



## **Performance Report for the Second Quarter of 2025**

---

August 13, 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.



## TABLE OF CONTENTS

I. Financial Performance.....	3
II. Performance Metrics.....	10



## I. FINANCIAL PERFORMANCE AS OF END JUNE 30, 2025

## FINANCIAL PERFORMANCE

AREIT recorded YTD June 2025 revenues of ₱5.9 billion, 40% 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 44% to ₱4.3 billion. Factoring out the fair value adjustment, net income after tax registered at ₱4.3 billion, 45% higher than last year.

**A. Statement of Comprehensive Income for the Period Ended June 30, 2025** *(In Pesos, Millions)*

[illegible]



## B. Income from Related Parties for the Period Ended June 30, 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	Ayala Triangle T2	Greenbelt 3&5	Holiday Inn	Seda ACC	Palauig Lot
	%	Amount																	
<b>Rental income</b>																			
ACEN Corporation	1.8%	88.6	-	-	-	-	-	-	-	-	-	-	-	-	88.6	-	-	-	-
AC Energy Infrastructure Corporation	0.1%	3.3	-	-	-	-	-	-	-	-	-	-	-	-	3.3	-	-	-	-
Amaia Land Corp.	0.0%	0.8	-	-	-	-	-	0.8	-	-	-	-	-	-	-	-	-	-	-
Amicassa Process Solutions, Inc.	0.0%	2.1	-	-	-	-	-	-	-	-	2.1	-	-	-	-	-	-	-	-
Avida Land Corp.	0.0%	1.0	-	-	-	-	-	-	-	1.0	-	-	-	-	-	-	-	-	-
Ayala Corporation	1.7%	85.3	-	-	-	-	-	-	-	-	-	-	-	-	85.3	-	-	-	-
Bank of the Philippine Islands	2.7%	138.6	-	1.6	-	-	14.0	-	0.4	-	-	-	-	-	122.6	-	-	-	-
Bay City Commercial Ventures Corp.	0.3%	13.9	-	-	2.3	-	11.6	-	-	-	-	-	-	-	-	-	-	-	-
BPI Asset Management and Trust Corporation	0.7%	36.4	-	-	-	-	-	-	-	-	-	-	-	-	36.4	-	-	-	-
BPI Securities Corporation	0.1%	6.2	-	-	-	-	-	-	-	-	-	-	-	-	6.2	-	-	-	-
BPI Capital Corporation	0.1%	6.4	-	-	-	-	-	-	-	-	-	-	-	-	6.4	-	-	-	-
First Gateway Real Estate Corporation	0.1%	6.4	-	6.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Giga Ace 8 Inc.	5.7%	287.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	287.9
Integrated Microelectronics, Inc.	0.9%	45.2	-	-	-	45.2	-	-	-	-	-	-	-	-	-	-	-	-	-
		-																	
<b>Interest income from finance lease receivables</b>																			
AyalaLand Malls, Inc.	7.1%	357.0	-	-	-	-	-	-	-	-	-	140.1	-	-	-	216.9	-	-	-
Bay City Commercial Ventures Corp.	0.7%	36.4	-	-	14.2	-	22.2	-	-	-	-	-	-	-	-	-	-	-	-
Cebu Insular Hotel Co., Inc.	1.1%	56.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.1	-
Econorth Resort Ventures, Inc.	1.0%	51.7	-	-	-	-	-	-	-	-	-	-	-	51.7	-	-	-	-	-
Greenhaven Property Ventures, Inc.	2.1%	105.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105.6	-	-
Makati North Hotel Ventures, Inc.	1.4%	72.5	-	72.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Northbeacon Commercial Corporation	1.8%	91.2	-	-	-	-	-	-	-	-	-	-	91.2	-	-	-	-	-	-
<b>Total rental income and interest income from finance lease receivables</b>	<b>29.6%</b>	<b>1,492.6</b>	<b>-</b>	<b>80.5</b>	<b>16.5</b>	<b>45.2</b>	<b>47.8</b>	<b>0.8</b>	<b>0.4</b>	<b>1.0</b>	<b>2.1</b>	<b>140.1</b>	<b>91.2</b>	<b>51.7</b>	<b>348.8</b>	<b>216.9</b>	<b>105.6</b>	<b>56.1</b>	<b>287.9</b>

