



Performance Report for the First Quarter of 2025

May 14, 2025

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. FINANCIAL PERFORMANCE AS OF END MARCH 31, 2025

FINANCIAL PERFORMANCE

AREIT recorded YTD March 2025 revenues of ₱2.9 billion, 38% higher vs same period last year, driven by the recent property-for-shares swap which started contributing to AREIT's income in the third quarter of 2024. EBITDA grew by 42% to ₱2.1 billion. Factoring out the fair value adjustment, net income after tax registered at ₱2.1 billion, 43% higher than last year.

A. Statement of Comprehensive Income for the Period Ended March 31, 2025 *(In Pesos, Millions)*

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B. Income from Related Parties for the Period Ended March 31, 2025 *(In Pesos, Millions)*

Related Parties	Total		Solaris	Ayala North Exchange	The30th	Laguna Technopark Land	Vertis	BPI-Philam Alabang	Evotech	ACC Tower	Tech Tower	Glorietta 1&2 Mall	Marquee Mall	Seda Lio	Greenbelt 3&5	Holiday Inn	Seda ACC	Palauig Lot
	%	Amount																
Rental income																		
Alveo Land Corporation	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amaia Land Corp.	0.0%	0.7	-	-	-	-	-	0.7	-	-	-	-	-	-	-	-	-	-
Amicassa Process Solutions, Inc.	0.0%	1.0	-	-	-	-	-	-	-	-	1.0	-	-	-	-	-	-	-
Avida Land Corp.	0.0%	0.6	-	-	-	-	-	-	-	0.6	-	-	-	-	-	-	-	-
Bank of the Philippine Islands	0.3%	8.0	-	0.8	-	-	7.0	-	0.2	-	-	-	-	-	-	-	-	-
First Gateway Real Estate Corporation	0.1%	3.2	-	3.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Integrated Microelectronics, Inc.	0.9%	22.6	-	-	-	22.6	-	-	-	-	-	-	-	-	-	-	-	-
Bay City Commercial Ventures Corp.	0.1%	1.6	-	-	-	-	1.6	-	-	-	-	-	-	-	-	-	-	-
Giga Ace 8 Inc.	5.1%	126.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	126.4
Interest income from finance lease receivables																		
Makati North Hotel Ventures, Inc.	1.4%	36.1	-	36.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bay City Commercial Ventures Corp.	0.9%	22.6	-	-	8.0	-	14.6	-	-	-	-	-	-	-	-	-	-	-
Ayalaland Malls, Inc.	7.1%	178.4	-	-	-	-	-	-	-	-	-	70.0	-	-	108.4	-	-	-
Northbeacon Commercial Corporation	1.8%	45.6	-	-	-	-	-	-	-	-	-	-	45.6	-	-	-	-	-
Econorth Resort Ventures, Inc.	1.0%	25.8	-	-	-	-	-	-	-	-	-	-	-	25.8	-	-	-	-
Greenhaven Property Ventures, Inc.	2.1%	52.8	-	-	-	-	-	-	-	-	-	-	-	-	-	52.8	-	-
Cebu Insular Hotel Co., Inc.	1.1%	28.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.0	-
Total rental income and interest income from finance lease receivables	22.2%	553.4	-	40.1	8.0	22.6	23.2	0.7	0.2	0.6	1.0	70.0	45.6	25.8	108.4	52.8	28.0	126.4

C. Statement of Cash Flows for the Period Ended March 31, 2025 (In Pesos, Millions)

CASH FLOWS FROM OPERATING ACTIVITIES	
Income before income tax	2,046.46
Adjustments for:	
Net fair value change in investment properties	51.92
Depreciation and amortization	0.09
Interest expense	50.00
Interest income from finance lease receivables	(384.79)
Interest income	(29.13)
Operating income before working capital changes	1,734.55
Changes in operating assets and liabilities:	
Decrease (increase) in:	
Receivables	(535.61)
Other assets	(142.39)
Increase (decrease) in:	
Accounts and other payables	442.54
Deposits and other liabilities	214.73
Construction bonds	8.98
Cash generated from (used in) operations	1,722.80
Interest received	29.13
Income tax paid	(0.49)
Net cash flows provided by (used in) operating activities	1,751.45
CASH FLOWS FROM INVESTING ACTIVITIES	
Decrease (increase) in due from related parties	150.78
Payments for additions to investment properties and PPE	(27.25)
Net cash flows provided by (used in) investing activities	123.53
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments of dividends	(1,861.72)
Interest paid	(28.33)
Payments of lease liability	(5.05)
Net cash flows provided by (used in) financing activities	(1,895.11)
NET INCREASE (DECREASE) IN CASH	(20.13)
CASH AT BEGINNING OF PERIOD	71.17
CASH AT END OF PERIOD	51.04

D. Adjusted Funds from Operations for the Period Ended March 31, 2025 (In Pesos, Millions)

	Total
Net income after tax	2,045.97
Add back: Depreciation	0.08
Change in fair value of investment property	51.92
Deduct: CAPEX	(74.55)
Straight line amortization	(51.92)
Adjusted Funds from Operations	1,971.50

E. Operating Statistics as of March 31, 2025

Overall						
Property	Location	Total gross leasable area (GLA) in sq. m	Occupied GLA, in sq. m	Occupancy rate	Revenue Contribution in 1Q25	Cost contribution in 1Q25 ¹
Solaris	Makati	46,768	44,016	94%	6.4%	7.5%
Ayala North Exchange	Makati	95,314	89,260	94%	9.5%	11.3%
MECC	Makati	10,688	10,261	96%	1.6%	1.1%
TP Cebu	Cebu	18,093	18,093	100%	1.8%	2.0%
The30th	Pasig	74,704	73,514	98%	5.0%	6.6%
Laguna Technopark Land	Laguna	98,179	98,179	100%	0.8%	0.2%
Vertis	Quezon City	164,450	158,652	96%	13.0%	17.2%
BPI-Philam Makati	Makati	1,072	660	62%	0.0%	0.1%
BPI-Philam Alabang	Muntinlupa	212	212	100%	0.0%	0.0%
Bacolod Capitol	Negros Occidental	11,313	11,313	100%	0.8%	1.0%
Ayala Northpoint	Negros Occidental	4,654	4,654	100%	0.3%	0.5%
Evotech	Laguna	23,727	23,222	98%	2.7%	2.0%
Ebloc Towers 1-4	Cebu	79,640	77,067	97%	7.3%	8.3%
ACC Tower	Cebu	27,458	23,514	86%	1.5%	2.5%
Tech Tower	Cebu	16,273	15,028	92%	0.9%	1.3%
One Ayala East and West Towers	Makati	70,995	66,037	93%	14.4%	16.2%
Glorietta 1&2 BPO and Mall	Makati	108,790	108,365	100%	8.2%	6.5%
Marque Mall	Pampanga	66,041	66,041	100%	1.6%	0.5%
Seda Lio	Palawan	17,680	17,680	100%	0.9%	0.1%
Ayala Triangle T2	Makati	63,150	63,150	100%	12.5%	13.0%
Greenbelt 3&5	Makati	93,732	93,732	100%	3.7%	0.7%
Holiday Inn	Makati	26,218	26,218	100%	1.8%	0.3%
Seda ACC	Cebu	13,579	13,579	100%	1.0%	0.2%
Palauig Lot	Zambales	2,759,135	2,759,135	100%	4.3%	0.8%

Office					
Property	Total GLA, in sq. m	Occupied GLA, in sq. m	Occupancy rate	Average rent per sq. m per month	Average rent income growth (vs 1Q24) ²
Solaris	46,027	43,275	94%	1,081	4%
Ayala North Exchange	61,737	55,926	91%	1,060	4%
MECC	9,633	9,633	100%	1,069	3%
TP Cebu	17,682	17,682	100%	724	3%
The30th	47,871	46,681	98%	766	0%
Vertis	125,144	114,136	91%	853	3%
BPI-Philam Makati	1,072	660	62%	567	-
BPI-Philam Alabang	212	212	100%	838	5%

Bacolod Capitol	11,313	11,313	100%	500	0%
Ayala Northpoint	4,654	4,654	100%	450	-5%
Evotech	23,058	22,777	99%	668	2%
Ebloc Towers 1-4	74,992	72,827	97%	652	1%
ACC Tower	27,458	23,514	86%	651	4%
Tech Tower	14,941	14,073	94%	528	2%
One Ayala East and West Towers	70,995	70,995	100%	1,368	3%
Glorietta 1&2 BPO	40,026	39,601	99%	1,314	5%
Ayala Triangle T2	63,150	63,150	100%	1,740	N/A

⁽¹⁾ Contribution of each property to the overall cost. Cost consists of land lease, taxes and licenses, fund and property management fees, and depreciation.

⁽²⁾ Income from the assets infused via property-for-share swap accrued to AREIT beginning July 1, 2024. The swap covers Ayala Triangle T2, Greenbelt 3&5, Holiday Inn, Seda ACC, and Palauig Lot.

F. Office Industry Benchmarks

All AREIT properties perform better than industry average in terms of occupancy rate. Average office rent per square meter and rental escalations are also at par with industry.

	Makati CBD	BGC	Ortigas CBD	Quezon City	Muntinlupa
Occupancy rate	93%	84%	88%	79%	68%
Ave. rent/sq. m	₱ 900-1,500	₱ 900-1,300	₱ 500-900	₱ 550-800	₱ 450-750

Source:

- Colliers Philippines Research. Q1 2025 Property Market Briefing

G. Current Valuation of the AREIT Properties

The valuation of the AREIT properties is aligned with the appraisal reports issued by Cuervo Appraisers, Inc. ("Cuervo"). Cuervo used the Discounted Cashflows ("DCF") Approach or Income Approach as the primary method to estimate the fair value of the buildings. Under the DCF approach, the future cashflows of the properties were discounted based on a weighted average cost of capital (WACC) using the Capital Asset Pricing Model.

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Property	Type	Valuation cost ¹ (in Pesos, millions)	Valuation Date	Valuation Method
Solaris	Building	7,377	December 2024	Income Approach
Ayala North Exchange	Building	10,009	December 2024	Income Approach
MECC	Building	1,675	December 2024	Income Approach
TP Cebu	Building	1,926	December 2024	Income Approach
The30th	Building	4,655	December 2024	Income Approach
Laguna Technopark Land	Land	1,248	December 2024	Income Approach
Vertis	Building	16,519	December 2024	Income Approach
BPI-Philam Makati	Building	86	December 2024	Income Approach
BPI-Philam Alabang	Building	30	December 2024	Income Approach
Bacolod Capitol	Building	769	December 2024	Income Approach
Ayala Northpoint	Building	209	December 2024	Income Approach

Evotech	Building	2,986	December 2024	Income Approach
Ebloc Towers 1-4	Building	7,785	December 2024	Income Approach
ACC Tower	Building	1,732	December 2024	Income Approach
Tech Tower	Building	988	December 2024	Income Approach
One Ayala East and West Towers	Building	12,319	December 2024	Income Approach
Glorietta 1&2 BPOs	Building	7,864	December 2024	Income Approach
Ayala Triangle T2	Building	13,954	December 2024	Income Approach
Palauig Lot	Land	6,857	December 2024	Income Approach

⁽¹⁾ Does not include properties accounted for under finance lease - ANE Seda, The 30th Mall, Vertis Mall, Glorietta 1&2 Mall, Seda Lio, Greenbelt 3&5, Holiday Inn, and Seda ACC

H. Asset Value, Price per Share and Total Capitalization as of March 31, 2025

	Total value <i>In millions</i>	Value per share
Book value	113,554,770	35.38
Net asset value	114,819,679	35.77
Market capitalization	126,789,706	39.50

I. Performance Indicators as of March 31, 2025

Current ratio ¹	0.83
Net debt-to-equity ratio ²	0.02
Profitability Ratios:	
Return on assets ³	7%
Return on equity ⁴	7%
Asset to Equity ratio ⁵	1.09
Market-to-book ratio ⁶	1.12

Net debt-to-equity ratio as of March 31, 2025 is 0.02. Total borrowings ₱2.00 billion represent short term bank loans which resulted in interest expense of ₱28.3 million for YTD March 31, 2025.

- ⁽¹⁾ Current ratio is derived by dividing current assets by current liabilities at the end of a given period. Current ratio measures our ability to pay short-term obligations.
- ⁽²⁾ Net debt to equity ratio is derived by dividing our total loans and borrowings less cash by total equity.
- ⁽³⁾ Return on assets is derived by annualized net income by total assets
- ⁽⁴⁾ Return on equity is derived by dividing annualized net income by average shareholders' equity. Return on equity measures how profitable we are at generating profit from each unit of shareholder equity.
- ⁽⁵⁾ Asset to equity ratio is derived by dividing total assets by shareholders' equity. Asset to equity ratio measures our financial leverage and long-term solvency.
- ⁽⁶⁾ Market-to-book ratio is derived by dividing the market capitalization or the stock's closing price by the book value. Market-to-book ratio measures the market's valuation of our company relative to our book value.

J. Investment Return

On May 13, 2025, the Board of Directors declared cash dividends of ₱ 0.58 per outstanding common share for the first quarter of 2025. The cash dividends will be payable on June 11, 2025 to stockholders on record as of May 27, 2025. To date, the total shareholder return is 84% based on IPO price per share of ₱ 27.00.

YTD 2025 Dividends per share	₱ 0.58
Price per share as of March 31, 2025	₱ 39.50
Annualized dividend yield based on closing price as of March 31, 2025	5.87%
Price growth based on IPO price per share of ₱ 27.00	46.30% ¹
Total return since IPO	83.63% ¹
REIT Benchmarks	
Ten-year BVAL as of end of period	6.1920%
Dividend yield of Asia Pacific REITs	6.33% ²

Source:

⁽¹⁾ Based on closing price as of March 31, 2025

⁽²⁾ Dividend yield of FTSE EPRA Nareit Asia ex Japan REITs 10% Capped USD Index ("Index") from FTSE EPRA Nareit Asia ex Japan REITs Index FactSheet as of April 30, 2025. The Index has been designed to represent the performance of REITs from China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. AREIT became a constituent of the FTSE EPRA Nareit Asia ex Japan REITs 10% Capped Index effective Sept. 20, 2021.

The Company's dividends per share as of first quarter of 0.58 is 3.57% higher than same period of 2024. Apart from rental escalations, this growth is attributable to the income contribution of sponsor assets infused in July 2024 via property-for-share swap.

	1Q24	1Q25	Growth rate
Dividends per share	₱ 0.56	₱ 0.58	3.57%

Computation of the distributable income of the Company for YTD March 31, 2025 is shown below.

(In Millions):

Net income	₱ 2,046.0
Unrealized (gain)/loss on fair value change in investment properties	51.9
Straight line amortization	(51.9)
Distributable income	₱ 2,046.0

II. PERFORMANCE METRICS

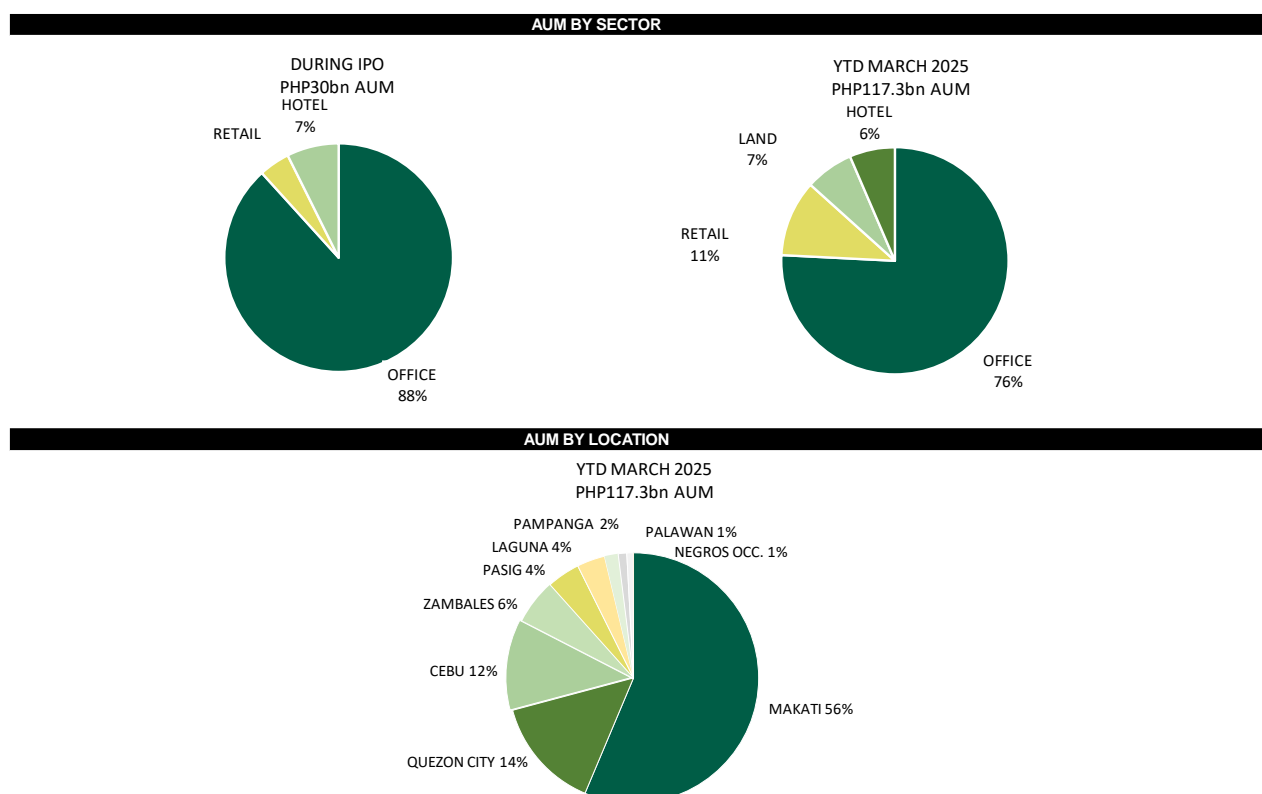
II. Performance Highlights

AREIT consistently adheres 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 is now at 3.9 million sq. m from its initial size of only 153 thousand sq. m during the IPO. The property-for-share swap transaction approved by the SEC on September 27, 2024 contributed 2.9 million sq.m of GLA to AREIT's portfolio of quality commercial assets. The assets include Ayala Triangle T2, Greenbelt 3&5, Holiday Inn, Seda ACC, and Palauig Lot. All properties, which include flagship Makati CBD assets, are in prime locations and have good operating track record, high occupancy and contracted long term leases with high credit grade tenants. Meanwhile, the acquisition of Seda Lio last January 2024 added 18 thousand sqm of GLA in Palawan.

Diversified Asset Portfolio in Prime Locations

From its initial AUM of PHP30 billion during IPO, AREIT's portfolio diversified and grew its AUM to PHP117.3billion as of YTD March 2025 with the office sector comprising 76% of total portfolio. AREIT's properties are also now geographically diversified in several central business districts and prime locations across the Philippines.



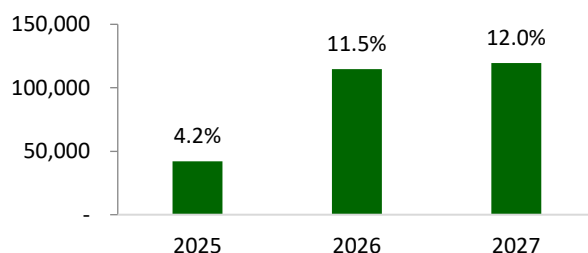
Stable Occupancy and Tenancy

AREIT's consistent and solid operations in the quarter ended March 31, 2025 resulted in overall occupancy rate of 99%. Stable recurring income is ensured with AREIT's contracted leases and Weighted Average Lease Expiry of AREIT's portfolio of 20.5 years and 3.7 years for offices. Lease expiries are also manageable in the next three years.

Weighted Average Lease Expiry (WALE)

Property	WALE (years)
Office	3.7
Retail	24.8
Hotel	27.2
Industrial Land	23.8
Overall	20.5

Percentage of Building GLA expiring between 2025-2027



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)	% of occupied GLA
1	Giga Ace 8, Inc. ¹	2,759,135	72%
2	AyalaLand Malls, Inc. (Glorietta 1 & 2 and Greenbelt 3&5 Mall) ²	162,496	4%
3	Integrated Microelectronics, Inc. ²	98,179	3%
4	Bay City Commercial Ventures Corp. (Ayala Malls The 30th and Vertis Mall) ³	67,207	2%
5	Northbeacon Commercial Corporation (Marquee Mall) ⁴	66,966	2%
6	Google Services Philippines, Inc.	66,041	2%
7	Telephilippines Incorporated	38,458	1%
8	Concentrix CVG Philippines, Inc.	38,154	1%
9	Shell Shared Services (Asia), B.V.	33,056	1%
10	Telus International (Philippines), Inc.	31,134	1%
Total GLA		3,360,826	87%

⁽¹⁾ Subsidiary of ACEN Corporation

⁽²⁾ Subsidiary of Ayala Land, Inc.

⁽³⁾ Subsidiary of Ayala Corporation

⁽⁴⁾ Subsidiary of Ayala Hotels and Resorts Corporation



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.


TOMAS JULIAN R. SANTOS
Attorney-in-Fact


BEVERLY S. ESPINA
Attorney-in-Fact

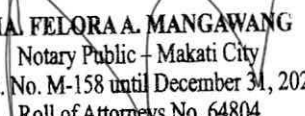
SUBSCRIBED AND SWORN to before me this MAY 14 2025 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AREIT FUND MANAGERS INC.	TIN: 007-888-715-000	
<i>Represented by:</i>		
Tomas Julian R. Santos	Driver's License No. N02-07-007920	Expiration Date 24 Jan 2034
Beverly S. Espina	Driver's License No. N02-22-316854	Expiration Date 15 Oct 2026

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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-158 until December 31, 2025
Roll of Attorneys No. 64804
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