

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of **AREIT, INC.** will be conducted virtually via <https://conveneagm.com/ph/AREIT2026ASM> on **Thursday, April 23, 2026** at **3:00 o'clock in the afternoon** with the following

A G E N D A¹

1. Call to Order
2. Certification of Notice and Quorum
3. Matters for Approval of Stockholders
 - i. Approval of Minutes of Previous Meeting
 - ii. Ratification of the Acts of the Board of Directors and Management
 - iii. Election of Directors (Including the Independent Directors)
 - iv. Election of External Auditor and Fixing of its Remuneration
 - v. Approval of the Audited Financial Statements, including noting of Annual Report
4. Consideration of Such Other Business as May Properly Come Before the Meeting
5. Presentation of Management and Open Forum
6. Adjournment

Pursuant to the Company's By-Laws, the Chairman, acting on the authority delegated by the Board of Directors during its meeting on November 12, 2025, has approved that the Annual Stockholders' Meeting be conducted in a fully virtual format. Stockholders may only attend the meeting by remote communication and by voting *in absentia*, electronically or by proxy.

Only stockholders of record as of **March 23, 2026** are entitled to notice of, and to vote at, this meeting. Stockholders intending to participate by remote communication should notify the Company by email on or before **April 14, 2026**. Stockholders may likewise register online via Convene AGM starting April 1, 2026. Voting may be *in absentia*, electronically or by proxy, subject to validation procedures. The procedures for participating in the meeting through remote communication and for casting of votes *in absentia*, electronically or by proxy, will be set forth in the Information Statement.²

Duly accomplished proxy form and voting instruction addressed to the Office of the Corporate Secretary shall be submitted on or before **April 14, 2025** at 37/F Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City or by email. Validation of proxies is set for April 16, 2026 at 9:00 o'clock in the morning.

Stockholders of record as of March 23, 2026 owning at least 5% of the total outstanding capital stock of the Company may submit proposals on items for inclusion in the agenda on or before **April 16, 2026**.³

All email communications should be sent to corporate.secretary@areit.com.ph on or before the designated deadlines.

Makati City, March 6, 2026.

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

¹ See next page for the explanation for each agenda item.

² Stockholders should notify the Company by email of their preference to receive hard copies of the Information Statement and other ASM materials on or before March 23, 2026.

³ The inclusion of the proposed agenda item shall be in accordance with SEC Memorandum Circular No. 14, Series of 2020, and the Company's internal guidelines.

EXPLANATION OF AGENDA ITEMS WITH PROPOSED RESOLUTIONS

Call to order

The Chairman will formally open the meeting at approximately 3:00 o' clock in the afternoon.

Certification of notice and quorum (and rules of conduct and procedures)

The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.

Pursuant to Sections 57 and 23 of the Revised Corporation Code which allow voting *in absentia* by the stockholders, the Company has set up a designated online web address, <https://conveneagm.com/ph/AREIT2026ASM>, which may be accessed by the stockholders to register and vote electronically *in absentia* on the matters for resolution at the meeting.⁴ A stockholder participating by remote communication or voting *in absentia*, electronically or by proxy, shall be deemed present for purposes of quorum.

The following are the rules of conduct and procedures for the meeting to be conducted in virtual format:

- (i) Stockholders may attend the meeting remotely through the online web address (URL) provided. Questions and comments may be sent prior to or during the meeting at corporate.secretary@areit.com.ph.
- (ii) Each of the proposed resolutions will be shown on the screen during the meeting as the same is taken up at the meeting.
- (iii) Stockholders must notify the Company through corporate.secretary@areit.com.ph on or before April 14, 2026 of their intention to participate in the Meeting by remote communication in order to be included in the determination of the existence of a quorum, together with the stockholders who voted *in absentia*, electronically and by proxy.
- (iv) Voting shall only be allowed for validated stockholders registered in Convene AGM or who submitted a duly accomplished proxy form. Stockholders registered in Convene AGM may cast their votes through the said system at any time prior to or at real time during the meeting. Vote tabulation shall be completed and finalized after the meeting.
- (v) All the items on the agenda for approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting unless the law requires otherwise.
- (vi) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes. Each outstanding share of stock entitles the registered stockholder to one vote.
- (vii) The Proxy Validation Committee will tabulate all votes received and an independent third party will validate the results. The Corporate Secretary shall report the results of initial voting during the meeting.
- (viii) The meeting proceedings shall be recorded in audio and video format.

Matters for Stockholders Approval

1. Approval of minutes of previous meeting

The minutes of the meetings held on April 24, 2025 and December 11, 2025 are available at the Company's website, www.areit.com.ph and shall be presented for stockholders' approval. Below is the proposed resolution:

"RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 24, 2025 and the minutes of the special stockholders' meeting held on December 11, 2025."

2. Ratification of the acts of the Board of Directors and Management

The actions of the Board and its committees taken and the acts of the management to implement the resolutions of the Board or its committees or made in the general conduct of business since the annual stockholders' meeting on April 24, 2025 until April 23, 2026 shall be presented for stockholders' ratification. They include the approval of the Company's agreements, projects, investments, capital allocations, treasury-related matters and other matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange. Below is the proposed resolution:

"RESOLVED, to ratify each and every act and resolution, from April 24, 2025 until April 23, 2026 (the "Period"), of the Board of Directors (the "Board"), the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act of the officers of the Corporation, during the Period, performed in accordance with the resolutions of the Board, the Executive Committee, and other Board committees as well as with the By-Laws of the Corporation."

⁴ The detailed instructions pertaining to the URL and the use thereof will be provided in the Information Statement.

3. Election of directors (including the independent directors)

The eight (8) nominees for directors, including the nominees for independent directors, as evaluated by the Corporate Governance and Nomination Committee of the Board to have all the qualifications and competence necessary for the effective performance of the Board's roles and responsibilities, and none of the disqualifications to serve as members of the Board, shall be presented for election to the stockholders. Below is the proposed resolution:

“RESOLVED, to elect the following [subject to votes cast] as directors of the Corporation to serve as such beginning April 23, 2026 until their successors are elected and qualified:

*Anna Ma. Margarita B. Dy
Alberto M. de Larrazabal
Mariana Beatriz E. Zobel de Ayala
Jose Eduardo A. Quimpo II
Maria Theresa D. Marcial
Omar T. Cruz
Enrico S. Cruz
Sherisa P. Nuesa”*

The profiles of the nominees to the Board will be provided in the Information Statement.

4. Appointment of external auditor and fixing of its remuneration

As endorsed by the Audit Committee, the appointment of Isla Lipana & Co. (PWC) as the external auditor for the ensuing year as well as its proposed remuneration shall be presented for stockholders' approval. The external auditor conducts an independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements. Below is the proposed resolution:

“RESOLVED, as endorsed by the Board of Directors, to approve the appointment of Isla Lipana & Co. (PWC) as the external auditor of the Corporation for the year 2026 with an audit fee of One Million One Hundred Thousand Pesos (₱1,100,000.00), net of value-added tax and out-of-pocket expenses.”

The profile of the external auditor will be provided in the Information Statement.

5. Approval of the Audited Financial Statements, including noting of Annual Report

The Audited Financial Statements as of December 31, 2025 (AFS), to be approved by the Board upon the recommendation of the Audit Committee, will be embodied in the Information Statement to be sent to the stockholders at least 15 business days prior to the meeting. The Audited Financial Statement shall be presented for stockholders' approval during the meeting, together with the noting of the Company's annual report. The annual report will contain the “Message from the Chairman and President.”

“RESOLVED, to approve the audited financial statements of the Corporation as of December 31, 2025, as audited by the Corporation's external auditor, Isla Lipana & Co. (PWC).”

6. Consideration of such other business as may properly come before the meeting

The Chairman will take up agenda items received from stockholders on or before April 16, 2026 in accordance with existing laws, rules and regulations of the Securities and Exchange Commission and the Company's internal guidelines.⁵

7. Presentation of Management and Open Forum

The Chairman, Ms. Anna Ma. Margarita B. Dy, and the President and Chief Executive Officer, Mr. Alberto M. de Larrazabal, will report on the performance of the Company in 2025 and the outlook for 2026. The Company's performance is also embodied in the Company's Annual Report. A soft copy of the Annual Report will be posted on the Company's website, www.aret.com.ph.

The Chairman will open the floor for comments and questions by the stockholders.

* * *

⁵ SEC Memorandum Circular No. 14, series of 2020 or “Shareholders' Right to Put items on the Agenda for Regular/Special Stockholders' Meetings”: <https://www.sec.gov.ph/mc-2020/mc-no-14-s-2020shareholders-right-to-put-items-on-the-agenda-for-regular-special-stockholders-meetings/>.

PROXY AND VOTING INSTRUCTION

1. IDENTIFICATION

This Proxy is being solicited by **AREIT, INC.**, on and in its behalf, in connection with the Annual Stockholders' Meeting of **AREIT, INC.**, to be held on April 23, 2026 at 3:00 o'clock in the afternoon.

2. INSTRUCTIONS

The undersigned stockholder of **AREIT, INC.** (the "Company") hereby appoints the *Chairman of the meeting of the stockholders*, as *attorney-in-fact* and *proxy*, to represent and vote all shares registered in his/her/its name at the annual meeting of the stockholders of the Company on April 23, 2026 and at any of the adjournments thereof for the purpose of acting on the matters stated below.

Please place an "X" in the box below how you wish your votes to be cast in respect of the matter to be taken up during the meeting.

If no specific direction as to voting is given, the votes will be cast for the election of all nominees and for the approval of the resolutions on the matter stated below and as set out in the notice, and for such other matters as may properly come before the meeting in the manner described in the Information Statements and as recommended by the Chairman.

1. Approval of minutes of previous meeting

Resolution No. S-01-2026 – RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 24, 2025 and the minutes of the special stockholders meeting held on December 11, 2025.

For Against Abstain

2. Ratification of the acts of the Board of Directors and Officers

Resolution No. S-02-2026 - RESOLVED, to ratify each and every act and resolution, from April 24, 2025 until April 23, 2026 (the "Period"), of the Board of Directors (the "Board"), the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act of the officers of the Corporation, during the Period, performed in accordance with the resolutions of the Board, the Executive Committee, and other Board committees as well as with the By-Laws of the Corporation.

For Against Abstain

3. Election of directors

	No. of Votes
Anna Ma. Margarita B. Dy	_____
Mariana Beatriz E. Zobel de Ayala	_____
Alberto M. de Larrazabal	_____
Jose Eduardo A. Quimpo II	_____
Maria Theresa D. Marcial	_____
<u>Independent Directors:</u>	
Omar T. Cruz	_____
Enrico S. Cruz	_____
Sherisa P. Nuesa	_____

Resolution No. S-03-2026 - RESOLVED, to elect the following as directors of the Corporation to serve as such beginning April 23, 2026 until their successors are elected and qualified:

Anna Ma. Margarita B. Dy
Mariana Beatriz E. Zobel de Ayala
Alberto M. de Larrazabal
Jose Eduardo A. Quimpo II
Maria Theresa D. Marcial
Omar T. Cruz
Enrico S. Cruz
Sherisa P. Nuesa

4. Election of External Auditors and Fixing of its Remuneration

Resolution No. S-04-2026 - RESOLVED, as endorsed by the Board of Directors, to approve the appointment of Isla Lipana & Co. (PWC) as the external auditor of the Corporation for the year 2026 with an audit fee of One Million One Hundred Thousand Pesos (₱1,100,000.00), net of value-added tax and out-of-pocket expenses.

For Against Abstain

5. Approval of the Audited Financial Statements and Noting of Annual Report

Resolution No. S-05-2026 - RESOLVED, to approve the audited financial statements of the Corporation as of December 31, 2025, as audited by the Corporation's external auditor, Isla Lipana & Co. (PWC).

For Against Abstain

6. Other Matters

At his/her discretion, the proxy named above is authorized to vote upon such other matters as may properly come before the meeting.

For Against Abstain

Duly accomplished proxy form and voting instruction shall be submitted to the Office of the Corporate Secretary at 37/F Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City or by email to corporate.secretary@areit.com.ph on or before **April 14, 2026**, the deadline for submission of Proxies. For corporate stockholders, please attach to this Proxy form the Secretary's Certificate on the authority of the signatory/ies to appoint the Proxy and sign this form. For stockholders with shares lodged with their registered brokers, please attach to this Proxy form a Certification from the broker as to the number of shares registered under the name of the stockholder as of the Record Date of **March 23, 2026**.

3. **REVOCABILITY OF PROXY**

The Proxy and Voting Instruction may be revoked by the stockholder executing the same at any time by submitting to the Corporate Secretary a written notice of revocation not later than the start of the meeting. A Proxy and Voting Instruction is also considered revoked if the stockholder registers and votes on the Company's secured online voting system, <https://conveneagm.com/ph/AREIT2026ASM> (the "Voting System" or "Convene AGM") before or during the Annual Stockholders' Meeting of the Company. Shares represented by an unrevoked Proxy will be voted as authorized by the stockholder.

4. **PERSON MAKING THE SOLICITATION**

The solicitation is made by the Company. No director of the Company has informed the former in writing that s/he intends to oppose an action intended to be taken up by the Company at the Annual Stockholders' Meeting. Solicitation of the proxies shall be made through the use of ordinary mail, electronic means of communication, or personal delivery. The total estimated amount to be spent in connection with the release and sending of the Proxy statements is approximately P20,000.00. Costs for solicitation will be shouldered by the Company.

5. **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

The directors and officers do not have a substantial interest, direct or indirect, by security holdings or otherwise, on any matter to be acted upon. The Company has not received any written information from anyone seeking to oppose any action to be taken up in the Annual Stockholders' Meeting of the Company.

NOTARIZATION OF THIS PROXY IS NOT REQUIRED.

SIGNATURE OF STOCKHOLDER / AUTHORIZED
SIGNATORY OVER PRINTED NAME

NUMBER OF SHARES

DATE

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

Information Statement
of

AREIT, INC.

(the "Company", "Corporation" or "AREIT")

Pursuant to Section 20 of the Securities Regulation Code (the "Code" or "SRC")

1. Check the appropriate box:

Preliminary Information Statement
 Definitive Information Statement

2. Name of registrant as specified in its charter: **AREIT, INC.**

3. Province, country or other jurisdiction of incorporation or organization: **REPUBLIC OF THE PHILIPPINES**

4. SEC Identification Number: **CS200613870**

5. BIR Tax Identification Code: **006-346-689**

6. Address of principal office: **28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City 1226**

7. Registrant's telephone number: **(632) 7908 3804**

8. Date, time and place of the meeting of stockholders:

Date: April 23, 2026

Time: 3:00 P.M.

Place: To conducted virtually through

<https://conveneagm.com/ph/AREIT2026ASM>

**To be presided by the Chairman in New World Makati Hotel, Esperanza Street corner
Makati Avenue, Makati City, 1223 Metro Manila**

9. Approximate date on which the Information Statement is first to be sent or given to stockholders:

Date: March 26, 2026

10. In case of Proxy Solicitations

**Name of Person Filing
the Statement/Solicitor**

AREIT, Inc.

Address and Telephone No.

**28th Floor Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, 1226
(632) 7908 3804**

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the Revised Securities Act:

a. Shares of stock as of February 28, 2026

<u>Title of each class</u>	<u>Par value</u>	<u>No. of shares</u>	<u>Amount</u>
Common	₱ 10.00	3,783,086,132	₱37,830,861,320.00

b. Outstanding debt as of February 28, 2026: **₱2,000,000,000.00**

12. Are any or all of registrant's securities listed in a stock exchange?

Yes No

1,576,240,780 common shares are listed in the Philippine Stock Exchange (“PSE”).¹

* * *

¹ The application for listing for the 252,136,383 common shares issued to Ayala Land, Inc. (ALI) in December 2022 in exchange for assets located in Cebu is currently pending with the PSE, while the application for listing of the 607,559,380 common shares issued to ALI, and its subsidiaries, AyalaLand Malls, Inc., (ALMI) and Northbeacon Commercial Corp. (NBCC) in exchange for assets located in Makati and Pampanga approved by the Securities and Exchange Commission (SEC) last September 20, 2023 will be filed with the PSE upon issuance of the Certificates Authorizing Registration by the Bureau of Internal Revenue (BIR). Similarly, the 841,259,412 common shares issued to ALI, its subsidiaries, Greenhaven Property Ventures, Inc. (Greenhaven) and Cebu Insular Hotel Co., Inc., (Cebu Insular), and Buendia Christiana Holdings Corp., (BCHC) in exchange for assets located in Makati, Cebu, and Zambales approved by the SEC on September 25, 2024, will be applied for listing with the PSE upon issuance of the Certificates Authorizing Registration by the BIR. 505,890,177 common shares were issued to ALI and its subsidiaries, Accendo Commercial Corporation and Cagayan de Oro Gateway Corp., in exchange for properties pursuant to the approval of the SEC on September 25, 2025, will be applied for listing with the Exchange in due course.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. **Date, time and place of meeting of stockholders (hereafter, the “annual stockholders’ meeting” or “meeting”)**

- a. **Date** April 23, 2026
Time 3:00 P.M.
Place To conducted virtually through
<https://conveneagm.com/ph/AREIT2026ASM>
To be presided by the Chairman in New World Makati Hotel, Esperanza Street corner Makati Avenue, Makati City, 1223 Metro Manila
Principal Office 28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City, 1226
- b. Approximate date when the Information Statement is first to be sent to stockholders:

The Information Statement may be accessed by the Company’s stockholders beginning March 26, 2026 at the Company’s website, <https://areit.com.ph>.

The enclosed Proxy and Voting Instruction is solicited for and on behalf of the Company for use in connection with the Annual Stockholders’ Meeting of the Company on April 23, 2026.

Item 2. **Dissenter’s right of appraisal**

Under Sections 41 and 80, Titles IV and X, respectively of the Revised Corporation Code of the Philippines (“Revised Corporation Code”), a stockholder shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- (a) In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- (c) In case of merger or consolidation; and
- (d) In case of investment of corporate funds by the Company in any other corporation or business or for any purpose other than the primary purpose of the Corporation.

Sections 41 and 81 of the Revised Corporation Code provides:

“Section 41. Power to Invest Corporate Funds in Another Corporation or Business or for Any Other Purpose. – Subject to the provisions of this Code, a private corporation may invest its funds in any other corporation, business, or for any purpose other than the primary purpose for which it was organized, when approved by a majority of the board of directors or trustees and ratified by the stockholders representing at least two-thirds (2/3) of the outstanding capital stock, or by at least two-thirds (2/3) of the members in the case of nonstock corporations at a meeting duly called for the purpose. Notice of the proposed investment and the time and place of the meeting shall be addressed to each stockholder or member at the place of residence as shown in the books of the corporation and deposited to the addressee in the post office with postage prepaid, served personally, or sent electronically in accordance with the rules and regulations of the Commission on the use of electronic data message, when allowed by the bylaws or done with the consent of the stockholders: Provided, That any dissenting stockholder shall have appraisal right as provided in this Code: Provided, however, That where the investment by the corporation is reasonably necessary to accomplish its primary purpose as stated in the articles of incorporation, the approval of the stockholders or members shall not be necessary.

Section 81. How Right is Exercised. - The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair market value of shares held within thirty (30) days from the date on which the vote was taken: Provided, That the failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholders' shares, or the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom, shall be named by the stockholder, another by the corporation, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: Provided further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the share to the corporation."

No matters or actions that may give rise to a possible exercise by stockholders of their appraisal rights will be taken up at the meeting.

Item 3. Interest of certain persons in or opposition to matters to be acted upon

None of the current Directors or Executive Officers of the Company have any personal involvement or substantial interest, either direct or indirect, by security holdings or otherwise, in the matters to be acted upon, other than election to office.

No Director has informed the Company of his opposition to any matter to be acted upon.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting securities and principal holders thereof

(a) Number of shares outstanding as of February 28, 2026:
3,715,756,162 common shares

Number of votes per share: One (1) vote per share

(b) All stockholders of record as of March 23, 2026 (the "Record Date") are entitled to notice and to vote at the annual stockholders' meeting.

(c) Manner of voting

Article II, Section 7 of the By-Laws of the Company (the "By-Laws") provide:

"Section 7 - Unless otherwise provided by law, each stockholder entitled to vote may vote in person, through remote communication, in absentia, electronically or otherwise or be represented by proxy at any regular or special stockholders' meeting, subject to compliance with rules and regulations as may be issued by the Securities and Exchange Commission from time to time. At all meetings of the stockholders, all elections and all questions, except in cases where hereunder specified or where other provision is made by statute or by the Articles of Incorporation, shall be decided by the majority vote of the stockholders present in person, through remote communication, in absentia, electronically or otherwise or by proxy, a quorum being present. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by him. (as amended in a meeting of the Board of Directors and stockholders on September 26, 2018; and as further amended in a meeting of the Board of Directors on October 22, 2020 and later ratified on June

14, 2021, pursuant to the delegation by the stockholders to the Board of Directors of the power to amend the By-Laws on 23 April 2021.)”

Stockholders may vote on the resolutions for approval at the meeting by appointing the Chairman of the Meeting as their proxy or electronically *in absentia* using the online web address, <https://conveneagm.com/ph/AREIT2026ASM>, subject to validation procedures. A stockholder voting electronically or *in absentia* shall be deemed present for purposes of quorum. The detailed instructions for electronic voting *in absentia* are set forth in Annex A.

Method of Voting: Straight and Cumulative Voting

In all items for approval, each share of stock entitles its registered owner as of the Record Date to one (1) vote. As explained in Item 20 below, stockholders will only be allowed to vote by appointing the Chairman of the meeting, or its alternates, as their proxy or electronically *in absentia* using the online web address, <https://conveneagm.com/ph/AREIT2026ASM>.

In the case of the election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate the aforesaid shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many nominees as he shall see fit; provided that, the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of directors to be elected.

(d) Security ownership of certain record and beneficial owners and management

(i) Security ownership of record and beneficial owners of more than 5% as of February 28, 2026:

TITLE OF CLASS OF SHARES	NAME AND ADDRESS OF RECORD OWNER AND RELATIONSHIP WITH ISSUER	NAME OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	CITIZENSHIP	NO. OF SHARES HELD	PERCENT OF OUTSTANDING SHARES
Common	Ayala Land, Inc. (ALI) ¹ 31F, Tower One and Exchange Plaza Ayala Triangle Ayala Ave., Makati City	Ayala Land, Inc. ²	Filipino	1,379,728,665	37.132%
Common	PCD Nominee Corporation (Filipino) ³ G/F MSE Bldg. Ayala Ave., Makati City	PCD participants acting for themselves or for their customers ⁴	Filipino	1,241,796,841	33.420%
Common	AyalaLand Malls, Inc. ⁵	AyalaLand Malls, Inc. ⁶	Filipino	287,186,771	7.729%
Common	Buendia Christiana Holdings Corp. ⁷	Buendia Christiana Holdings Corp. ⁸	Filipino	199,109,438	5.359%

(ii) Security ownership of directors and management (Executive Officers) as of February 28, 2026:

¹ ALI is the principal stockholder of the Company.

² Under the By-Laws of ALI and the Revised Corporation Code, the ALI Board has the power to decide how ALI's shares are to be voted.

³ PCD is not related to the Company.

⁴ Each beneficial owner of shares through a PCD participant is the beneficial owner to the extent of the number of shares in his account with the PCD participant. The beneficial owner, with certification of ownership of shares from the PCD Participant, has the power to vote in absentia or through the Chairman of the meeting as proxy. Out of the 1,241,796,841 common shares registered in the name of PCD Nominee Corporation (Filipino), 222,634,800 or 5.992% of the outstanding capital stock is for the account of the Government Service Insurance System (GSIS). GSIS has not coordinated with the Company for the submission of SEC Form 18-A for beneficially owning more than 5% of the Company's common shares.

⁵ AyalaLand Malls, Inc. is an affiliate of the Company for having ALI as their common stockholder owning at least 10% of their outstanding capital stock.

⁶ The Board of AyalaLand Malls, Inc. has the power to decide how the shares are to be voted.

⁷ Buendia Christiana Holdings Corporation is a related party of the Company.

⁸ The Board of Buendia Christiana Holdings Corporation has the power to decide how the shares are to be voted.

TITLE OF CLASS OF OUTSTANDING SHARES	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP	CITIZENSHIP	PERCENT OF TOTAL OUTSTANDING SHARES
Directors				
Common	Anna Ma. Margarita B. Dy	1 (direct)	Filipino	0.000%
Common	Alberto M. de Larrazabal	1 (direct)	Filipino	0.000%
Common	Jose Eduardo A. Quimpo II	1 (direct)	Filipino	0.000%
Common	Mariana Beatriz E. Zobel de Ayala	1 (direct)	Filipino	0.000%
Common	Sherisa P. Nuesa	242,900 (indirect)	Filipino	0.007%
Common	Omar T. Cruz	962,901 (direct & indirect)		0.026%
Common	Enrico S. Cruz	2,400,001 (direct & indirect)	Filipino	0.065%
Common	Maria Theresa D. Marcial	1 (direct)	Filipino	0.000%
CEO and most highly compensated officers				
Common	Alberto M. de Larrazabal (same as the above)	-	Filipino	0.000%
Common	Ma. Teresa R. Famy	22,000 (indirect)	Filipino	0.001%
Common	Rowena O. Libunao	0	Filipino	0.000%
Common	Roscoe M. Pineda	-	Filipino	0.000%
Other Officers				
Common	Maria Franchette M. Acosta	0	Filipino	0.000%
Common	Ma. Florence Therese dG. Martinez-Cruz	1,700 (indirect)	Filipino	0.000%
Common	Roscoe M. Pineda	0	Filipino	0.000%
All Directors and Officers as a group		3,629,507		0.098%

No director or member of the Company's management owns 2% or more of the outstanding capital stock of the Company.

(iii) Voting trust holders of 5% or more

The Company knows of no person holding more than 5% of common shares under a voting trust or similar agreement.

(iv) Changes in control

No change of control in the Company has occurred since the beginning of its last fiscal year.

(e) Foreign owned shares as of February 28, 2026:

TYPE OF SHARES	TOTAL OUTSTANDING SHARES	SHARES OWNED BY FOREIGNERS	PERCENT OF OWNERSHIP
Common	3,715,756,162	190,147,559	5.12%

Item 5. Directors and executive officers

Article III, Section 2 of the By-Laws provides in part:

“Section 2. Number and Term of Office. The Board of Directors shall have eight (8) members who shall be elected by the stockholders entitled to vote at the annual stockholders' meeting, and shall hold office for one (1) year and until their successors are elected and qualified in accordance with these By-laws. (and as further amended in a meeting of the Board of Directors on October 22, 2020 and later ratified on June 4, 2021, pursuant to the delegation by the stockholders to the Board of Directors of the power to amend the By-Laws on 23 April 2021.)” xxx.

The attendance of the directors at the meetings of the Board of Directors (Board) held in 2025 is as follows:

DIRECTORS	NO. OF MEETINGS ATTENDED/HELD ⁹	PERCENT PRESENT
Anna Ma. Margarita B. Dy	7/7	100%
Alberto M. de Larrazabal ¹⁰	2/2	100%

⁹ In 2025 and during the incumbency of the director.

¹⁰ Mr. Alberto M. de Larrazabal was elected as Director on August 13, 2025 to serve the unexpired term of Mr. Augusto D. Bengzon.

Jose Eduardo A. Quimpo II	7/7	100%
Mariana Beatriz E. Zobel de Ayala	7/7	100%
Maria Theresa D. Marcial	7/7	100%
Augusto D. Bengzon ¹⁰	5/5	100%
Sherisa P. Nuesa	7/7	100%
Omar T. Cruz	7/7	100%
Enrico S. Cruz	7/7	100%

All the directors were also present during the annual stockholders' meeting on April 23, 2025. The non-executive directors held separate meeting on November 14, 2025, wherein all the incumbent non-executive directors were present.

The Board has established committees to assist in exercising its authority in monitoring the performance of the business of the Company. The committees, as mentioned below, provide organized and focused means for the Board to achieve specific goals and address issues, including those related to corporate governance.

BOARD COMMITTEES	MEMBERS*	NO. OF MEETINGS ATTENDED/ HELD **	PERCENT PRESENT
Executive Committee***	Augusto D. Bengzon, Chairman****	-	-
	Jose Eduardo A. Quimpo II, Member	-	-
	Alberto M. de Larrazabal, Chairman*****	-	-
	Omar T. Cruz, Member	-	-
Corporate Governance and Nomination Committee	Sherisa P. Nuesa, Chairman	3/3	100%
	Omar T. Cruz, Member	3/3	100%
	Enrico S. Cruz, Member	3/3	100%
Audit Committee	Enrico S. Cruz, Chairman	5/5	100%
	Omar T. Cruz, Member	5/5	100%
	Augusto D. Bengzon, Member****	4/5	80%
	Jose Eduardo A. Quimpo II, Member*****	1/5	20%
Risk Management and Related Party Transactions Review Committee	Omar T. Cruz, Chairman	3/3	100%
	Enrico S. Cruz, Member	3/3	100%
	Sherisa P. Nuesa, Member	3/3	100%
Sustainability Committee	Sherisa P. Nuesa, Chairman	1/1	100%
	Jose Eduardo A. Quimpo II, Member	1/1	100%
	Maria Theresa D. Marcial, Member	1/1	100%

*Omar T. Cruz is the Lead Independent Director of the Company. Enrico S. Cruz and Sherisa P. Nuesa are independent directors of the Company.

**Represents Board Committee meetings held in 2025 and during the incumbency of the Director.

***The Executive Committee did not hold meetings in 2025.

****The term of Augusto D. Bengzon ended on August 13, 2025.

*****During the August 13, 2025 Regular Board Meeting, Alberto M. de Larrazabal was elected as a new director, replacing Mr. Bengzon, and Jose Eduardo A. Quimpo II was elected as a new Audit Committee member.

The Board undergoes a formal assessment process annually whereby each director completes an evaluation questionnaire that is intended to provide insights on the effectiveness of the Board, its Committees, the Chairman, and the directors. The assessment criteria or metrics include board composition; board roles, functions and processes; information management; representation of shareholders; management of the Company's performance; senior executives' talent management and succession planning; dynamics and relationships; and corporate governance practices. The aggregated results are presented to the Board during the meeting immediately following the end of the assessment process. The Board performance assessment for the calendar year (CY) 2025 will be conducted by Teneo Asia Pacific Pte Ltd., and independent third-party facilitator, in compliance with the Company's Corporate Governance Manual. The previous third-party assessment was conducted in 2023 (for CY 2022 performance) by AoN Solutions Singapore Pte. Ltd.

(a) Information required of directors and executive officers

i. Directors and executive officers

The following persons have been nominated to the Board for election at the annual stockholders' meeting and have accepted their respective nominations:

NAME	AGE	CITIZENSHIP	DATE OF FIRST NOMINATION TO THE BOARD
Anna Ma. Margarita B. Dy	56	Filipino	April 26, 2023
Jose Eduardo A. Quimpo II	46	Filipino	August 14, 2024
Alberto M. de Larrazabal	70	Filipino	August 13, 2025
Mariana Beatriz E. Zobel de Ayala	37	Filipino	October 7, 2021
Omar T. Cruz	71	Filipino	April 12, 2019
Enrico S. Cruz	68	Filipino	February 5, 2020
Sherisa P. Nuesa	71	Filipino	April 26, 2023
Maria Theresa D. Marcial	55	Filipino	April 23, 2024

Mses. Anna Ma. Margarita B. Dy, Mariana Beatriz E. Zobel de Ayala and Maria Theresa D. Marcial, Messrs. Jose Eduardo A. Quimpo II, and Alberto M. de Larrazabal were nominated by Ayala Land, Inc. Messrs. Omar T. Cruz and Enrico S. Cruz, and Ms. Sherisa P. Nuesa were nominated as Independent Directors by a minority shareholder of the Company, Ms. Michelle P M. Sabitsana, who holds 400 common shares, or 0.0000001% of the total outstanding voting shares of the Company, and who is not related to any of the nominated Independent Directors, all in accordance with SRC Rule 38 (Requirements on Nomination and Election of Independent Directors). The Corporate Governance and Nomination Committee evaluated the qualifications of all the nominees and approved the final list of nominees by virtue of the authority delegated to it by the Board of Directors during its regular meeting on February 19, 2025, in accordance with the Amended By-Laws, revised Corporate Governance Manual, and the Charter of the Board of Directors of the Company.

Only nominees whose names appear on the final list of candidates are eligible for election as directors. No nominations will be entertained or allowed on the floor during the annual stockholders' meeting.

Mr. Enrico S. Cruz was appointed as an Independent Director Maharlika Investment Corp., a government-owned and controlled corporation created under Republic Act No. 11954.

A summary of the qualifications of the incumbent directors, who are also nominees for directors for election at the stockholders' meeting, and of the incumbent officers is set forth in Annex B. The certifications on the qualifications of the nominees for independent directors are attached herewith as Annex B-1.

The officers of the Company are elected annually by the Board during its organizational meeting, or such other time whenever a vacancy by reason of death, resignation, disqualification, or any other cause occurs.

ii. Significant employees

The Company does not have employees. Its entire workforce, including its officers are seconded from Ayala Land, Inc. or its subsidiaries. Nevertheless, the entire workforce is considered significant, and is expected to work together to achieve the Company's goals and objectives.

iii. Family relationships

There are no family relationships up to fourth civil degree, either by consanguinity or affinity, among the abovenamed directors and executive officers.

iv. Involvement in certain legal proceedings

None of the directors or executive officers is involved in any material pending legal proceedings in any court or administrative agency.

The Company is not involved in any litigation regarding an event which occurred during the past five (5) years that they consider material.

v. **Trainings and Continuing Education Programs for the Directors and Key Officers**

The company recognizes the value of providing relevant trainings to its directors and has set aside an annual budget to allow them to attend continuing professional development programs, applicable courses, conferences, and seminars. In 2025, the directors and key officers of the Company joined online and in-person seminars on Corporate Governance for at least four (4) hours, as follows:

TOPICS	DIRECTORS AND OFFICERS
2025 Ayala Integrated Corporate Governance, Risk Management, and Sustainability Summit	Anna Ma. Margarita B. Dy
	Alberto M. de Larrazabal
	Jose Eduardo A. Quimpo II
The Board’s Agenda: Purposeful Governance: The Pathway towards Progress and Prosperity for All	Maria Theresa D. Marcial
	Enrico S. Cruz
	Maria Franchette M. Acosta
	Ma. Teresa R. Famy
	Rowena P. Libunao
	Ma. Florence Therese dG. Martinez-Cruz
	Roscoe M. Pineda
2025 YGC Annual Corporate Governance Seminar	Omar T. Cruz
Strategy in Motion: The Evolving Role of Governance”	
Beyond the Algorithm: Exploring the Cybersecurity and AI Revolution	Sherisa P. Nuesa
12 th Securities and Exchange Commission Corporate Governance Forum	
2025 BPI Future of Compliance Conference	Mariana Beatriz E. Zobel de Ayala

The aforementioned seminars were administered by or in partnership with the Institute of Corporate Directors, an SEC-accredited training provider.

(b) **Certain relationships and related transactions**

The Company, in its regular conduct of business, entered into transactions with related parties consisting of lease of office spaces, advances, supply agreements, management, marketing and leasing, and administrative service agreements. These are based on terms agreed by the parties and made on an arm’s length basis.

All related party transactions of the Company have to be approved by a majority of the entire membership of the Board of Directors, including the unanimous vote of all independent directors of the Company. All related party transactions of the Company to date have been approved by the Risk Management and Related Party Transactions Review Committee of the Company.

The table below sets out the principal ongoing transactions of the Company with related parties as of December 31, 2025. Additional information on the Company’s Related Party Transactions can be found on Note 18 of the Audited Financial Statements.

RELATED PARTY (Receivables from)	NATURE OF TRANSACTION	AMOUNT (in PhP Thousands)	RELATIONSHIP
ALI and Affiliates	Building leases subject to Finance lease	35,086,452,638	Parent Company and Entities under common control
ALI	Regular leases of spaces and Loans	1,305,163,717	Parent Company
Affiliates	Regular leases of spaces and Loans	3,323,235,587	Entities under common control
Other related parties	Regular leases of spaces	49,371,000	Associate of Ayala Corporation

RELATED PARTY (Payable to)	NATURE OF TRANSACTION	AMOUNT (in PhP Thousands)	RELATIONSHIP
ALI	Leases of land and spaces, and Advances	871,163,555	Parent Company
Affiliates	Leases of land and spaces, Management Agreements, Advances, Utility Services	2,003,591,851	Entities under common control The fees received by the AREIT Fund Managers, Inc. and AREIT Property Managers, Inc. do not exceed one percent (1%) of the Net Asset Value of the assets under their respective management. Please refer to the Company's Audited Financial Statements.
Other related parties	Utility Services	484,786	Associate of Ayala Corporation

At the special meeting held on December 11, 2025, for such purpose, upon the recommendation of AREIT Fund Managers, Inc., the Risk Management and Related Party Transactions Review Committee, and approval of the Board of Directors of the Company, the stockholders approved the issuance of 441,131,656 primary common shares (the "Shares") to ALI, and its subsidiary, Summerhill Commercial Ventures Corp. ("Summerhill"),¹¹ in exchange for two (2) commercial buildings located in Cebu and Pasig City, with an aggregate value of Nineteen Billion Four Hundred Seventy-Five Million Nine Hundred Sixty-Two Thousand Six Hundred Twelve and 40/100 Pesos (₱19,475,962,612.40) under a property-for-share swap transaction at an issue price of ₱44.15 per share ("Transaction Price"), set at a premium over the thirty (30)-day volume weighted average price ("30-day VWAP") or the Market Price¹² of ₱43.93, as validated by a third-party fairness opinion issued by FTI Consulting Philippines, Inc. ("FTI Consulting").

No other transaction, without proper disclosure, was undertaken by the Company in which any director or executive officer, any nominee for election as director, any beneficial owner of more than 5% of the Company's outstanding shares (direct or indirect) or any member of his immediate family was involved or had a direct or indirect material interest.

AREIT employees are required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interest are surfaced and brought to the attention of management.

Material related party transaction are reviewed and approved by the Risk Management and Related Party Transactions Review Committee in accordance with the Company's Related Party Transactions Policy.

(c) Ownership structure and parent company

As of February 28, 2026, ALI is the principal shareholder and Sponsor of AREIT owning 37.13% of the outstanding voting shares of the Company.

ALI subsidiaries, AyalaLand Malls, Inc., Accendo Commercial Corporation, Cagayan de Oro Gateway Corporation, Greenhaven Property Ventures, Inc., Northbeacon Commercial Corporation, and Cebu Insular Hotel Co., Inc., respectively own 7.73%, 3.03%, 3.59%, 2.09%, 1.49%, and 1.03%, of the total outstanding voting shares of the Company, while the Company's related party, Buendia Christiana Holdings Corp., owns 5.36% of the total outstanding voting shares of the Company, all as of February 28, 2026.

(d) Resignation of directors

To date, no director has resigned from, or has declined to stand for re-election to the Board since the date of the annual meeting of stockholders in 2025 due to any disagreement with the Company relative to its operations, policies and practices.

¹¹ 100% owned by ALI.

¹² "Market Price" means the volume weighted average of the closing prices for a period of thirty (30) trading days prior to the approval of the transaction. Transaction date refers to the date of approval of the Board of Directors when issue price was set.

Item 6. Compensation of directors and executive

(a) Executive compensation

NAME AND PRINCIPAL POSITION	YEAR	SALARY	OTHER ANNUAL COMPENSATION
		(IN MILLIONS)	
Albert M. de Larrazabal <i>(President/CEO)</i>			
Ma. Teresa R. Famy <i>(Treasurer/Chief Finance Officer/ Chief Risk Officer)</i>			
Rowena P. Libunao <i>(Chief Audit Executive)</i>			
<i>Roscoe M. Pineda</i> <i>(Data Privacy Officer)</i>			
CEO and most highly compensated Executive Officers	2024 Actual	₱14.19M	₱3.53M
	2025 Actual	₱11.99M	₱2.53M
	2026 <i>(projected)</i>	₱10.78M	₱4.48M

* Exclusive of Stock Option exercise.

The executive officers are all seconded from ALI, and they receive no compensation, salary, or per diem from the Company. The amounts stated above cover the compensation of the executive officers of AREIT as secondees from ALI. Other variable pay paid to the officers by ALI covers bonuses. The total annual compensation of the President and the highly compensated executives amounted to ₱17.72 million in 2024, and ₱14.52 million in 2025. The projected total annual compensation of the President and top five highly compensated executives for 2026 is projected at ₱15.26 million.

The total annual compensation of all directors and senior personnel was paid in cash.

(b) Compensation of Directors

Article III, Section 12 of the By-laws provides:

“Section 12 – By resolution of the Board of Directors, each director, may receive a reasonable per diem allowance for his attendance to each meeting of the Board of Directors. Any additional compensation, other than per diems, to be given to the members of the Board of Directors shall be subject to approval by stockholders representing majority of the outstanding capital stock.

A director, except an independent director, shall not be precluded from serving the Corporation in any other capacity such as an officer, agent or otherwise, and from receiving compensation thereof.

The amount of the annual compensation of all directors and principal officers of the Corporation shall be fixed subject to the provision of the REIT Act and other applicable laws, rules, and regulations. No director shall be involved in the determination of his own per diem or compensation during his incumbent term.”

i. Standard arrangement

The independent directors to receive the following per diems per meeting attended, as approved by the stockholders on April 24, 2025:

Board meeting fee	Php60,000.00
Committee meeting fee	Php30,000.00

There are no standard arrangements pursuant to which directors of the Company are compensated, directly or indirectly, for any services provided as director.

In accordance with the requirement of Sections 29 and 49 of the Revised Corporation Code relating to an annual report of the total compensation of each director, below is a table showing the gross

compensation received by the non-executive and independent directors in 2025. Executive Directors do not receive compensation as directors.

NON-EXECUTIVE / INDEPENDENT DIRECTOR	BOARD MEETINGS	COMMITTEE MEETINGS	TOTAL
Omar T. Cruz	₱380,000.00	₱290,000.00	₱670,000.00
Enrico S. Cruz	380,000.00	290,000.00	670,000.00
Sherisa P. Nuesa	380,000.00	150,000.00	530,000.00
Maria Theresa D. Marcial	380,000.00	30,000.00	410,000.00
Total	₱1,080,000.00	₱540,000.00	₱1,620,000.00

ii. **Other arrangements**

Aside from the compensation received as herein stated, the Company has no other arrangement with regard to the remuneration of its existing non-executive and independent directors for services provided as a director.

The Company's Corporate Governance and Nominations Committee is chaired by Ms. Sherisa P. Nuesa, with Enrico S. Cruz and Omar T. Cruz as members. The Chairman and members are all independent directors.

(c) **Employment contracts and termination of employment and change-in-control arrangements**

The above-named executive officers are engaged by ALI and are covered by engagement/employment contracts with ALI stating their respective job functions, among others. They are seconded to the Company and such secondment is covered by letters of appointment stating their respective job functionalities within the Company.

(d) **Warrants and options outstanding**

There are no outstanding warrants or options in connection with the shares of the Company held by any of the directors or executive officers.

Item 7. Independent public accountants

- (a) The principal accountant and external auditor of the Company is the accounting firm of Isla Lipana & Co. (PWC) (Isla Lipana). The Board, upon the recommendation of the Company's Audit Committee (with Mr. Enrico S. Cruz as Chairman and Messrs. Omar T. Cruz and Jose Eduardo A. Quimpo II as members), approved the election of Isla Lipana as the Company's external auditor for 2026 based on its performance and qualifications, and fixed its remuneration amounting to One Million One Hundred Thousand Pesos (₱1,100,000.00), net of value-added tax and out-of-pocket expenses.

The election of Isla Lipana, and the fixing of its remuneration will be presented to the stockholders for their approval at the Annual Stockholders' Meeting.

- (b) Representatives of Isla Lipana are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to questions related to the completed fiscal year review.

Pursuant to the General Requirements of Revised SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), the Company has engaged Isla Lipana as external auditor, with Mr. Zaldy D. Aguirre as the Partner-in-Charge since audit year 2024.

- (c) **Changes in and disagreements with accountants on accounting and financial disclosure**

The Company has engaged the services of Isla Lipana during the two most recent fiscal years. There were no disagreements with Isla Lipana on any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedure.

(d) **Audit and Audit-Related Fees**

The Company paid or accrued the following fees, including VAT, to its external auditor in the past two years:

YEAR	AUDIT FEES	AUDIT-RELATED FEES	TAX FEES	NON-AUDIT FEES
2025	₱882,000	₱0	₱0	₱0
2024	₱840,000	₱35,000	₱0	₱0

Isla Lipana was engaged by the Company for the annual and midyear review of financial statements in connection with the statutory and regulatory filings or engagements for the years ended 2024 and 2023. The audit-related fees include assurance and services that are related to the performance of the audit or review of the Company's financial statements pursuant to the regulatory requirements.

(e) **Tax fees**

In 2025, no tax services were rendered by Isla Lipana.

(f) **All other fees (Non-Audit Fees)**

For 2023, the Company engaged Isla Lipana for tax consulting services and professional assistance in connection with the application for Certificates Authorizing Registration (eCAR) for the infusion of assets implemented in 2023.

The Audit Committee reviewed the nature of non-audit services rendered by Isla Lipana and the corresponding fees and concluded that these are not in conflict with the audit functions of the external auditors.

The Audit Committee has an existing policy to review and to approve the audit and non-audit services rendered by the Company's external auditor, as provided under paragraph 3.4 (b) of the AREIT Audit Committee Charter. It does not allow the Company to engage the external auditor for certain non-audit services expressly prohibited by regulations of the SEC to be performed by an external auditor for its audit clients. This is to ensure that the external auditor maintains the highest level of independence from the Company, both in fact and appearance. The approval of audit-related and non-audit services of the external auditor is delegated to management, subject to the Company's Policy on Non-Audit Services.

Item 8. Compensation Plans

No matter or action relating to any compensation plan pursuant to which cash or non-cash compensation may be paid or distributed will be taken up during the meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or issuance of securities other than for exchange

No matters or actions concerning authorization or issuance of securities will be taken up during the meeting.

Item 10. Modification or Exchange of Securities

The Company will not be presenting any matter or act involving the modification of any class of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class during the meeting.

Item 11. Financial and other information

The audited financial statements as of December 31, 2025, Management's Discussion and Analysis, market price of shares and dividends and other data related to the Company's financial information are attached hereto as Annex "C." The schedules required under Part IV(C) of Revised SRC Rule 68 will be included in the Annual Report (Form 17-A).

Item 12. Mergers, consolidations, acquisitions and similar matters

There is no proposed merger, consolidation, sale or liquidation of the Company that will be presented during the meeting.

Item 13. Acquisition or disposition of property

There are no matters or actions to be taken up in the meeting with respect to acquisition or disposition of any property by the Company requiring stockholders' approval under the Revised Corporation Code.

Item 14. Restatement of accounts

The accounting policies adopted are consistent with those of the previous financial year. Please refer to Note 25 of the Company's audited financial statements on the Summary of Material Accounting policies.

D. OTHER MATTERS

Item 15. Action with respect to reports

- (a) Approval of the minutes of the 2025 annual stockholders' meeting held on April 24, 2025 and the special stockholders' meeting held on December 11, 2025, covering the following matters presented for resolution of the stockholders, which were all duly approved by a majority of the stockholders present and represented in the meeting:

2025 Annual Stockholders' Meeting

- (i) Approval of the minutes of the 2024 annual and special stockholders' meetings;
- (ii) Ratification of the acts of the Board of Directors and Officers during the preceding year;
- (iii) Approval of issuance of common shares in exchange for properties;
- (iv) Increase in compensation of independent and non-executive directors;
- (v) Election of Directors, including the independent directors; and
- (vi) Appointment of the Isla Lipana & Co. as the external auditor of the Corporation for the year 2025 and fixing of its remuneration.
- (vii) Approval of audited financial statements of the Corporation as of December 31, 2024 which are part of the Definitive Information Statement and the Annual Report;

The minutes of the 2025 Annual Stockholders Meeting had been uploaded to the Company's website within five (5) days from the date of the meeting and may be viewed through the following link:
<https://www.aret.com.ph/wp-content/uploads/2025/05/AREIT-Minutes-ASM-24-April-2025-vF.pdf>

2025 Special Stockholders' Meeting

- (i) Approval of the decrease and increase in Authorized Capital Stock; and
- (ii) Approval of issuance of common shares in exchange for properties.

The minutes of the 2025 Special Stockholders Meeting had been uploaded to the Company's website within five (5) days from the date of the meeting and may be viewed through the following link:
<https://www.aret.com.ph/wp-content/uploads/2025/12/AREIT-2025-SSM-Minutes.pdf>

In addition, the minutes contain the following information:

1. A description of the voting and vote tabulation procedures used in the previous meeting:

2025 Annual Stockholders' Meeting

During the previous Annual Stockholders' Meeting of the Company held on April 24, 2025, stockholders of record were allowed to vote *in absentia* or by designating the Chairman of the meeting as their proxy. The Secretary certified that there was a quorum for the meeting with stockholders owning 2,251,650,331 shares or 70.147% of the total outstanding shares, present in person or by proxy. The mode of attendance of the stockholders deemed present and their respective percentages of the outstanding shares are set forth below:

Mode of Attendance	Number of Shares Present and Represented	% of Total Outstanding Shares
Appointment of the Chairman as proxy	2,247,716,349	70.025%
Voting <i>in absentia</i>	110,675	0.003%
Remote communication	3,823,307	0.119%

The votes cast as of close of business of April 15, 2025 were tabulated. Those votes are from stockholders owning 2,247,716,349 voting shares representing 100% of the total shares represented in the meeting, and 70.03% of the total outstanding voting shares.

The Secretary explained that the rules of conduct and the voting procedures are set forth in the Definitive Information Statement and in the Explanation of Agenda Items, which formed part of the Notice of the Annual Stockholders' Meeting.

The voting result for matters taken up during the Annual Stockholders' Meeting of the Company last April 24, 2025 is posted in the Company's website at <https://www.aret.com.ph/wp-content/uploads/2025/05/AREIT-Minutes-ASM-24-April-2025-vF.pdf>

2025 Special Stockholders' Meeting

During the previous Special Stockholders' Meeting of the Company held last December 11, 2025, stockholders of record were allowed to vote *in absentia* or by designating the Chairman of the meeting as their proxy. The Secretary certified that there was a quorum for the meeting with stockholders owning 3,053,509,763 shares or 82.18% of the total outstanding shares, present in person or by proxy. The mode of attendance of the stockholders deemed present and their respective percentages of the outstanding shares are set forth below:

Mode of Attendance	Number of Shares Present and Represented	% of Total Outstanding Shares
Appointment of the Chairman as proxy	2,827,104,156	76.0842%
Voting <i>in absentia</i>	15,000	0.0004%
Remote communication	226,390,607	6.0927%

The votes cast as of close of business of December 3, 2025 were tabulated. Those votes are from stockholders owning 2,827,119,156 voting shares representing 92.70% of the total shares represented in the meeting, and 76.08% of the total outstanding voting shares.

The Secretary explained that the rules of conduct and the voting procedures are set forth in the Definitive Information Statement and in the Explanation of Agenda Items, which formed part of the Notice of the Special Stockholders' Meeting.

The voting result for matters taken up during the Special Stockholders' Meeting of the Company last December 11, 2025 is posted in the Company's website at <https://www.aret.com.ph/wp-content/uploads/2025/12/AREIT-2025-SSM-Minutes.pdf>

2. The matters discussed, resolutions reached, and voting tabulation for each matter:

The following matters were discussed and resolutions reached, with the corresponding voting tabulations, during the:

2025 Annual Stockholders' Meeting

- a. Approval of the Minutes of the Previous Annual Stockholders' Meetings held on April 23, 2024

Resolution No. S-01-25

RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 23, 2024.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,247,826,924	-	100

% of Shares of Stockholders Represented	99.83%	-	0.000004%
---	--------	---	-----------

b. Ratification of All Acts and Resolutions of the Board of Directors and Officers

Resolution No. S-02-2025

RESOLVED, to ratify each and every act and resolution, from April 23, 2024 until April 24, 2025 (the “Period”), of the Board of Directors (“Board”), the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act of the officers of the Corporation, during the period, performed in accordance with the resolutions of the Board, the Executive Committee, and other Board committees as well as with the By-Laws of the Corporation.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,247,826,924	-	100
% of Shares of Stockholders Represented	99.83%	-	0.000004%

c. Approval of Issuance of Common Shares in Exchange for Properties

Resolution No. S-03-2025

RESOLVED, to approve the issuance of 505,890,177 primary common shares to Ayala Land, Inc. (ALI), and its subsidiaries, Accendo Commercial Corp. (Accendo), Cagayan de Oro Gateway Corp. (CDOGC), and Central Bloc Hotel Ventures, Inc. (CBHVI), in exchange of identified properties owned by ALI, Accendo, CDOGC, and CGHVI valued at Twenty Billion Nine Hundred Ninety-Four Million Four Hundred Forty-Two Thousand Three Hundred Forty-Five and 50/100 Pesos (₱20,994,442,345.50), under a property-for-share swap at an issue price of ₱41.50 per share, set at a ~2% premium over the thirty (30)-day volume weighted average price (30-day VWAP) of ₱40.68 or the prevailing Market Price.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,247,078,224	748,200	100
% of Shares of Stockholders Represented	70.01%	0.02%	0.000004%

d. Increase in Compensation of Independent and Non-Executive Directors

Resolution No. S-04-2025

RESOLVED, as endorsed by the Board of Directors to approve the increase in compensation of independent and non-executive directors from Forty Thousand Pesos (₱40,000.00) to Sixty Thousand Pesos (₱60,000.00) for every Board meeting attended, and from Twenty Thousand Pesos (₱20,000.00) to Thirty Thousand Pesos (₱30,000.00) for every committee meeting attended.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,247,747,401	76,123	2,900
% of Shares of Stockholders Represented	99.83%	0.0003%	0.0001%

e. Election of Directors

Resolution No. S-05-2025

RESOLVED, to elect the following as directors of the Corporation to serve as such beginning April 24, 2025 until their successors are elected and qualified:

Anna Ma. Margarita B. Dy
Mariana Beatriz E. Zobel de Ayala
Augusto D. Bengzon
Jose Eduardo A. Quimpo II
Maria Theresa D. Marcial
Omar T. Cruz
Enrico S. Cruz
Sherisa P. Nuesa

	DIRECTOR	FOR	AGAINST	ABSTAIN
1.	Anna Ma. Margarita B. Dy	2,242,711,289	5,078,634	-
2.	Mariana Beatriz E. Zobel de Ayala	2,246,864,023	902,800	-
3.	Augusto D. Bengzon	2,246,471,132	1,266,390	-
4.	Jose Eduardo A. Quimpo II	2,246,852,722	902,800	-
5.	Maria Theresa D. Marcial	2,246,842,672	902,800	-
6.	Omar T. Cruz	2,246,842,672	902,800	-
7.	Enrico S. Cruz	2,242,666,988	5,078,634	-
8.	Sherisa P. Nuesa	2,242,676,788	5,078,634	-

f. Appointment of External Auditor and Fixing of its Remuneration

Resolution No. S-06-2025

RESOLVED, as endorsed by the Board of Directors, to approve the appointment of Isla Lipana & Co. (PWC) as the external auditor of the Corporation for the year 2025 with an audit fee of Eight Hundred Eighty-Two Thousand Pesos (₱882,000.00), net of value-added tax and out-of-pocket expenses, with inflationary allowance of up to 5%.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,247,826,401	23	-
% of Shares of Stockholders Represented	99.83%	0.000001%	-

g. Approval of the Audited Financial Statements

Resolution No. S-07-2025

RESOLVED, to approve the audited financial statements of the Corporation as of December 31, 2024, as audited by the Corporation's external auditor, Isla Lipana & Co. (PWC).

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,247,826,324	-	100
% of Shares of Stockholders Represented	99.83%	-	0.000004%

2025 Special Stockholders' Meeting

a. Approval to Decrease the Corporation's Authorized Capital Stock

Resolution No. S-08-25

RESOLVED, to approve the decrease of the authorized capital stock of the Corporation from ₱40,500,000,000.00 to ₱39,826,700,300.00 through the retirement of the Corporation's existing 67,329,970 treasury shares.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,827,119,156	-	-
% of Shares of Stockholders Represented	76.08%	-	-

b. Approval to Increase in Authorized Capital Stock

Resolution No. S-09-25

RESOLVED, to approve the increase in authorized capital stock of the Corporation from Thirty-Nine Billion Eight Hundred Twenty-Six Million Seven Hundred Thousand Three Hundred Pesos (₱39,826,700,300.00), in lawful money of the Philippines, divided into Three Billion Nine Hundred Eighty-Two Million Six Hundred Seventy Thousand Thirty (3,982,670,030) Common Shares with par value of Ten Pesos (₱10.00) per share to Fifty-Seven Billion Pesos (₱57,000,000,000.00) in lawful money of the Philippines, divided into Five Billion Seven Hundred Million (5,700,000,000) Common Shares with par value of Ten Pesos (₱10.00) per share and for this purpose the amendment of the Seventh Article of the Articles of Incorporation. As amended, the Article shall henceforth read:

SEVENTH: The authorized capital stock of the Corporation is Fifty-Seven Billion Pesos (₱57,000,000,000.00), in lawful money of the Philippines, divided into Five Billion Seven hundred Million (5,700,000,000) Common Shares with a par value of Ten Pesos (₱10.00) per share.

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,827,119,156	-	-
% of Shares of Stockholders Represented	76.08%	-	-

c. Approval of Issuance of Common Shares in Exchange for Properties

Resolution No. S-10-2025

RESOLVED, to approve the issuance of 441,131,656 primary common shares to Ayala Land, Inc. (ALI), and its subsidiary, Summerhill Commercial Ventures Corp. (Summerhill), in exchange of identified properties owned by ALI and Summerhill valued at Nineteen Billion Four Hundred Seventy-Five Million Nine Hundred Sixty-Two Thousand Six Hundred Twelve and 40/100 Pesos (₱19,475,962,612.40), under a property-for-share swap, 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) of ₱43.93 or the prevailing Market Price.”

	FOR	AGAINST	ABSTAIN
Number of Voted Shares	2,827,119,156	-	-
% of Shares of Stockholders Represented	92.5859%	-	-

3. A list of the directors, officers and the percentage of outstanding and voting shares of stockholders who attended and participated in the meeting:

The following directors and officers were present during the Annual Stockholders’ Meeting of the Corporation last April 24, 2025:

DIRECTORS	
Anna Ma. Margarita B. Dy	<i>Chairman of the Board</i>
Jose Eduardo A. Quimpo II	<i>President and Chief Executive Officer Member, Executive Committee Member, Sustainability Committee</i>
Mariana Beatriz Zobel de Ayala	
Augusto D. Bengzon	<i>Chairman, Executive Committee Member, Audit Committee</i>
Maria Theresa D. Marcial	<i>Member, Sustainability Committee</i>

Enrico S. Cruz	<i>Chairman, Audit Committee Member, Risk Management and Related Party Transactions Review Committee Member, Corporate Governance and Nomination Committee</i>
Omar T. Cruz	<i>Lead Independent Director Member, Executive Committee Chairman, Risk Management and Related Party Transactions Review Committee Member, Audit Committee Member, Corporate Governance and Nomination Committee</i>
Sherisa P. Nuesa	<i>Chairman, Corporate Governance and Nomination Committee Chairman, Sustainability Committee Member, Risk Management and Related Party Transactions</i>
OFFICERS	
Ma. Teresa R. Famy	<i>Treasurer and Chief Finance Officer</i>
Maria Franchette M. Acosta	<i>Corporate Secretary</i>
Joahna S. Soriano	<i>Investor Relations Head</i>

The following directors and officers were present during the Special Stockholders' Meeting of the Corporation last December 11, 2025:

DIRECTORS	
Anna Ma. Margarita B. Dy	<i>Chairman of the Board</i>
Albert M. De Larrazabal	<i>President and Chief Executive Officer Member, Executive Committee Member, Sustainability Committee</i>
Jose Eduardo A. Quimpo II	<i>Chairman, Executive Committee Member, Audit Committee Member, Sustainability Committee</i>
Mariana Beatriz Zobel de Ayala	
Maria Theresa D. Marcial	<i>Member, Sustainability Committee</i>
Enrico S. Cruz	<i>Chairman, Audit Committee Member, Risk Management and Related Party Transactions Review Committee Member, Corporate Governance and Nomination Committee</i>
Omar T. Cruz	<i>Lead Independent Director Member, Executive Committee Chairman, Risk Management and Related Party Transactions Review Committee Member, Audit Committee Member, Corporate Governance and Nomination Committee</i>
Sherisa P. Nuesa	<i>Chairman, Corporate Governance and Nomination Committee Chairman, Sustainability Committee Member, Risk Management and Related Party Transactions</i>

OFFICERS	
Ma. Teresa R. Famy	<i>Treasurer and Chief Finance Officer</i>
Maria Franchette M. Acosta	<i>Corporate Secretary</i>
Ma. Florence Therese dG. Martinez-Cruz	<i>Assistant Corporate Secretary and Chief Compliance Officer</i>
Joahna S. Soriano	<i>Investor Relations Head</i>

4. Information on the stockholders who participated in the meeting and their voting rights.

The percentage of outstanding and voting shares of stockholders who attended and participated in the meeting are as follows:

2025 Annual Stockholders' Meeting

TOTAL NUMBER OF SHARES PRESENT	TOTAL NUMBER OF OUTSTANDING SHARES	PERCENTAGE OF TOTAL
2,251,650,331	3,209,865,985	70.15%

2025 Special Stockholders' Meeting

TOTAL NUMBER OF SHARES PRESENT	TOTAL NUMBER OF OUTSTANDING SHARES	PERCENTAGE OF TOTAL
3,053,509,763	3,715,756,162	82.18%

5. A description of the Company's performance including business strategy and other affairs as presented in the Annual Report of Officers.

6. All other matters taken up related to good governance and the protection of minority stockholders.

- (b) Approval of the audited financial statements, including noting of annual report of management for the year ending December 31, 2025. The report will cover the performance of the Company in 2025 and the outlook for 2026, as set forth in Annex C, Management Report.

Item 16. Matters Not Required to be Submitted

There are no other matters or actions to be taken up in the meeting that will not require the vote of the stockholders as of the record date.

Item 17. Amendment of Charter, By-laws or Other Documents

There are no matters or actions to be taken up in the meeting relating to amendment of the Company's Charter or By-laws that will require the vote of the stockholders as of the record date.

Item 18. Other proposed actions

- (a) Election of the members of the Board of Directors, including the independent directors, for the ensuing year.
- (b) Ratification of all acts of the Board of Directors and officers beginning April 24, 2025 until April 23, 2026.

The matters acted upon or approved by the Board of Directors, its Committees, and Management include –

- (i) appointment of the Chairman of the Board and members of the Board Committees;
- (ii) election of directors, lead independent director and officers;
- (iii) updating of attorneys-in-fact, signatories for banks, and other treasury transactions;
- (iv) ratification of the actions of the Board Committees;
- (v) updating of official contact details and authorized filers with the Securities and Exchange Commission;
- (vi) declaration of cash dividends;
- (vii) Capital allocation and disbursement of funds for investments and various projects;
- (viii) Changes in the board, board committees, and officers;
- (ix) Review of related party transactions;

- (x) Updating and availment of additional loans and credit facilities;
 - (xi) appointment of external Assurer for the 2024 Integrated Report;
 - (xii) 2025 Budget; and
 - (xiii) revision of the audit committee and internal audit division charters.
- (c) Election of external auditor and fixing of its remuneration.

Item 19. Voting procedures

(a) **Vote required**

The affirmative vote of at least a majority of the outstanding capital stock entitled to vote and represented at the annual stockholders' meeting is required for the approval of the matters presented to the stockholders for resolution. The election of directors is by plurality of votes.

(b) **Method of Voting**

In all items for approval, each voting share of stock entitles its registered owner as of the Record Date to one (1) vote. As explained in Item 20 below, stockholders will only be allowed to vote *in absentia*, *electronically* or *by proxy*.

In the case of election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate the aforesaid shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many nominees as he shall see fit; provided that, the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of directors to be elected.

Proxies shall be in writing, signed and filed, by the stockholders, in the form provided in this Information Statement, and shall be received by the Corporate Secretary at 37/F, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City 1226 or by email at corporate.secretary@areit.com.ph on or before April 14, 2026.

A stockholder may vote electronically *in absentia* using the online web address, <https://conveneagm.com/ph/AREIT2026ASM>, subject to validation procedures. A stockholder voting electronically *in absentia* shall be deemed present for purposes of quorum.

All votes will be counted and tabulated by the Proxy Validation Committee of the Company and the results will be validated by an independent third party.

Item 20. Participation of Shareholders by Remote Communication

Pursuant to the Company's By-Laws, the Chairman, acting on the authority delegated by the Board of Directors during its meeting on November 12, 2025, approved the conduct of the meeting in a fully virtual format. Stockholders may only attend the meeting by remote communication, as set forth below, and by voting *in absentia*, electronically or by proxy as provided in Item 4(c) and Item 19 above.

The live webcast of the meeting shall be accessible through the following online web address: <https://conveneagm.com/ph/AREIT2026ASM> to shareholders who registered in the Convene AGM (the "Voting System"). Access to the Meeting livestream will be available on the Stockholder's dashboard in the Voting System on the date set for the Meeting as indicated in the Company's Notice of Meeting. To enable the Company to identify the shareholders participating by remote communication and record their presence for purposes of quorum, the shareholders shall inform the Company by email to corporate.secretary@areit.com.ph on or before April 14, 2025, of their participation in the meeting by remote communication.

Stockholders may email questions or comments prior to or during the meeting to the following email address: corporate.secretary@areit.com.ph. The detailed instructions for participation through remote communication are set forth in Annex A (II).

Item 21. Acceptance of Stockholder Proposals on Agenda Item (for updating)

Stockholders of record as of March 23, 2026 owning at least 5% of the total outstanding capital stock of the Company may submit proposals on items for inclusion in the agenda on or before April 16, 2026.¹³

* * *

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on March 19, 2026.

AREIT, INC.

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

* * *

¹³ The inclusion of the proposed agenda item shall be in accordance with SEC Memorandum Circular No. 14, Series of 2020, and the Company's internal guidelines.

ANNEX “A”

2025 ANNUAL STOCKHOLDERS’ MEETING
OF
AREIT, INC.
(THE “MEETING”)

REQUIREMENTS AND PROCEDURE FOR
ELECTRONIC VOTING *IN ABSENTIA*
AND
PARTICIPATION BY REMOTE COMMUNICATION

Electronic voting *in absentia* and participation by remote communication shall be allowed only through complete registration and successful validation in ConveneAGM (the “Voting System”).

I. ELECTRONIC VOTING IN ABSENTIA

1. Stockholders as of March 23, 2026 (“Stockholders”) have the option of electronic voting *in absentia* on the matters in the Agenda after complete registration and successful validation in the Voting System. Only votes cast by duly validated stockholders would be included in the preliminary and final tally of votes.
2. Stockholders with e-mail addresses on record shall be sent an e-mail with a link to the Voting System. To register in the Voting System, Stockholders shall simply follow the instructions sent in the e-mail.
3. Otherwise, Stockholders may access the link <https://conveneagm.com/ph/AREIT2026ASM> to create an account and register in the Voting System. Stockholders should complete the online registration form and submit for validation together with the requirements provided in Item 5 below. Once the online registration form has been completed and validated, the digital ballot will be available for the Stockholders to cast their votes.
4. All registered accounts shall be subject to validation requirements set forth in Item 5 below. The deadline for registration to vote *in absentia* is April 14, 2026. Registered stockholders may vote until the end of the meeting. The Voting System will be open for registration on **April 1, 2026**.
5. The following are needed for registration:
 - 5.1 For individual Stockholders –
 - 5.1.1 A scanned-copy of the Stockholder’s valid government-issued ID showing photo and personal details, preferably with residential address (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
 - 5.1.2 A valid and active e-mail address;
 - 5.1.3 A valid and active contact number;
 - 5.2 For Stockholders with joint accounts –

A scanned copy of an authorization letter signed by all Stockholders, identifying who among them is authorized to cast the vote for the account (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
 - 5.3 For Stockholders under Broker accounts –
 - 5.3.1 A broker’s certification on the Stockholder’s number of shareholdings (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
 - 5.3.2 A scanned copy of the Stockholder’s valid government-issued ID showing photo and personal details, preferably with residential address (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
 - 5.3.3 A valid and active e-mail address;
 - 5.3.4 A valid and active contact number;

5.4 For corporate Stockholders –

- 5.4.1 A secretary’s certificate attesting to the authority of the representative to vote for, and on behalf of the Corporation (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
- 5.4.2 A scanned copy of the valid government-issued ID of the Stockholder’s representative showing photo and personal details, preferably with residential address (in JPG or PNG or PDF format). The file-size should be no larger than 12MB;
- 5.4.3 A valid and active e-mail address of the Stockholder’s representative;
- 5.4.4 A valid and active contact number of the Stockholder’s representative.

Important Note:

Incomplete or inconsistent information may result in an unsuccessful registration. As a result, Stockholders will not be allowed access to vote electronically *in absentia*, but may still vote by submitting a duly accomplished proxy form, on or before April 14, 2026.

- 6. The validation process in the Voting System will be completed by the Company no later than three (3) business days from the date of the Stockholder’s complete registration. The Stockholder’s Dashboard in the Voting System will indicate the status of registration.

Once validated, the Stockholder will receive an e-mail confirmation on their successful registration. Registered Stockholders have until the end of the Meeting to cast their votes *in absentia*.

- 7. All agenda items indicated in the Notice of the Meeting will be set out in the digital ballot in the Voting System and the registered Stockholder may vote as follows:

- 7.1 For items other than the Election of Directors, the registered Stockholder has the option to vote: For, Against, or Abstain. The vote is considered cast for all shares of the registered Stockholder.
- 7.2 For the Election of Directors, the registered Stockholder may either: (1) vote for all nominees, (2) not vote for any of the nominees, or (3) vote for some nominees only, in such number of shares as preferred by the Stockholder, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of directors to be elected.

The votes cast electronically *in absentia* will have equal effect as votes cast by proxy.

Stockholders may still cancel or change their votes until the end of the voting period.

- 8. The Committee of Inspectors of Proxies and Ballots will tabulate all votes cast electronically *in absentia* together with the votes cast by proxy, and a firm selected for this purpose will validate the results.

II. PARTICIPATION BY REMOTE COMMUNICATION

- 1. Stockholders as of March 23, 2026 (“Stockholders”) intending to participate by remote communication should notify the Company by email on or before April 14, 2026. Together with the notification, Stockholders should provide validation requirements as follows:

1.1. For individual Stockholders –

- 1.1.1. A scanned-copy of the Stockholder’s valid government-issued ID showing photo and personal details, preferably with residential address (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
- 1.1.2. A valid and active contact number;

1.2. For Stockholders under Broker accounts –

- 1.2.1. A broker’s certification on the Stockholder’s number of shareholdings (in JPG or PNG or PDF format). The file size should be no larger than 12MB;

- 1.2.2. A scanned copy of the Stockholder's valid government-issued ID showing photo and personal details, preferably with residential address (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
 - 1.2.3. A valid and active contact number;
 - 1.3. For corporate Stockholders –
 - 1.3.1. A secretary's certificate attesting to the authority of the representative to vote for, and on behalf of the Corporation (in JPG or PNG or PDF format). The file size should be no larger than 12MB;
 - 1.3.2. A scanned copy of the valid government-issued ID of the Stockholder's representative showing photo and personal details, preferably with residential address (in JPG or PNG or PDF format). The file-size should be no larger than 12MB;
 - 1.3.3. A valid and active contact number of the Stockholder's representative.
 - 1.4 Duly validated proxies appointing the Chairman of the Meeting as proxy shall be counted for quorum and voting purposes. Proxies other than the Chairman of the Meeting must attend remotely through a link to the meeting livestream to be provided by the Company.
2. After successful validation, Stockholders will receive an email from ConveneAGM with instructions to sign up for the Meeting livestream. Validated Stockholders who attended the meeting remotely shall be included in the determination of quorum at the Meeting, together with the Stockholders who voted *in absentia* and by proxy. Access to the Meeting livestream will be available on the Stockholder's dashboard in the Voting System on the Meeting date as indicated in the Company's Notice of the Meeting.
3. Stockholders may send their questions and/or remarks prior to or during the Meeting by e-mail to corporate.secretary@areit.com.ph.
4. A link to the recorded webcast of the Meeting will be posted on the Company's website after the Meeting. Stockholders shall have two weeks from posting to raise to the Company any issues, clarifications and concerns on the Meeting conducted by e-mail to corporate.secretary@areit.com.ph.

For any clarifications, please contact our Office of the Corporate Secretary through corporate.secretary@areit.com.ph.

* * *

ANNEX “B”

DIRECTORS AND KEY OFFICERS

The write-ups below include positions held as of December 31, 2025 and in the past five years and personal data as of December 31, 2025, of directors and executive officers, unless otherwise stated.

Board of Directors

Anna Ma. Margarita B. Dy	Chairman, Non-Executive Director
Alberto M. de Larrazabal	President, Chief Executive Officer & Executive Director
Jose Eduardo A. Quimpo II	Non-Executive Director
Mariana Beatriz Zobel de Ayala	Non-Executive Director
Maria Theresa D. Marcial	Non-Executive Director
Omar T. Cruz	Lead Independent Director
Enrico S. Cruz	Independent Director
Sherisa P. Nuesa	Independent Director

ANNA MARIA MARGARITA B. DY, Filipino, 56
Chairman, Non-Executive Director since October 1, 2023

Committee memberships:
None

Skills and experience:

Ms. Dy Filipino, 56, is the President and Chief Executive Officer and Director of Ayala Land, Inc. (ALI) since October 1, 2023. She is a member of the Management Committee of ALI since August 2008. She is also the Chairperson of AREIT, Inc. and AyalaLand Logistics Holdings Corp., another Ayala publicly-listed companies. She was an Executive Vice President of ALI from January 1, 2023, to September 30, 2023, and was a Senior Vice President from January 1, 2015, until December 31, 2022. Prior to becoming President, she was the Head of the Residential Business Group of ALI in 2022 and Head of the Malls Group in 2023. Before that, she also headed the Ayala Land Estates Group. Her other significant positions include President of Makati Development Corporation (Construction arm of Ayala Land, Inc.); Chairman of Amaia Southern Properties, Inc., Ayalaland Premier, Inc., Ayala Land International Sales, Inc., Avida Land Corp., Alveo Land Corp., Avencosouth Corp., Altaraza Development Corporation, Amaia Land, Inc., Amicassa Process Solutions, Inc., Ayala Property Management Corporation, Ayalaland-Tagle Properties, Inc., BGWest Properties, Inc., BGNorth Properties, Inc., Bellavita Land Corp., Cagayan de Oro Gateway Corp., Vesta Properties Holdings, Inc. Portico Land Corp. and Solinea, Inc.; Vice Chairman of Aurora Properties, Inc., CECI Realty, Inc., and Ayala Greenfield Development Corporation; President of AKL Properties, Inc.; President and Chief Executive Officer of Fort Bonifacio Development Corporation; and Director of Accendo Commercial Corp., ALI Eton Property Development Corporation, Berkshires Holdings, Inc., Bonifacio Land Corporation, Columbus Holdings, Inc., Emerging City Holdings, Inc., Nuevocentro, Inc., Serendra, Inc. and Alveo-Federal Land Communities Inc. She started her career in IBM, Bain and Benpres Holdings and obtained an AB in Economics degree from Ateneo de Manila, a Master of Science in Economics from London School of Economics and a Master in Business Administration from Harvard Business School.

Directorship in other publicly listed companies:
Ayala Land, Inc. and AyalaLand Logistics Holdings Corp.

ALBERTO M. DE LARRAZABAL, Filipino, 70
President, Chief Executive Officer, and Executive Director since August 13, 2025

Committee memberships:

- Member of Executive Committee

Skills and experience:

Mr. de Larrazabal currently serves as Chairman of Integrated Micro-Electronics, Inc.; Director, President, and CEO of AREIT, Inc.; President and CEO of AC Infrastructure and Globe Capital Venture Holdings, Inc.; and Director of AC Industrial Technology Holdings, Inc., Anko JV Company, Inc., and Light Rail Manila Holdings Inc. Prior to these roles, he was Chief Financial Officer of Ayala Corporation for over four years, stepping down effective January 1, 2026. His tenure at Ayala Corporation was distinguished by his recognition as CFO of the Year by ING and FINEX, a fitting culmination of his leadership in finance. Mr. de Larrazabal with over three

decades of senior executive experience has built an extensive expertise across finance, business development, treasury operations, joint ventures, mergers and acquisitions, investment banking, and investor relations. Prior to joining Ayala Corporation, he served as Chief Commercial Officer and Chief Financial Officer of Globe Telecom. Earlier in his career, he held key leadership roles, including Vice President and CFO of Marsman Drysdale Corporation; Vice President and Head of the Consumer Sector at JP Morgan Hong Kong; and Senior Vice President and CFO of San Miguel Corporation.

Directorship in other publicly listed companies:

Integrated Micro-Electronics, Inc., ENEX Energy Corp., and Yoma Strategic Holdings Ltd.

JOSE EDUARDO A. QUIMPO II, Filipino, 46

Non-Executive Director since August 14, 2024

Committee memberships:

- Chairman of Executive Committee
- Member of Audit Committee
- Member of Sustainability Committee

Skills and experience:

Mr. Quimpo joined Ayala Land, Inc. (ALI) in May 2024 and currently serves as its Senior Vice President, Chief Finance Officer, Treasurer and Chief Risk Officer. He is a Director of AREIT, Inc. and a Director and Treasurer of AyalaLand Logistics Holding Corp., the publicly listed subsidiaries of ALI. His other significant positions include: Chairman and Director of AyalaLand Business Solutions, Inc.; Director and Vice Chairman of Portico Land Corp.; Director and Treasurer of ALI Eton Property Development Corporation, Alveo Land Corporation, Amaia Land Corp. (formerly First Communities Realty, Inc.), Amaia Southern Properties, Inc., Aurora Properties Incorporated, Avida Land Corp., AyalaLand Premier, Inc., AyalaLand-Tagle Properties, Inc., Bellavita Land Corp. (formerly South Maya Ventures Corp.), Ceci Realty Inc., Serendra, Inc., and Vesta Property Holdings, Inc.; Director of A-FLOW Land I Corp., A-FLOW Properties I Corp., Altaraza Development Corporation, Amicassa Process Solutions, Inc., Anvaya Cove Beach and Nature Club, Inc., Makati Development Corporation and Station Square East Commercial Corp.; and Treasurer of Ayala Land International Sales, Inc., Ayala Property Management Corp. and BGWest Properties, Inc.. Prior to joining Ayala Land, Mr. Quimpo held senior roles in investment banking, securities brokerage and wealth management. Mr. Quimpo obtained his Bachelor of Science degree in Management Engineering at Ateneo de Manila University.

Directorship in other publicly listed companies:

Mr. Quimpo is not a Director in any other publicly listed company.

MARIA THERESA D. MARCIAL, Filipino, 55

Non-Executive Director since April 23, 2024

Committee memberships:

- Member of Sustainability Committee

Skills and experience:

Ms. Maria Theresa D. Marcial is President and Chief Executive Officer of BPI Wealth – A Trust Corporation, the asset and wealth management arm of Bank of the Philippine Islands. She has 31 years of banking experience spanning asset management and trust, corporate banking, debt and equity capital markets, and strategic planning and finance. She currently serves as director of BPI Europe Plc, BPI AIA Life Assurance Corporation, BPI Wealth Hongkong Ltd, BPI Wealth Singapore Pte. Ltd, BPI Wealth Builder Multi-Asset Mutual Fund, Inc, and AREIT, Inc. She is also an independent director of Alternergy Holdings Corporation. Prior to joining the banking industry, Ms. Marcial held analyst roles at the National Economic and Development Authority and the Agricultural Policy Credit Council. She has also held key leadership positions in the industry, including President of the Fund Managers Association of the Philippines, President of the Trust Officers Association of the Philippines, Vice-Chair of the Capital Markets Development Committee of FINEX, and Alternate Governor of the Market Governance Board of the Philippine Dealing and Exchange Corporation. Beyond her professional commitments, Ms. Marcial is actively engaged in environmental and social advocacy. She serves as Trustee and Treasurer of World Wide Fund for Nature (WWF) Philippines, and the Ocean Racing Club of the Philippines. She has been recognized as one of the Top 25 Most Influential Women in Asset Management in Asia by AsianInvestor, Women of Power by the Philippine Daily Inquirer and Most Outstanding Alumnus of the University of the Philippines Los Baños. Ms. Marcial holds a Master's Degree in Economics from the University of the Philippines Diliman and a BS in Economics, cum laude, from the University of the Philippines Los Baños. She completed the

Advanced Management Program and the CFA Institute Investment Management Workshop at Harvard Business School, and the Executive Program in Strategy and Organization at Stanford Graduate School of Business.

Directorship in other publicly listed companies:

Ms. Marcial is a Director of Alternergy Holdings Corporation.

MARIANA BEATRIZ ZOBEL DE AYALA, Filipino, 37
Non-Executive Director since October 7, 2021

Committee memberships:

None

Skills and experience:

Ms. Zobel de Ayala is an Executive Director of Ayala Corporation and concurrently a Senior Vice President of Ayala Land, Inc. (ALI). She currently heads its Leasing and Hospitality Group, overseeing Ayala Malls, Ayala Land Offices, Ayala Land Hospitality, and Ayala Land Leisure Estates. She is also a Board Director of ALI and a member of its Executive, Risk Oversight, and Sustainability Committees. Currently, she serves as the Chairman and President of Ayalaland Malls, Inc. (formerly: ALI Commercial Center, Inc.); Vice Chairman of ALI Eton Property Development Corporation; Chairman of Ayalaland Offices, Inc., Chairman of Ayalaland Hotels and Resorts Corp., and Director of Fort Bonifacio Development Corporation, Bonifacio Land Corporation, Columbus Holdings, Inc., Berkshires Holdings, Inc., Emerging City Holdings, Inc., Altaraza Development Corporation, AKL Properties, Inc., Ortigas Land Corporation, and Makati Central Estate Association, Inc. She also serves as Chairman of Chirica Resorts Corporation, Ten Knots Development Corporation, Lio Resort Ventures Inc., Pangulasian Island Resort Corp., Ten Knots Phils., Inc., Swift Aerodrome Services, Inc., and ALI Capital Corp.; President & Director of Station Square East Commercial Corporation; and, Director of Cagayan de Oro Gateway Corp., Accendo Commercial Corp., and Cebu District Property Enterprise Inc. Aside from her directorships at the Ayala Land Group, she also serves as a Board Director for several Ayala Group companies, such as A&CO Holdings Corporation, ACX Holdings Corporation, ANKO JV Company, Inc., Ayala Group's ACTIVE Fund, and BPI's Asset Management and Trust Company. She was named a board advisor for Asia Partners, a Singapore-based growth equity firm with over USD1 bn in assets under management, focused on enabling the next generation of high-growth technology companies in Southeast Asia. She is also a board director of U-Go, a non-profit organization looking to drive education equality in emerging markets by providing scholarship grants to women in pursuit of a university education. She previously worked for the Bank of the Philippine Islands (BPI) as a Senior Vice President, leading the development of its marketing and digital platforms for its Consumer Bank. Before this position, she served as the Deputy Head of Ayala Malls and previously worked in project development across Ayala Land. She started working at the Ayala Group as a corporate strategy and business development associate at Ayala Corporation, supporting its portfolio reviews across the conglomerate and business development interests in the healthcare industry. She began her career at J.P. Morgan in New York. She obtained her BA in Social Studies (Philosophy, Politics, and Economics) from Harvard College and an MBA from INSEAD.

Directorship in other publicly listed companies:

Ayala Land, Inc.

OMAR T. CRUZ, Filipino, 71

Lead Independent and Non-Executive Director since June 28, 2019

Committee memberships:

- Member of Executive Committee
- Member of Risk Management and Related Party Transactions Review Committee
- Member of Audit Committee
- Member of Corporate Governance and Nomination Committee

Skills and experience:

Mr. Cruz is also an independent director for Toyota Financial Services, Inc., RCBC Capital Corporation, Philippine Regional Investments Development Corporation and ABACORE Group, Inc. He also serves: as Chairman of the Investment Committee of De La Salle Philippines; as Trustee of the Financial Executives Institute Foundation of the Philippines; as Vice Chairman of the board and Board Executive Committee for the University of Asia and the Pacific; as Vice Chairman of the board and Board Executive Committee for the Center for Research and Communication Foundation, Inc.; as a trustee for the Philippine National Police Foundation. Previously Mr. Cruz has served as: Treasurer of the Republic of the Philippines, Chairman of the International Treasury Committee of the International Association of Financial Executives Institution; as a senior advisor to Prudential Corporation Asia (HK); and as President and CEO of BPIPhilam Life Assurance Corp. and Vice

President and bank executive of Citibank, N.A.; Senior Executive Vice President of Insular Life. He has also previously served as a director for numerous entities, including Philamlife Company, BPI Philam Life Assurance Corporation, Ayala-FGU Condominium Corporation, Rufino Towers Condominium Corporation, Philamlife Asset Management, Inc., Tower Club and PHINMA Property Holdings Corporation. Mr. Cruz holds a Bachelor of Science in Industrial Management Engineering (minor in Mechanical Engineering) from De La Salle University. He also achieved his Master of Science in Industrial Economics from the Center for Research and Communication at the University of Asia and the Pacific.

Directorship in other publicly listed companies:

Abacore Capital Holdings, Inc. (ABA)

ENRICO S. CRUZ, Filipino, 68

Independent and Non-Executive Director since February 5, 2020

Committee memberships:

- Member of Risk Management and Related Party Transactions Review Committee
- Chairman of Audit Committee
- Member of Corporate Governance and Nomination Committee

Skills and experience:

Mr. Cruz is also an Independent Director of Security Bank Corporation, Robinsons Retail Holdings, Inc., The Keepers Holdings, Inc., DITO CME Holdings Inc., Maxicare Healthcare Corporation, CIBI Information Inc, MAXILIFE Insurance Corporation, Vice Chairman of SB Capital Investment Corporation, Philippine Dealing and Exchange Corporation, and Maharlika Investment Corporation. He was the Chief Country Officer of Deutsche Bank Manila Branch from June 2003 to July 2019, responsible for the operation of Deutsche Bank entities in the Philippines. He was concurrently the bank's Head of Corporate Finance overseeing debt origination, equity capital markets, advisory and corporate/institutional sales activities. He joined Deutsche Bank in July 1995 where he established the Global Markets (GM) franchise in the Philippines. Prior to Deutsche Bank, Eric was Senior Vice President at Citytrust Banking Corporation (CTBC), an affiliate of Citibank N.A. He joined CTBC in 1979 as an Executive Development Program Trainee and worked in various operations departments until he was named Head of Centralized Operations Department. He was then tasked in 1989 to head the Treasury Sales and Trading Group until his move to Deutsche Bank. He previously served as a Director of the Bankers Association of the Philippines (BAP) in 2003-2007, 2011-2015 and 2017-2019 and was a past president of the Money Market Association of the Philippines. He obtained his B.S. in Business Economics and MBA from the University of the Philippines.

Directorship in other publicly listed companies:

Security Bank Corporation, Robinsons Retail Holdings, Inc., The Keepers Holdings, Inc. and DITO CME Holdings Inc.

SHERISA P. NUESA, Filipino, 71

Independent and Non-Executive Director since April 26, 2023

Committee memberships:

- Member of Risk Management and Related Party Transactions Review Committee
- Chairman of Sustainability Committee
- Chairman of Corporate Governance and Nomination Committee

Skills and experience:

Ms. Nuesa, is a Director of other publicly listed companies as follows: Independent Director of Integrated Micro-electronics, Inc. and Manila Water Company, Inc. and a non-executive Director of Far Eastern University and of Metro Retail Stores Group Inc., where she serves as Chairman of the Board. She also sits as a Board member of FEU subsidiary FERN Realty Corporation and as Senior Adviser to the Board of Vicsal Development Corporation. She is also a member of the board of trustees of the Financial Executives Institute (FINEX) Foundation, and a Board Adviser to Justice Reform Initiative Inc. (JRI) where she held the position of former Chairperson for ten years until 2022. In the recent past, she is a former director of ALI and ACEN CORPORATION from 2020 until April 2023. She also held the positions of President and Director of the ALFM Mutual Funds Group, and Trustee and Fellow of the Institute of Corporate Directors (ICD) from 2012 to 2021. In addition to her background as a Chief Finance Officer and currently as a Board Director, she also held previous positions in management operations. She was the Chief Finance Officer and Chief Administration Officer of IMI from January 2009 to July 2010 and the Vice-President and Group Head for Commercial Centers of Ayala Land Inc. (ALI) from 1996 to 1999. She was then a Managing Director of Ayala Corporation and as such, served in various capacities in Ayala Corporation, ALI, and Manila Water Company, Inc. She co-led the Initial Public

Offering (IPO) teams of Ayala Land, Inc., Cebu Holdings, Inc., Manila Water, and IMI. Ms. Nuesa received a Master of Business Administration degree from the Ateneo-Regis Graduate School of Business in Manila. She also attended post-graduate courses in Harvard Business School and in Stanford University. She graduated summa cum laude in 1974, with a degree of Bachelor of Science in Commerce from the Far Eastern University, which named her as one of its Outstanding University Alumni. A Certified Public Accountant, she was awarded as the ING-FINEX CFO of the Year for 2008 and is an accredited lecturer of both ICD and the FINEX Academy.

Directorship in other publicly listed companies:

Integrated Micro-electronics, Inc., Manila Water Company, Inc. Far Eastern University and Metro Retail Stores Group Inc.

Nominees to the Board of Directors for election at the stockholders' meeting

All the incumbent directors are nominees to the Board.

Senior Leadership Team/Key Officers

Alberto M. de Larrazabal*	President & Chief Executive Officer
Ma. Teresa R. Famy	Treasurer, Chief Finance Officer & Chief Risk Officer
Rowena P. Libunao	Chief Audit Executive
Maria Franchette M. Acosta	Corporate Secretary
Ma. Florence Therese dG. Martirez-Cruz	Chief Compliance Officer & Assistant Corporate Secretary
Roscoe M. Pineda	Data Protection Officer

* *Member of the Board of Directors.*

MA. TERESA R. FAMY, Filipino, 60, is the Treasurer, Chief Finance Officer and Chief Risk Officer of the Company. She was appointed as the Chief Finance Officer effective July 1, 2021, as Treasurer of the Company effective August 12, 2021 and as Chief Risk Officer effective April 24, 2025. She has been with the ALI Group for 18 years. Prior to her appointment in the Company, Ms. Famy was the Chief Finance Officer of the AyalaMalls Group, Alveo Land Corp., Ayala Land Premier, and Avida Land Corp. Prior to joining the ALI Group, Ms. Famy worked as an Auditor for SyCip Gorres Velayo and Co. She is a Certified Public Accountant and holds a Bachelor's Degree in Accounting from Divine Word College, Legazpi City.

ROWENA P. LIBUNAO, Filipino, 48, is currently the audit lead for Leasing and Hospitality. She has been with ALI Internal Audit for almost 15 years. Prior to joining Ayala Land, she worked as Internal Auditor for various companies engaged in banking, petroleum and stock exchange. She is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), and a member of the Institute of Internal Auditors Philippines (IIAP). She holds a Bachelor of Science degree in Accountancy from the Pamantasan ng Lungsod ng Maynila.

MARIA FRANCHETTE M. ACOSTA, Filipino, 53, has been the Corporate Secretary, Corporate Governance Group Head, Data Protection Officer and Chief Legal Officer of Ayala Corporation since March 12, 2024. She has served as the Company's Compliance Officer since April 26, 2024. She is also the Corporate Secretary of Ayala Land, Inc., AREIT, Inc., ACEN CORPORATION, Globe Telecom, Inc., Integrated Micro-electronics, Inc. and Mynt, Inc. She has been a practicing lawyer with 18 years in Villaraza & Angangco Law Firm where she was a Senior Partner, Co-Managing Partner and Head of its Corporate and Commercial Department. Ms. Acosta was also an Assistant Secretary at the Office of the Chief Presidential Legal Counsel of the Republic of the Philippines where she worked from 2001 to 2003 and. She has been recognized as an expert counsel in leading legal journals and publications such as Chambers Global, Chambers Asia Pacific and Legal 500. For several consecutive years she was named among Asia Business Law Journal's top 100 lawyers of the Philippines. Atty. Acosta graduated from New York University with a Master of Laws in 2003, and ranked 3rd in the Philippine Bar Examination. She earned her Bachelor of Laws from the University of the Philippines College of Law in 1998 where she graduated Class Valedictorian and Cum Laude. She holds a Bachelor of Science in Business Economics from the University of the Philippines School of Economics in 1994 where she graduated Magna Cum Laude.

MA. FLORENCE THERESE DG. MARTIREZ-CRUZ, Filipino, 39, has served as the Assistant Corporate Secretary of AREIT, Inc. since November 14, 2022, and Chief Compliance Officer of the AREIT, Inc. since April 26, 2023. She is the Corporate Secretary of Ayalaland Logistics Holdings Corp. and AREIT Fund Managers, Inc., and concurrently the Head of Legal of AREIT, Inc. and Ayalaland Offices, Inc. She is the Compliance Officer for Anti-Money Laundering of ALI, and the Legal Group Head for ALI's Leasing and Hospitality Group. She was the Assistant Corporate Secretary of Ayala Land, Inc. from April 26, 2023 to May 28, 2024. Prior to joining Ayalaland Offices, Inc. in 2021, she was a Senior Counsel and Counsel for AG Counselors Corporation, from 2019 to 2021, and 2016 to 2019, respectively. Prior to joining the Ayala Land Group, she worked as an Associate at the Leynes Lozada-Marquez Law Offices and a legal consultant in the Office of Senator Maria Lourdes Binay. She graduated from the University of the Philippines in 2007 with a Bachelor of Arts degree in Public

Administration and obtained her Juris Doctor in 2011 from the same University. She finished the Program on Negotiation and Leadership at Harvard Law School in 2019 and the Certification Course for Compliance Officers by the Center for Global Best Practices in 2022 and was included in the Legal 500's GC Powerlist Philippines 2023.

ROSCOE M. PINEDA, Filipino, 53, joined ALI on March 1, 2023, as Vice President and Information Technology Director of the Residential Business Group of Ayala Land, Inc. He assumed the Chief Information Officer (CIO) position for the ALI Group effective on October 1, 2023, and appointed as Group Data Privacy Officer on January 1, 2024 until August 19, 2025. Mr. Pineda was the Service Center Lead for Technology and was also the Chief Operating Officer of ANZ Global Services and Operations in Manila. He was the Chief Shared Services Officer of the Asia Service Centre of Sun Life of Canada and was a VP of CHARTIS Technology and Operations Management Corp. (AIG Shared Services). He is a bona fide member of the PMI.org and currently a Certified Project Management Professional. Mr. Pineda has a Bachelor's Degree in Mathematics, Major in Computer Science from the University of Santo Tomas.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ENRICO S. CRUZ**, Filipino, of legal age and a resident of
after having been duly sworn to in accordance with law do hereby declare that:

- I am a nominee for independent director of **AREIT, INC.**, (the "Corporation") for its Annual Stockholders' Meeting on April 23, 2026 and have been its Independent Director since February 05, 2020.
- I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Security Bank Corporation	Independent Director	August 1, 2019 to present
Maxicare Health Corporation	Independent Director	August 14, 2019 to present
SB Capital Corporation	Vice Chairman Independent Director	May 2020 to present
CIBI Information, Inc.	Independent Director	July 2020 to present
The Keepers Holdings, Inc.	Independent Director	November 2020 to present
DITO CME Holdings, Inc.	Independent Director	December 2021 to present
Robinsons Retail Holdings, Inc.	Independent Director	April 2022 to present
MAXILIFE Insurance Corporation	Independent Director	July 2022 to present
Philippine Dealing and Exchange Corporation	Independent Director	April 2025 to date
Maharlika Investment Corporation	Independent Director	February 2026 to date

- I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation, as provided in Section 38 of the Securities Regulations Code, its Implementing Rules and Regulations and other SEC issuances.
- I am related to the following director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
N.A.		

- To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this MAR 11 2026 at MAKATI CITY.

ENRICO S. CRUZ
Affiant

~~SUBSCRIBED~~
~~MAKATI CITY~~, AND SWORN to before me this MAR 11 2026 at _____, affiant personally appeared before me and exhibited to me his Passport No. _____ issued on _____ at _____.

Doc No. 191 ;
Page No. 40 ;
Book No. XXVII ;
Series of 2026 .



Notarial DST pursuant to Sec. 61 of the TRAIN ACT (amending Sec. 188 of the NIRC) affixed on copy-submitted to the court.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **OMAR T. CRUZ**, Filipino, of legal age and a resident of _____, after having been duly sworn to in accordance with law do hereby declare that:

- I am a nominee for independent director of **AREIT, INC.**, (the "Corporation") for its Annual Stockholders' Meeting on April 23, 2026 and have been its Independent Director since June 28, 2019.
- I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
ABACORE Capital Holdings, Inc.	Independent Director Chairman of Investment Committee Member of Related Party Transaction	2019 - Present
Abacus Global Technovisions, Inc.	Independent Director	September 2020 - Present
De La Salle Philippines	Chairman of Investment Committee	2018 - Present
Center for Research and Communication Foundation, Inc.	Vice Chairman of the Board Member of Board Executive Committee	2016 - Present
Montemaria Asia Pilgrims, Inc.	Independent Director Chairman of Audit Committee	November 2019 - Present
Philippine National Police Foundation, Inc.	Trustee	2016 - Present
Philippine Regional Investment Development Corporation	Independent Director Chairman of Investment Committee	April 2018 - Present
RCBC Capital Corporation	Independent Director	2021 - Present
Simlong Energy Development Corporation	Independent Director	July 2022 - Present
Toyota Philippines Financial Services, Inc.	Independent Director	2021 - Present
University of Asia and the Pacific	Vice Chairman of the Board Member of Board Executive Committee	2016 - Present

I am not affiliated with any Government-Owned and Controlled Corporation.

- I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation, as provided in Section 38 of the Securities Regulations Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
N.A.		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this MAR 11 2026 at MAKATI CITY

[Signature]
OMAR T. CRUZ
Affiant

SUBSCRIBED AND SWORN to before me this MAR 11 2026 at MAKATI CITY,
affiant personally appeared before me and exhibited to me his issued on
at]

Doc No. 190 ;
Page No. 39 ;
Book No. XXVII ;
Series of 2026 .



Notarial DST pursuant to Sec. 61 of the TRAINACT (amending Sec. 188 of the NIRC) affixed on copy submitted to the court.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SHERISA P. NUESA**, Filipino, of legal age and a resident of
after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **AREIT, INC.**, (the "Corporation") for its Annual Stockholders' Meeting on April 23, 2026 and have been its Independent Director since April 26, 2023.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Manila Water Company, Inc.	Independent Director	April 2013 to date
Integrated Micro-electronics, Inc.	Independent Director	April 2018 to date
Far Eastern University, Inc.	Director	August 2010 to date
FERN Realty Corporation	Director	August 2012 to date
Metro Retail Stores Group, Inc.	Chairman of the Board Director	May 2024 to date October 2023 to date
Vicsal Development Corporation	Senior Board Adviser	March 2012 to date
Justice Reform Initiative (JRI)	Chairman and Trustee Board Adviser	May 2017 to May 2022 May 2023 to date
Financial Executives Institute (FINEX) Foundation	Board Trustee	January 2024 to date

I am not affiliated with any Government-Owned and Controlled Corporation.

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation, as provided in Section 38 of the Securities Regulations Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
N.A.		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this MAR 11 2026 at MAKATI CITY.


SHERISA P. NUESA
Affiant

SUBSCRIBED AND SWORN to before me this MAR 11 2026 at MAKATI CITY, affiant
personally appeared before me and exhibited to me her _____ issued on _____
at _____

Doc No. 189 ;
Page No. 39 ;
Book No. XXVII ;
Series of 2026 .



Notarial DST pursuant to Sec. 61 of the TRAIN ACT (amending Sec. 188 of the NIRC) affixed on copy-submitted to the court.

ANNEX “C”

MANAGEMENT REPORT

I. MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A) OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Review of FY 2025 operations vs FY 2024

The Company’s net income increased by 30% from P7,317.06 million in 2024 to P9,539.22 in 2025. Net income before the net fair value change in investment properties likewise rose by 28% from P7,360.44 million in 2024 to P9,430.54 million in 2025. The growth was primarily driven by income generated from additional properties acquired in July 2024 and 2025, which contributed to the Company’s earnings during the year.

Revenues

Total revenues increased by 26% from P10,259.17 million in 2024 to P12,959.78 million in 2025, mainly driven by higher rental income and dues

Rental income grew by 17% from P7,562.12 million in 2024 to P8,826.84 million in 2025. The increase was largely attributable to the full year contribution of properties acquired in July 2024, as well as the incremental income from properties acquired in July 2025.

Dues increased by 30% from P1,535.01 million in 2024 to P1,994.15 million in 2025, reflecting the operations of the new assets acquired in July 2024 and 2025.

Interest income from finance leases amounted to P1,162.03 million in 2024 to P2,138.80 million in 2025. This income related to various lease agreements with ALI and related parties that are accounted for as finance leases.

Cost and Expenses

Direct operating expenses increased by 24% from P2,659.67 million in 2024 to P3,303.76 million in 2025. The increase was primarily attributable to operating expenses associated with additional properties acquired in July 2024 and 2025.

General administrative expenses increased by 39% from P91.33 million in 2024 to P127.08 million in 2025. The increase was mainly drive by higher provision for possible losses and professional fees.

Other Income (Charges)

Interest income increased by 2% from P174.49 million in 2024 to P177.37 million in 2025. The increase was primarily attributable to higher interest income earned from intercompany loans during the period.

Interest expense and other charges decreased by 14% from P319.11 million in 2024 to P274.36 million in 2025. The decrease was mainly driven by lower principal and interest rates on the Company’s short-term borrowings.

Net Fair Value Change in Investment Property

The Company recognized additional income in net fair value change in investment property of P108.68 million in 2025, and a reduction of P43.37 million in 2024.

Provision for income tax

Income tax provision decreased from P3.11 million in 2024 to P1.49 million in 2025, due to the final tax on interest income from banks and short-term investments.

Capital Expenditure

The Company has no material commitments for capital expenditures.

Summary of Real Estate Transactions for 2025

On September 25, 2025, the Company, received the approval of the Securities and Exchange Commission (SEC) of the property-for-share swap, specifically the subscription of ALI, Accendo Commercial Corp. and Cagayan de

Oro Gateway Corp. to 505,890,177 shares of AREIT in exchange for identified properties owned by ALI and the Subsidiaries, pursuant to the Deed of Exchange dated 14 May 2025.

Financial Condition

The Company's balance sheet remains healthy to support the financial and operational requirements during this period.

As of December 31, 2025, the Company's total borrowings registered at ₱2.0 billion which translated to a debt-to-equity ratio of 0.01:1.

Return on equity was at 8% as of December 31, 2025.

Key Financial Ratios	2025	2024
Current Ratio ⁽¹⁾	1.07	0.83
Debt to Equity ⁽²⁾	0.01	0.02
Profitability Ratios		
Return on Asset ⁽³⁾	7%	7%
Return on Equity ⁽⁴⁾	8%	7%
Asset to Equity Ratio ⁽⁵⁾	1.08	1.09
⁽¹⁾ Current assets/current liabilities ⁽²⁾ Total debt/Average Stockholder's equity ⁽³⁾ Total Net Income/Total Average Assets ⁽⁴⁾ Total Net Income/Average Stockholder's equity ⁽⁵⁾ Total asset/Total Stockholder's equity		

LIQUIDITY AND CAPITAL RESOURCES

For Year Ended December 31, 2025 versus For Year Ended December 31, 2024

The Company ended a net decrease in cash of ₱33.02 million for the year ended December 31, 2025.

Net cash flows provided by operating activities amounted to ₱9,633.28 million and ₱7,299.12 million for the year ended December 31, 2025 and 2024, respectively. The increase is mainly due to higher collections contributed by additional properties.

Cash flows used in Investing activities amounted to ₱1,504.11 million and ₱88.23 million for the year ended December 31, 2025 and 2024, respectively. This pertains mainly to due from related parties.

Cash flows used in Financing activities amounted to ₱8,162.19 million and ₱7,181.47 million for the year ended December 31, 2025 and 2024. This pertains mainly to dividends and short-term loans.

Causes for any material changes (+/- 5% or more) in the financial statements

Assets

Cash decreased by 46% primarily due to higher dividends and intercompany lending.

Receivables—current and noncurrent portion—increased by 59% and 78%, respectively, mainly due to additional properties. Higher finance lease receivables were contributed by the newly executed contracts for the building leases of Centrio Mall, Abreeza Mall, Central Bloc Mall and Seda Central Bloc.

Other current assets increased by 98% due to higher prepaid expenses pertaining to advance payment of real property taxes.

Investment properties increased by 7% mainly due to the acquisition of additional properties in July 2025.

Property and equipment decreased by 9% due to the depreciation for the period.

Other noncurrent assets decreased by 41% due to lower input VAT classified as noncurrent.

Liabilities

Accounts and other payables increased by 38%, mainly due to additional payables from additional properties.

The current and noncurrent portion of deposits and other liabilities increased by 38% and 7%, respectively, due to additional deposits from tenants.

Construction bonds, amounted to ₱160.70 million as of December 31, 2025. This pertains to cash bonds collected from tenants, to be used as a guarantee against damages to properties resulting from the construction, renovation or improvements being undertaken therein.

Equity

Total equity of ₱135,902.80 million as of December 31, 2025, 20% higher than December 31, 2024 at ₱113,370.52 million, due to increase in paid-up capital from ₱32,771.96 million in 2024 to ₱37,830.86 million in 2025. Retained earnings increased from ₱24,903.51 million in 2024 to ₱26,521.69 million in 2025.

Review of FY 2024 operations vs FY 2023

The Company's net income increased by 45% from P5,030.54 million in 2023 to P7,317.06 million in 2024. Net income before the net fair value change in investment properties increased by 49% from P4,931.29 million in 2023 to P7,360.44 million in 2024. The increase was mainly due to income from the contribution of additional properties acquired in July 2023, January 2024 and July 2024.

Revenues

Total revenues increased by 44% from P7,140.34 million in 2023 to P10,259.17 million in 2024. This growth was mainly driven by higher rental income and dues.

Rental income increased by 39% from P5,438.89 million in 2023 to P7,562.12 million in 2024. The increase was primarily attributable to the full year contribution of properties acquired in July 2023, and contribution of properties acquired in January and July 2024.

Dues increased by 23% from P1,250.61 million in 2023 to P1,535.01 million in 2024. The increase was attributable to the operations of new assets acquired in July 2023, January and July 2024.

Interest income from finance leases amounted to P450.83 million in 2023 to P1,162.03 million in 2024. This pertains to various lease agreements with ALI or related parties that was subjected to finance lease.

Cost and Expenses

Direct operating expenses increased by 34% from P1,978.49 million in 2023 to P2,659.67 million in 2024. The increase was primarily due to expenses from operations of additional properties acquired in July 2023, January and July 2024.

General and administrative expenses decreased by 28% from P126.35 million in 2023 to P91.33 million in 2024.

Other Income (charges)

Interest income increased by 30% from P133.83 million in 2023 to P174.49 million in 2024. The increase was mainly due to increased interest income from intercompany loans.

Interest expense and other charges increased by 35% from P236.97 million in 2023 to P319.11 million in 2024. The increase was due to higher interest rates on short-term debt.

Net Fair Value Change in Investment Property

The Company recognized a reduction in fair value in investment properties of P43.37 million in 2024 and addition of P99.25 million in 2023.

Provision for income tax

Income tax provision increased from P1.07 million in 2023 to P3.11 million in 2024, due to the final tax on interest income from banks and short-term investments.

Capital Expenditure

The Company has no material commitments for capital expenditures.

Summary of Real Estate Transactions for 2024

On September 25, 2024, the Company, received the approval of the Securities and Exchange Commission (SEC) of the property-for-share swap, specifically the subscription of ALI, Cebu Insular, Green Haven and BCHC to 841,259,412 shares of AREIT in exchange for identified properties owned by ALI and the Subsidiaries, pursuant to the Deed of Exchange dated 19 March 2024.

In line with this, the parties have executed an Amendment to Section 4.2 of the Deed of Exchange on 30 September 2024 so that the recognition of income from the new assets will accrue to AREIT beginning 01 July 2024.

Financial Condition

The Company's balance sheet remains healthy to support the financial and operational requirements during this period.

As of December 31, 2024, the Company's total borrowings registered at ₱2.0 billion which translated to a debt-to-equity ratio of 0.02:1.

Return on equity was at 7% as of December 31, 2024.

Key Financial Ratios	2024	2023
Current Ratio ⁽¹⁾	0.83	0.80
Debt to Equity ⁽²⁾	0.02	0.04
Profitability Ratios		
Return on Asset ⁽³⁾	7%	6%
Return on Equity ⁽⁴⁾	7%	7%
Asset to Equity Ratio ⁽⁵⁾	1.09	1.12
<i>⁽¹⁾ Current assets/current liabilities</i>		
<i>⁽²⁾ Total debt/Average Stockholder's equity</i>		
<i>⁽³⁾ Total Net Income/Total Average Assets</i>		
<i>⁽⁴⁾ Total Net Income/Average Stockholder's equity</i>		
<i>⁽⁵⁾ Total asset/Total Stockholder's equity</i>		

The Company actively manages its liquidity position so as to ensure that all operating, investing, and financing needs are met. Working capital requirements are sufficiently funded through cash collections. The Company secured credit line facilities with various local banks as approved by Board of Directors. As of December 31, 2024 the Company's available credit line is P23.5 billion.

There is no material commitment for capital expenditures other than those performed in the ordinary course of trade or business.

No known trend, event, or uncertainty has had or is reasonably expected to materially impact the net sales, revenues, or income from continuing operations.

There is no significant element of income arising from continuing operations.

There have not been any seasonal aspects that had a material effect on the financial condition or results of the Company's operations.

No known events and uncertainties will trigger direct or contingent financial obligation material to the Company, including any default or acceleration of an obligation.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

LIQUIDITY AND CAPITAL RESOURCES

For Year Ended December 31, 2024, versus For Year Ended December 31, 2023

The Company ended a net increase in cash of ₱29.41 million for the year ended December 31, 2024.

Net cash flows provided by operating activities amounted to ₱7,299.12 million and ₱6,537.79 million for the year ended December 31, 2024, and 2023, respectively. The increase is mainly due to higher collections contributed by additional properties.

Cash flows used in Investing activities amounted to ₱88.23 million and ₱1,936.75 million for the year ended December 31, 2024, and 2023, respectively. This pertains mainly to due from related parties and additions to investment properties.

Cash flows used in Financing activities amounted to ₱7,181.47 and ₱4,622.03 million for the year ended December 31, 2024, and 2023. This pertains mainly to dividends and short-term loans.

Causes for any material changes (+/- 5% or more) in the financial statements.

Assets

Cash increased by 70% primarily due to higher cash flows from operating activities.

Receivables—current and noncurrent portion—increased by 80%, mainly due to additional properties. Higher finance lease receivables were contributed by the newly executed contracts for the building leases of Seda Lio, Greenbelt 3&5 Malls, Holiday Inn and Sebu Ayala Center Cebu.

Other current assets increased by 95% due to higher prepaid expenses pertaining to advance payment of real property taxes.

Investment properties increased by 25% mainly due to the acquisition of additional properties in January and July 2024.

Property and equipment decreased by 7% due to the depreciation for the period.

Other noncurrent assets decreased by 9% due to lower input VAT classified as noncurrent.

Liabilities

Short-term loans decreased by 33%, due to repayment of P1.0 billion in 2024.

Accounts and other payables increased by 40%, mainly due to additional payables from additional properties.

The current portion of deposits and other liabilities decreased by 40%, mainly due to lower advance payment.

Construction bonds amounted to ₱138.14 million as of December 31, 2024. This pertains to cash bonds collected from tenants, to be used as a guarantee against damages to properties resulting from the construction, renovation or improvements being undertaken therein.

The noncurrent portion of deposits and other liabilities increased by 12%, mainly due to increased security deposits and advance rent.

Equity

Total equity of ₱113,370.52 million as of December 31, 2024, 36% higher than December 31, 2023, at ₱83,409.84 million, due to increase in paid-up capital from ₱24,359.37 million in 2023 to ₱32,771.96 million in 2024. Retained earnings increased from ₱23,403.74 million in 2023 to ₱24,903.51 million in 2024.

Property Performance as of December 31, 2025

Property	Location	Valuation Date	Valuation cost (in Pesos, millions)	Total gross leasable area (GLA) (in sq.m)	Occupied GLA (in sq.m)	Occupancy rate	Remaining Land lease term	Rental Income (in Pesos, millions)¹	Gross Revenues (in Pesos, millions)
Solaris	Makati	Dec 2025	7,267	46,768	43,675	93%	23	601	726
Ayala North Exchange	Makati	Dec 2025	12,193	95,314	88,276	93%	33	871	1,197
MECC	Makati	Dec 2025	1,710	10,688	10,408	97%	29	140	185
TP Cebu	Cebu	Dec 2025	1,793	18,093	18,093	100%	26	163	196
The 30th	Pasig	Dec 2025	4,775	74,704	73,463	98%	31	430	650
Laguna Technopark Land	Laguna	Dec 2025	1,339	98,179	98,179	100%	n/a	90	90
Vertis ¹	Quezon City	Dec 2025	16,698	164,450	157,215	96%	33	1,228	1,623
BPI- Philam Makati	Makati	Dec 2025	18	1,072	660	62%	n/a	5	6
BPI- Philam Alabang	Muntinlupa	Dec 2025	7	212	-	0%	n/a	1	1
Bacolod Capitol	Negros Occidental	Dec 2025	358	11,313	6,814	60%	36	63	92
Ayala Northpoint	Negros Occidental	Dec 2025	279	4,654	4,654	100%	33	24	34
Evotech	Laguna	Dec 2025	3,164	23,727	23,102	97%	33	187	372
eBloc Towers 1 to 4	Cebu	Dec 2025	7,492	79,640	77,100	97%	33	629	874
ACC Tower	Cebu	Dec 2025	1,626	27,458	23,514	86%	33	179	207
Tech Tower	Cebu	Dec 2025	1,039	16,273	15,028	92%	33	90	112
One Ayala West and East Towers	Makati	Dec 2025	12,612	70,995	70,995	100%	39	1,320	1,460
Glorietta 1&2 BPOs and Mall ¹	Makati	Dec 2025	12,713	108,790	108,365	100%	34	545	975
Marque Mall	Pampanga	Dec 2025	2,756	66,041	66,041	100%	34	-	183
SEDA Lio	Palawan	Dec 2025	1,142	17,680	17,680	100%	23	-	104
Ayala Triangle Garden Tower 2	Makati	Dec 2025	14,186	63,150	63,150	100%	39	1,274	1,616
Greenbelt 3&5 Mall	Makati	Dec 2025	6,889	94,029	94,029	100%	39	-	434
Holiday Inn	Makati	Dec 2025	3,355	27,391	27,391	100%	24	-	212
Seda Ayala Center Cebu	Cebu	Dec 2025	1,750	13,579	13,579	100%	39	-	112
Palauig Industrial land	Zambales	Dec 2025	6,857	2,759,135	2,759,135	100%	24	482	576

Central Bloc Development	Cebu	Dec 2025	11,691	197,494	197,494	100%	40	182	477
Abreeza BPO and Mall	Davao	Dec 2025	5,389	99,107	98,800	100%	41	31	206
Centrio BPO and Mall	Cagayan De Oro	Dec 2025	6,182	101,760	101,760	100%	41	30	240

⁽¹⁾ Does not include portion of mall and hotel buildings under finance lease

Review of FY 2023 operations vs FY 2022

The Company's net income increased by 74% from ₱2,887.56 million in 2022 to ₱5,030.54 million in 2023. Net income before net fair value change in investment increased by 43% from ₱3,436.52 million in 2022 to ₱4,931.29 million in 2023. The increase was mainly due to income from additional properties acquired in 2022 and 2023.

Revenues

Total revenues increased by 41% from ₱5,072.85 million in 2022 to ₱7,140.34 million in 2023. This was contributed by higher rental income and net dues from the additional properties acquired in the fourth quarter of 2022 and third quarter of 2023.

Rental income increased by 43% from ₱3,807.53 million in 2022 to ₱5,438.89 million in 2023. The increase was primarily attributable to the additional properties, namely, Ebloc Towers 1 to 4, ACC Tower, and Tech Tower, which the company acquired in October 2022 and One Ayala West and East Towers, Glorietta 1 and 2 BPO, Glorietta 1&2 Mall, and Marquee Mall, acquired in July 2023.

Dues increased by 20% from ₱1,042.99 million in 2022 to ₱1,250.61 million in 2023. The increase was driven by the operations of new assets acquired in October 2022 and July 2023.

Interest income from finance lease increased by 103% from ₱222.32 million in 2022 to ₱450.83 million in 2023. The increase was mainly due to the newly executed lease contracts between the Company and AyalaLand Malls, Inc. ("ALMI") for the building lease of Glorietta 1&2 mall and between the Company and Northbeacon Commercial Corp. ("NBCC") for the building lease of Marquee Mall, both of which commenced on July 1, 2023.

Cost and Expenses

Direct operating expenses increased by 45% from ₱1,359.80 million in 2022 to ₱1,978.49 million in 2023. The increase is in line with the increase in rental income due to additional properties acquired by the Company.

General and administrative expenses increased by 59% from ₱79.49 million in 2022 to ₱126.35 million in 2023, mainly due to additional provisions for doubtful accounts.

Other income (charges)

Interest Income increased by 290% from ₱34.33 million in 2022 to ₱133.83 million in 2023. The increase was mainly due to higher interest income from intercompany loans, which increased from ₱33.71 million in 2022 to ₱128.50 million in 2023.

Interest expense and other charges increased by 2% from ₱231.24 million in 2022 to ₱236.97 million in 2023. Interest expense on loans recognized amounted to ₱93.94 million and ₱100.25 in 2023 and 2022, respectively, interest expense from finance lease amounting to ₱84.13 million and ₱81.83 million in 2023 and 2022, respectively and accretion of security deposit amounting to ₱34.78 million in 2023 and ₱26.29 million in 2022.

Other charges amounted to ₱24.12 million in 2023 and ₱22.88 million in 2022. This mainly pertain to amortization of bond issue costs.

Net Fair Value Change in Investment Property

In 2023, the Company recognized an increase in fair value in investment properties of ₱99.25 million and a reduction of (₱548.95 million) in 2022.

Provision for Income Tax

Provision for income tax, the Company started to avail of its tax incentive as REIT after its listing in August 2020. As of December 31, 2022, and 2021, deferred tax assets and liabilities are recognized based on an effective income tax rate of 0% under REIT law. The Company recognized final tax from interest income earned from banks amounting to ₱1.07 million and ₱0.12 million in 2023 and 2022, respectively.

Capital Expenditure

The Company has no material commitments for capital expenditure.

Summary of Real Estate Transactions for 2023

On September 20, 2023, the Company, received the approval of the Securities and Exchange Commission (SEC) of the property-for-share swap, specifically the subscription of ALI, ALMI and to 607,559,380 shares of AREIT in exchange for identified properties owned by ALI and the Subsidiaries, pursuant to the Deed of Exchange dated 02 June 2023.

In line with this, the parties have executed an Amendment to Section 4.2 of the Deed of Exchange on 20 September 2023 so that the recognition of income from the new assets will accrue to AREIT beginning 01 July 2023.

Financial Condition

The Company's balance sheet remains healthy to support the financial and operational requirements during this period.

As of December 31, 2023, the Company's total borrowings registered at ₱3.0 billion which translated to a debt-to-equity ratio of 0.04:1.

Return on equity was at 7% as of December 31, 2023.

Key Financial Ratios	2023	2022
Current Ratio ⁽¹⁾	0.80	0.43
Debt to Equity ⁽²⁾	0.04	0.05
Profitability Ratios		
Return on Asset ⁽³⁾	6%	5%
Return on Equity ⁽⁴⁾	7%	5%
Asset to Equity Ratio ⁽⁵⁾	1.12	1.13
<i>⁽¹⁾ Current assets/current liabilities</i>		
<i>⁽²⁾ Total debt/Average Stockholder's equity</i>		
<i>⁽³⁾ Total Net Income/Total Average Assets</i>		
<i>⁽⁴⁾ Total Net Income/Average Stockholder's equity</i>		
<i>⁽⁵⁾ Total asset/Total Stockholder's equity</i>		

- The Company's fixed-rate bond expired on December 28, 2023. The Company refinanced through the availment of short-term bank loan.
- There is no material commitment for capital expenditures other than those performed in the ordinary course of trade or business.
- No known trend, event, or uncertainty has had or is reasonably expected to materially impact the net sales, revenues, or income from continuing operations.
- There is no significant element of income arising from continuing operations.
- There have not been any seasonal aspects that had a material effect on the financial condition or results of the Company's operations.
- No known events and uncertainties will trigger direct or contingent financial obligation material to the Company, including any default or acceleration of an obligation.
- There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

LIQUIDITY AND CAPITAL RESOURCES

For Year Ended December 31, 2023 versus For Year Ended December 31, 2022

The Company ended a net decrease in cash of ₱20.99 million for the year ended December 31, 2023.

Net cash flows provided by operating activities amounted to ₱6,537.79 million and ₱3,933.43 million for the year ended December 31, 2023 and 2022, respectively. The increase is mainly due to higher collections contributed by additional properties.

Cash flows used in Investing activities amounted to ₱1,936.75 million and ₱263.05 million for the year ended December 31, 2023 and 2022, respectively. The increase mainly due to higher due from related parties and additions to investment properties.

Cash flows used in Financing activities amounted to ₱4,622.03 and ₱3,699.64 million for the year ended December 31, 2023 and 2022. This pertains mainly to dividends and short-term loans.

Causes for any material changes (+/- 5% or more) in the financial statements

Assets

Cash decreased by 33%, primarily due to cash flows used in investing and financing activities, such as repaying short-term loans and paying dividends.

Receivables—current and noncurrent portion—increased by 169%, mainly due to additional properties. Higher finance lease receivables were contributed by the newly executed contracts for the building leases of Glorietta 1&2 Mall and Marquee Mall.

Other current assets increased by 14% due to higher input VAT classified as current.

Investment properties increased by 29% mainly due to the acquisition of additional properties namely, One Ayala East and West Towers, Glorietta 1&2 BPO and Mall, and Marquee mall.

Property and equipment increased by 76% due to the acquisition of new office equipment.

Other noncurrent assets decreased by 5% due to lower input VAT classified as noncurrent.

Liabilities

Short-term loans, the outstanding short-term loans amounted to ₱3.0 billion as of December 31, 2023.

Accounts and other payables increased by 100%, mainly due to additional payables from additional properties.

The current portion of deposits and other liabilities increased by 23%, mainly due to additional deposits from newly acquired assets.

The current portion of lease liability increased by 8%. The total cash outflow related to leases amounted to ₱53.90 million and ₱49.23 million in 2023 and 2022, respectively, composed of principal payment and interest on lease liabilities.

Construction bonds, amounted to ₱95.69 million as of December 31, 2023. This pertains to cash bonds collected from tenants, to be used as a guarantee against damages to properties resulting from the construction, renovation or improvements being undertaken therein.

The noncurrent portion of deposits and other liabilities increased by 90%, mainly due to increased security deposit and advance rent from the tenants of newly acquired properties.

Equity

Total equity of ₱83,409.84 million as of December 31, 2023, 39% higher than December 31, 2022 at ₱60,072.89 million, due to increase in paid-up capital from ₱17,610.47 million in 2022 to ₱24,359.37 million in 2023. Retained earnings increased from ₱22,440.77 million in 2022 to ₱23,403.74 million in 2023.

II. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY

A. Principal market where the registrant's common equity is traded.

The following table shows the high and low prices (in PHP) of AREIT's shares in the Philippine Stock Exchange for the year 2024 and 2023:

	<u>2025</u>		<u>2024</u>		<u>2023</u>	
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
1 st qtr	₱41.60	₱38.10	₱35.85	₱31.50	₱32.85	₱32.26
2 nd qtr	₱42.90	₱39.20	₱35.15	₱32.70	₱35.35	₱34.71
3 rd qtr	₱45.50	₱41.10	₱39.10	₱34.30	₱32.80	₱32.10
4 th qtr	₱44.60	₱38.00	₱40.45	₱37.15	₱33.45	₱33.00
	<u>2025</u>		<u>2024</u>		<u>2023</u>	
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
1 st qtr	₱41.60	₱38.10	₱35.85	₱31.50	₱32.85	₱32.26
2 nd qtr	₱42.90	₱39.20	₱35.15	₱32.70	₱35.35	₱34.71
3 rd qtr	₱45.50	₱41.10	₱39.10	₱34.30	₱32.80	₱32.10
4 th qtr	₱44.60	₱38.00	₱40.45	₱37.15	₱33.45	₱33.00

Source: PSE

The market capitalization of the Company's common shares as of end-2024, based on the closing price of ₱43.50/share, was approximately ₱161,635,393,047.00.

The price information of common shares, shares as of the close of the latest practicable trading date, March 18, 2026 is ₱39.90 per share.

B. Holders

The following are the top 20 registered holders of the Company's securities based on the records of our stock transfer agents:

Common Shares

There are 39 registered holders of common shares as of February 28, 2026.

	Stockholder Name	No. of Common Shares	Percentage (of common shares)
1.	Ayala Land, Inc.	1,379,728,665	37.132%
2.	PCD Nominee Corporation (Filipino)	1,241,796,841	33.420%
3.	Ayalaland Malls, Inc.	287,186,771	7.729%
4.	Buendia Christiana Holdings Corp.	199,109,438	5.359%
5.	PCD Nominee Corporation (Non-Filipino)	190,001,459	5.113%
6.	Cagayan De Oro Gateway Corporation	133,334,821	3.588%
7.	Accendo Commercial Corporation	112,424,084	3.026%
8.	Greenhaven Property Ventures, Inc.	77,505,974	2.086%
9.	Northbeacon Commercial Corporation	55,382,567	1.490%
10.	Cebu Insular Hotel Co., Inc.	38,326,934	1.031%
11.	Emily Chua Catienza	175,000	0.005%
12.	Manuel Gutierrez or Martina Maria Elizabeth Y. Gutierrez	137,900	0.004%
13.	James Esteves Takano	120,000	0.003%
14.	Beniya Antoinette Chua Catienza	115,000	0.003%
15.	Group 168 Holdings Corporation	110,000	0.003%
16.	Noriko Umemoto	107,100	0.003%
17.	Cesar Santos Rodriguez, Jr.	52,000	0.001%
18.	Han-Chun Chang	35,000	0.001%
19.	NSJS Realty and Development Corp.	25,000	0.001%
20.	Maria Victoria Romero San Pascual	24,000	0.001%

A list of the company's top 100 shareholders as of December 31, 2025 can be found through this link: https://www.areit.com.ph/wp-content/uploads/2026/02/AREIT-Top-100-Stockholder-Report-as-of-December-31-2025_Redacted.pdf.

C. Dividends

Cash Dividends on Common Shares for the past three years:

Year	Payment Date	Rate (Php)	Record Date
2023	March 24, 2023	0.52/share	March 10, 2023
	June 16, 2023	0.52/share	May 31, 2023
	September 13, 2023	0.53/share	August 30, 2023
	December 15, 2023	0.55/share	December 1, 2023
2024	March 20, 2024	0.55/share	March 04, 2024
	June 13, 2024	0.56/share	May 28, 2024
	August 11, 2024	0.56/share	July 26, 2024
	December 13, 2024	0.58/share	November 27, 2024
2025	March 21, 2025	0.58/share	March 5, 2025
	June 11, 2025	0.58/share	May 27, 2025
	September 12, 2025	0.59/share	August 29, 2025
	December 12, 2025	0.62/share	November 26, 2025
2026	March 20, 2026	0.62/share	March 5, 2026

Dividend policy

The Company has adopted a dividend policy in accordance with the provisions of the REIT Law, pursuant to which the Company's shareholders are entitled to receive at least 90% of annual Distributable Income for the current year. For 2024, the Company declared total dividends amounting to ₱6,376.28 million representing 92.58% of the Distributable Income for the year 2024.

	2024
Net income	₱7,317,064,621
Unrealized gains:	
Net fair value loss on investment properties	43,374,600
Straight-line adjustments recorded in rental income	(473,104,893)
Distributable Income	₱6,887,334,328

For 2024, dividends declared were as follows:

Payment Date	Aggregate Amount Paid
June 13, 2024	1,326,419,681
August 11, 2024	1,326,419,681
December 13, 2024	1,861,722,271
March 21, 2025	1,861,722,271
Total Amount of Dividends Paid	6,376,283,904
	92.58%

% of Dividends to Distributable Income*

**As per Section 10 of Revenue Regulation No. 13-2011, as amended, dividends distributed by a REIT from its distributable income at any time after the close of but not later than the last day of the fifth (5th) month from the close of the taxable year, shall be considered as paid on the last day of such taxable year.*

Dividends were declared in accordance with the provisions of Section 42 of the Revised Corporation Code, specifically that dividends for prior years were taken from the unrestricted retained earnings of the Company.

The Company intends to maintain an annual cash dividend payout ratio of at least 90% of Distributable Income for the preceding fiscal year, subject to compliance with the requirements of the REIT Law, including but not limited to the requirement that the dividends shall be payable only from the unrestricted retained earnings as provided for under Section 42 of the Revised Corporation Code, among others, the terms and conditions of our outstanding loan facilities, and the absence of circumstances which may restrict the payment of such amount of dividends, including, but not limited to, instances when there is a need for special reserves for probable contingencies.

The failure to distribute at least 90% of the annual Distributable Income will subject the Company, if such failure remains un-remedied within 30 days, to income tax on the taxable net income as defined in Chapter IV, Title II of the National Internal Revenue Code, as amended, instead of the taxable net income as defined in the REIT Law. Accordingly, dividends distributed by our Company may be disallowed as a deduction for purposes of determining taxable net income. Additionally, other tax incentives granted

under the REIT Law may be revoked, and the failure to distribute at least 90% of the annual Distributable Income may be a ground to delist the Company from the PSE.

Over the last three years, the Company has distributed at least 90% of the distributable income.

	Dividends	Distributable Income	% of Dividends
2022	3,118,754,323	3,436,517,020	90.75%
2023	4,454,566,783	4,931,289,156	90.33%
2024	6,376,283,904	6,887,334,328	92.58%
2025	8,363,080,843	9,184,649,971	91.05%

D. Recent sale of securities

The Company has not sold or issued any exempt securities to the public.

E. Compliance Program

Corporate Governance

The Board of Directors, officers and employees of the Company commit themselves to the principles and best practices embodied in its Corporate Governance Manual (the “Manual”). The Company believes that good corporate governance is a necessary component of what constitutes sound strategic business management and will therefore exert every effort to ensure adherence thereto within the organization.

Compliance Officer

The Board designates a Compliance Officer who reports to the Chairman of the Board. As required of publicly-listed companies, the appointment of Compliance Officer is properly disclosed to the SEC. The Board also ensures the presence and adequacy of internal control mechanisms for good governance. The Compliance Officer’s duties include ensuring proper on boarding of new directors (i.e., orientation on the Company’s business, charter, articles of incorporation and by-laws, among others), monitor, review, evaluate and ensure compliance by the Company, its officers and directors with the relevant laws, with the Code of Corporate Governance (“Code”), rules and regulations and all governance issuances of regulatory agencies, appear before the SEC upon summon on matters in relation to compliance with the Code, ensure the integrity and accuracy of all documentary submissions to regulators, determine violation/s of the Code and recommend to the Board the imposition of appropriate disciplinary action on the responsible parties and the adoption of measures to prevent a repetition of the violation, identify possible areas of compliance issues and work towards the resolution of the same, develop and establish, subject to approval of the Board, a monitoring and evaluation system to determine compliance with the Manual, which system shall provide for a procedure that fulfils the requirements of due process, ensure the attendance of board members and key officers to relevant trainings and perform such other duties and responsibilities as may be provided by the SEC.

Integrated Annual Corporate Governance Report (I-ACGR)

SEC MC No. 15, Series of 2017 was released in December 2017 which mandates all publicly-listed companies to submit an Integrated Annual Corporate Governance Report (“I-ACGR”) on or before May 30 of the following year for every year that the company remains listed in the PSE, covering all relevant information for the preceding year. The Company submitted its I-ACGR for the years 2020, 2021, 2022, 2023, and 2024 on July 1, 2021, May 30, 2022, May 31, 2023, May 31, 2024, and May 30, 2025, respectively. As of date of this Information Statement, the Company has substantially complied with the principles and best practices contained in the Manual. There were no sanctions imposed on any director, officer or employee for noncompliance of the Manual. The Company is taking further steps to enhance adherence to principles and practices of good corporate governance. On February 24, 2022, the Board approved revisions to the Manual streamlining the functions of board committees.

Integrated Report

The Company adheres to the International Integrated Reporting Framework set by the International Integrated Reporting Council as a means to present its business model, risk and opportunities, strategy, performance, and outlook. A copy of the Company’s 2024 Integrated Report may be accessed via <https://www.aret.com.ph/wp-content/uploads/2025/04/AREIT-2024-Integrated-Report.pdf>

A copy of the Company's Integrated Report for the year 2025 will be provided to stockholders of record via <https://areit.com.ph>.

Upon the written request of the stockholders, the Company undertakes to furnish said stockholder with a copy of SEC Form 17-A free of charge. Any written request for a copy of SEC Form 17-A shall be addressed to the following:

**AREIT, Inc.
28th Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City 1226**

**Attention: Ms. Ma. Teresa R. Famy
Treasurer, Chief Finance Officer, and Chief Risk Officer**



February 19, 2026

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of **AREIT**, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended December 31, 2025, 2024 and 2023 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

Isla Lipana & Co., the independent auditors appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards of Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

ANNA MA. MARGARITA B. DY
Chairman, Board of Directors

ALBERTO M. DE LARRAZABAL
President & Chief Executive Officer

MA. TERESA R. FAMY
Chief Finance Officer

FEB 26 2026

SUBSCRIBED AND SWORN to before me this _____, at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

<u>Name</u>	<u>Passport No.</u>	<u>Date/Place of Issue</u>
Anna Ma. Margarita B. Dy		
Alberto M. de Larrazabal		
Ma. Teresa R. Famy		

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 279
Page No. 49
Book No. V
Series of 2026.



PT
M



Isla Lipana & Co.

Independent Auditor's Report

To the Board of Directors and Shareholder of
AREIT, Inc.
28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of AREIT, Inc. (the "Company") as at December 31, 2025 and 2024, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The financial statements of the Company comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of comprehensive income for each of the three years in the period ended December 31, 2025;
- the statements of changes in equity for each of the three years in the period ended December 31, 2025;
- the statements of cash flows for each of the three years in the period ended December 31, 2025; and
- the notes to the financial statements, comprising material accounting policy and other explanatory information.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines ("Code of Ethics"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in our audit pertains to the valuation of investment properties.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Valuation of investment properties	
Refer to Notes 5 and 19.2 to the financial statements for the details of the investment properties and discussion on critical accounting estimates and assumptions.	We obtained the latest appraisal reports for investment properties as at December 31, 2025 and assessed the appropriateness of the valuation methodology and significant fair value inputs and assumptions used.
As at December 31, 2025, investment properties, carried at fair value, amount to P104.18 billion, which is approximately 71% of the total assets of the Company. The determination of fair values by the management and an external appraiser involves significant estimation using assumptions such as discount rates and growth rates, which are influenced by the prevailing market rates and comparable information. A fair value assessment is performed regularly based on the requirements of PFRS 13, <i>Fair Value Measurement</i> , and Philippine Accounting Standard (PAS) 40, <i>Investment Property</i> .	We tested the significant inputs and assumptions by establishing our independent estimates based on the current market and economic conditions as of reporting date. Further, we assessed the reasonableness of the valuation of investment properties through benchmarking with comparable properties in the market. In performing these procedures, we involved our internal valuation expert. We evaluated the competence, capabilities and objectivity of the external appraiser engaged by the Company by reviewing their profile, licenses, and client portfolio. We also checked the appropriateness and sufficiency of the note disclosures on the valuation of investment properties in accordance with the requirements of PFRS 13 and PAS 40.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report, but does not include the financial statements and our auditor's report thereon, which are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Bureau of Internal Revenue Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 26 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is Zaldy D. Aguirre.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No. _____
P.T.R. No. _____, issued on _____,
SEC A.N (individual) as general auditors _____, valid to audit 2020
to 2025 financial statements
SEC A.N (firm) as general auditors _____, Category A; valid to audit 2020
to 2025 financial statements
T.I.N. _____
BIR A.N. _____, issued on _____; effective until _____
BOA/PRC Reg. _____, effective until _____

Makati City
February 19, 2026



Isla Lipana & Co.

Statement Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholder of
AREIT, Inc.
28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City.

We have audited in accordance with Philippine Standards on Auditing, the financial statements of AREIT, Inc. (the "Company") as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated February 19, 2026. Our audits were made for the purposes of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definition formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purposes of complying with the Revised SRC Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

Isla Lipana & Co.

Zaldy D. Aguirre

Partner

CPA Cert No.

P.T.R. No. , issued on

SEC A.N (individual) as general auditors , valid to audit 2020

to 2025 financial statements

SEC A.N (firm) as general auditors , valid to audit 2020

to 2025 financial statements

T.I.N.

BIR A.N. , issued on ; effective until

BOA/PRC , effective until

Makati City

February 19, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728




Isla Lipana & Co.

Statement Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholder of
AREIT, Inc.
28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City.

We have audited the financial statements of AREIT, Inc. as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, on which we have rendered the attached report dated February 19, 2026. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration and Map of the Group of Companies within which the Reporting Entity belongs, as additional component required by Part I, Section 5 of the Revised SRC Rule 68, and Schedules A, B, C, D, E, F and G, as required by Part II of the Revised SRC Rule 68, is presented for the purposes of filing with the Securities and Exchange Commission and is not a required part of the basic financial statements. Such supplementary information is the responsibility of the management and has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with the Revised SRC Rule 68.

Isla Lipana & Co.


Zaldy D. Aguirre
Partner
CPA Cert No. _____
P.T.R. No. _____, issued on _____
SEC A.N (individual) as general auditors _____, valid to audit 2020
to 2025 financial statements
SEC A.N (firm) as general auditors _____, valid to audit 2020
to 2025 financial statements
T.I.N. _____
BIR A.N. _____, issued on _____; effective until _____
BOA/PRC Reg. _____ effective until _____

Makati City
February 19, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

AREIT, Inc.

Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	2	38,149,890	71,173,448
Receivables, net	3	6,561,917,476	4,137,961,846
Other current assets	4	688,625,609	348,036,017
Total current assets		7,288,692,975	4,557,171,311
Non-current assets			
Receivables, net of current portion	3,16	35,000,113,450	19,628,763,009
Investment properties	5	104,179,274,197	97,579,387,207
Property and equipment, net	6	896,558	983,346
Other non-current assets	4	853,416,164	1,456,378,068
Total non-current assets		140,033,700,369	118,665,511,630
Total assets		147,322,393,344	123,222,682,941
Liabilities and Equity			
Current liabilities			
Accounts and other payables	7	4,123,092,012	2,979,327,838
Short-term debt	8	2,000,000,000	2,000,000,000
Current portion of deposits and other liabilities	9	536,951,627	388,962,761
Construction bonds	10	160,702,937	138,143,467
Total current liabilities		6,820,746,576	5,506,434,066
Non-current liabilities			
Deposits and other liabilities, net of current portion	9	3,315,474,091	3,097,435,509
Lease liabilities	16	1,283,372,843	1,248,290,844
Total non-current liabilities		4,598,846,934	4,345,726,353
Total liabilities		11,419,593,510	9,852,160,419
Equity			
	11		
Paid-up capital		37,830,861,320	32,771,959,550
Treasury shares		(673,299,700)	(673,299,700)
Additional paid-in capital		72,223,544,610	56,368,354,602
Retained earnings		26,521,693,604	24,903,508,070
Total equity		135,902,799,834	113,370,522,522
Total liabilities and equity		147,322,393,344	123,222,682,941

The notes on pages 1 to 40 are an integral part of these financial statements.

AREIT, Inc.

Statements of Comprehensive Income
For each of the three years in the period ended December 31, 2025
(All amounts in Philippine Peso)

	Notes	2025	2024	2023
Revenue				
Rental income	5,12	8,826,839,176	7,562,124,980	5,438,890,870
Dues	5,13	1,994,146,270	1,535,013,696	1,250,613,030
Interest income from finance lease receivables	18	2,138,795,147	1,162,028,271	450,832,306
		12,959,780,593	10,259,166,947	7,140,336,206
Costs and expenses				
Direct operating expenses	5,15	3,303,755,159	2,659,670,235	1,978,492,974
General and administrative expenses	15	127,076,258	91,330,975	126,349,291
		3,430,831,417	2,751,001,210	2,104,842,265
Other (charges) income, net				
Interest income	14	177,373,607	174,493,153	133,829,672
Interest expense and other charges	15	(274,359,782)	(319,328,672)	(236,970,210)
Other income	14	70,444	222,921	2,678
		(96,915,731)	(144,612,598)	(103,137,860)
Net fair value change in investment properties				
	5	108,679,768	(43,374,600)	99,254,883
Income before income tax				
		9,540,713,213	7,320,178,539	5,031,610,964
Less: Income tax expense	17	1,493,386	3,113,918	1,066,925
Net income for the year				
		9,539,219,827	7,317,064,621	5,030,544,039
Other comprehensive income		-	-	-
Total comprehensive income for the year				
		9,539,219,827	7,317,064,621	5,030,544,039
Basic and diluted earnings per share				
	21	2.75	2.62	2.60

The notes on pages 1 to 40 are an integral part of these financial statements.

AREIT, Inc.

Statements of Changes in Equity
For each of the three years in the period ended December 31, 2025
(All amounts in Philippine Peso)

	Paid-up capital (Note 11)	Treasury shares (Note 11)	Additional paid-in capital (Note 11)	Retained earnings (Note 11)	Total equity
At January 1, 2023	18,283,771,630	(673,299,700)	20,021,645,532	22,440,772,367	60,072,889,829
Comprehensive income					
Net income for the year	-	-	-	5,030,544,039	5,030,544,039
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	5,030,544,039	5,030,544,039
Transactions with stockholders					
Issuance of new shares, net	6,075,593,800	-	16,298,386,849	-	22,373,980,649
Cash dividends	-	-	-	(4,067,577,708)	(4,067,577,708)
Total transactions with stockholders	6,075,593,800	-	16,298,386,849	(4,067,577,708)	18,306,402,941
At December 31, 2023	24,359,365,430	(673,299,700)	36,320,032,381	23,403,738,698	83,409,836,809
Comprehensive income					
Net income for the year	-	-	-	7,317,064,621	7,317,064,621
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	7,317,064,621	7,317,064,621
Transactions with stockholders					
Issuance of new shares, net	8,412,594,120	-	20,048,322,221	-	28,460,916,341
Cash dividends	-	-	-	(5,817,295,249)	(5,817,295,249)
Total transactions with stockholders	8,412,594,120	-	20,048,322,221	(5,817,295,249)	22,643,621,092
At December 31, 2024	32,771,959,550	(673,299,700)	56,368,354,602	24,903,508,070	113,370,522,522
Comprehensive income					
Net income for the year	-	-	-	9,539,219,827	9,539,219,827
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	9,539,219,827	9,539,219,827
Transactions with stockholders					
Issuance of new shares, net	5,058,901,770	-	15,855,190,009	-	20,914,091,779
Cash dividends	-	-	-	(7,921,034,294)	(7,921,034,294)
Total transactions with stockholders	5,058,901,770	-	15,855,190,009	(7,921,034,294)	12,993,057,485
At December 31, 2025	37,830,861,320	(673,299,700)	72,223,544,611	26,521,693,603	135,902,799,834

The notes on pages 1 to 40 are an integral part of these financial statements.

AREIT, Inc.

Statements of Cash Flows
For each of the three years in the period ended December 31, 2025
(All amounts in Philippine Peso)

	Notes	2025	2024	2023
Cash flows from operating activities				
Income before income tax		9,540,713,213	7,320,178,539	5,031,610,964
Adjustments for:				
Net fair value change in investment properties	5	(108,679,768)	43,374,600	(99,254,883)
Depreciation	6,15	332,234	290,415	222,922
Loss on disposal of investment properties		6,195,989	-	-
Interest expense and other charges		274,359,782	253,945,021	235,222,482
Interest income from finance lease receivables	18	(2,138,795,147)	(1,162,028,271)	(450,832,306)
Interest income from cash in banks and intercompany loans	14	(177,373,607)	(174,493,153)	(133,829,672)
Operating income before working capital changes		7,396,752,696	6,281,267,151	4,583,139,507
Changes in operating assets and liabilities:				
Decrease (increase) in:				
Receivables		344,393,587	(88,171,163)	(834,379,771)
Other assets		262,372,313	(23,386,108)	64,510,953
Increase (decrease) in:				
Deposits and other liabilities		290,631,205	63,786,423	1,402,477,986
Accounts and other payables		1,140,686,396	851,791,075	961,192,923
Construction bonds		22,559,470	42,451,214	(2,892,023)
Cash generated from operations		9,457,395,667	7,127,738,592	6,174,049,575
Interest received		177,373,607	174,493,153	364,810,118
Income tax paid		(1,493,386)	(3,113,919)	(1,066,925)
Net cash flows from operating activities		9,633,275,888	7,299,117,826	6,537,792,768
Cash flows from investing activities				
(Increase) decrease in due from related parties		(1,269,196,461)	1,220,523,319	(1,734,904,000)
Additions to:				
Investment properties	5	(235,326,916)	(1,347,523,071)	(201,172,225)
Property and equipment	6	(245,446)	(220,301)	(677,751)
Proceeds from disposal of investment property		658,000	38,985,000	-
Net cash flows used in investing activities		(1,504,110,823)	(88,235,053)	(1,936,753,976)
Cash flows from financing activities				
Payments of:				
Short-term debts	8	-	(1,000,000,000)	(3,300,000,000)
Cash dividends	11	(7,921,034,294)	(5,817,295,248)	(4,067,577,708)
Share issuance cost	11	(80,350,567)	(141,903,668)	(105,716,411)
Interest portion of lease liabilities	16	(53,748,207)	(55,230,076)	(53,896,170)
Interest on short-term and long-term debts	15	(107,055,555)	(167,038,879)	(94,843,339)
Proceeds from:				
Short-term debts	8	-	-	3,000,000,000
Net cash flows used in financing activities		(8,162,188,623)	(7,181,467,871)	(4,622,033,628)
Net (decrease) increase in cash		(33,023,558)	29,414,902	(20,994,836)
Cash				
At January 1		71,173,448	41,758,546	62,753,382
At December 31	2	38,149,890	71,173,448	41,758,546

The notes on pages 1 to 40 are an integral part of these financial statements.

AREIT, Inc.

Notes to the Financial Statements

As at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025
(In the notes, all amounts are shown in Philippine Pesos unless otherwise stated)

1 General information

Corporate information

AREIT, Inc., (formerly One Dela Rosa Property Development, Inc.) (the “Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on September 4, 2006. On September 26, 2018, the Company amended its Articles of Incorporation to engage in the business of a real estate investment trust (REIT), as provided under Republic Act No. 9856 (the Real Estate Investment Trust Act of 2009), and its implementing rules and regulations (the REIT Act).

The Company was organized primarily to engage in the business, which includes the following: (1) to own, invest in, purchase, acquire, hold, possess, lease, construct, develop, alter, improve, operate, manage, administer, sell, assign, convey, encumber, in whole or in part, or otherwise deal in and dispose of, income-generating real estate, whether freehold or leasehold, within or outside the Philippines with or to such persons and entities and under such terms and conditions as may be permitted by law; (2) to invest in, purchase, acquire, own, hold, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose of real estate and managed funds; (3) to receive, collect and dispose of the rent, interest, dividends and income arising from its property and investments; and (4) to exercise, carry on or undertake such other powers, acts, activities and transactions as may be deemed necessary, convenient or incidental to or implied from the purposes herein mentioned. On April 12, 2019, the Company changed its name to AyalaLand REIT, Inc., and further amended its name to AREIT, Inc. on June 28, 2019.

On July 10, 2020, the SEC rendered effective the Company’s REIT Plan and the registration of its 1,092,986,405 common shares. On July 15, 2020, the Philippine Stock Exchange, Inc. (PSE) approved the application of the Company for the initial listing of its 1,092,986,405 common shares under the Main Board of the PSE to cover the Company’s IPO. The Company was listed on the Main Board of the PSE on August 13, 2020. The Company’s common stock was listed in the PSE on August 13, 2020 as a REIT entity.

As a REIT entity, the Company, provided it has complied with the requirements under the REIT Act, is entitled to the following:

- (a) not subject to 2% minimum corporate income tax (MCIT);
- (b) exemption from value-added tax (VAT) and documentary stamp tax (DST) on the transfer of property in exchange of its shares;
- (c) deductibility of dividend distribution from its taxable income; and
- (d) fifty percent (50%) of the standard DST rate on the transfer of real property into the Company, including the sale or transfer of any security interest thereto.

As at December 31, 2025, the Company is 58.45% collectively owned by Ayala Land, Inc. (ALI) or (the “Parent Company”) and its subsidiaries (2024 - 55.39%), 5.36%-owned by Buendia Christiana Holdings, Corp. a wholly-owned subsidiary of AC Energy (2024 - 6.20%), and the rest by the public.

ALI’s parent is Ayala Corporation (AC). AC is 47.84%-owned by Mermac, Inc., and the rest by the public. Both ALI and AC are publicly-listed companies domiciled and incorporated in the Philippines.

The operational and administrative functions of the Company are handled by ALI before its listing. Beginning August 13, 2020, AREIT Fund Managers, Inc. and AREIT Property Managers, Inc. handle the fund manager functions and property management functions of the Company, respectively (Note 18).

The Company's registered office address and principal place of business is at 28th Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City.

Approval and authorization for issuance of the financial statements

These financial statements have been approved and authorized for issue by the Company's Board of Directors (BOD) on February 19, 2026.

2 Cash and cash equivalents

The account as at December 31 consists of:

	2025	2024
Cash on hand	312,500	232,500
Cash in banks	12,837,390	70,940,948
Cash equivalents	25,000,000	-
	38,149,890	71,173,448

Cash equivalents pertain to short-term investments with originally maturity of three months or less.

Cash in banks and cash equivalents earn interest at the prevailing market rates. Interest income earned from cash and cash equivalents for the years ended December 31, 2025, 2024 and 2023 are disclosed in Note 14.

There are no restrictions on the Company's cash balances as at December 31, 2025 and 2024.

3 Receivables, net

The account as at December 31 consists of:

	Notes	2025	2024
Finance lease receivables	16, 18	35,086,452,638	19,673,140,935
Due from related parties	18	4,677,770,304	2,763,502,905
Trade receivables - billed		1,968,028,194	1,475,918,230
Other receivables		3,182,994	2,866,119
		41,735,434,130	23,915,428,189
Allowance for credit losses		(173,403,204)	(148,703,334)
		41,562,030,926	23,766,724,855
Less: Non-current portion of finance lease receivables		(35,000,113,450)	(19,628,763,009)
Current portion of receivables		6,561,917,476	4,137,961,846

Finance lease receivables pertain to outstanding balance of net investment in lease relating to various lease agreements entered by the Company with its Parent Company or related parties (entities under common control) (Note 16).

Trade receivables arise mainly from tenants for rentals of office and retail spaces and recovery charges for common area and utilities. These are non-interest bearing and are generally collectible on 30-day terms.

Other receivables pertain to non-interest bearing advances to employees which are subject to liquidation upon completion of the business transaction.

Movements in the allowance for credit losses of trade receivables for the years ended December 31 are as follows:

	Note	2025	2024
At January 1		148,703,334	117,249,385
Provision for doubtful accounts	15	24,699,870	31,453,949
At December 31		173,403,204	148,703,334

There were no receivables pledged as collaterals as at December 31, 2025 and 2024.

4 Other assets

(a) Other current assets

The account as at December 31 consists of:

	2025	2024
Input VAT	474,355,079	79,914,038
Prepaid expenses	120,900,434	110,243,518
Deferred input VAT	61,513,813	133,685,864
Recoverable deposits	31,856,283	24,192,597
	688,625,609	348,036,017

Input VAT represents taxes due or paid on purchases of goods and services subjected to VAT that the Company can claim against future liability to the Bureau of Internal Revenue (BIR) for output VAT pertaining to sale of goods and services that have been incurred and billings which have been received as at date. The input VAT can also be refunded subject to the approval of the BIR. Input VAT is expected to be applied against output VAT within 12 months from reporting date.

Prepaid expenses pertain to advance payment of real property taxes for certain investment properties.

Deferred input VAT represents the unamortized input tax on the Company's purchases of goods and services in the prior years. The remaining balance will continue to be amortized and applied against the Company's future output VAT.

As at December 31, 2025 and 2024, the amount of input VAT includes claim for refund amounting to P24.73 million, which is still awaiting approval from the BIR.

Recoverable deposits pertain to various utility deposits recoverable within 12 months from reporting date.

(b) Other non-current assets

The account as at December 31 consists of:

	2025	2024
Input VAT	439,799,347	1,178,310,216
Creditable withholding taxes (CWT), net	387,498,950	270,444,100
Advances to contractors	26,117,867	7,623,752
	853,416,164	1,456,378,068

Input VAT, as presented within other non-current assets, are assessed to be recoverable beyond 12 months from reporting date.

CWT represent the income tax amount withheld by the Company's customers or tenants. These are recognized upon collection of the related income and utilized as tax credits against income tax due. The CWT can also be refunded subject to the approval of the BIR, hence recognized by the Company as net of related allowance for probable losses as follows:

	2025	2024
CWT	559,878,510	401,933,984
Allowance for probable losses on CWT	(172,379,560)	(131,489,884)
	387,498,950	270,444,100

The movements in allowance for probable losses on CWT for the years ended December 31 are as follows:

	Note	2025	2024
At January 1		131,489,884	118,587,338
Provision for probable losses	15	40,889,676	12,902,546
At December 31		172,379,560	131,489,884

Advances to contractors are recouped upon every progress billing payment depending on the percentage of accomplishment or delivery.

5 Investment properties

The account consists of properties that are either held for capital appreciation, for rental purposes or both. The Company's investment properties are carried at fair value.

As at December 31, 2025, the investment properties are composed of 18 stand-alone buildings, six mixed-used properties, six condominium office units, and 285.73 hectares of land as follows:

Name of properties	Details and location
<i>Stand-alone buildings</i>	
Solaris One	One (1) building in Makati City
McKinley Exchange	One (1) building in Makati City
Teleperformance Cebu	One (1) building in Cebu I.T. Park, Cebu City
eBloc Towers 1-4	Four (4) towers in Cebu I.T. Park, Cebu City
ACC Tower	One (1) tower in Ayala Center Cebu, Cebu Business Park, Cebu City
Tech Tower	One (1) tower in Sumilon cor. Camiguin Roads, Cebu City
Evotech One and Two	Two (2) office buildings in Laguna
Bacolod Capitol Corporate Center	One (1) building in Bacolod City, Negros Occidental
Ayala Northpoint Technohub	One (1) building in Bacolod City, Negros Occidental
Marquee Mall	One (1) mall building in Angeles City, Pampanga
Seda Lio	One (1) hotel building in El Nido, Palawan
Greenbelt 3&5 Mall	Two (2) mall building in Makati City
Holiday Inn Makati	One (1) hotel building in Makati City
Seda Ayala Center Cebu	One (1) hotel building in Ayala Center Cebu, Cebu Business Park
<i>Mixed-use properties</i>	
Ayala North Exchange	Two (2) office towers and one (1) serviced apartment in Makati City
The 30th Commercial Development	One (1) office building and one (1) mall building in Pasig City
Vertis North Commercial Development	Three (3) office towers and one (1) mall building in Quezon City
One Ayala Development	Two (2) office towers in Makati, City
Glorietta 1&2	Two (2) office buildings and two (2) mall buildings in Makati, City
Ayala Triangle Garden Tower 2	One (1) office tower in Makati City
Central Bloc Development	Two (2) office buildings, (1) mall building and one (1) hotel building in Cebu I.T. Park, Cebu City
Abreeza BPO and Mall	One (1) office building and one (1) mall building in Davao
Centrio BPO and Mall	One (1) office building and one (1) mall building in Cagayan de Oro
<i>Condominium office units</i>	
BPI-Philam Life Makati	Three (3) condominium office units located at the intersection of Ayala Avenue and Gil Puyat Avenue, Makati City
BPI-Philam Life Alabang	Three (3) condominium office units located at Madrigal Business Park, Alabang, Muntinlupa City
<i>Land parcels</i>	
Laguna Technopark	Four (4) land parcels in Laguna Technopark, Laguna
Palauig Industrial Lot	276 hectares in Palauig, Zambales

The movements in investment properties for the years ended December 31 are as follows:

	Note	2025	2024
At January 1		97,579,387,207	78,255,747,008
Additions		21,229,769,261	29,950,343,079
Properties under finance lease	16	(14,731,708,050)	(10,544,343,280)
Disposal		(6,853,989)	(38,985,000)
Fair value adjustment		108,679,768	(43,374,600)
At December 31		104,179,274,197	97,579,387,207

Additions

For the year ended December 31, 2025, the Company entered into property-for-share swap transaction via a tax-free exchange for certain investment properties in exchange of issuance of shares amounting to P20.99 billion (2024 - P28.60 billion) (Note 11).

In addition to the property for share-swap transactions, on January 17, 2024, the Company entered into a Deed of Absolute Sale with Econorth Resort Ventures, Inc. (ERVI), a subsidiary of Ayala Land, Inc. (ALI), to acquire SEDA Lio, a hotel building for P1,192.00 million, exclusive of VAT. Simultaneous to the acquisition, the Company and ERVI, entered into a lease agreement for the room-resort hotel that is payable on quarterly guaranteed lease for a period of 25 years. The room-resort hotel building is operated by ERVI (Note 16).

Disposals

In 2025, the Company sold a building improvement for total proceeds of P0.66 million and recognized a loss on disposal of P6.20 million.

In 2024, the Company sold its three (3) condominium office units in BPI-Philam Life Alabang located at Madrigal Business Park, Alabang, Muntinlupa City. The proceeds from the disposal is equal to the fair value.

Fair value measurement

The Company presents its investment properties at fair value and changes on such are recognized in profit or loss. As at December 31, 2025 and 2024, the fair value of the investment properties was determined by an independent and professionally qualified appraiser engaged by management.

As at December 31, 2025 and 2024, the fair value of the Company's investment properties was determined using the income approach, which is a method in which the appraiser derives an indication of value for income-producing property by converting anticipated future benefits into current property value.

For the income approach, the fair value is calculated taking into consideration significant inputs and assumptions which are mainly the discount rate and growth rate.

Significant increases (decreases) in discount rate would result in a significantly lower (higher) fair value measurement while a change in the assumption used for the lease income growth rate and market prices is accompanied by a directionally similar change in the Company's fair value of investment properties.

The fair value of the Company's investment properties is categorized under Level 3 in the fair value hierarchy as at December 31, 2025 and 2024.

The components of the net fair value change in investment properties for the years ended December 31 are as follows:

	Note	2025	2024	2023
Fair value adjustment		432,829,780	461,055,134	201,349,728
Straight-line adjustment	12	(245,890,088)	(473,104,893)	(86,563,721)
Lease commissions		(78,259,924)	(31,324,841)	(15,531,124)
		108,679,768	(43,374,600)	99,254,883

Rental income and dues earned from investment properties and direct operating expenses incurred for the years ended December 31 are as follows:

	Notes	2025	2024	2023
Rental income	12	8,826,839,176	7,562,124,980	5,438,890,870
Dues	13	1,994,146,270	1,535,013,696	1,250,613,030
Direct operating expenses	15	3,303,755,159	2,659,670,235	1,978,492,974

There are no items of investment properties that are pledged as security to liabilities as at December 31, 2025 and 2024. There are no restrictions on selling or transferring investment properties as at December 31, 2025 and 2024.

There are no contractual purchase commitments for investment properties as at December 31, 2025 and 2024.

Other disclosures

On October 28, 2025 and December 11, 2025, the Company's BOD and its Stockholders, respectively, approved the property-for-share swap whereby AREIT will issue 441,131,656 primary common to ALI and its subsidiary, Summerhill Commercial Ventures Corp, in exchange for Ayala Center Cebu and Ayala Malls Feliz, with an aggregate transaction value of P19.48 billion. As at December 31, 2025, the transaction is pending approval of the SEC and other applicable regulatory bodies.

6 Property and equipment, net

The account as at December 31 pertains to electronic data processing equipment. The roll forward analysis follow:

	Note	2025	2024
<i>Cost</i>			
At January 1		3,506,179	3,285,878
Additions		245,446	220,301
At December 31		3,751,625	3,506,179
<i>Accumulated depreciation</i>			
At January 1		2,522,833	2,232,418
Depreciation	15	332,234	290,415
At December 31		2,855,067	2,522,833
Net book value at December 31		896,558	983,346

There are no items of property and equipment that are pledged as security to liabilities as at December 31, 2025 and 2024.

There are no contractual purchase commitments for property and equipment as at December 31, 2025 and 2024.

7 Accounts and other payables

The account as at December 31 consists of:

	Notes	2025	2024
Due to related parties	18	2,875,240,192	1,979,810,093
Accounts payable		923,656,396	817,595,440
Taxes payable		69,704,419	98,033,159
Accrued expenses			
Repairs and maintenance		108,225,908	46,898,065
Light and water		63,188,650	15,769,349
Outside services		54,222,726	7,470,752
Professional fees		3,608,020	29,529
Rent		2,369,322	2,176,896
Others		7,163,340	2,170,136
Retention payable		9,213,039	5,952,197
Interest payable	8	6,500,000	3,422,222
		4,123,092,012	2,979,327,838

Accounts payable arises from regular transactions with suppliers and service providers. These are non-interest bearing and are normally settled on 15-day to 60-day terms.

Taxes payable consists of amounts payable to the BIR pertaining to withholding taxes and unamortized deferred output VAT.

Other accrued expenses consist mainly of accruals for professional fees, postal and communication, supplies, transportation and travel, security, insurance, and representation.

Retention payable pertains to the portion of contractor's progress billings withheld by the Company which will be released after the satisfactory completion of the contractor's work. The retention payable serves as a security from the contractor should there be defects in the project. These are non-interest bearing and are normally settled upon completion of the relevant contract.

8 Short-term debts

As at December 31, 2025 and 2024, the Company's short-term debts pertain to short-term loans payable with a local bank, which are unsecured, with average term of 31 days and with average interest rate of 5.51% (2024 - 5.60%).

Interest expense on short-term debts is disclosed in Note 15. As at December 31, 2025, interest payable amounts to P6.5 million (2024 - P3.42 million) (Note 7).

9 Deposits and other liabilities

The account as at December 31 consists of:

	2025	2024
Security deposits	1,995,099,082	1,776,006,705
Advance rentals	1,499,649,298	1,329,637,726
Deferred credits	357,677,338	380,753,839
	3,852,425,718	3,486,398,270
Less: Current portion of deposits and other liabilities	(536,951,627)	(388,962,761)
Deposits and other liabilities, net of current portion	3,315,474,091	3,097,435,509

The current portion of deposits and other liabilities as at December 31 consists of:

	2025	2024
Security deposits	282,469,368	100,613,259
Deferred credits	178,378,083	140,944,912
Advance rentals	76,104,176	147,404,590
	536,951,627	388,962,761

(a) Security deposits

Security deposits represent deposits from lessees to secure the faithful compliance by lessees of their obligation under the lease contract. These are equivalent to three months' rent and will be refunded to the lessee at the end of the lease term.

The roll forward of security deposits for the years ended December 31 follows:

	Note	2025	2024
<i>Gross amount</i>			
At January 1		1,967,242,101	1,907,821,656
Additions		294,105,660	79,814,956
Refunds		(90,732,820)	(20,394,511)
At December 31		2,170,614,941	1,967,242,101
<i>Unamortized discount</i>			
At January 1		191,235,396	240,306,595
Additions		59,676,706	16,227,789
Accretion	15	(75,396,243)	(65,298,988)
At December 31		175,515,859	191,235,396
Net book value at December 31		1,995,099,082	1,776,006,705

(b) Advance rentals

Advance rentals from lessees represent cash received in advance representing rent for a certain number of months which will usually be applied to the last three (3) months' rentals on the related lease contracts.

(c) Deferred credits

Deferred credits are initially measured as the difference between the cash received and the fair value of security deposits. These are subsequently amortized using the straight-line method and recognized as amortization of deferred credits under "rental income" in the statement of comprehensive income. Accretion of discount is recorded under "Interest expense and other charges" in profit or loss.

Deferred credits pertain to the difference between the nominal value of the deposits and its fair value.

The roll forward of deferred credits for the years ended December 31 follows:

	Note	2025	2024
At January 1		380,753,839	325,927,028
Additions		58,709,512	127,278,419
Amortization	12	(81,786,014)	(72,451,608)
At December 31		357,677,337	380,753,839
Less: Current portion		(178,378,083)	(140,944,912)
Non-current portion		179,299,254	239,808,927

10 Construction bonds

Construction bonds represent cash bonds to be used as a guarantee against damages to properties resulting from the construction, renovation or improvements being undertaken therein by the lessee. The bond will be refunded after full completion of the construction, renovation or improvements and inspection by the Company.

As at December 31, 2025, the carrying value of the Company's construction bonds amounts to P160.70 million (2024 - P138.14 million).

11 Equity

(a) Paid-up capital and additional paid-in capital (APIC)

The details of the Company's paid-up capital as at December 31 follow:

	2025		2024	
	Number of shares	Amount	Number of shares	Amount
	Common	Common	Common	Common
Authorized	4,050,000,000	40,500,000,000	4,050,000,000	40,500,000,000
Issued	3,783,086,132	37,830,861,320	3,277,195,955	32,771,959,550
Treasury shares	(67,329,970)	(673,299,700)	(67,329,970)	(673,299,700)
Issued and outstanding	3,715,756,162	37,157,561,620	3,209,865,985	32,098,659,850

The changes in the number of common shares for the years ended December 31 follow:

	2025	2024	2023
<i>Authorized number of shares (P10.00 par value)</i>			
At January 1	4,050,000,000	4,050,000,000	2,950,000,000
Increase in authorized capital stock	-	-	1,100,000,000
At December 31	4,050,000,000	4,050,000,000	4,050,000,000
<i>Issued shares (P10.00 par value)</i>			
At January 1	3,277,195,955	2,435,936,543	1,828,377,163
Issuance of new shares	505,890,177	841,259,412	607,559,380
At December 31	3,783,086,132	3,277,195,955	2,435,936,543
<i>Treasury shares</i>			
At January 1 and December 31	(67,329,970)	(67,329,970)	(67,329,970)
Outstanding shares at December 31	3,715,756,162	3,209,865,985	2,368,606,573

Authorized capital

On October 28, 2025 and December 11, 2025, the Company's BOD and its Stockholders, respectively, approved the:

- decrease in the authorized capital stock from P40,500,000,000 to P39,826,700,300 through the retirement of 67,329,970 treasury common shares; and
- increase in the authorized capital stock of the Company from P39,826,700,300 with par value of P10.00 per share to P57,000,000,000 divided into 5,700,000,000.

As at December 31, 2025, the Company is in the process of completing the required corporate and regulatory processes.

Issuance of new shares

During the years ended December 31, 2025, 2024 and 2023, the Company entered into property-for-share swap transactions for certain investment properties in exchange of issuance of shares. The share issue price is set at a certain premium over the thirty (30)-day volume weighted average price ("30-day VWAP") prior to the transaction date. The transaction values are determined to be within the fair range of values as set by a third-party fairness opinion provider.

The details of transaction value of investment properties acquired and the amount resulting from the issuance of new shares for the years ended December 31 follow:

December 31, 2025	Counterparty*	Transaction value	Number of shares	Issue price	Paid-up capital	Additional paid-in capital
Property						
Central Bloc Office 1	ALI	2,262,316,163	54,513,642	41.50	545,136,420	1,717,179,743
Central Bloc Office 2	ALI	2,662,465,043	64,155,784	41.50	641,557,840	2,020,907,203
AyalaMalls Central Bloc	ALI	4,403,787,429	106,115,360	41.50	1,061,153,600	3,342,633,829
Seda Central Bloc	ALI	1,466,879,162	35,346,486	41.50	353,464,860	1,113,414,302
AyalaMalls Abreeza	Accendo	3,933,967,273	94,794,392	41.50	947,943,920	2,986,023,353
Abreeza Corporate Center	Accendo	731,632,200	17,629,692	41.50	176,296,920	555,335,280
AyalaMalls Centrio	CDOGC	4,927,074,187	118,724,679	41.50	1,187,246,790	3,739,827,397
Centrio Corporate Center	CDOGC	606,320,889	14,610,142	41.50	146,101,420	460,219,469
		20,994,442,346	505,890,177		5,058,901,770	15,935,540,576

December 31, 2024	Counterparty*	Transaction value	Number of shares	Issue price	Paid-up capital	Additional paid-in capital
Property						
Ayala Triangle Garden Tower 2	ALI	12,480,755,836	367,081,054	34	3,670,810,540	8,809,945,296
Greenbelt 3 & 5 Malls	ALI	5,414,024,408	159,236,012	34	1,592,360,120	3,821,664,288
Seda Ayala Center Cebu	Cebu Insular	2,635,203,116	77,505,974	34	775,059,740	1,860,143,376
Holiday Inn Makati	Green Haven	1,303,115,756	38,326,934	34	383,269,340	919,846,416
Palauig Industrial Lot	BCHC	6,769,720,892	199,109,438	34	1,991,094,380	4,778,626,512
		28,602,820,008	841,259,412		8,412,594,120	20,190,225,888

December 31, 2023	Counterparty*	Transaction value	Number of shares	Issue price	Paid-up capital	Additional paid-in capital
Property						
Glorietta BPO 1	ALI	3,090,625,614	83,530,422	37	835,304,220	2,255,321,394
Glorietta BPO 2	ALI	3,265,229,909	88,249,457	37	882,494,570	2,382,735,339
One Ayala West Tower	ALMI	4,955,177,233	133,923,709	37	1,339,237,090	3,615,940,143
One Ayala East Tower	ALMI	5,670,733,294	153,263,062	37	1,532,630,620	4,138,102,674
Glorietta Mall Wings 1 and 2	ALI	3,448,776,031	93,210,163	37	932,101,630	2,516,674,401
Marquee Mall	NBCC	2,049,154,979	55,382,567	37	553,825,670	1,495,329,309
		22,479,697,060	607,559,380		6,075,593,800	16,404,103,260

*All of the counterparties are related party of the Company (Parent Company or entity under common control)

The pertinent details of approvals and share issuance costs for each of the property-for-share swap during the years ended December 31 follow:

	2025	2024	2023
Date of BOD approval	February 19, 2025	November 16, 2023	March 7, 2023
Date of stockholders approval	April 24, 2025	April 23, 2024	April 26, 2023
Date of SEC approval	September 25, 2025	September 25, 2024	September 20, 2023
Share issuance costs	80,350,567	141,903,668	105,716,411

The Company's track record of capital stock is as follows:

Type of shares	Number of shares registered	Issue/ Offer price	Date of approval	Number of holders of securities as of 2025	Number of holders of securities as of 2024
Common shares	1,092,986,405	Par value- P10.00/ Issue price P27.00	July 27, 2020	57,456	48,239
Common shares	483,254,375	Par value- P10.00/ Issue price P32.00	October 7, 2021		
Common shares	252,136,383	Par value- P10.00/ Issue price P44.65	December 22, 2022		
Common shares	607,559,380	Par value- P10.00/ Issue price P37.00	September 20, 2023		
Common shares	841,259,412	Par value- P10.00/ Issue price P34.00	September 25, 2024		
Common shares	505,890,177	Par value- P10.00/ Issue price P41.50	September 25, 2025		

(b) *Cash dividends*

The BOD approved the declaration of cash dividends amounting to P5.82 billion for the year ended December 31, 2025 as follows:

Applicable quarter	BOD approval date	Record date	Dividend per share	Cash dividends approved (in millions)	Payment date to stockholders
Q3 of 2025	November 12, 2025	November 26, 2025	0.62	2,303.77	December 12, 2025
Q2 of 2025	August 13, 2025	August 29, 2025	0.59	1,893.82	September 12, 2025
Q1 of 2025	May 13, 2025	May 27, 2025	0.58	1,861.72	June 11, 2025
Q4 of 2024	February 19, 2025	March 5, 2025	0.58	1,861.72	March 21, 2025
				7,921.03	

On February 19, 2026, the Company declared cash dividends applicable to fourth quarter (Q4) of 2025 (Note 24).

The BOD approved the declaration of cash dividends amounting to P4.07 billion for the year ended December 31, 2024 as follows:

Applicable quarter	BOD approval date	Record date	Dividend per share	Cash dividends approved (in millions)	Payment date to stockholders
Q3 of 2024	November 13, 2024	November 27, 2024	P0.58	1,861.72	December 13, 2024
Q2 of 2024	July 12, 2024	July 26, 2024	P0.56	1,326.42	August 11, 2024
Q1 of 2024	May 14, 2024	May 28, 2024	P0.56	1,326.42	September 13, 2024
Q4 of 2023	February 19, 2024	March 04, 2024	P0.55	1,302.73	March 20, 2024
				5,817.29	

The BOD approved the declaration of cash dividends amounting to P2.91 billion for the year ended December 31, 2023 as follows:

Applicable quarter	BOD approval date	Record date	Dividend per share	Cash dividends approved (in million)	Payment date to stockholders
Q3 of 2023	November 16, 2023	December 1, 2023	P0.55	1,302.73	December 15, 2023
Q2 of 2023	August 14, 2023	August 30, 2023	P0.53	933.36	September 13, 2023
Q1 of 2023	May 17, 2023	May 31, 2023	P0.52	915.74	June 16, 2023
Q4 of 2022	February 24, 2023	March 10, 2023	P0.52	915.74	March 24, 2023
				4,067.57	

12 Rental income

The account for the years ended December 31 consists of:

	Note	2025	2024	2023
Office, retail and land		8,389,291,094	7,202,294,529	5,205,649,501
Parking fees		355,762,068	287,378,843	197,400,049
Amortization of deferred credits	9	81,786,014	72,451,608	35,841,320
		8,826,839,176	7,562,124,980	5,438,890,870

In 2025, rental income from office, retail, and land includes income from straight-line method of recognizing rental income as follows:

	Note	2025	2024	2023
Gross rentals		8,143,401,006	6,729,189,636	5,119,085,780
Straight-line adjustment	5	245,890,088	473,104,893	86,563,721
		8,389,291,094	7,202,294,529	5,205,649,501

Variable rent, included within rental income, based on gross sales for the year ended December 31, 2025 amounts to P15.15 million (2024 - P9.91 million; 2023 - P1.30 million).

Further information regarding lease agreements and commitments is disclosed in Note 16.

13 Dues

Dues pertain to net recoveries from tenants for utilities, except for usage of common areas and air-conditioning charges, which are presented at gross of the related expenses. Set out below is the disaggregation of the Company's revenue from non-lease component for the years ended December 31:

	2025	2024	2023
Dues:			
Common area charges	1,763,263,066	1,453,999,300	1,205,457,742
Utilities dues	230,883,204	81,014,396	45,155,288
	1,994,146,270	1,535,013,696	1,250,613,030

14 Interest and other income

(a) Interest income

The account for the years ended December 31 consists of:

	Note	2025	2024	2023
Interest income from:				
Intercompany loans	18	169,906,679	158,923,565	128,495,045
Cash in banks		6,207,074	14,941,360	4,915,714
Cash equivalent		1,259,854	628,228	418,913
		177,373,607	174,493,153	133,829,672

(b) Other income

The account pertains to income earned from penalties arising from late payments.

15 Cost expenses and other charges

(a) Direct operating expenses

The account for the years ended December 31 consists of:

	Notes	2025	2024	2023
Management fees		883,951,325	714,370,443	540,444,364
Land lease	16	739,821,643	587,420,250	421,589,053
Taxes and licenses		694,095,548	638,000,196	469,904,775
Repairs and maintenance		451,406,978	355,209,318	272,531,593
Outside services		308,027,147	247,054,363	187,647,959
Insurance		132,847,406	34,640,721	26,645,482
Miscellaneous		38,294,244	31,216,298	17,536,284
Others		55,310,868	51,758,646	42,193,464
		3,303,755,159	2,659,670,235	1,978,492,974

Management fees expense arises from management contracts with its related parties to handle fund and property manager functions of the Company starting August 13, 2020 (Note 18).

Land lease expense arises from variable land lease agreements with its Parent Company or related parties (entities under common control) (Notes 16 and 18).

(b) General and administrative expenses

The account for the years ended December 31 consists of:

	Notes	2025	2024	2023
Provision for probable losses on CWT	4	40,889,676	12,902,546	46,587,338
Provision for credit losses on receivable	3	24,699,870	31,453,949	56,844,484
Taxes and licenses		18,257,019	20,305,841	5,723,217
Professional fees		15,685,134	6,590,562	4,250,112
Systems cost		14,367,004	10,713,068	6,896,260
Depreciation	6	332,234	290,415	222,922
Others		12,845,321	9,074,594	5,824,958
		127,076,258	91,330,975	126,349,291

(c) Interest expense and other charges

The account for the years ended December 31 consists of:

	Notes	2025	2024	2023
Interest expense on:				
Short-term debts		110,133,333	167,123,540	93,944,714
Lease liabilities	16	88,830,206	86,710,186	84,126,547
Accretion of security deposits	9	75,396,243	65,298,988	34,778,102
Amortization of bond issue costs		-	195,958	24,120,847
		274,359,782	319,328,672	236,970,210

16 Agreements and lease commitments

(a) The Company as lessor - operating lease

The Company entered into lease agreements with third parties covering its investment properties for a period of two (2) to more than five (5) years. These non-cancellable leases are subject to 1.5% to 10% annual escalation rate.

The future minimum rentals receivable under non-cancellable operating leases are as follows:

	2025	2024	2023
Within one year	7,613,716,360	6,237,306,375	5,238,667,800
After one year but not more than five (5) years	20,513,211,562	15,441,992,135	15,866,743,989
More than five years	16,244,853,781	15,422,209,851	3,617,758,018
	44,371,781,703	37,101,508,361	24,723,169,807

The Company as lessor - finance lease

The Company entered into various lease agreements with its Parent Company or related parties (entities under common control) with details as follows (Notes 3 and 18):

Property	Lease Start Date	Counterparty	Initial net investment in lease	Lease term (in years)	Payment terms
ANE Seda Makati Residences	September 1, 2019	Makati North Hotel Ventures, Inc. (MNHVI)	2,215,718,216	39	• Fixed rate plus a certain percentage of total revenue of the lessee for the remaining period of the lease term
Retail podium of The 30th	January 1, 2021	North Eastern Commercial Corporation (NECC)	418,280,884	36	• Higher between the (a) fixed rent plus 6% of gross rental income or (b) minimum guaranteed rent and shall be subject to 3% escalation every three (3) years
Vertis North Commercial Development Mall	October 1, 2021	North Eastern Commercial Corporation (NECC)	517,723,249	36	• Fixed rent plus 6% of gross rental income or (b) minimum guaranteed rent and shall be subject to 3% escalation every three (3) years
Glorietta Mall Wings 1&2	July 1, 2023	AyalaLand Malls, Inc. (ALMI)	3,448,776,031	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Marquee Mall	July 1, 2023	North Beacon Commercial Corp (NBCC)	2,049,154,979	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Seda Lio	January 17, 2024	Econorth Resort Ventures, Inc	1,192,000,000	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Greenbelt 3&5 Malls	July, 1, 2024	AyalaLand Malls, Inc. (ALMI)	5,414,024,408	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Holiday Inn Makati	July 1, 2024	Green Haven Property Ventures, Inc. (GPVI)	2,635,203,116	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Seda Ayala Center Cebu	July 1, 2024	Cebu Insular Hotel Co., Inc.	1,303,115,756	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Central Bloc Mall	July 1, 2025	Ayala Land, Inc.	4,403,787,429	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Seda Central Bloc	July 1, 2025	Central Bloc Hotel Ventures, Inc.	1,466,879,162	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Abreeza Mall	July 1, 2025	Accendo Commercial Corporation	3,933,967,272	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum
Centrio Mall	July 1, 2025	Cagayan De Oro Gateway Corporation	4,927,074,187	25	• Fixed rent and shall be subject to an escalation rate of 2.5% per annum

The maturity analysis of finance lease receivables, including the undiscounted lease payments to be received are as follows:

	Note	2025	2024	2023
Within one year		3,669,035,276	1,491,049,823	915,109,665
After one year and not more than five (5) years		11,206,445,483	6,294,303,937	2,783,123,097
More than 5 years		70,985,207,303	41,067,339,616	19,286,270,607
Total undiscounted lease payments and unguaranteed residual value		85,860,688,062	48,852,693,376	22,984,503,369
Less: Unearned finance income		(50,774,235,424)	(29,179,552,441)	(14,013,802,901)
Net investment in the lease	18	35,086,452,638	19,673,140,935	8,970,700,468

The Company remains to be the legal owner of these properties under finance lease.

(b) The Company as lessee - land lease agreements (variable rent expense)

The Company entered into various land lease agreements with its Parent Company or related parties (entities under common control) with details as follows:

Property	Effective date	Counterparty*	Lease term (in years)
Land lease of Solaris building	January 1, 2016 April 26, 2019	ALI	33
Land lease of ANE	October 5, 2018	HLC Development Corporation (through assignment)	40
Land lease of Teleperformance Cebu	October 1, 2020	ALI (through assignment)	31
Land lease of The 30 th Office and Mall	January 15, 2021	MBS Development Corporation (MBS)	40
Land of Vertis Towers 1-3 and Vertis Mall	October 1, 2021	ALI (through assignment)	36
Land lease of Bacolod BPO	October 1, 2021	ALI (through assignment)	36
Land lease of Cebu properties (ebloc 1, ebloc2, ebloc 3, ebloc 4, ACC Tower and Tech Tower)	October 1, 2022	ALI	36
Land lease of Glorietta 1&2 offices; and Mall	July 1, 2023	ALI	36
Land lease of One Ayala East and West towers	July 1, 2023	ALI	41.5
Land lease of Marquee Mall	July 1, 2023	NBCC	36
Land lease of Ayala Triangle Garden Tower 2	July 1, 2024	ALI	40
Land lease of Central Bloc Offices and Mall	July 1, 2025	ALI	41.5
Land lease of Abreeza BPO and Mall	July 1, 2025	Accendo	41.5
Land lease of Centrio BPO and Mall	July 1, 2025	CDOGC	41.5

All of the land lease payments are on a variable basis paid monthly based on a certain percentage of gross rental income of the Company for the leased property.

The Company's contracts of lease for the land spaces that it occupies do not include any dismantling provision clause; hence, there is no need to recognize an asset retirement obligation.

(c) The Company as lessee - land and building leases (lease liabilities)

Property	Effective date	Counterparty*	Lease term (in years)	Payment terms
Lease of land and building of MECC	January 31, 2020	ALI	34	Fixed monthly rate, subject to an escalation rate of five percent (5%) per annum.
Land lease of One and Two Evotech	October 1, 2021	CECI Realty, Inc. (through assignment)	36	Fixed monthly rate, subject to an escalation rate of five percent (5%) per annum.
Land lease of Bacolod Capitol Property	October 1, 2021	Province of Negros Occidental	50	Fixed monthly rate, subject to an escalation rate of ten percent (10%) every five (5) years.

Movement in lease liabilities for the years ended December 31 follows:

	Note	2025	2024
Balance at beginning the year		1,248,290,844	1,216,810,735
Interest expense	15	88,830,206	86,710,186
Payments		(53,748,207)	(55,230,077)
Balance at the end of the year		1,283,372,843	1,248,290,844

The right-of-use assets are included as part of investment properties and amounts to P937.82 million as at December 31, 2025 (2024 - P968.68 million).

The total cash outflow related to leases for the years ended December 31 amounted to:

	Note	2025	2024	2023
Variable lease payments not included in the measurement of lease liabilities	15	739,821,643	587,420,250	421,589,053
Payments of lease liabilities				
Principal portion		-	-	-
Interest portion		53,748,207	55,230,076	53,896,170
Total cash outflows		793,569,850	642,650,326	475,485,223

The following are the amounts recognized in the statement of total comprehensive income from the Company's lease agreements as lessee:

	Notes	2025	2024	2023
Rent expense - variable lease payments	15	739,821,643	587,420,250	421,589,053
Interest expense from lease liabilities	15	88,830,206	86,710,186	84,126,547
Total amounts recognized in the statement of total comprehensive income		828,651,849	674,130,436	505,715,600

17 Income tax

The account for the years ended December 31 consists of:

	2025	2024	2023
Current (final tax)	1,493,386	3,113,918	1,066,925
Deferred	-	-	-
	1,493,386	3,113,918	1,066,925

The Company has incurred NOLCO in the taxable years 2025, 2024 and 2023 which can be claimed as deduction from the regular income tax over a period of three (3) years, and NOLCO in the taxable years 2021 and 2020 which can be claimed as deduction from the regular income tax for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year incurred	At December 31, 2024	Incurred during the year	Used/expired during the year	At December 31, 2025	Expiry Year
2025	-	926,694,082	-	926,694,082	2028
2024	519,442,116	-	-	519,442,116	2027
2023	890,518,286	-	-	890,518,286	2026
2022	336,859,619	-	(336,859,619)	-	2025
2021	688,819,663	-	-	688,819,663	2026
2020	481,283,017	-	(481,283,017)	-	2025
	2,916,922,701	926,694,082	(818,142,636)	3,025,474,147	

The Company does not recognize deferred tax assets and the probability of generating future taxable income is assessed to be remote in view of its effectively tax-free status as a REIT entity.

The reconciliation (in %) between the statutory income tax rate to the effective income tax rate shown in the statement of total comprehensive income follows:

	2025	2024	2023
Statutory income tax rate	25.00	25.00	25.00
Add (deduct) tax effect of:			
Non-deductible expenses	8.83	5.99	5.77
Non-taxable income	(14.35)	(10.99)	(13.07)
Deductible dividends	(19.48)	(20.00)	(17.70)
Effective income tax rate	0.00	0.00	0.00

For each of the three years ended December 31 above, the Company availed of the itemized deduction.

18 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

Terms and conditions of transactions with related parties

The Company, in its regular conduct of business, has entered into transactions with related parties consisting of advances, and management, marketing, leasing and administrative service agreements. These are based on terms agreed by the parties. There have been no guarantees provided or received for any related party receivables or payables.

Material related party transactions (RPT)

This refers to any related party transaction, either individually, or in aggregate over a 12-month period with the same related party, amounting to 10% or higher of the Company's total assets. All material related party transactions are subject to the review by the RPT Committee.

In the event wherein there are changes in the RPT classification from non-material to material, the material RPT shall be subject to the provisions of the related party transactions policy.

The following tables provide the total balances and amounts of transactions that have been entered into with related parties as at and for the years ended December 31:

a. Outstanding balances with ALI, affiliates and other related parties (entities under common control).

Receivables from and payables to related parties pertain mainly to rental income, management fees, advances, reimbursements of operating expenses, and intercompany lending, which are due and demandable. These are settled generally in cash, unless if otherwise indicated, at a gross basis.

Receivables from and payable to related parties as at December 31 are as follow:

	2025		2024		Terms and conditions
	Transactions	Outstanding balances	Transactions	Outstanding balances	
Finance lease receivables					
Entities under common control	2,138,795,147	35,086,452,638	1,162,028,271	19,673,140,935	Balances are due quarterly or annually. These are non-interest bearing and secured with the related investment properties (Notes 5 and 16).
Due from related parties					
Parent Company	154,121,230	1,305,163,717	48,715,642	529,184,080	Balances relating to trade receivables are due and demandable. These are interest and non-interest bearing, and unsecured. No impairment is recognized.
Entities under common control	253,321,254	3,323,235,587	175,634,469	1,932,449,494	
Other related parties	573,678,832	49,371,000	271,249,902	301,869,331	
		4,677,770,304		2,763,502,905	The Company also provides interest-bearing loans to related parties which are subject to monthly repricing and maturing in one month with interest ranging from 4.5% to 5.71% (2024 - 5.59% to 6.89%; 2023 - 5.59% to 6.95%) per annum
Due to related parties					
Parent	918,763,294	871,163,555	682,556,290	588,810,099	Balances are due and demandable. These are non-interest bearing and unsecured.
Entities under common control	1,846,624,284	2,003,591,851	1,398,718,139	1,318,019,607	
Other related parties	-	484,786	61,674,153	72,980,387	
		2,875,240,192		1,979,810,093	

b. Revenue from related parties

The revenue from the Parent Company, affiliates and other related parties (entities under common control) pertains to rental income, interest income from finance lease and interest income from intercompany loans. There is no impairment on these related receivables.

Revenue for the years ended December 31 are as follows:

2025	Rental income	Interest income from Finance lease (Note 16)	Interest income from intercompany loans (Note 14)	Total
Parent	146,040,969	178,402,835	8,080,261	332,524,065
Affiliates	91,494,836	1,960,392,312	161,826,418	2,213,713,566
Other related parties	573,678,832	-	-	573,678,832
Total	811,214,637	2,138,795,147	169,906,679	3,119,916,463

2024	Rental income	Interest income from Finance lease (Note 16)	Interest income from intercompany loans (Note 14)	Total
Parent	20,052,905	-	28,662,736	48,715,641
Affiliates	45,373,640	1,162,028,271	130,260,829	1,337,662,740
Other related parties	271,249,902	-	-	271,249,902
Total	336,676,447	1,162,028,271	158,923,565	1,657,628,283

Cost and expenses for the years ended December 31 are as follows:

2025	Management fees	Rental expenses	Utility expenses	Contracted services	Interest expense	Total
Parent	2,800,984	662,816,775	189,345,244	527,730	63,272,561	918,763,294
Affiliates	869,056,099	47,220,906	917,613,150	12,734,129	-	1,846,624,284
Other related parties	-	-	-	-	-	-
Total	871,857,083	710,037,681	1,106,958,394	13,261,859	63,272,561	2,765,387,578

2024	Management fees	Rental expenses	Utility expenses	Contracted services	Interest expense	Total
Parent	-	488,689,339	-	-	62,011,753	550,701,092
Affiliates	665,869,545	87,119,455	529,611,871	35,092,814	-	1,317,693,685
Other related parties	-	-	54,042,369	-	-	54,042,369
Total	665,869,545	575,808,794	583,654,240	35,092,814	62,011,753	1,922,437,146

The following describes the nature of the material transactions of the Company with related parties as at December 31, 2025 and 2024:

- The Company provides interest-bearing loans to related parties which are subject to monthly repricing and maturing in one month with interest ranging from 4.5% to 5.71% (2024 - 5.30% to 6.89%; 2023 - 5.59% to 6.95%;) per annum.
- The Company enters into various lease agreements with its Parent Company and entities under common control (Note 16).
- Affiliates and other related parties of the Company provide energy and water distribution services to the Company.
- The Company entered into management contracts with affiliates to handle fund and property manager functions of the Company starting August 13, 2020.

The fund management fee is computed based on 0.10% of deposited property value plus 3.5% of the earnings before interest, taxes, depreciation, and amortization (EBITDA) before deduction of fees payable to fund manager and property manager and after deducting interest expense on lease liabilities for the period, exclusive of VAT.

While for property management fee, this is equivalent to 3% of gross rental income and interest income from finance lease per year plus 2% of EBITDA before deduction of fees payable to fund manager and property manager and after deducting interest expense from lease liabilities for the period, provided, that such fee shall not exceed 1% of the net asset value of the properties being managed (Note 15).

Cash in bank

The Company has cash in bank balance with the Bank of the Philippine Islands (BPI), an associate of AC, amounting to P7.24 million as at December 31, 2025 (2024 - P36.68 million). Interest income earned from these deposits for the year ended December 31, 2025 amounted to P0.21 million (2024 - P0.29 million; 2023 - P0.37 million).

Short-term debt

The Company has no outstanding short-term debt payable to BPI as at December 31, 2025 and 2024.

The Company paid interest expense from short-term debt to BPI that is outstanding for the year ended December 31, 2024 amounting to P45.91 million (2023 - P1.38 million). There were no outstanding short-term debt during the year ended December 31, 2025.

Compensation of key management personnel

The key management functions of the Company are handled by AREIT Fund Managers, Inc., and AREIT Property Managers, Inc., which charge management fees for such services. Thus, there is no additional key management personnel disclosure required on the Company's financial statements.

19 Critical accounting estimates and judgments

The preparation of the consolidated financial statements in compliance with Philippine Financial Reporting Standards Accounting Standards requires management to make estimates, judgments and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates, judgments and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date. Actual results could differ from such estimates.

19.1 Critical judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Assessment of the Company being effectively a 'tax-free' entity (Note 17)

There are entities which are specifically exempt from income tax under the tax rules, and accordingly are not within the scope of PAS 12, *Income Taxes*. For REIT entities, while not formally designated as 'tax-free' under the tax rules, they are nevertheless "income tax-free" provided that they meet certain conditions (e.g., listing status, dividend payments, etc.). A REIT entity is required to distribute at least 90% of its annual income as a dividend to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an "income tax-free" entity.

The Company abides with the provisions of the REIT law and complies with the 90% dividend distribution. The Company has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it is effectively an "income tax-free" entity. Accordingly, the Company did not recognize deferred taxes after its listing as a REIT entity.

Determination of whether the Company is acting as a principal or an agent (Notes 12 and 13)

The contract for the commercial spaces leased out by the Company to its tenants includes the right to charge for the electricity usage, water usage, air-conditioning charges and common usage service area (CUSA) charges like maintenance, janitorial and security services.

For the electricity and water usage, the Company determined that it is acting as an agent because the promise of the Company to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Company, are primarily responsible for the provisioning of the utilities while the Company administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

For the provision of CUSA and air conditioning, the Company acts as a principal because it retains the right to direct the service provider of air conditioning, maintenance, janitorial and security to the leased premises. The right to the services mentioned never transfers to the tenant and the Company has the discretion on how to price the CUSA and air conditioning charges.

Operating lease commitments - the Company as lessor (Note 12)

The Company has entered into commercial property leases on its investment property portfolios. The Company has determined that it retains all significant risks and rewards of ownership of the property as the Company considered, among others, the length of the lease term as compared with the estimated useful life of the assets.

Finance lease commitments - the Company as lessor (Note 16)

The Company has entered into various lease agreements (Note 16). The Company has determined, based on evaluation of the terms and arrangement, particularly on the economic life, that the Company has transferred substantially all the significant risks and rewards of ownership of these properties to the lessee and accounts for the agreements as finance lease.

Evaluation whether the acquired set of assets constitute a business (Note 5)

The Company acquired additional portfolio of investment properties and elected to apply the optional concentration test to determine whether the acquired assets or group of assets constitute a business. The Company has determined that the acquisition is a purchase of asset as the acquisition passed the concentration test as (a) the building is considered a single identifiable asset and (b) substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset.

19.2 Critical estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Provision for expected credit losses (ECL) of trade receivables (Note 3)

The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss pattern.

The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience and other forward-looking information, as applicable. For instance, if forecast economic conditions (i.e., gross domestic product and inflation rate) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The amount of ECL is sensitive to changes in circumstances and forecast of economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

Evaluating impairment of non-financial assets carried at cost (Note 4)

The Company assesses at the end of each reporting period whether there is an objective evidence that the input VAT and CWT are no longer recoverable. In determining the recoverable amount of input VAT and CWT, management considers the probability of future transactions or events against which these accounts can be utilized, including adequacy of documentation for anticipated tax audits. Where the final outcome of these matters is different from the amounts that were initially recorded, the carrying amounts of input VAT and CWT are reduced and the amount of probable losses is recognized in profit or loss.

As at December 31, 2025 and 2024, management believes that it will be able to generate future transactions against which the input VAT can be utilized or in worst case scenario, file a claim for refund from tax authorities subject to potential tax audits where management can sustain the positions taken in their tax returns.

The allowance for probable losses on CWT is based on reasonably possible recoverable amount based on historical experience of the Company and its related parties.

Valuation of investment properties held at fair value (Note 5)

The Company makes estimates in respect of the fair value of investment properties. The fair values of these properties are reviewed regularly by management with reference to external independent property valuations and market conditions existing at reporting date, using generally accepted market practices. The assumptions underlying estimated fair values are those relating to the receipt of contractual rent, expected future market rentals, capital expenditure requirements, growth rates, and discount rates that reflect current market conditions and current or recent property investment prices. The property valuations have been prepared based on the best available information.

The fair values of investment properties have been determined using Discounted Cash Flows (DCF) Method (level 3). The significant unobservable input used in the fair value measurement as at December 31, 2025 and 2024 are shown below:

Significant unobservable input	Rate	Sensitivity of the input to fair value
Discount rate	2025: 8.28% - 9.42% 2024: 7.88% - 9.78%	Increase (decrease) in the discount rate would decrease (increase) the fair value
Growth rate	2025: 1.50% - 3.50% 2024: 1.50% - 4.00%	Increase (decrease) in the growth rate would increase (decrease) the fair value

The above inputs and approach were also used to determine the fair value of the finance lease receivables (Note 20.2).

20 Financial risk, capital management, and fair value measurement

20.1 Financial risk management

The Company's principal financial instruments comprise of cash, receivables, accounts and other payables and security deposits which arise directly from the conduct of its operations. The main risks arising from the use of financial instruments are liquidity risk and credit risk.

The Company reviews policies for managing each of these risks. The Company monitors market price risk from all financial instruments and regularly reports financial management activities and the results of these activities to the BOD.

Exposure to market, credit, and liquidity risks arise in the normal course of the Company's business activities. The main objectives of the Company's financial risk management follow:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

Prior to the Company's listing, ALI's financing and treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Company. Effective August 13, 2020, AREIT Fund Manager's, Inc. handles fund manager functions of the Company (Note 18).

20.1.1 Market risk

Market risk is the risk that fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk includes foreign currency risk, interest rate risk, and other price risks.

Foreign currency risk

The Company has no financial assets and liabilities denominated in foreign currencies and, therefore, it has no exposure to foreign currency risk.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

Cash in banks do not have significant exposure to cash flow interest rate risk as they are subject to minimal interest. Finance lease receivables, due from related parties, and lease liabilities do not have significant exposure to cash flow interest rate risk as such are subject to fixed interest rates. The Company has no financial assets carried at fair value and, therefore, it has no exposure to fair value interest rate risk.

Price risk

The Company has no exposure to price risk as its financial assets are measured at amortized cost.

20.1.2 Credit risk

Credit risk refers to the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's credit risks are primarily attributable to cash, receivables and other financial assets. To manage credit risks, the Company maintains defined credit policies and monitors on a continuous basis its exposure to credit risks.

Credit risk arising from rental receivables from leased properties is primarily managed through a tenant selection process. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Company security deposits and advance rentals which helps reduce the Company's credit risk exposure in case of defaults by the tenants. For existing tenants, the Company has put in place a monitoring and follow-up system. Receivables are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables. Regular meetings with tenants are also undertaken to provide opportunities for counseling and further assessment of financial capacity. Except for finance lease and trade receivables, the maximum exposure to credit risk of all financial assets is equal to their carrying amounts.

The Company's maximum exposure to credit risk as at December 31 is equal to the carrying values of its financial assets, except for finance lease and trade receivables under "Receivables" in the statement of financial position:

2025			
	Gross maximum exposure	Fair value of collateral or credit enhancement	Net exposure
Cash and cash equivalent (excluding cash on hand)	37,837,390	-	37,837,390
Receivables			
Finance lease receivables	35,086,452,638	41,001,398,588	-
Due from related parties	4,677,770,304	-	4,677,770,304
Trade receivables	1,968,028,194	1,734,337,992	-
Other receivables	3,182,994	-	3,182,994
Recoverable deposits	31,856,283	-	31,856,283
	41,805,127,803	42,735,736,580	4,750,646,971
2024			
	Gross maximum exposure	Fair value of collateral or credit enhancement	Net exposure
Cash in banks	70,940,948	-	70,940,948
Receivables			
Finance lease receivables	19,673,140,935	24,100,080,159	-
Due from related parties	2,763,502,905	-	2,763,502,905
Trade receivables	1,475,918,230	1,598,397,298	-
Other receivables	2,866,119	-	2,866,119
Recoverable deposits	24,192,597	-	24,192,597
	24,010,561,734	25,698,477,457	2,861,502,569

The aging analysis of the Company's receivable presented per class as at December 31 follows:

	Neither past due nor impaired	Past due but not impaired				Impaired	Total
		<30 days	31-60 days	61-90 days	>90 Days		
2025							
Finance lease receivables (Notes 16 and 18)	35,086,452,638	-	-	-	-	-	35,086,452,638
Due from related parties	2,644,277,142	9,705,985	19,135,311	52,678,462	1,951,973,404	-	4,677,770,304
Trade receivables - billed	635,476,550	241,546,259	161,445,589	43,209,828	712,946,764	173,403,204	1,968,028,194
Total	38,366,206,330	251,252,244	180,580,900	95,888,290	2,664,920,168	173,403,204	41,732,251,136
2024							
Finance lease receivables (Notes 16 and 18)	19,673,140,935	-	-	-	-	-	19,673,140,935
Due from related parties	1,375,080,681	63,696,023	21,677,746	47,014,482	1,256,033,973	-	2,763,502,905
Trade receivables - billed	2,341,584	290,907,532	110,871,983	158,259,446	764,834,351	148,703,334	1,475,918,230
Total	21,050,563,200	354,603,555	132,549,729	205,273,928	2,020,868,324	148,703,334	23,912,562,070

The Company considers the following credit quality classification:

- Stage 1 are considered to be neither past due nor impaired;
- Stage 2 are considered to be past due but not impaired; and
- Stage 3 are considered to be impaired.

(a) Trade receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rates are based on days past due of all customers as they have similar loss patterns. The security deposits are considered in the calculation of impairment as recoveries. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. ECL related to trade receivables is minimal given its low credit risk and the receivables are generally covered by security deposits.

As at December 31, 2025, the allowance for credit losses of trade receivables amounts to P173.40 million (2024 - P148.70 million) (Note 3).

(b) Cash in banks

As at December 31, 2025 and 2024, the ECL relating to cash in banks is minimal as these are considered as low credit risk.

(c) Finance lease receivables

The Company has applied the simplified approach and has calculated allowance for credit losses based on lifetime ECL for finance lease receivables. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date.

As at December 31, 2025 and 2024, the ECL related to the Company's finance lease receivables is minimal given that the receivable is fully covered by the value of the underlying asset (as title to the asset is not transferred to the lessee) in the event of default by the counterparty, and the counterparties are generally of good credit standing.

(d) Due from related parties

As at December 31, 2025 and 2024, the Company did not provide any allowance relating to due from related parties since there is no history of default payments. This assessment is undertaken each financial year through examination of the financial position of the related parties and the markets in which the related parties operate.

20.1.3 Liquidity risk

The Company actively manages its liquidity position so as to ensure that all operating, investing and financing needs are met. The Company's policy is to maintain a level of cash deemed sufficient to fund its monthly cash requirements, at least for the next two months. Capital expenditures are funded through long-term debt, while working capital requirements are sufficiently funded through cash collections and capital infusion by stockholders. Through scenario analysis and contingency planning, the Company also assesses its ability to withstand both temporary and longer-term disruptions relative to its capacity to finance its activities and commitments in a timely manner and at reasonable cost and ensures the availability of ample unused credit facilities as back-up liquidity.

The Company's cash is maintained at a level that will enable it to fund its operations as well as to have additional funds as buffer for any opportunities or emergencies that may arise. To manage the Company's liquidity, credit line facilities with designated local banks, as approved by the Board of Directors, were obtained. The Company's available credit line with various local banks as at December 31, 2025 and 2024 is P23.5 billion. The Company may also refinance its loans and manage payment terms for its payables.

The tables below summarize the maturity profile of the Company's financial instruments as at December 31 based on contractual undiscounted payments:

	2025			Total
	< 1 year	1 to 5 years	> 5 years	
Financial assets				
Cash in banks	37,837,390			37,837,390
Receivables				
Finance lease receivables	3,669,035,276	11,206,445,483	70,985,207,303	85,860,688,062
Due from related parties	4,677,770,304	-	-	4,677,770,304
Trade receivables*	1,794,624,990	-	-	1,794,624,990
Recoverable deposits	31,856,283	-	-	31,856,283
	10,173,286,853	11,206,445,483	70,985,207,303	92,364,939,639
Financial liabilities				
Accounts and other payables				
Due to related parties	2,875,240,192	-	-	2,875,240,192
Accounts payable	923,656,396	-	-	923,656,396
Accrued expenses	238,777,966	-	-	238,777,966
Retention payable	9,213,039	-	-	9,213,039
Interest payable	6,500,000	-	-	6,500,000
Short-term debt	2,000,000,000	-	-	2,000,000,000
Security deposits	492,993,894	1,044,410,754	457,694,435	1,995,099,083
Lease liabilities	58,602,303	261,035,155	3,880,494,973	4,200,132,431
Construction bonds	160,702,937	-	-	160,702,937
	6,765,686,727	1,305,445,909	4,338,189,408	12,409,322,044
Net liquidity (gap) position	3,407,600,126	9,900,999,574	66,647,017,895	79,955,617,595

* Net of allowance for ECL

	2024			Total
	< 1 year	1 to 5 years	> 5 years	
Financial assets				
Cash in banks	70,940,948	-	-	70,940,948
Receivables				
Finance lease receivables	1,491,049,823	6,294,303,937	41,067,339,616	48,852,693,376
Due from related parties	2,763,502,905	-	-	2,763,502,905
Trade receivables*	1,327,214,896	-	-	1,327,214,896
Recoverable deposits	24,192,597	-	-	24,192,597
	5,676,901,169	6,294,303,937	41,067,339,616	53,038,544,722
Financial liabilities				
Accounts and other payables				
Due to related parties	1,979,810,093	-	-	1,979,810,093
Accounts payable	817,595,440	-	-	817,595,440
Accrued expenses	74,514,727	-	-	74,514,727
Retention payable	5,952,197	-	-	5,952,197
Interest payable	3,422,222	-	-	3,422,222
Short-term debt	2,000,000,000	-	-	2,000,000,000
Security deposits	486,110,365	1,029,827,954	451,303,782	1,967,242,101
Lease liabilities	56,204,119	249,981,290	3,951,183,259	4,257,368,668
Construction bonds	138,143,467	-	-	138,143,467
	5,561,752,630	1,279,809,244	4,402,487,041	11,244,048,915
Net liquidity (gap) position	115,148,539	5,014,494,693	36,664,852,575	41,794,495,807

* Net of allowance for ECL

20.2 Capital management

The primary objective of the Company's capital management policies is to afford the financial flexibility to support its business initiatives while providing a sufficient cushion to absorb cyclical industry risks and to maximize stakeholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions.

The Company's sources of capital as at December 31 follow:

	2025	2024
Paid-up capital	37,830,861,320	32,771,959,550
Treasury shares	(673,299,700)	(673,299,700)
Additional paid-in capital	72,223,544,610	56,368,354,602
Retained earnings	26,521,693,604	24,903,508,070
	135,902,799,834	113,370,522,522

There are no changes made in the Company's capital management objectives, policies or processes.

Loan covenants

As at December 31, 2025 and 2024, the Company is not subject to any externally imposed capital requirements from debt covenant.

REIT Act - Aggregate Leverage Limit

The Company is subject to externally imposed capital requirements consistent with the requirement of the REIT Act section 8.10, *Aggregate Leverage Limit*. In 2025 and 2024, the Company is compliant with its debt covenants and requirements of the REIT Act.

Distributable Income under the IRR of REIT Act of 2009

Under the Revised Implementing Rules and Regulations (IRR) of REIT Act of 2009, section 4c, the Company shall present a computation of its distributable dividend taking into consideration requirements under the provisions of the Act and the Rule. Distributable income is not a measure of performance under PFRS Accounting Standards.

The computation of distributable income as presented by the management of the Company for the years ended December 31 follows:

	2025	2024	2023
Net income	9,539,219,827	7,317,064,621	5,030,544,039
Unrealized (gain) loss:			
Net fair value (gain) loss on investment properties	(108,679,768)	43,374,600	(99,254,883)
Straight-lining adjustments recorded in rental income	(245,890,088)	(473,104,893)	(86,563,721)
Distributable income	9,184,649,971	6,887,334,328	4,844,725,435

For each of the years ended December 31, 2025, 2024 and 2023, the Company is compliant by declaring 90% of its distributable income as dividends. Dividend declarations are disclosed in Note 11.

Fair value measurement

The Company follows the fair value measurement hierarchy to disclose the fair value measurements of its financial instruments. The table below summarizes the fair value measurement of the Company's assets and liabilities at December 31, all of which are under Level 3 in the fair value hierarchy:

	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
Finance lease receivables	35,086,452,638	41,001,398,588	19,673,140,935	23,340,972,955
Lease liabilities	1,283,372,843	1,436,690,458	1,248,290,844	1,442,910,420
Security deposits	1,995,099,082	1,734,337,992	1,776,006,705	1,641,789,987

As at December 31, 2025 and 2024, the Company has no financial instrument measured at fair value.

In 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurement. The carrying values of the other financial instruments of the Company as at December 31, 2025 and 2024 approximate their fair values due to the short-term nature of the transactions.

21 Basic and diluted earnings per share

The Company's earnings per share for the years ended December 31 is computed as follows:

	2025	2024	2023
Net income	9,539,219,828	7,317,064,621	5,030,544,039
Weighted average number of common shares	3,462,811,074	2,789,236,279	1,932,495,456
Basic and diluted earnings per share	2.75	2.62	2.60

The Company also assessed that there were no potential dilutive common shares in 2025, 2024, and 2023.

22 Segment reporting

The Company has determined that it is currently operating as one operating segment. Based on management's assessment, no part or component of the business of the Company meets the qualifications of an operating segment as defined by PFRS 8, *Operating Segments*.

The Company's operations on its four parcels of land, nine condominium units, fourteen stand-alone buildings, and five mixed used properties are its only income-generating activity, and such is the measure used by management in allocating resources.

There were no revenue transactions with external customers which accounted for 10% or more of the total revenues for the years ended December 31, 2025, 2024 and 2023.

23 Notes to statements of cash flows

Disclosed below is the roll forward of liabilities under financing activities:

For the year ended December 31, 2025

	January 1, 2025	Cash flows	Other changes	December 31, 2025
Short-term and long-term debt (a)	2,000,000	-	-	2,000,000
Lease liabilities (b)	1,248,290,844	(53,748,207)	88,830,206	1,283,372,843
Interest payable (b)	3,422,222	(107,055,555)	110,133,333	6,500,000
Total liabilities from financing activities	1,253,713,066	(160,803,762)	198,963,539	1,291,872,843

Other changes pertain to:

(a) Amortization of bond issue costs

(b) Interest expense and other charges

For the year ended December 31, 2024

	January 1, 2024	Cash flows	Other changes	December 31, 2024
Short-term and long-term debt (a)	3,000,000	(1,000,000)	-	2,000,000
Lease liabilities (b)	1,216,810,735	(55,230,077)	86,710,186	1,248,290,844
Interest payable (b)	-	(167,123,540)	170,545,762	3,422,222
Total liabilities from financing activities	1,219,810,735	(223,353,617)	257,255,948	1,253,713,066

Other changes pertain to:

(a) Amortization of bond issue costs

(b) Interest expense

For the year ended December 31, 2023

	January 1, 2023	Cash flows	Other changes	December 31, 2023
Short-term debt (a and b)	3,277,693,930	(300,000,000)	22,306,070	3,000,000,000
Lease liabilities (c)	1,186,580,358	(53,896,170)	84,126,547	1,216,810,735
Interest payable (b and c)	898,625	(94,843,339)	93,944,714	-
Total liabilities from financing activities	4,465,172,913	(448,739,509)	200,377,331	4,216,810,735

Other changes pertain to:

(a) Amortization of bond issue costs

(b) Reclassification from long-term debt to short-term debt

(c) Interest expense

The Company's non-cash investing and financing activities are as follows:

Investing/Financing

- Addition in investment properties amounting to P20,994.44 million related to the property-for-share swap agreement for the year ended December 31, 2025 (2024 - P28,602.82 million; 2023 - P22,479.70 million) (Notes 5 and 16). The Company has issued capital stock in exchange for these properties amounting to P5,058.90 million (2024 - P8,412.59 million; 2023 - P6,075.59 million), with additional paid in capital of P15,935.54 million (2024 - P20,190.23 million; 2023 - P16,404.10 million) (Note 11).
- Increase in receivables attributable to properties leased out under finance lease amounting to P14.73 billion for the year ended December 31, 2025 (2024 - P10.54 billion; 2023 - P5.50 billion) (Note 5).
- Increase in fair value of investment properties, gross of lease commissions and straight-line adjustment, amounted to P108.68 million for the year ended December 31, 2025 (2024 - decrease of P43.37 million; 2023 - increase of P201.35 million) (Note 5).

24 Events after the end of the reporting period

On February 19, 2026, the Board of Directors of the Company, at its regular meeting, approved the declaration of cash dividends of P0.62 per outstanding common share for the fourth quarter of 2025. The cash dividends amounting to P2,303.77 million will be payable on March 20, 2026 to stockholders on record as at March 5, 2026.

25 Summary of material accounting policies

25.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with PFRS Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards
- PAS Standards; and
- interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by the SEC.

Basis of measurement

The financial statements of the Company have been prepared using the historical cost basis, except for investment properties which are measured at fair value.

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the financial statements therefore fairly present the financial position and results of the Company. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 19.

The financial statements have been prepared under the going concern assumption.

Functional and presentation currency

The financial statements of the Company are presented in Philippine Peso. All amounts are rounded off to the nearest Philippine Peso unless otherwise stated.

25.2 Adoption of amended accounting standards and interpretation

(a) Amendments to existing standards adopted by the Company effective January 1, 2025

The following amendments to existing standards have been adopted by the Company effective January 1, 2025:

The following amendments to existing standards have been adopted by the Group effective January 1, 2025:

- Lack of Exchangeability – Amendments to PAS 21;

On 15 August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

The adoption of the above amendment did not result in a material impact to the consolidated financial statements of the Group.

There are no other new standards, interpretations and amendments to existing standards effective January 1, 2025 that are considered to be relevant or have a material impact on the Group's consolidated financial statements.

(b) Amendments to existing standards not yet effective and not early adopted by the Company

The following amendments to existing standards are not mandatory for December 31, 2024 reporting period and have not been early adopted by the Company:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (*Effective beginning on or after January 1, 2026*)

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

- PFRS 18 Presentation and Disclosure in Financial Statements (*Effective beginning on or after January 1, 2027*)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Company's net profit, the Company expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Company has performed, the following items might potentially impact operating profit:
 - Foreign exchange differences, if any, need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
 - PFRS 18 has specific requirements on the category in which derivative gains or losses are recognized - which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the Company currently recognizes some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognized, and the Company is currently evaluating the need for change.

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Company will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

The Company does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Company will apply the new standard from its mandatory effective date of January 1, 2027.

Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

There are no other new standards, interpretations and amendments to existing standards not yet effective as at December 31, 2025 reporting period that are considered to be relevant or have a material impact on the Company's financial statements.

25.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

23.3.1 Financial assets

Initial recognition and measurement

The Company's financial assets are classified, at initial recognition, as subsequently measured at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at its transaction price.

In order for a debt financial asset to be classified and measured at amortized cost, it needs to give rise to cash flows that passes the 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refer to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets, or both.

Subsequent measurement - Financial assets at amortized cost (debt instruments)

The Company's financial assets at amortized cost are classified as such if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

25.3.2 Financial liabilities

Initial recognition and measurement

The Company's financial liabilities include accounts and other payables, security deposits, construction bonds, short-term and long-term debt, and lease liabilities.

All financial liabilities are recognized initially at fair value, and, in the case of loans, borrowings and payables, net of any directly attributable transaction costs.

The Company's interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as Interest expense and other charges in profit or loss.

25.3.3 Derecognition of financial instruments

Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

25.3.4 Derecognition of financial instruments

The Company recognizes an allowance for ECL for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For cash in banks, the Company applies the low credit risk simplification. The probability of default and loss given defaults are accessible from reputable credit rating agencies and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, where there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from a reputable credit rating agency to determine whether the debt instrument has significantly increased credit risk and to estimate the ECL.

For receivables (comprising trade, finance lease, due from related parties and other receivables), the Company applies a simplified approach in calculating ECL. Therefore, the Company recognizes a loss allowance based on lifetime ECL at each reporting date. The Company has established a provision matrix for trade receivables that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 180 days past due since security deposits and advance rentals are equivalent to 90 days each which are paid at the start of the lease term which will cover any default. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

25.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the assets in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

25.5 Investment properties

Investment properties comprise completed properties that are held to earn rentals or capital appreciation or both and are not occupied by the Company. The initial cost of investment properties consists of any directly attributable costs of bringing the investment properties to their intended location and working condition, including borrowing costs.

Investment properties are stated at fair value, which reflects market conditions at the reporting date. The fair value of investment properties is determined by management and independent valuation experts based on the "income approach". Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise. In determining the carrying amount of investment property under the fair value model, the Company does not double-count assets or liabilities that are recognized as separate assets or liabilities such as accrued rental income and lease commitments. Expenditures incurred after the investment property has been put in operation, such as repairs and maintenance costs, are normally charged against income in the period in which the costs are incurred.

The Company recognizes property-for-share swap transactions as share-based payment transactions under PFRS 2, '*Share based payments*'. The property received is measured at its fair value at the date of acquisition. The relevant shares issuance recorded in paid-up capital is measured at par value, while the excess of fair value over par value is recognized as additional paid-in capital.

Investment properties are derecognized when either it has been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss. The amount of consideration to be included in gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in PFRS 15, '*Revenue from customers*'.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the PAS 16, '*Property, plant and equipment*', up to the date of change in use.

25.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that other current assets and other non-current assets may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining estimated useful life.

25.7 Equity

Paid-up capital and APIC

Capital stock is measured at par value for all shares subscribed, issued and outstanding. When the Company issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

When the shares are sold at premium, the difference between the proceeds and the par value is credited to APIC.

Share issuance costs

Share issuance costs are incremental costs directly attributable to the issuance or subscription of new shares which are shown in equity as a deduction of APIC. If APIC is not sufficient, the excess is charged against retained earnings.

Treasury shares

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

25.8 Revenue recognition

The Company is in the business of leasing its investment property portfolio. The Company's non-lease performance obligations include common area management and administration of utility services. Revenue from contracts with customers is recognized when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company assesses its revenue arrangement against specific criteria in order to determine if it is acting as a principal or an agent.

Dues

Dues are recognized when the related services are rendered. The contract for the commercial spaces leased out by the Company to its tenants includes the right to charge for the electricity usage, water usage, air conditioning charges and CUSA charges like maintenance, janitorial and security services. Revenue from electricity and water is recognized at a net basis as the Company is acting as an agent, while revenue from CUSA and air conditioning charges is recognized at a gross basis as the Company is acting as principal.

Disaggregated revenue information

The non-lease component of the Company's revenue arises from common area charges and utilities dues. The Company's performance obligations are to ensure that common areas are available for general use of its tenants and to provide for uninterrupted utility services such as water and electricity.

Allocation of transaction price to performance obligation

Each of the non-lease component is considered a single performance obligation, therefore it is not necessary to allocate the transaction price. These services are capable of being distinct from the other services and the transaction price for each service is separately identified in the contract.

Timing of revenue recognition

Revenue from common area charges and utilities dues are recognized over time since the tenants simultaneously receives and consumes the services provided by the Company. The Company determined that the output method best represents the recognition pattern for revenue from utilities dues since this is recognized based on the actual consumption of the tenants.

25.9 Income outside the scope of PFRS 15

Rental income

Rental income under non-cancellable and cancellable leases on investment properties is accounted under operating lease and is recognized on a straight-line basis over the lease term and the terms of the lease, respectively, or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contracts.

No rental income is recognized when the Company waives its right to collect rent and other charges. This is recognized as a rent concession and reported as a variable payment.

Interest income

Interest income is recognized as it accrues using the EIR method.

25.10 Costs and expenses

Costs and expenses are recognized in profit or loss when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

25.11 Leases

The Company as lessor - operating lease

Leases where the Company does not transfer substantially all the risks and benefits of the ownership of the assets are classified as operating leases. Rental income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in revenue due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

The Company as lessor - finance lease

A lease is classified as a finance lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Company recognizes assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Company uses the interest rate implicit in the lease to measure the net investment in the lease. Finance income is recognized over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease.

The Company as lessee

(a) Right-of-use asset

The Company recognizes right-of-use asset at the commencement date of the lease (i.e., the date the underlying asset is available for use) except when the rental payment is purely variable and linked to the future performance or use of an underlying asset. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life or the lease term. The Company accounts for right-of-use assets using the fair value model in accordance with the policy as stated under investment properties. Right-of-use assets are subject to impairment.

(b) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

25.12 Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as at the reporting date.

25.13 Earnings per share

Basic earnings per share (EPS) is computed by dividing net income for the year attributable to common equity holders of the Company by the weighted average number of common shares issued and outstanding during the year adjusted for any subsequent stock dividends declared.

Diluted EPS is computed by dividing net income for the year attributable to common equity holders of the Company by the weighted average number of common shares issued and outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential common shares that would have an antidilutive effect on earnings per share.

25.14 Segment reporting

The Company's lease operation is its only segment. Financial information on business segment is presented in Note 22 to the financial statements.

26 Report on the supplementary information required by the BIR

Below is the additional information required by Revenue Regulations (RR) No. 15-2010 that is relevant to the Company. This information is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements.

(a) Output VAT and input VAT

The National Internal Revenue Code (NIRC) of 1997, as amended, provides for the imposition of VAT on sales of goods and services. Accordingly, the Company's sales are subject to output VAT while its purchases from other VAT-registered individuals or corporations are subject to input VAT.

The Company is a VAT-registered entity with VAT output declaration of P825.33 million for the year ended December 31, 2025 based on the vatable sales amounting to P6,877.78 million. Zero-rated sales amounted to P7,538.04 million.

Upon effectivity of Ease of Paying Taxes (EOPT) Law, the Company's vatable sales are based on actual billed. The Company has zero-rated and exempt sales pursuant to Section 106(A)(2)(a)(5) of the Tax Code and Sections 109(A), 109(K) and 109 of the Tax Code, respectively.

Movements in input VAT for the year ended December 31, 2025 follow:

	Amount
At January 1, 2025	1,229,454,047
Capital goods not subject to amortization	2,358,928
Input tax on depreciable capital goods not attributable to any specific activity	135,064,101
Domestic purchases/payments for:	
Domestic purchases of services	409,213,491
Purchase of goods other than capital goods	3,126,565
Total input VAT	1,779,217,132
Less: Balance applied against output VAT	830,677,911
At December 31, 2025	948,539,221

(b) Documentary stamp tax

Documentary stamp taxes paid for the year ended December 31, 2025 amounted to P47.65 million, which pertains to the issuance of new shares and lease contracts of various tenants.

(c) All other local and national taxes

All other local and national taxes accrued and paid for the year ended December 31, 2025 consist of:

	Amount
Real property tax	533,028,336
Business permit	141,443,279
Fire permit	8,813,861
Community tax	10,500
Others	29,056,591
	<u>712,352,567</u>

All other taxes, local and national, including real estate taxes, licenses and permit fees are presented as part of "Taxes and licenses" under Direct operating expenses and General and administrative expenses in the statement of total comprehensive income.

(d) Withholding taxes

The amount of withholding taxes paid and accrued for the year ended December 31, 2025 follows:

	Total remittances	Withholding taxes payable	Total
Expanded withholding taxes	213,248,327	48,140,766	261,389,093
Final withholding taxes	123,029,504	44,296,600	167,326,104
	<u>336,277,831</u>	<u>92,437,366</u>	<u>428,715,197</u>

Total remittances pertain to tax payments made for the reporting period covering January 2025 to November 2025. The outstanding withholding taxes payable, included in Taxes payable under "Accounts and other payables" in the statement of financial position, as at December 31, 2025 represents the withholding taxes for the month of December 2025 which were remitted in January 2025.

(e) Taxes on importation

The Company has not made any importations in 2025.

(f) Excise tax

The Company has no transactions subject to excise tax in 2025.

(g) Tax assessments and cases

There are no outstanding tax assessments and cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the administration of the BIR as at December 31, 2025.

AREIT, Inc.

Index to Financial Statements and Supplementary Schedules
As at December 31, 2025

Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
- Schedule D. Supplementary Schedule of Long-Term Debt
- Schedule E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

Other Supporting Schedules

- Reconciliation of Retained Earnings Available for Dividend Declaration
- Financial Soundness Indicators
- Map of the Group of Companies within which the Reporting Entity belongs

AREIT, Inc.

Schedule A - Financial Assets
As at December 31, 2025
(All amounts in Philippine Peso)

Name of issuing entity and association of each issue	Number of shares or principal amount of financial assets	Amounts shown in the statement of financial position	Income received and accrued
Cash and cash equivalents in bank*			
Bank of the Philippine Islands	32,240,311	32,240,311	1,473,810
Deutsche Bank	5,597,079	5,597,079	5,993,117
	37,837,390	37,837,390	7,466,927
Receivables**			
Finance lease receivables	35,086,452,638	35,086,452,638	2,138,795,147
Due from related parties	4,677,770,304	4,677,770,304	169,906,679
Trade receivables - billed	1,968,028,194	1,968,028,194	-
Other receivables	3,182,994	3,182,994	-
	41,735,434,130	41,735,434,130	2,308,701,826
	41,773,271,520	41,773,271,520	2,316,168,753

* See Note 2 to the financial statements.

** See Note 3 to the financial statements.

AREIT, Inc.

Schedule D - Supplementary Schedule of Long-Term Debt
As at December 31, 2025

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related Statement of Financial Position	Amount shown under caption "Long-term debt" in related Statement of Financial Position
N/A	N/A	N/A	N/A

AREIT, Inc.

Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)
As at December 31, 2025

Name of related party	Balance at the beginning of the period	Balance at the end of the period
N/A	N/A	N/A

AREIT, Inc.

Schedule F - Guarantees of Securities of Other Issuers
As at December 31, 2025

Name of issuing entity of securities guaranteed by the Company for which statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by the company for which statement is filed	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

AREIT, Inc.

Schedule G - Capital Stock
As at December 31, 2025

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related Statement of Financial Position caption	Number of shares reserved for options, warrants, conversions, and other rights	Number of shares held by related parties	Number of shares held by directors, officers, and employees	Others
Common	4,050,000,000	3,715,756,162	-	2,370,999,262	7	-
Total	4,050,000,000	3,715,756,162	-	2,370,999,262	7	-

See Note 11 to the financial statements.

AREIT, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
For the year ended December 31, 2025
(All amounts in Philippine Peso)

Unappropriated Retained Earnings, beginning of the year	6,693,607,631
Add: Category A: Items that are directly credited to Unappropriated retained earnings	
Reversal of retained earnings appropriation/s	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
Less: Category B: Items that are directly debited to Unappropriated retained earnings	
Dividend declaration during the reporting period	7,921,034,294
Retained earnings appropriated during the reporting period	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	- (7,921,034,294)
Unappropriated Retained Earnings, as adjusted	(1,227,426,663)
Add/Less: Net income (loss) for the current year	9,539,219,828
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	-
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Unrealized fair value gain of investment property	- (108,679,768)
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRSs (describe nature)	-

(continued)

AREIT, Inc.**Reconciliation of Retained Earnings Available for Dividend Declaration**

For the year ended December 31, 2025

Page 2

Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	-	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRSs	-	-
<hr/>		
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	-	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRSs, previously recorded (describe nature)	-	-
<hr/>		
Adjusted net income		9,430,540,060
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)		-
Unrealized fair gain loss of investment property		
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	-

(continued)

AREIT, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration

For the year ended December 31, 2025

Page 3

Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)	-
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
Others (straight-lining adjustments recorded in rental income)	-

Total Retained Earnings, end of the year available for dividend declaration

8,203,113,397

AREIT, Inc.

Financial Soundness Indicators
As at December 31, 2025
(With comparative figures as at December 31, 2024 and 2023)
(All amounts are in Philippine Peso, unless otherwise stated)

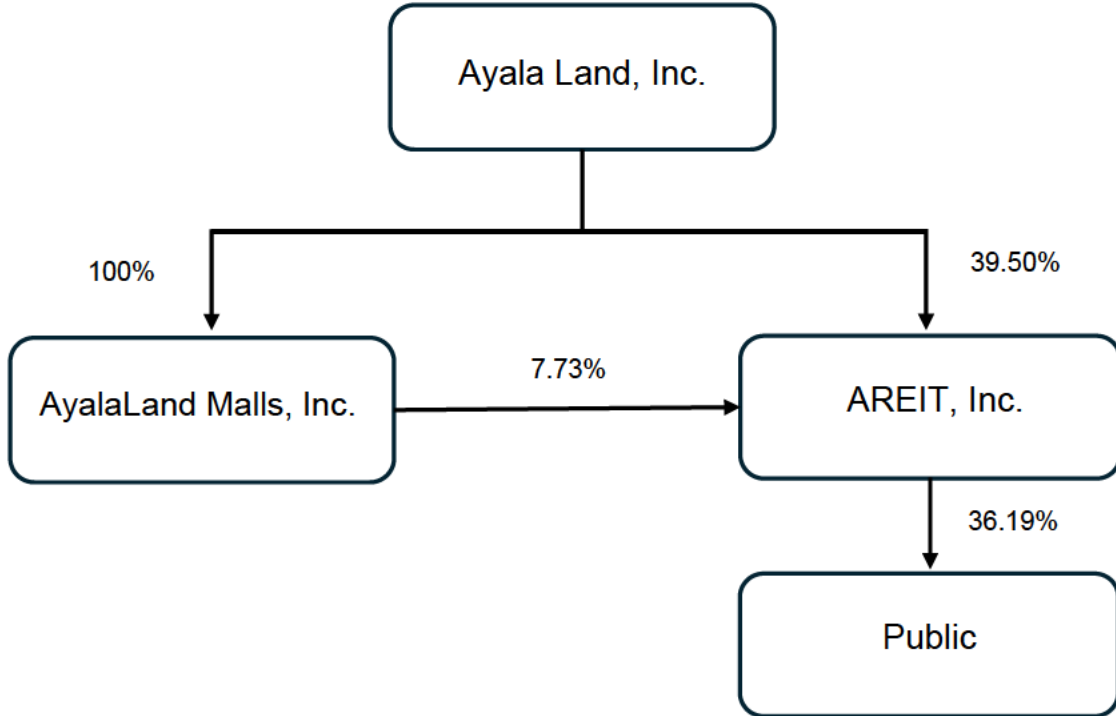
Ratio	Formula	2025	2024	2023	
A. Current and liquidity ratios					
1. Current ratio	Total current assets	7,288,692,975	1.07	0.83	0.80
	Divided by: Total current liabilities	6,820,746,576			
	Current ratio	1.07			
2. Acid test ratio	Total current assets	7,288,692,975	0.97	0.76	0.77
	Less: Other current assets	(688,625,609)			
	Quick assets	6,600,067,366			
	Divided by: Total current liabilities	6,820,746,576			
	Acid test ratio	0.97			
B. Solvency ratio					
	Net income	9,539,219,827	4.77	3.66	1.68
	Add: Depreciation	332,234			
	Net income before depreciation	9,539,552,061			
	Divided by: Total debts*	2,000,000,000			
	Solvency ratio`	4.77			
C. Debt-to-equity ratio					
	Total debts	2,000,000,000	0.01	0.02	0.04
	Divided by: Total equity	135,902,799,834			
	Debt-to-equity ratio	0.01			
D. Asset-to-equity ratio					
	Total assets	147,322,393,344	1.08	1.09	1.12
	Divided by: Total equity	135,902,799,834			
	Asset-to-equity ratio	1.08			
E. Interest rate coverage ratio					
	EBITDA**	9,529,281,410	34.73	23.51	21.25
	Divided by: Interest expense	274,359,782			
	Interest rate coverage ratio	34.73			
F. Profitability ratios					
1. Return on assets (%)	Net income	9,539,219,827	7%	7%	6%
	Divided by: Average total assets	135,272,538,143			
	Return on assets (%)	7%			
2. Return on equity (%)	Net income	9,539,219,827	8%	7%	7%
	Divided by: Average total equity	124,636,661,178			
	Return on equity (%)	8%			
3. Net profit margin	Net income	9,539,219,827	74%	0.71	0.70
	Divided by: Total revenues	12,959,780,593			
	Net profit margin	74%			

* Total debts includes short-term debt, long-term debt, and current portion of the long-term debt

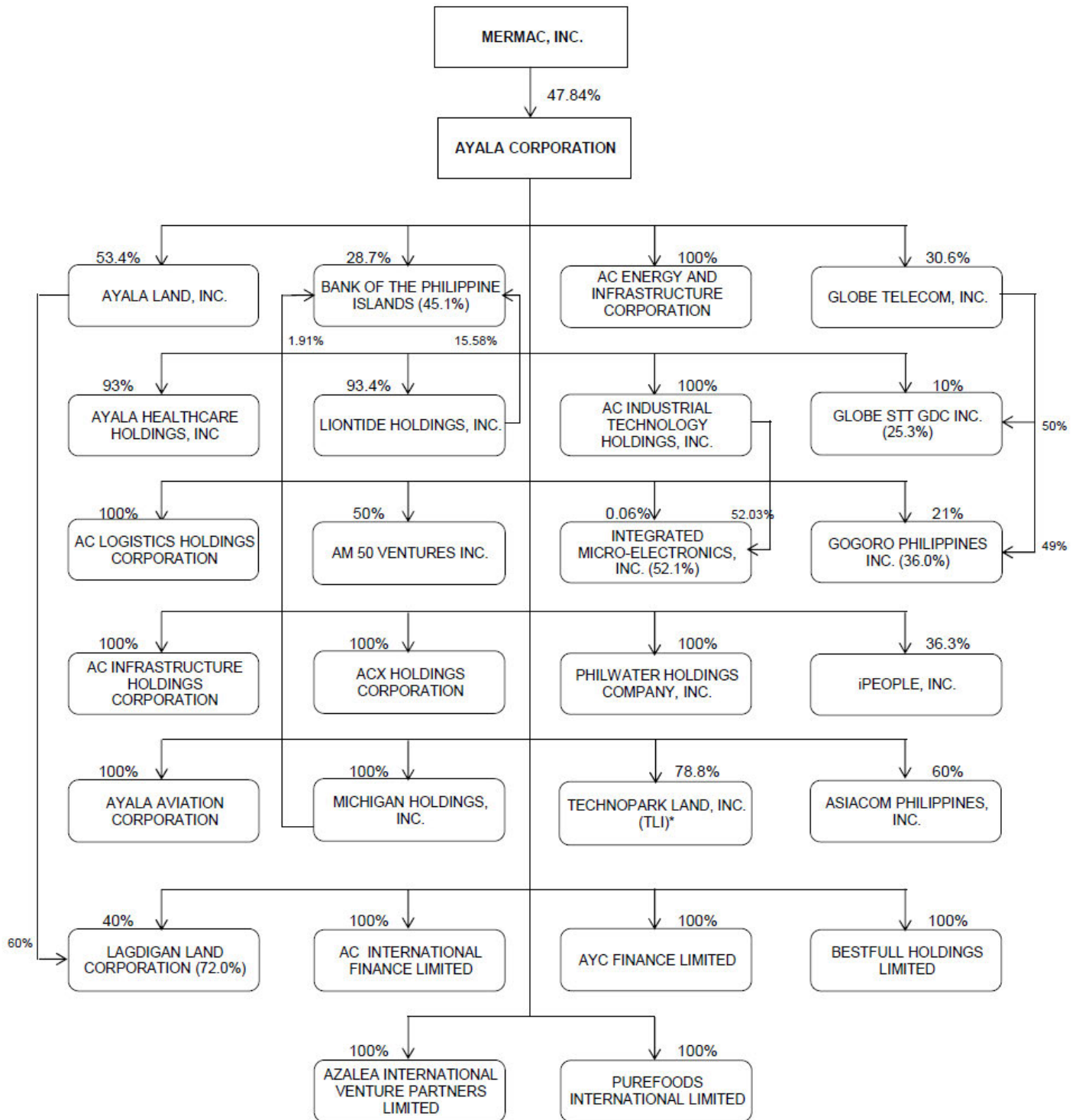
** EBITDA refers to earnings before interest expense and other charges, taxes, and depreciation, and excludes net fair value change in investment properties, interest income, non-recurring gain under finance lease and other income

AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs
As at December 31, 2025



AREIT, Inc.
Map of the Group of Companies within which the Reporting Entity belongs
 As at December 31, 2025
 Page 2



Legend:

% of ownership appearing outside the box - direct % of economic ownership

% of ownership appearing inside the box - effective % of economic ownership

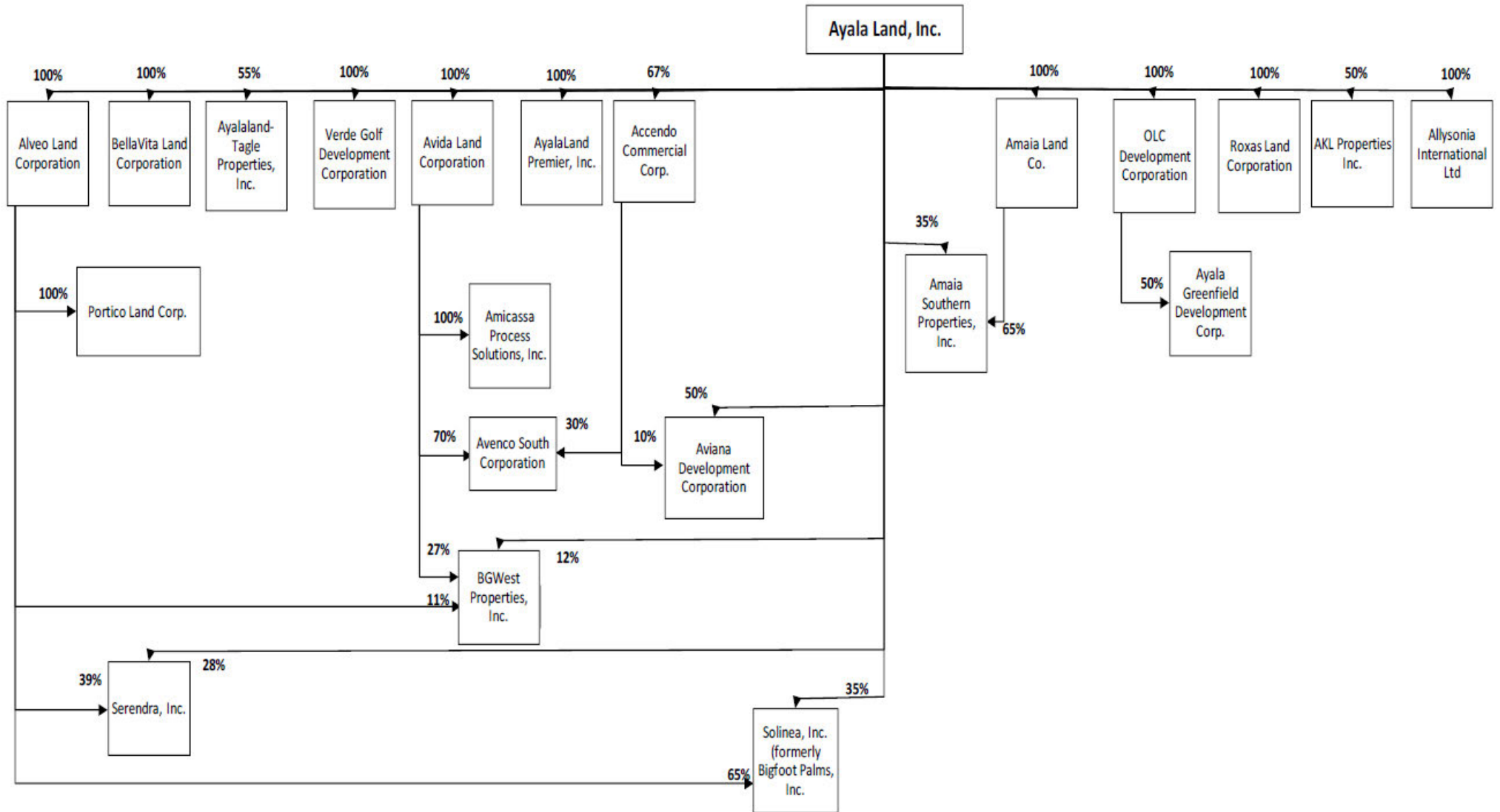
*On December 10, 2021, the BOD and stockholders of TLI approved the plan to shorten its corporate term to June 30, 2023. On December 23, 2021, the SEC approved the amendment of the Fourth Article of the Articles of Incorporation to shorten the corporate term to June 30, 2023. The company obtained all necessary regulatory approvals for the closure its business. On January 6, 2026, the BIR officially cancelled the company's registration.

AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 3

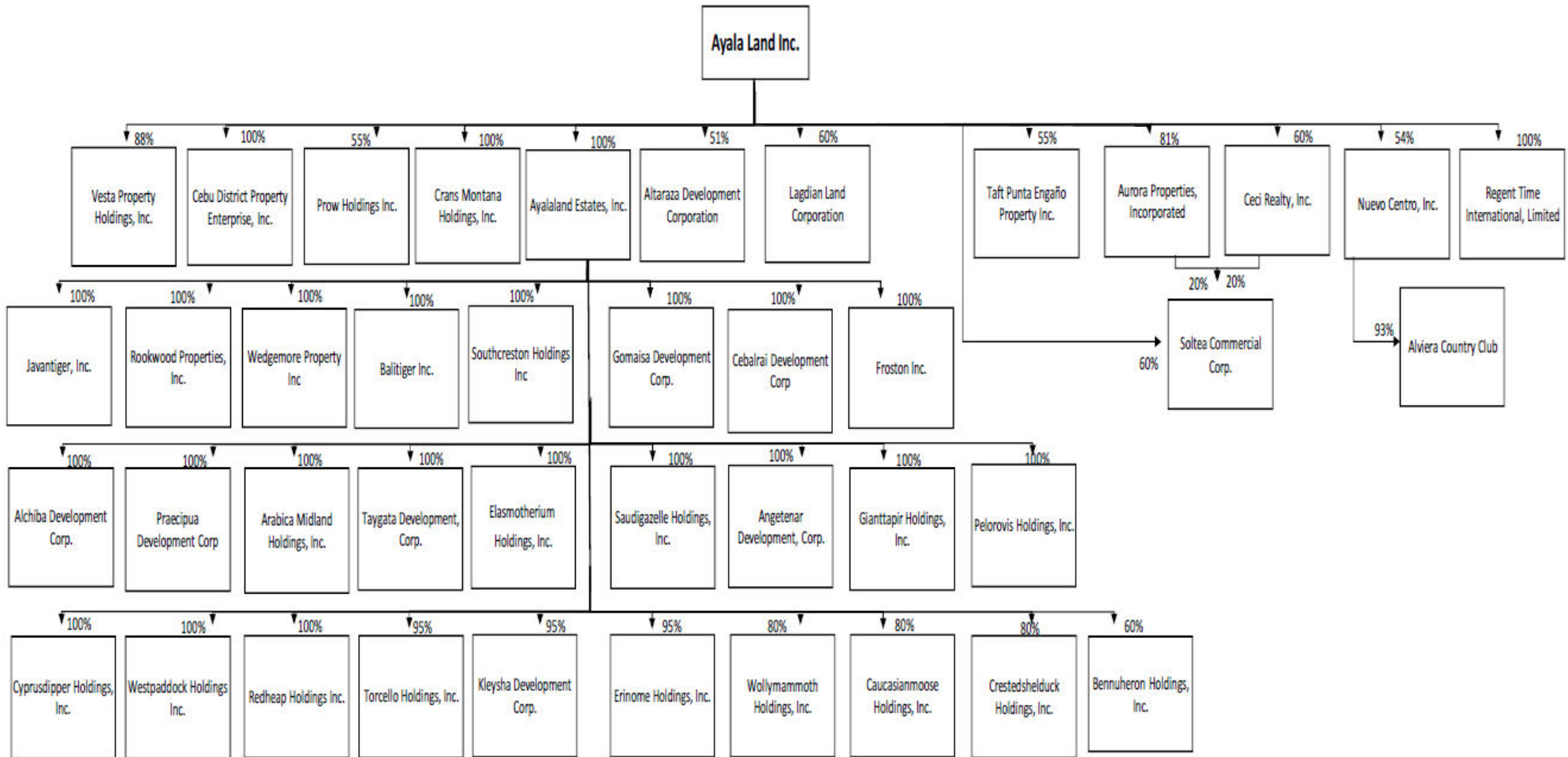


AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 4

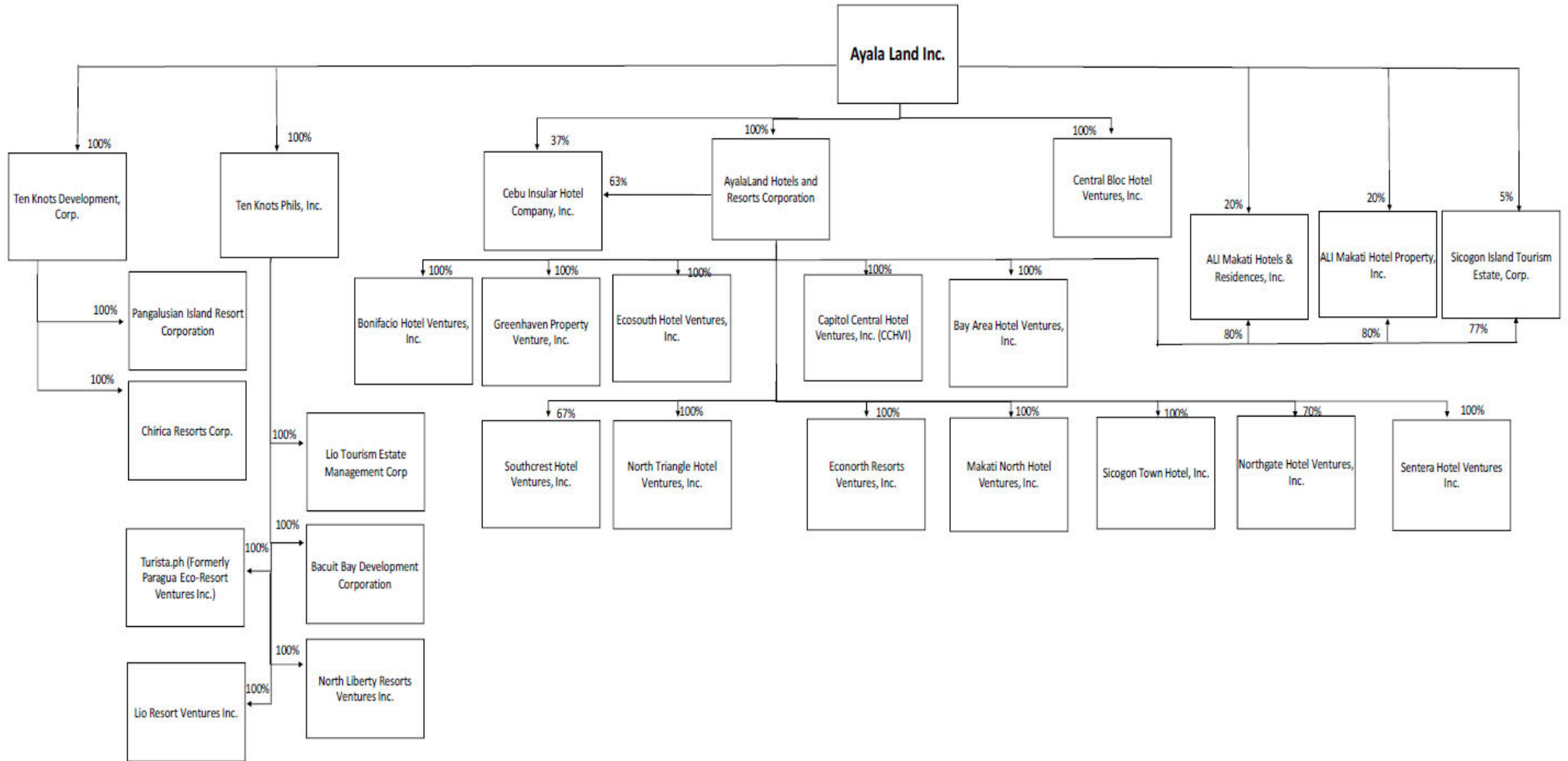


AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 5

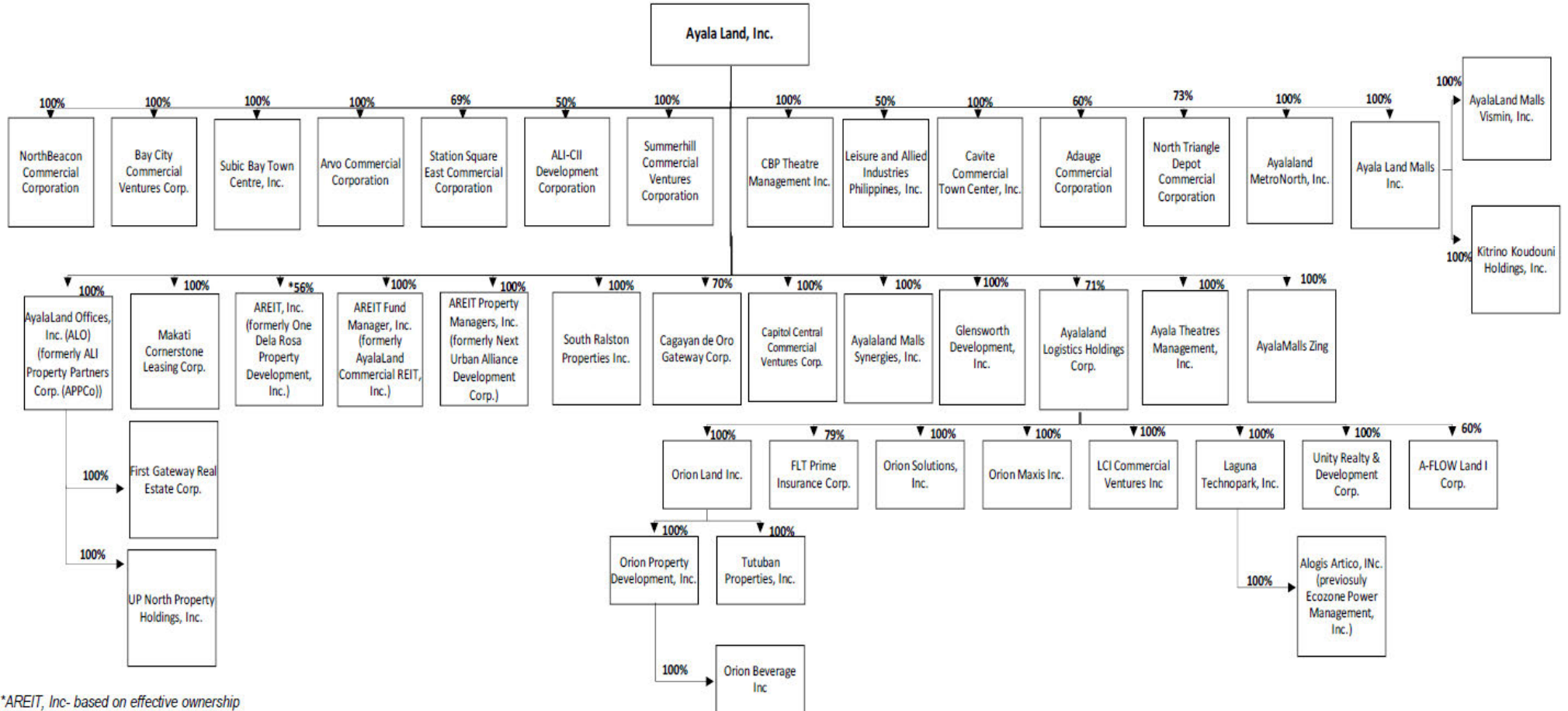


AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 6



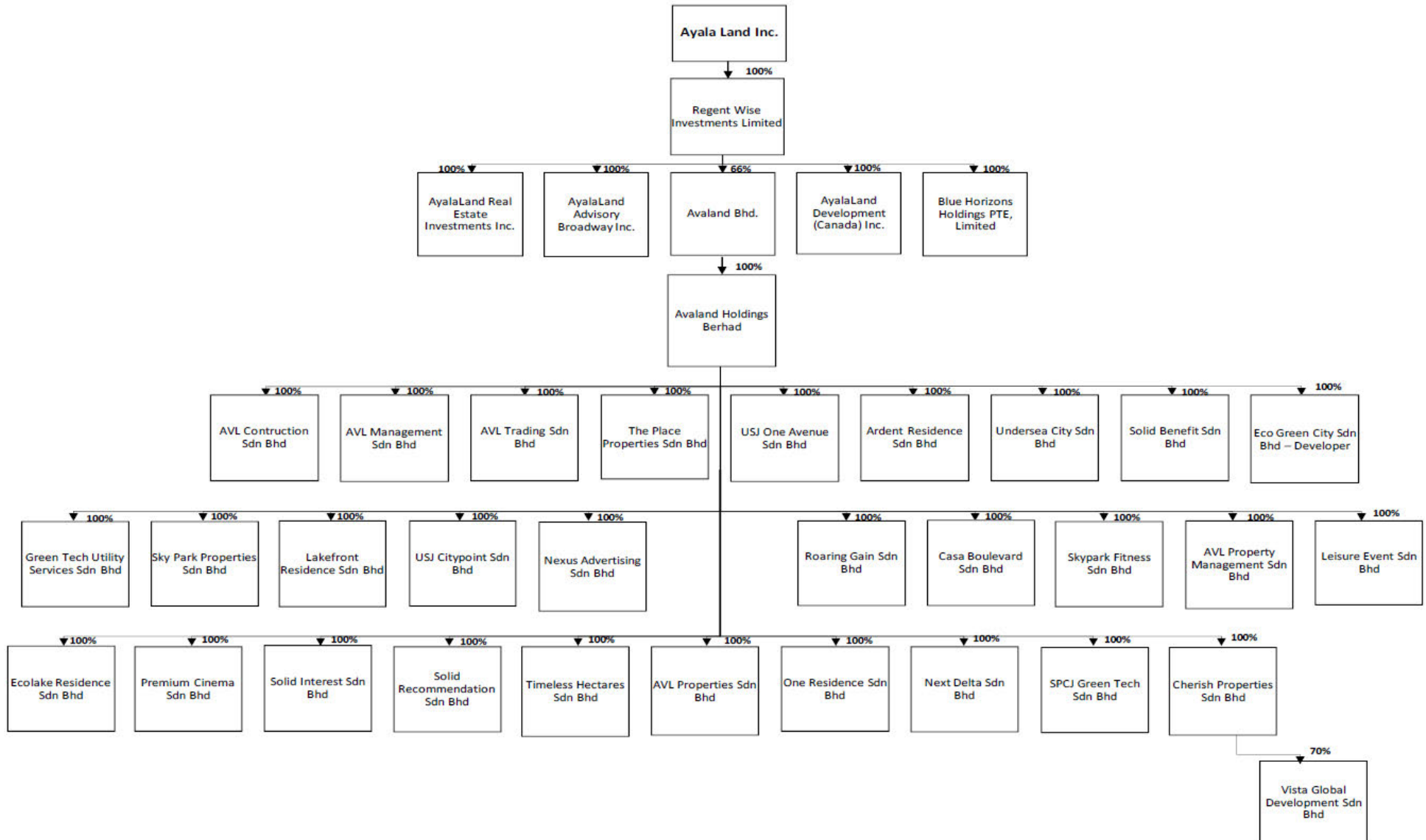
*AREIT, Inc. based on effective ownership

AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 7

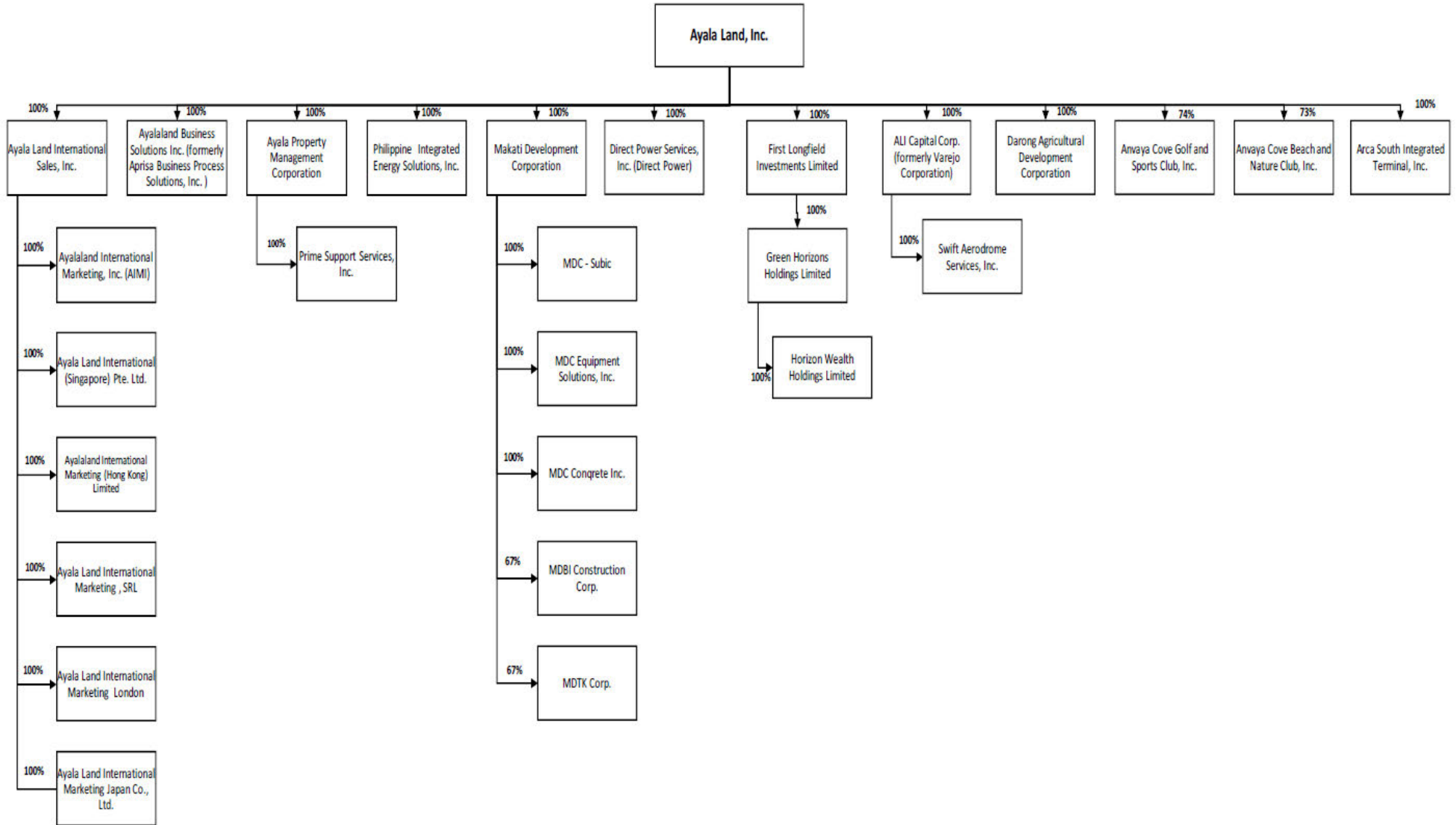


AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 8



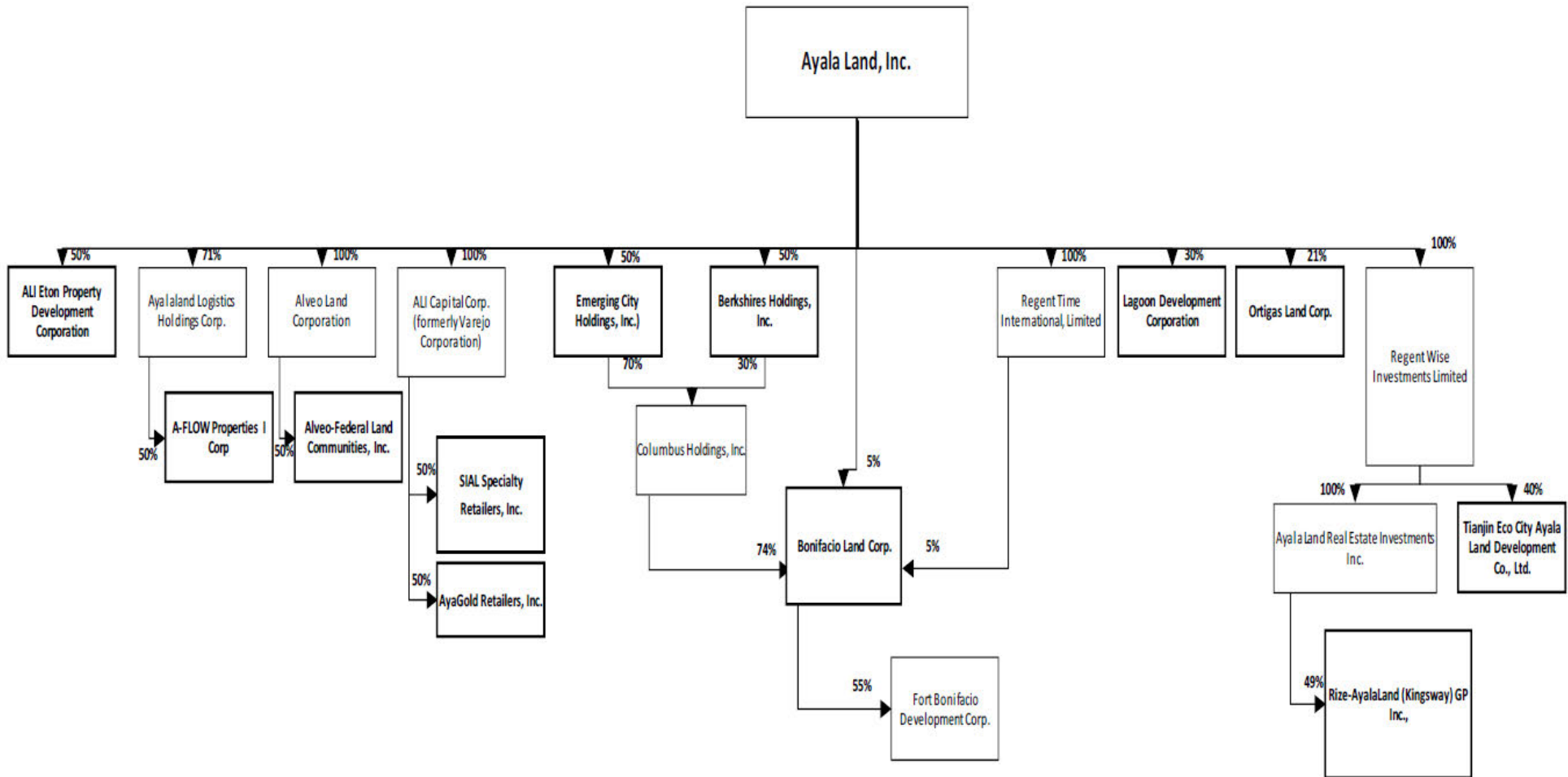
AREIT, Inc.

Map of the Group of Companies within which the Reporting Entity belongs

As at December 31, 2025

Page 9

Investments in Associates/Joint Ventures



AREIT, Inc.

SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE- RELATED INFORMATION

As at December 31, 2025 and 2024

Amounts in Philippine Peso (PHP)

	2025	2024
Total Audit Fees (excluding OPE)		
Regular Audit	882,000	840,000
Audit-related (AUP for reinvestment plan)	-	35,000
Total audit fees	882,000	875,000
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	882,000	875,000