**C. Statement of Cash Flows for the Period Ended June 30, 2025 (In Pesos, Millions)**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Income before income tax	4,122.1
Adjustments for:	
Net fair value change in investment properties	157.0
Depreciation and amortization	0.2
Interest expense	100.8
Interest income from finance lease receivables	(770.5)
Interest income	(68.4)
<b>Operating income before working capital changes</b>	<b>3,541.1</b>
Changes in operating assets and liabilities:	
Decrease (increase) in:	
Receivables	304.1
Other assets	(58.1)
Increase (decrease) in:	
Accounts and other payables	678.6
Deposits and other liabilities	315.4
Construction bonds	6.1
<b>Cash generated from (used in) operations</b>	<b>4,787.1</b>
Interest received	68.4
Income tax paid	(1.0)
<b>Net cash flows provided by (used in) operating activities</b>	<b>4,854.5</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Decrease (increase) in due from related parties	(943.0)
Payments for additions to investment properties and PPE	(82.3)
<b>Net cash flows provided by (used in) investing activities</b>	<b>(1,025.3)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Payments of dividends	(3,723.2)
Interest paid	(57.1)
Payments of lease liability	(8.0)
<b>Net cash flows provided by (used in) financing activities</b>	<b>(3,788.3)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>40.8</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>71.2</b>
<b>CASH AT END OF PERIOD</b>	<b>112.0</b>

**D. Adjusted Funds from Operations for the Period Ended June 30, 2025 (In Pesos, Millions)**

	<b>Total</b>
Net income after tax	4,121.1
Add back: Depreciation	0.2
Change in fair value of investment property	157.0
Deduct: CAPEX	(201.5)
Straight line amortization	(157.0)
<b>Adjusted Funds from Operations</b>	<b>3,919.8</b>

E. Operating Statistics as of June 30, 2025

Overall						
Property	Location	Total gross leasable area (GLA) in sq. m	Occupied GLA, in sq. m	Occupancy rate	Revenue Contribution in 1H25	Cost contribution in 1H25 <sup>1</sup>
Solaris	Makati	46,768	43,658	93%	6.2%	7.9%
Ayala North Exchange	Makati	95,314	88,493	93%	9.2%	11.4%
MECC	Makati	10,688	10,287	96%	1.6%	1.2%
TP Cebu	Cebu	18,093	18,093	100%	1.5%	1.7%
The30th	Pasig	74,704	73,463	98%	5.2%	6.5%
Laguna Technopark Land	Laguna	98,179	98,179	100%	0.8%	0.2%
Vertis	Quezon City	164,450	158,200	96%	13.4%	15.9%
BPI-Philam Makati	Makati	1,072	660	62%	0.0%	0.1%
BPI-Philam Alabang	Muntinlupa	212	-	0%	0.0%	0.0%
Bacolod Capitol	Negros Occidental	11,313	11,313	100%	0.8%	0.9%
Ayala Northpoint	Negros Occidental	4,654	4,654	100%	0.3%	0.5%
Evotech	Laguna	23,727	23,135	98%	2.6%	2.0%
Ebloc Towers 1-4	Cebu	79,640	76,993	97%	7.3%	8.1%
ACC Tower	Cebu	27,458	23,514	86%	1.7%	2.5%
Tech Tower	Cebu	16,273	15,028	92%	0.9%	1.3%
One Ayala East and West Towers	Makati	70,995	70,995	100%	13.4%	16.1%
Glorietta 1&2 BPO and Mall	Makati	108,790	108,365	100%	8.1%	6.3%
Marque Mall	Pampanga	66,041	66,041	100%	1.5%	0.5%
Seda Lio	Palawan	17,680	17,680	100%	0.9%	0.1%
Ayala Triangle T2	Makati	63,150	63,150	100%	13.3%	14.7%
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%	0.9%	0.2%
Palauig Lot	Zambales	2,759,135	2,759,135	100%	4.9%	0.7%

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 1H24) <sup>2</sup>
Solaris	46,027	42,917	93%	1,093	5%
Ayala North Exchange	61,737	55,401	90%	1,061	5%
MECC	9,633	9,633	100%	1,077	4%
TP Cebu	17,682	17,682	100%	735	3%
The30th	47,871	46,630	97%	759	0%
Vertis	125,144	118,558	95%	854	3%
BPI-Philam Makati	1,072	660	62%	567	-
BPI-Philam Alabang	212	-	0%	838	0%

Bacolod Capitol	11,313	11,313	100%	500	0%
Ayala Northpoint	4,654	4,654	100%	450	-5%
Evotech	23,058	22,777	99%	664	1%
Ebloc Towers 1-4	74,992	72,827	97%	644	1%
ACC Tower	27,458	23,514	86%	638	2%
Tech Tower	14,941	14,073	94%	530	6%
One Ayala East and West Towers	70,995	70,995	100%	1,371	4%
Glorietta 1&2 BPO	40,026	39,601	99%	1,331	5%
Ayala Triangle T2	63,150	63,150	100%	1,665	N/A

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

<sup>(2)</sup> 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	92%	86%	89%	80%	66%
Ave. rent/sq. m	₱ 900-1,400	₱ 900-1,300	₱ 500-900	₱ 550-800	₱ 450-750

Source:

- Colliers Philippines Research. H1 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.

Property	Type	Valuation cost <sup>1</sup> (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

<b>One Ayala East and West Towers</b>	Building	12,319	December 2024	Income Approach
<b>Glorietta 1&amp;2 BPOs</b>	Building	7,864	December 2024	Income Approach
<b>Ayala Triangle T2</b>	Building	13,954	December 2024	Income Approach
<b>Palauig Lot</b>	Land	6,857	December 2024	Income Approach

<sup>(1)</sup> Does not include properties accounted for under finance lease - ANE Seda, The 30<sup>th</sup> 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 June 30, 2025

	<b>Total value</b> <i>In millions</i>	<b>Value per share</b>
Book value	113,768,361	35.44
Net asset value	115,052,403	35.84
Market capitalization	131,604,505	41.00

#### I. Performance Indicators as of June 30, 2025

Current ratio <sup>1</sup>	0.82
Net debt-to-equity ratio <sup>2</sup>	0.02
Profitability Ratios:	
Return on assets <sup>3</sup>	7%
Return on equity <sup>4</sup>	7%
Asset to Equity ratio <sup>5</sup>	1.10
Market-to-book ratio <sup>6</sup>	1.16

Net debt-to-equity ratio as of June 30, 2025 is 0.02. Total borrowings ₱2.00 billion represent short term bank loans which resulted in interest expense of ₱57.0 million for YTD June 30, 2025.

- <sup>(1)</sup> 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.
- <sup>(2)</sup> Net debt to equity ratio is derived by dividing our total loans and borrowings less cash by total equity.
- <sup>(3)</sup> Return on assets is derived by annualized net income by total assets
- <sup>(4)</sup> 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.
- <sup>(5)</sup> 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.
- <sup>(6)</sup> 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 August 13, 2025, the Board of Directors declared cash dividends of ₱ 0.59 per outstanding common share for the first quarter of 2025. The cash dividends will be payable on September 12, 2025 to stockholders on record as of August 29, 2025. To date, the total shareholder return is 91% based on IPO price per share of ₱ 27.00.

YTD 2025 Dividends per share	₱ 0.59
Price per share as of June 30, 2025	₱ 41.00
Annualized dividend yield based on closing price as of June 30, 2025	5.73%
Price growth based on IPO price per share of ₱ 27.00	51.85% <sup>1</sup>
Total return since IPO	91.37% <sup>1</sup>
<b>REIT Benchmarks</b>	
Ten-year BVAL as of end of period	6.2763%
Dividend yield of Asia Pacific REITs	6.00% <sup>2</sup>

Source:

<sup>(1)</sup> Based on closing price as of June 30, 2025

<sup>(2)</sup> 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 July 31, 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 June 30, 2025 is ₱ 1.17, 4.46% higher than the 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.

	1H24	1H25	Growth rate
Dividends per share	₱ 1.12	₱ 1.17	4.46%

Computation of the distributable income of the Company for YTD June 30 2025 is shown below.

(In Millions):

Net income	₱ 4,121.1
Unrealized (gain)/loss on fair value change in investment properties	157.0
Straight line amortization	(157.0)
<b>Distributable income</b>	<b>₱ 4,121.1</b>

## II. PERFORMANCE METRICS

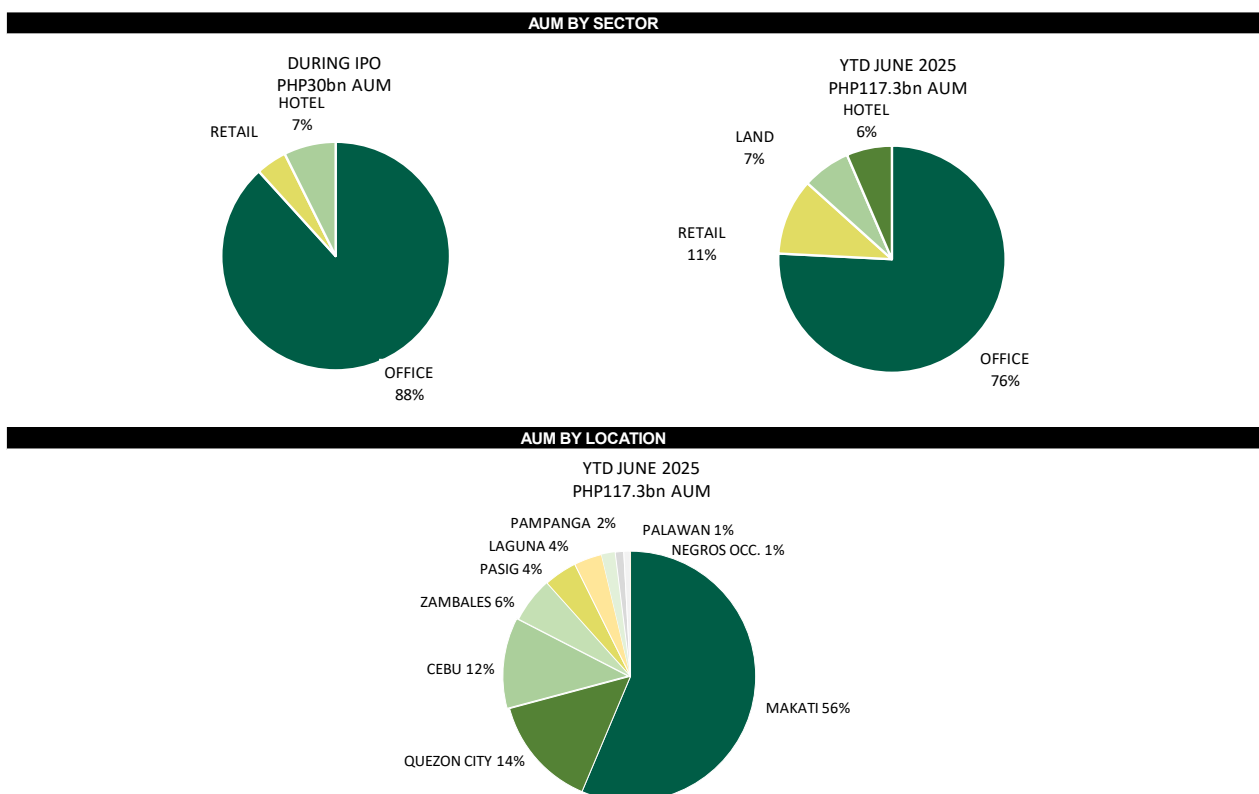
### II. Performance Highlights

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.

### 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 June 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.



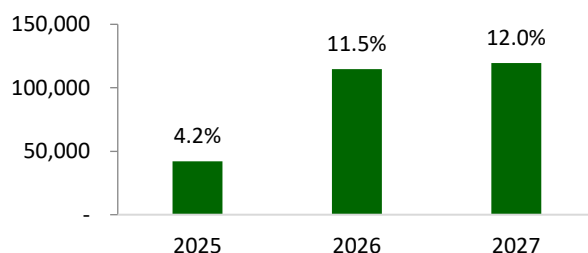
### Stable Occupancy and Tenancy

AREIT's consistent and solid operations in the quarter ended June 30, 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 20.3 years and 3.5 years for offices. Lease expiries are also manageable in the next three years.

### Weighted Average Lease Expiry (WALE)

Property	WALE (years)
Office	3.5
Retail	24.4
Hotel	26.7
Industrial Land	23.3
<b>Overall</b>	<b>20.3</b>

### 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. <sup>1</sup>	2,759,135	72%
2	AyalaLand Malls, Inc. (Glorietta 1 & 2 and Greenbelt 3&5 Mall) <sup>2</sup>	162,496	4%
3	Integrated Microelectronics, Inc. <sup>2</sup>	98,179	3%
4	Bay City Commercial Ventures Corp. (Ayala Malls The 30th and Vertis Mall) <sup>3</sup>	67,207	2%
5	Northbeacon Commercial Corporation (Marquee Mall) <sup>4</sup>	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%
<b>Total GLA</b>		<b>3,360,826</b>	<b>87%</b>

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

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

<sup>(3)</sup> Subsidiary of Ayala Corporation

<sup>(4)</sup> 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

  
**CRISTINA C. PIZARRO**  
Attorney-in-Fact

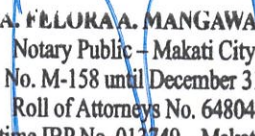
SUBSCRIBED AND SWORN to before me this AUG 13 2025 at Makati City, affiants exhibiting to me their identification documents as follows:

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
Cristina C. Pizarro	Driver's License No. N04-12-022730	Expiration Date 04 Oct 2034

Doc. No.: 182  
Page No.: 38  
Book No.: 18  
Series of: 2025



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  
Lifetime IBP No. 013749 – Makati City  
PTR No. MKT10473034 – 01/06/2025 - Makati City  
MCLE Compliance No. VIII – 00026828 – 04/10/2025  
28th Floor, Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines