



05 November 2025

**Securities and Exchange Commission**

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

Attention: **Atty. Oliver O. Leonardo**  
*Director, Markets, and Securities Regulation Department*

**Philippine Stock Exchange, Inc.**

6th Floor, PSE Tower, 28<sup>th</sup> Street corner 5<sup>th</sup> Avenue,  
Bonifacio Global City, Taguig City

Attention: **Atty. Johanne Daniel M. Negre**  
*Officer-in-Charge, Disclosure Department*

Re: **Comprehensive Corporate Disclosure on Issuance of Shares**  
AREIT, Inc.

Dear Mesdames and Gentlemen,

In compliance with Article V, Part A, Section 6 of the Consolidated Listing and Disclosure Rules of the Philippine Stock Exchange, we hereby submit the Comprehensive Corporate Disclosure on the property-for-share swap among AREIT, Inc. (AREIT) with Ayala Land, Inc. (ALI) and its subsidiary, Summerhill Commercial Ventures Corporation (Summerhill), as approved by the AREIT Board of Directors in its 28 October 2025 meeting.

The transaction involves issuing 441,131,656 AREIT primary common shares to ALI and Summerhill in exchange for two (2) commercial buildings located in Cebu and Pasig City with an aggregate value of ₱19,475,962,612.40, within the fair range of values as validated by a third-party fairness opinion provider.

Please see the attached information for your reference.

Thank you.

A handwritten signature in blue ink, appearing to read 'mfmcruz'.

**MA. FLORENCE THERESE DG. MARTIREZ-CRUZ**  
Chief Compliance Officer

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**AREIT, Inc.**  
**Comprehensive Corporate Disclosure on Issuance of Shares**

On the issuance of 441,131,656 AREIT primary common shares (the “Shares”) to Ayala Land, Inc. (“ALI”) and its subsidiary, Summerhill Commercial Ventures Corporation (“Summerhill”),<sup>1</sup> (ALI and Summerhill are hereinafter collectively referred to as the “Transferors”) at an issue price of ₱44.15 per share, set at a premium over the thirty (30)-day volume weighted average price (“30-day VWAP”) or the Market Price<sup>2</sup> of ₱43.93, in exchange for two (2) commercial buildings located in Cebu and Pasig City, with an aggregate value of ₱19,475,962,612.40, within the fair range of values as validated by a third-party fairness opinion provider.

**I. Duly Executed Agreements Relevant to the Proposed Transaction**

Definitive agreements on the transaction (as defined below) will be duly disclosed to the Exchange and the Securities and Exchange Commission (“SEC”) upon execution. The Company expects to execute the definitive agreements for the transaction by December 2025.

**II. The Proposed Transaction and Timetable for Implementation and Related Regulatory Requirements**

The Company, ALI, and Summerhill will execute a property-for-share swap transaction whereby the Company will issue the Shares to ALI and Summerhill (as illustrated in Table 2 below) in exchange for the following identified properties valued at ₱19,475,962,612.40 (the “Transaction”), at an issue price of ₱44.15 per share (“Transaction Price”).

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

Property	Registered Owner	Fair Market Value (in Php)	Transaction Value (in Php)
Ayala Center Cebu Mall	ALI	16,033,711,000.00	15,313,825,379.80
Feliz Mall	Summerhill*	4,351,901,000.00	4,162,137,232.60
<b>Total</b>		<b>₱20,385,612,000.00</b>	<b>₱19,475,962,612.40</b>

\*Summerhill is a wholly-owned subsidiary of ALI. (collectively, the “Properties”)

**Table 2 – Breakdown of Shares to be Issued to ALI and Summerhill**

Stockholder	Number of Shares
ALI	346,859,012
Summerhill	94,272,644
<b>TOTAL</b>	<b>441,131,656</b>

The Properties will be used by the Transferors as payment for the Shares. The Transaction will be implemented as a tax-free exchange and is supported by a fairness opinion on the valuation of the Shares and of the Properties prepared and issued by FTI Consulting Philippines, Inc. (“FTI Consulting”), an independent fairness opinion provider accredited by both the SEC and the Philippine Stock Exchange (“PSE”). The Properties have been evaluated by AREIT Fund Managers, Inc. (“AFMI”) and has been appraised by Cuervo Appraisers, Inc. (“Cuervo”). The Fairness Opinion issued by FTI Consulting and the Valuation Reports issued by Cuervo are collectively attached hereto as **Annexes A** and **B**, respectively.

The infusion of the Properties into AREIT is in line with the objective of AREIT and its Sponsor, ALI, to grow the asset base of AREIT through the infusion of several high-quality assets to maximize value accretion for AREIT’s shareholders.

The Transaction is subject to the approval of AREIT stockholders at the Company’s special meeting of stockholders to be held on 11 December 2025.

<sup>1</sup> 100% owned by Ayala Land, Inc.

<sup>2</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 on 28 October 2025.

AREIT will apply for the additional listing of the Shares resulting from the Transaction. The final Transaction Price is set at a premium over the 30-day VWAP of ₱43.93 or the Market Price. In accordance with the PSE's Consolidated Listing and Disclosure Rules ("PSE Rules"), Article V, Part A, Section 3, paragraph (a), "Market Price" means the volume weighted average of the closing prices for a period of thirty (30) Trading Days prior to the transaction or the date of the approval of the Board of Directors. As such, the Transaction falls within the Exceptions to the conduct of a rights or public offering requirement of the PSE Rules, thus:

"ARTICLE V  
ADDITIONAL LISTING OF SECURITIES

PART A  
GENERAL

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SECTION 3. Exceptions to the Rights or Public Offering Requirement – The Exchange shall grant an exception to the rights or public offering requirement in the following cases:

- (a) The transaction price for the shares subscribed is set at a premium over the prevailing market price. Market Price shall mean the weighted average of the closing prices for a period of thirty (30) Trading Days prior to the transaction;

\*\*\*"

The exchange of the Shares for the Properties will qualify as a tax-free exchange under Section 40(C)(2) of the Tax Code, as amended, which provides that:

"Section 40. Determination of Amount and Recognition of Gain or Loss –

(C) Exchange of Property – \* \* \*

(2) Exception. – \* \* \*

No gain or loss shall also be recognized on a corporation or on its stock or securities if such corporation is a party to a reorganization and exchanges property in pursuance to a plan of reorganization solely for stock or securities in another corporation that is a party to the reorganization. A reorganization is defined as: \*\*\*

No gain or loss shall also be recognized if property is transferred to a corporation by a person alone or together with others, not exceeding four (4) persons, in exchange for stock or unit of participation in such a corporation of which as a result of such exchange the transferor or transferors, collectively, gains or maintains control of said corporation: *Provided*, That stocks issued for services shall not be considered as issued in return for property. \*\*\*\*"

Section 40(C)(2) of the Tax Code, as amended, has been interpreted by the Supreme Court in the case of *Commissioner of Internal Revenue vs. Filinvest Development Corporation* (G.R. No. 167689, 9 July 2011), to mean that a tax-free exchange applies when the controlling person gains "further control" or transfers where the transferor already has control of the corporation at the time of the exchange.

Further, the case of *Commissioner of Internal Revenue vs. Lucio L. Co, et al.* (G.R. No. 241424, 26 February 2020) reiterated that Section 40(C)(2) applies even in cases where the transferors collectively gain or maintains control of the transferor, as such the Supreme Court "clarified that it is not necessary that, after the exchange, each of the transferors individually gains control of the transferee corporation." The Court explained that the application of Section 40(C)(2) "does not prohibit instances where the transferor gains further control of the transferee corporation" and that "the element of control is satisfied even if one of the transferors is already owning at least 51% of the shares of the transferee corporation, as long as after the exchange, the transferors, not more than five, collectively increase their equity in the transferee corporation by 51% or more."

The Company expects to execute the Deed of Exchange and file the application for approval of the original issuance of shares with the SEC within December 2025, and the issuance of the Certificates Authorizing Registration (“eCAR”) with the relevant office of the Bureau of Internal Revenue (“BIR”) within the second half of 2026. The SEC’s approval of the Transaction is expected to be issued within the first half of 2026, and the BIR’s eCAR issuance is expected to be issued within the second half of 2026. The Company shall likewise apply for the additional listing of shares with the Exchange by the second half of 2026. The indicative timetable for implementation of the Transaction is as follows:

**Table 3 – Indicative Timetable for Implementation**

Special Stockholders’ Meeting	11 December 2025
Deed of Exchange Execution	December 2025
SEC Approval (Issuance of Shares and Confirmation of Valuation of the Transaction)	1H 2026
Issuance of eCAR	2H 2026
PSE Listing of Additional Shares	2H 2026

### **III. The Rationale of the Benefits Expected to Accrue to the Listed Company as a Result of the Proposed Transaction**

As the first Philippine Real Estate Investment Trust (“REIT”) successfully listed 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. Since its initial public offering (“IPO”), AREIT has delivered on its growth plan, resulting in a 99% total shareholder return from dividend yield and price appreciation, based on the closing price of ₱43.10 on 27 October 2025.

AREIT started with 153 thousand square meters equivalent to ₱30 billion of Assets Under Management (“AUM”) in 2020. By December 2021, this has grown to 549 thousand square meters, equivalent to ₱53 billion in AUM. At the close of 2022, AREIT expanded to 673 thousand square meters, equivalent to ₱64 billion in AUM. In September 2023, AREIT further grew its portfolio to 861 thousand square meters and ₱87 billion in AUM, nearly tripling its size since AREIT went public, exceeding its target to double in size within two years from its IPO. AREIT continued to grow its portfolio in 2024, hitting 1.03 million square meters and ₱117 billion in AUM. Today, AREIT’s portfolio stands at 1.43 million square meters of building gross leasable area and 286 hectares of industrial land, with an AUM of ₱138 billion. With this asset infusion, AREIT will further grow its building portfolio to over 1.81 million square meters in gross leasable area and 286 hectares of industrial land totaling ₱158 billion in AUM. The new asset infusion of prime commercial buildings will expand, balance, and diversify AREIT’s portfolio to capture growth opportunities across various types of real estate and key cities and growth centers in the country.

The Properties are expected to contribute further to AREIT’s operating cashflows, boosting dividends per share. At a competitive capitalization rate, the Properties were valued based on a stable level of operating income and the expected yield of the property after considering a long-term sustainable growth for the office, mall, and hotel assets. AREIT’s dividend yield is approximately 5.4% from its existing assets based on the 30-day VWAP of ₱43.93. The asset-for-share swap will be accretive after the new assets are infused.

The table of Properties transferred to AREIT, including the gross leasable area, location, and occupancy is attached herewith as **Annex C**.

### **IV. Aggregate Value of the Consideration and Terms of Any Payment Arrangement**

The Properties are valued at ₱19,475,962,612.40 within the range of values provided in the Fairness Opinion by FTI Consulting and the Appraisal Reports issued by Cuervo.

FTI Consulting used the Discounted Cashflows (“DCF”) Approach as the primary method to estimate the fair value of the Shares and Properties. Under the DCF approach, FTI Consulting discounted the cashflows of AREIT and the Properties based on a weighted average cost of capital (“WACC”) using the Capital Asset Pricing Model for the assets. The Comparable Public Companies Method and Volume Weighted Average Price Method were used as secondary methods to cross-check the value of the AREIT shares. The Direct Capitalization Approach was used to cross-check the value of the Properties.

Subject to regulatory approvals (including BIR's eCAR issuance allowing the transfer of Properties to AREIT as a tax-free exchange transaction under the Tax Code, as amended, and SEC's approval of the original issuance of Shares to the Transferors), the Transaction will close upon the listing of the Shares with the PSE.

## V. Consideration/Issue Value

AREIT will issue the Shares to the Transferors at an issue price of ₱44.15 per share, set at a premium over the 30-day VWAP of ₱43.93 or Market Price, which is likewise based on AFMI's valuation, which AREIT believes is fair to both the Company, as the issuer, and ALI and the Subsidiaries, as the subscribers. The issue price of ₱44.15 per share is within the range of fair values based on the fairness opinion issued by FTI Consulting.

## VI. Application of Proceeds

The Shares will be issued to the Transferors in exchange for the Properties. AREIT expects to execute the Deed of Exchange within December 2025 and file the application for the confirmation of valuation and issuance of original shares, and the Transaction with the SEC in the same month. The application for eCAR with the BIR is expected to be filed within the second half of 2026.

## VII. Identity of Beneficial Owners of the Shares Subscribed

**Table 4 – Identity of Beneficial Owners of the Shares Subscribed**

Beneficial Owners/ Subscribers	Nature of Business	Nature of any material relationship with the Issuer and the parties to the transaction, their directors/officers or any of their affiliates
Ayala Land, Inc.	ALI is a public corporation organized under the laws of the Philippines. ALI is the largest property developer in the Philippines with a solid track record in developing large-scale, integrated, mixed-use, sustainable estates that are thriving economic centers in their respective regions. ALI holds a balanced and complementary mix of residential developments, shopping centers, offices, hotels and resorts, and other businesses. ALI owns and operates Ayala Center Cebu located in Cebu City.	<p>ALI is the Sponsor of AREIT and, as of date hereof, directly and indirectly owns 61.25% of AREIT shares, as follows:</p> <p>ALI – direct ownership of 1,567,728,665 shares equivalent to 42.19%</p> <p>AyalaLand Malls, Inc. (ALMI) – direct ownership of 287,186,771 shares equivalent to 7.73% (ALMI is 100% owned by ALI)</p> <p>Northbeacon Commercial Corporation (NBCC) – direct ownership of 55,382,567 shares equivalent to 1.49% (NBCC is 100% owned by ALI)</p> <p>Greenhaven Property Ventures, Inc. (Greenhaven), a wholly-owned subsidiary of Ayala Hotels and Resorts Corporation (AHRC), a wholly-owned subsidiary of ALI – direct ownership of</p>

		<p>77,505,974 shares equivalent to 2.09%</p> <p>Cebu Insular Hotel Co., Inc. (Cebu Insular), a subsidiary of ALI and AHRC – direct ownership of 38,326,934 shares equivalent to 1.03%</p> <p>Accendo Commercial Corp. (Accendo), a subsidiary of ALI, the latter owning 67% of Accendo – direct ownership of 112,424,084 shares equivalent to 3.03%</p> <p>Cagayan de Oro Gateway Corp. (CDOGC), a subsidiary of ALI, the latter owning 70% of CDOGC – direct ownership of 133,334,821 shares equivalent to 3.59%</p>
Summerhill Commercial Ventures Corp.	Summerhill is organized primarily to engage in the business of owning, holding, using, selling, assigning, transferring, mortgaging, pledging, exchanging, otherwise disposing of real and personal property of any kind. It owns and operates AyalaMalls Feliz located in Pasig City.	Summerhill is a wholly-owned subsidiary of ALI.

## VIII. Additional Information on Ayala Land, Inc. and Summerhill Commercial Ventures Corp.

### A. *Ayala Land, Inc.*

ALI was registered with the SEC on 20 June 1988. It is the largest property developer in the country with a solid track record in developing large-scale, integrated, mixed-use, and sustainable estates that are now thriving economic centers.

#### 1. *Articles of Incorporation*

The Articles of Incorporation of ALI is attached hereto as **Annex D**.

The primary purpose of ALI, as stated in its Amended Articles of Incorporation dated 22 August 2014, is:

"To deal and engage in land or real estate business in all its branches and ramifications, to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, or otherwise deal in and dispose of, for itself or for others, for profit and advantage, residential including, but not limited to, all kinds of housing projects, commercial, industrial, urban or other kinds of real property, improved or unimproved, with or to such persons and entities and under such terms and conditions as may be permitted by law; to acquire, purchase, hold, manage, develop, and sell subdivision lots, with or without buildings or improvements, for such other consideration and in such manner or form as the Corporation may determine or as the law permits; to erect, construct, alter, manage, operate, lease, in whole or in part, buildings and tenements of the Corporation or of other persons, to engage or act as real estate broker, on commission or for such fees as may be proper or legal and to exercise or undertake such powers and purposes as may be required and necessarily implied from the purposes herein mentioned."

## 2. *Major Projects and Investments*

ALI is the largest property developer in the Philippines with a solid track record in developing large-scale, integrated, mixed-use, sustainable estates that are thriving economic centers in their respective regions. ALI has successfully developed properties in and transformed the neighborhoods of the Makati CBD, Ayala Alabang, Cebu Park District, and Bonifacio Global City. With over 10 thousand hectares in its land bank, 53 estates, and presence in 57 growth centers across the country, ALI holds a balanced and complementary mix of residential developments, shopping centers, offices, hotels and resorts, and other businesses. ALI has ample experience in the real estate industry in the Philippines, focusing its business on strategic business lines, including property development, commercial leasing, hotels and resorts, and real-estate-adjacent services.

ALI's property development activities concern the sale of high-end residential lots and units (including leisure community developments), office spaces, commercial and industrial lots, middle-income residential lots and units, affordable lot units and house and lot packages, economic housing units and house and lot packages, and socialized housing packages, and the lease of residential units and marketing of residential developments. These products are developed and sold through ALI's subsidiaries under a variety of brands, including AyalaLand Premier for high-end village lots and condominium units; Alveo Land Corp. for upscale village lots, condominium and office units; Avida Land Corp. for middle-income village lots, house and lot packages, condominium and office units; Amaia Land Corp. for economic house and lot packages; and BellaVita Land Corp. for the socialized house and lot packages.

ALI's experience with commercial leasing is broad and encompasses the development and leasing of office buildings, factory buildings, shopping centers, and hotels and resorts. This experience also includes the operation of movie theaters, food courts, entertainment facilities, and carparks in developed shopping centers; management and operations of malls which are co-owned with partners; and operation and management of branded and owner-operated hotels.

ALI also offers real estate related services such as construction, for land development and construction of ALI and third-party projects, and property management, for properties of ALI and third-party projects. Such property management activities also include operation of water and sewage treatment facilities, distribution of district cooling systems, and bulk purchase and supply of electricity for energy solutions. Construction and property management services are led by ALI's subsidiaries, Makati Development Corporation and Ayala Property Management Corporation, respectively.

## 3. *Capital and Organizational Structure*

Attached as **Annex E** is the latest General Information Sheet with Organizational Structure of ALI.

## 4. *Latest Audited Financial Statements*

The audited financial statements of ALI for the years 2022, 2023, and 2024 are attached as **Annexes F, G, and H**, respectively.

## 5. *List of Subsidiaries and Affiliates*

Please refer to Annex E for the complete list of companies under the ALI Group.

## 6. *Board of Directors and Officers*

Directors:

- a. Jaime Augusto Zobel de Ayala – Chairman
- b. Cezar P. Consing – Director, Vice Chairman

- c. Anna Ma. Margarita B. Dy –Director, President and Chief Executive Officer
- d. Fernando Zobel de Ayala – Director
- e. Mariana Beatriz Zobel de Ayala – Director, Senior Vice President
- f. Daniel Gabriel M. Montecillo – Lead Independent Director
- g. Rex Ma. A. Mendoza – Independent Director
- h. Cesar V. Purisima – Independent Director
- i. Surendra Mohan Menon – Independent Director

Officers:

- a. Anna Ma. Margarita B. Dy – President and Chief Executive Officer
- b. Augusto D. Bengzon – Senior Vice President
- c. Raquel S. Cruz – Senior Vice President
- d. Joseph Carmichael Z. Jugo – Senior Vice President
- e. Robert S. Lao – Senior Vice President
- f. Jose Eduardo A. Quimpo II – Senior Vice President, Chief Finance Officer, Treasurer, and Chief Risk Officer
- g. Darwin L. Salipsip – Senior Vice President
- h. Maria Franchette M. Acosta – Group General Counsel and Corporate Secretary
- i. Millette A. Arnedo – Vice President, Chief Legal Officer, Chief Compliance Officer, Data Protection Officer, and Assistant Corporate Secretary
- j. Annabeth R. Bernardo – Chief Audit Executive
- k. Roscoe M. Pineda – Vice President and Chief Information Officer
- l. Isabel D. Sagun – Vice President and Chief Human Resources Officer

**B. Summerhill Commercial Ventures Corp.**

**1. Articles of Incorporation**

The Amended Articles of Incorporation of Summerhill is attached hereto as **Annex I**.

The primary purpose of Summerhill, as stated in its Amended Articles of Incorporation dated 27 December 2019, is:

“To purchase, subscribe for or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose o[f] real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, any evidence of indebtedness and other securities, contracts or obligations of any corporation or corporations or association or associations, domestic or foreign, engaged in the business of real estate and related interests, manufacturing, trading and agribusiness; and to pay in whole or in part, in cash or by exchanging therefore, stocks, bonds or other evidence of indebtedness or securities of this or any other corporation; and while the owner or holder of any such real or personal property, stocks, bonds, debentures, notes, evidence of indebtedness or other securities, contracts or obligations, to receive, collect and dispose of the interest, dividends and income arising from such property and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock owned, without however engaging in dealership in securities or in the stock brokerage business or in the business of an investment company; to the extent permitted by law, to aid either by loans or by guaranty of securities or in any other manner, any corporation, domestic or foreign, any share of stock, or any bond, debenture, evidence of indebtedness or other security whereof are held by this corporation or in which it shall have the interest; and to do any designed to protect, preserve, improve or enhance the value of, or otherwise develop, any real or personal property at any time held or controlled by this corporation or in which it may at that time be interested.”



## 2. Major Projects and Investments

Summerhill is a wholly-owned subsidiary of ALI. Summerhill is organized primarily as a real estate holding company and is authorized to operate Ayala Malls Feliz located in Pasig City.

## 3. Capital and Organizational Structure

Summerhill is 100% owned by ALI. Attached as **Annex J** is the latest General Information Sheet of Summerhill. Please refer to Annex E for the Organizational Structure of ALI which includes Summerhill.

## 4. Latest Audited Financial Statements

The audited financial statements of Summerhill for the years 2022, 2023, and 2024 are attached as **Annexes K, L, and M**.

## 5. List of Subsidiaries and Affiliates

Summerhill does not have any subsidiaries. Please refer to Annex E for a list of its affiliates under the ALI Group.

## 6. Board of Directors and Officers

Directors:

- a. Paul A. Birkett – Chairman
- b. Jose Ramon E. Katipunan – Member
- c. Elaine Marie F. Alzona – Member
- d. Annbrigitte-Evangeline M. Guilas – Member
- e. Roann F. Hinolan-Batoon – Member

Officers:

- a. Jose Ramon E. Katipunan – President
- b. Elaine Marie F. Alzona – Treasurer
- c. Arlene G. Negro – Chief Finance Officer
- d. Maria Paula G. Romero-Bautista – Corporate Secretary
- e. Patricia A. Madarang-Daway – Assistant Corporate Secretary
- f. Roscoe M. Pineda – Data Protection Officer
- g. Cristina Rose G. Samson – AMLC Compliance Officer

## IX. Statement of Active Business Pursuits and Objectives

The Company is the first Philippine REIT that successfully became publicly listed. Upon listing in August 2020, the Company's property portfolio consists of three (3) commercial buildings in Metro Manila:

**Table 5 – AREIT's Property Portfolio Upon Listing**

	<b>Solaris One</b>	<b>Ayala North Exchange</b>	<b>McKinley Exchange</b>
<b>Year Completed</b>	2008	2019	2014
<b>Description</b>	Grade A, PEZA-Accredited 24-storey commercial building	Grade A, PEZA-accredited, mixed-use development	Grade A, PEZA-accredited, mixed-use development
<b>Location</b>	130 Dela Rosa, Legaspi Village, Makati City	6796 Ayala Avenue corner Salcedo Street, Legaspi Village, Makati City	McKinley Road corner EDSA, Makati City
<b>GLA</b>	46,768 sq.m.	95,300 sq.m.	10,687 sq.m.
<b>Right over Building</b>	Owned	Owned	Leased
<b>Right over Land</b>	Leased	Leased	Leased
<b>Land Lease Expiry</b>	2048	2058	2054

On 15 September 2020, AREIT purchased from ALO Prime Realty Corp., a wholly-owned subsidiary of ALI, the building known as Teleperformance Cebu, in accordance with its REIT Plan. Thereafter, AREIT continued to grow its portfolio by acquiring The 30<sup>th</sup> Commercial Development, and parcels of industrial land in Laguna Technopark:

**Table 6 – AREIT's Acquisitions 2020 to January 2021**

	Teleperformance Cebu	The 30 <sup>th</sup>	Laguna Technopark Lots
<b>Year Completed</b>	2010	2017	N/A
<b>Description</b>	Grade A, Gold LEED, PEZA-Accredited 12-storey commercial building	Grade A, PEZA-accredited, mixed-use development	Four (4) land parcels leased by Integrated Micro-Electronics, Inc.
<b>Location</b>	Inez Villa Street, Cebu I.T. Park (formerly Asiatown I.T. Park), Barangay Apas, Cebu City	Meralco Avenue, Pasig City	Laguna Technopark, Binan, Laguna
<b>GLA</b>	18,092 sq.m.	74,704 sq.m.	98,179 sq.m. (land)
<b>Right over Building</b>	Owned	Owned	N/A
<b>Right over Land</b>	Leased	Leased	Owned
<b>Land Lease Expiry</b>	2051	2056	N/A

On 8 June 2021, ALI, and its subsidiaries, Westview Commercial Ventures Corp. ("WCVC") and Glensworth Development, Inc. ("GDI"), entered into a Deed of Exchange with AREIT whereby the latter issued 483,254,375 primary common shares of stock to ALI, WCVC, and GDI, at an issue price of ₱32.00 per share in exchange for identified properties valued at ₱15,464,140,000. On 8 October 2021, AREIT received the approval of the SEC of the said property-for-share swap and allowed the issuance of 483,254,375 shares of AREIT in favor of ALI, WCVC, and GDI, in exchange for the following identified properties valued at ₱15,464,140,000:

**Table 7 – AREIT's Property-for-Share Swap with ALI, WCVC, and GDI**

	Vertis North Mall and Corporate Centers 1, 2, and 3	BPI-Philam Life Makati	BPI-Philam Life Alabang	Bacolod Capitol Corporate Center	Ayala Northpoint Technohub	One Evotech and Two Evotech
<b>Year Completed</b>	2017	1998	1997	2018	2011	2013
<b>Description</b>	Grade A, LEED Certified, PEZA-accredited mixed-use development	Grade A office units	Grade A office units	Grade A, PEZA-accredited office building	Grade A, PEZA-accredited office building	Grade A, LEED Silver-Certified, PEZA-accredited office building
<b>Location</b>	Quezon City	Makati	Alabang	Bacolod City	Talisay City, Negros Occidental	Sta. Rosa, Laguna
<b>GLA</b>	Office – 125k Mall – 39k	1k	0.5k	11k	5k	23k
<b>Right over Building</b>	Owned	Owned	Owned	Owned	Owned	Owned
<b>Right over Land</b>	Leased	Office Condominium Units	Office Condominium Units	Leased	Leased	Leased
<b>Land Lease Expiry</b>	2058	N/A	N/A	2062	2058	2058

Consistent with its investment strategy, AREIT entered into a Deed of Exchange with ALI whereby the former issued 252,136,383 primary common shares of stock to ALI at an issue price of ₱44.65 per share in exchange for six (6) office buildings located in Cebu with an aggregate value of ₱11,257,889,535.91. The SEC issued the Confirmation of Valuation and approved the said property-for-share swap and allowed the issuance of 252,136,383 shares of AREIT in favor of ALI on 29 December 2022:

**Table 8 – AREIT's Property-for-Share Swap with ALI (Cebu Properties)**

	eBloc 1	eBloc 2	eBloc 3	eBloc 4	ACC Tower	Tech Tower
<b>Year Completed</b>	2009	2011	2014	2015	2016	2016
<b>No. of Storeys</b>	12	16	12	12	20	12
<b>Description</b>	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited
<b>Location</b>	Cebu IT Park	Cebu IT Park	Cebu IT Park	Cebu IT Park	Ayala Center Cebu	Ayala Center Cebu
<b>GLA (sq.m)</b>	20,842	27,727	15,233	16,167	27,517	16,813
<b>Right over Land</b>	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold

In 2023, the Company and ALI, AyalaLand Malls, Inc. (“ALMI”), and NorthBeacon Commercial Corp. (“NBCC”) entered into a Deed of Exchange executing another property-for-share swap transaction whereby the Company issued 607,559,380 primary common shares to ALI, ALMI, and NBCC in exchange for the following identified properties valued at ₱22,479,697,060, at an issue price of ₱37.00 per share, set at a 3% premium over the 30-day VWAP of ₱35.83 or the Market Price.

**Table 9 – AREIT’s Property-for-Share Swap with ALI, ALMI, and NBCC**

	Glorietta BPO 1	Glorietta BPO 2	One Ayala West Tower	One Ayala East Tower	Glorietta Mall Wings 1 and 2	MarQueen Mall
<b>Year Completed</b>	2016	2016	2021	2022	2012	2009
<b>Description</b>	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Grade A, commercial building, PEZA-accredited	Regional Mall	Regional Mall
<b>Location</b>	Ayala Center Makati					Angeles City, Pampanga
<b>GLA (sq.m)</b>	18,770	23,492	30,999	39,996	68,764	66,041
<b>Occupancy</b>	98%	98%	98%	98%	100%	100%
<b>Right over Land</b>	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold
<b>Landowner</b>	Ayala Land, Inc.	Ayala Land, Inc.	Ayala Land, Inc.	Ayala Land, Inc.	Ayala Land, Inc.	NorthBeacon Commercial Corp.

On 19 March 2024, the Company and ALI, Greenhaven Property Ventures, Inc. (“Greenhaven”), Cebu Insular Hotel Co., Inc. (“Cebu Insular”), and Buendia Christiana Holdings Corp. (“BCHC”) entered into a Deed of Exchange executing another property-for-share swap transaction whereby the Company issued 841,259,412 primary common shares to ALI, Greenhaven, Cebu Insular, and BCHC in exchange for the following identified properties valued at ₱28,602,820,008.00, at an issue price of ₱34.00 per share, set at a 3.75% premium over the 30-day VWAP or the Market Price of ₱32.77.

**Table 10 – AREIT’s Property-for-Share Swap with ALI, Greenhaven, Cebu Insular, and BCHC**

	Ayala Triangle Tower 2	Greenbelt 3 & 5	Holiday Inn & Suites Makati	Seda Ayala Center Cebu	Zambales Industrial Land
<b>Year Completed</b>	2021	Greenbelt 3 – 2004 (2022 Renovation Completion); Greenbelt 5 - 2007	2013	2018	N/A
<b>Description</b>	Triple A Headquarter Office	Premier Lifestyle Mall	Contemporary Business Hotel	Contemporary Business Hotel	Industrial Land (solar power plant)
<b>Location</b>	Ayala Triangle Gardens, Makati City	Ayala Center, Makati City	Glorietta, Ayala Center, Makati City	Ayala Center Cebu, Cebu Business Park	Palauig, Zambales
<b>GLA (sq.m)</b>	63,150	93,732	26,218	13,759	2,759,135
<b>Occupancy</b>	98%	100%	100%	100%	100%
<b>Right over Land</b>	Leasehold	Leasehold	Leasehold	Leasehold	Freehold
<b>Landowner</b>	Ayala Land, Inc.	Ayala Land, Inc.	Ayala Land, Inc.	Cebu Insular Hotel Company, Inc.	Buendia Christiana Holdings Corp.

On 19 May 2025, the Company and ALI, Accendo Commercial Corp. (“Accendo”), and Cagayan de Oro Gateway Corp. (“CDOGC”) entered into a Deed of Exchange executing another property-for-share swap transaction whereby the Company issued 505,890,177 primary common shares to ALI, Accendo, and CDOGC in exchange for the following identified properties valued at ₱20,994,442,345.50, at an issue price of ₱41.50 per share, set at a 2% premium over the 30-day VWAP or the Market Price of ₱40.68.

**Table 11 – AREIT's Property-for-Share Swap with ALI, Accendo, and CDOGC**

	Central Bloc Office 1	Central Bloc Office 2	Central Bloc Mall	Seda Central Bloc	Abreeza Mall	Abreeza BPO	Centrio Mall	Centrio BPO
<b>Year Completed</b>	2019	2020	2019	2020	2011	2013	2012	2016
<b>Description</b>	Headquarter Office	Headquarter Office	Lifestyle Shopping Center	Contemporary Business Hotel	Lifestyle Shopping Center	BPO Office	Lifestyle Shopping Center	BPO Office
<b>Location</b>	Cebu City	Cebu City	Cebu City	Cebu City	Davao City	Davao City	City of Cagayan de Oro	City of Cagayan de Oro
<b>GLA (sq. m)</b>	28,483	38,633	112,429	17,949	89,893	9,214	92,707	9,053
<b>2025 Occupancy</b>	95%	97%	100%	100%	100%	98%	100%	100%
<b>Right over Land</b>	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold	Leasehold
<b>Landowner</b>	ALI	ALI	ALI	ALI	Accendo	Accendo	CDOGC	CDOGC

### Current Transaction

AREIT's principal strategy is to invest in income-generating real estate properties that meet a select set of criteria. A potential new property should (1) be located in a prime location in either Metro Manila or other key provinces in the Philippines, (2) be primarily (but not exclusively) focused on commercial properties, and maybe other types of real estate properties available in the market, and (3) have stable occupancy, tenancy, and income operations.

Upon approval of the Transaction by the Company's stockholders and obtaining regulatory approvals, the Company will own the Properties, thereby increasing AREIT's building portfolio from over 1.43 million square meters to over 1.81 million square meters in gross leasable area and industrial land portfolio of 2.86 million square meters in gross leasable area; increasing AREIT's AUM from ₱138 billion to around ₱158 billion; 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 broader Ayala Land Group; and at the Transaction Price of ₱44.15 per share, the assets to be infused are yield accretive to AREIT at a competitive capitalization rate, ultimately redounding to the benefit of all stockholders, including the minority retail investors through dividend accretion.

## **X. Effects to the Company Before and After the Transaction**

### *A. Decrease and Increase in Authorized Capital Stock*

The Company's authorized capital stock will be decreased by retiring the Company's existing 67,329,970 treasury common shares bringing down the Company's authorized capital stock from ₱44,500,000,000.00 to ₱39,826,700,300.00. Simultaneously with the decrease, the authorized capital stock will be increased by 1,717,329,970 common shares to ₱57,000,000,000.00 divided into 5,700,000,000 common shares. The decrease and increase in authorized capital stock was approved by the Board of Directors of AREIT on 28 October 2025 and will be taken up at the Special Stockholders' Meeting of the Company on 11 December 2025. The table below shows the proposed changes to the Company's authorized capital stock:

**Table 12 – Decrease and Increase in Authorized Capital Stock**

	Number of Common Shares	Par Value	Authorized Capital Stock
Current	4,050,000,000	₱10.00	₱40,500,000,000.00
Proposed Decrease (Treasury Shares)	(67,329,970)	₱10.00	(₱673,299,700.00)
Resulting Capital Stock Post-Decrease	3,982,670,030	₱10.00	₱39,826,700,300.00
Proposed Increase (Common Shares)	1,717,329,970	₱10.00	₱17,173,299,700.00
<b><u>Resulting Capital Stock Post-Increase</u></b>	<b><u>5,700,000,000</u></b>	<b><u>₱10.00</u></b>	<b><u>₱57,000,000,000.00</u></b>

### *B. Change in the Nature of Business*

There is no change in the nature of the business of the Company.

**C. Change in the Board of Directors and Officers**

There is no change in the Company's Board of Directors and Officers as a result of the Transaction.

**D. Change in Name**

There is no change in the name of the Company.

**E. Capital Structure – Ownership Structure of AREIT before and after the Transaction**

Provided on the following table is the change in the ownership structure after the transaction.

**Table 13 – Ownership Structure of AREIT Before and After the Transaction**

Stockholder	Current (before property for share swap)		Indicative Post-Transaction (after the property for share swap)	
	Number of Shares	Percentage of Ownership	Number of Shares	Percentage of Ownership
ALI	1,567,728,665	42.19%	1,766,587,677	42.50%
ALMI	287,186,771	7.73%	287,186,771	6.91%
NBCC	55,382,567	1.49%	55,382,567	1.33%
Greenhaven	77,505,974	2.09%	77,505,974	1.86%
Cebu Insular	38,326,934	1.03%	38,326,934	0.92%
BCHC	199,109,438	5.36%	199,109,438	4.79%
Accendo	112,424,084	3.03%	112,424,084	2.70%
CDOGC	133,334,821	3.59%	133,334,821	3.21%
Summerhill	-	-	94,272,644	2.27%
Directors and Officers	3,779,507	0.10%	3,779,507	0.09%
Non-ALI/Public	1,240,977,401	33.40%	1,388,977,401	33.41%
<b>TOTAL</b>	<b>3,715,756,162</b>	<b>100.00%</b>	<b>4,156,887,818</b>	<b>100.00%</b>

AREIT shall ensure that ALI will sell some of its AREIT shareholdings before the approval by the SEC of the Transaction to ensure compliance with the minimum public ownership requirements imposed upon the Company. The relevant disclosures on the sale of shareholdings will be made in due course once its terms are finalized.

**XI. Identities of Controlling and Substantial Stockholders of the Parties to the Transaction**

The controlling stockholder of AREIT is the Ayala Land Group, as follows:

**Table 14 – Controlling Stockholder of AREIT**

Name of Stockholder	Form of Ownership	Number of Shares	% Ownership
ALI	Direct	1,567,728,665	42.19%
ALMI	Direct	287,186,771	7.73%
CDOGC	Direct	133,334,821	3.59%
Accendo	Direct	112,424,084	3.03%
Greenhaven	Direct	77,505,974	2.09%
NBCC	Direct	55,382,567	1.49%
Cebu Insular	Direct	38,326,934	1.03%

**XII. Statement as to the steps to be taken, if any, to safeguard the interest of any independent shareholders**

The matter of decrease and increase in the Company's authorized capital stock, and the issuance of the 441,131,656 primary common shares to ALI and Summerhill will be discussed and taken up in the Company's Special Stockholders' Meeting on 11 December 2025. The final Transaction Price of ₱44.15 per share is set at a premium over the 30-day VWAP of ₱43.93. In accordance with the PSE's Consolidated Listing and Disclosure Rules, Article V, Part A, Section 3, paragraph (a), "Market Price" means the volume weighted average of the closing prices for a period of thirty (30) Trading Days prior to the transaction or the date of the approval of the Board of Directors. As such, the Transaction falls within the Exceptions to the conduct of a rights or public offering requirement of the Additional Listing Rules of the PSE.

The Company's Fund Manager on 22 October 2025 has endorsed the Transaction to the Company. The Company's Risk Management and Related Party Transactions Review Committee and the Board of Directors

have reviewed FTI Consulting's fairness opinion on the Shares and the Properties, as well as the appraisal reports issued by Cuervo. Cuervo and FTI Consulting have issued Appraisal Reports and Fairness Opinion to establish the fairness of the valuation of the Shares and the Properties used in this Transaction.

Pertinent details are provided in the supporting Annexes submitted together with this document.

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## SCHEDULE OF ANNEXES

ANNEX	DESCRIPTION
A	Fairness Opinion
B	Appraisal Reports
C	Property Details
D	Articles of Incorporation – Ayala Land, Inc.
E	General Information Sheet – Ayala Land, Inc.
F	Audited Financial Statements for 2022 – Ayala Land, Inc.
G	Audited Financial Statements for 2023 – Ayala Land, Inc.
H	Audited Financial Statements for 2024 – Ayala Land, Inc.
I	Articles of Incorporation – Summerhill Commercial Ventures Corp.
J	General Information Sheet – Summerhill Commercial Ventures Corp.
K	Audited Financial Statements for 2022 – Summerhill Commercial Ventures Corp..
L	Audited Financial Statements for 2023 – Summerhill Commercial Ventures Corp.
M	Audited Financial Statements for 2024 – Summerhill Commercial Ventures Corp.