Transactions pertaining to the disclosure of the Corporation to the Securities and Exchange Commission of its acquisition of the identified properties owned by Ayala Land Inc., Greenhaven Property Ventures, Inc., Cebu Insular Hotel Co., Inc., and Buendia Christiana Holdings Corp. valued at Php 28,602,820,008.00 in exchange for the issuance of 841,259,412 common shares of the Corporation.

**IN WITNESS WHEREOF**, I have issued this Certificate this MAR 21 2024 at Makati City.

  
**MA. FLORENCE THERESE DG. MARTIREZ-CRUZ**  
Assistant Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this MAR 21 2024 at Makati City, the affiant exhibited to me, as competent evidence of identity, her Unified Multi-Purpose Identification with Common Reference No. 0111-3606313-0 issued by the Social Security System.

Doc. No. 381 ;  
Page No. 78 ;  
Book No. XLVI ;  
Series of 2024.

Notarial DST pursuant to Sec. 61 of the  
TRAIN Act (amending Sec. 188 of the NIRC)  
affixed on Notary Public's copy.



  
**MARIA PAULA G. ROMERO-BAUTISTA**

Notary Public – Makati City  
Appt. No. M-227 until December 31, 2025  
Roll of Attorneys No. 58335  
IBP No. 416399 – 01/11/2024– Makati City  
PTR No. MKT10083260– 01/11/2024 – Makati City  
MCLE Compliance No. VII – 0020268 - 06/02/2022  
6<sup>th</sup> Floor Makati Stock Exchange Building  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) SS.

### SECRETARY'S CERTIFICATE

I, **MA. FLORENCE THERESE DG. MARTIREZ-CRUZ**, of legal age, being the duly elected, qualified, and incumbent Assistant Corporate Secretary of **AYALA LAND, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at the 31<sup>st</sup> Floor Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City, Philippines, hereby certify that –

1. Mr. Augusto D. Bengzon is the Corporation's duly elected Chief Finance Officer, Treasurer, and Chief Compliance Officer and a duly authorized Attorney-in-Fact of the Corporation for regulatory requirements.
2. Mr. Bengzon is authorized to sign, execute, and deliver, on behalf of the Corporation, the Advisement Report on Material Related Party Transactions to the Securities and Exchange Commission to disclose the Deed of Exchange executed by and among the Corporation, AREIT, Inc. (AREIT), Greenhaven Property Ventures, Inc. (Greenhaven), Cebu Insular Hotel Co., Inc. (Cebu Insular), and Buendia Christiana Holdings Corp. (BCHC) on 19 March 2024 for the issuance by AREIT of 841,259,412 common shares to the Corporation, Greenhaven, Cebu Insular, and BCHC, out of AREIT's existing authorized capital stock in exchange for identified properties owned by the Corporation, Greenhaven, and Cebu Insular, and BCHC valued at Php28,602,820,008.00.

IN WITNESS WHEREOF, I have signed this Certificate this MAR 21 2024 at Makati City.

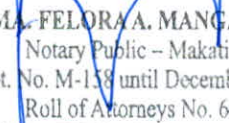
  
**MA. FLORENCE THERESE DG. MARTIREZ-CRUZ**  
Assistant Corporate Secretary 

**SUBSCRIBED AND SWORN** to before me this MAR 21 2024 at Makati City, the affiant exhibited to me, as competent evidence of identity, her Unified Multi-Purpose Identification with Common Reference No. 0111-3606313-0 issued by the Social Security System.

Doc. No. 336 ;  
Page No. 69 ;  
Book No. VI ;  
Series of 2024.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Notary Public's copy.



  
**MA. FELORA A. MANGAWANG**  
Notary Public – Makati City  
Appt. No. M-138 until December 31, 2025  
Roll of Attorneys No. 64804  
Lifetime IBP No. 013749 – Makati City  
PTR No. MKT10077039 – 01/03/2024 - Makati City  
MCLE Compliance No. VII-0006702 – 11/18/2021  
28th Floor, Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines