SEC Number: CS200613870
File Number: ________

AREIT, INC.

(Company's Full Name)

28F, Tower One and Exchange Plaza, Ayala Triangle
Ayala Avenue, Makati City 1226

(Company Address)

(632) 7908-3804

(Telephone Number)

June 30, 2026

(Quarter Ending)

SEC Form 17-Q Quarterly Report

(Form Type)

-

(Amendments)

COVER SHEET

SEC Registration Number

C	S	2	0	0	6	1	3	8	7	0

COMPANY NAME

AREIT, INC.

PRINCIPAL OFFICE *(No. / Street / Barangay / City / Town / Province)*

28th Floor, Tower One and Exchange Plaza, Ayala Triangle Ayala Avenue, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	SEC	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
ali.ccsg@amicassa.com.ph	**(02) 7908-3804**	**N/A**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
74,261	**4/23**	**12/31**

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Daniel Jan E. del Mundo	**delmundo.dj@ayalaland.com.ph**	**N/A**	**N/A**

CONTACT PERSON's ADDRESS

28th Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City

NOTE1 : *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.* ***2 :*** *All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.*

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **June 30, 2026**
2. Commission Identification Number: **CS200613870**
3. BIR Tax Identification No.: **006-346-689-00000**
4. Exact name of issuer as specified in its charter: **AREIT, INC.**
5. Province, Country, or other jurisdiction of incorporation or organization: **Makati City, Philippines**
6. Industry Classification Code: _______ (SEC Use Only)
7. Address of issuer's principal office and postal code:

    28F, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City 1226

8. Issuer's telephone number, including area code: **(632) 7908-3804**
9. Former name, former address, former fiscal year: **Not applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

    As of **June 30, 2026**

Title of each class	Number of shares issued and outstanding
Common shares	4,156,887,818

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [x] No [ ]

    Stock Exchange: **Philippine Stock Exchange**

    Securities listed: **Common shares**

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):
    Yes [x] No [ ]

    (b) has been subject to such filing requirements for the past 90 days:
    Yes [x] No [ ]

PART I — FINANCIAL INFORMATION

AREIT, INC.

Unaudited Interim Condensed Financial Statements
As at June 30, 2026 (with Comparative Audited Figures as at December 31, 2025)
And for the Six Months Ended June 30, 2026 and 2025

Item 1. Financial Statements

AREIT, INC.
UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION
(All amounts in Philippine Peso)

	Notes	June 30, 2026 Unaudited	December 31, 2025 Audited
ASSETS			
Current Assets			
Cash and cash equivalents	4	30,868,040	38,149,890
Receivables, net	5	7,867,967,874	6,561,917,476
Other current assets	6	941,076,496	688,625,609
Total current assets		**8,839,912,410**	**7,288,692,975**
Noncurrent Assets			
Receivables, net of current portion	5	55,261,192,671	35,000,113,450
Investment properties	7	104,060,634,498	104,179,274,197
Property and equipment, net		1,421,458	896,558
Other non-current assets	6	637,442,046	853,416,164
Total non-current assets		**159,960,690,673**	**140,033,700,369**
Total assets		**168,800,603,083**	**147,322,393,344**

LIABILITIES AND EQUITY			
Current Liabilities			
Accounts and other payables	8	5,002,062,976	4,123,092,012
Short-term debt	9	2,000,000,000	2,000,000,000
Current portion of deposits, other liabilities	11	578,111,916	536,951,627
Construction bonds	10	174,331,043	160,702,937
Total current liabilities		**7,754,505,935**	**6,820,746,576**
Non-current Liabilities			
Deposits, other liabilities, net of current portion	11	3,432,843,782	3,315,474,091
Lease liability		1,316,586,099	1,283,372,843
Total non-current liabilities		4,749,429,881	4,598,846,934
Total liabilities		**12,503,935,816**	**11,419,593,510**
Equity			
Paid-up capital	12	41,568,878,180	37,830,861,320
Treasury shares	12	–	(673,299,700)
Additional paid-in capital	12	87,198,301,531	72,223,544,610
Retained earnings		27,529,487,556	26,521,693,604
Total equity		**156,296,667,267**	**135,902,799,834**
Total liabilities and equity		**168,800,603,083**	**147,322,393,344**

See accompanying Notes to Unaudited Interim Financial Statements

AREIT, INC.
UNAUDITED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(All amounts in Philippine Peso)

	2026 Unaudited		2025 Unaudited	
	April 1 to June 30	**January 1 to June 30**	**April 1 to June 30**	**January 1 to June 30**
REVENUE				
Rental income	2,414,628,223	4,734,950,011	2,163,112,917	4,275,496,115
Dues- net	563,852,545	1,104,098,184	453,564,573	877,123,984
Interest income from finance lease receivables	1,192,698,086	1,876,926,711	385,743,606	770,530,789
	4,171,178,854	**7,715,974,906**	**3,002,421,096**	**5,923,150,889**
COSTS AND EXPENSES				
Direct operating expenses	949,521,960	1,832,650,881	779,457,153	1,542,877,642
General and administrative expenses	13,541,951	37,878,259	12,954,611	28,191,188
	963,063,911	**1,870,529,140**	**792,411,764**	**1,571,068,830**
OTHER (CHARGES) INCOME, NET				
Interest income	61,164,613	109,060,991	39,248,857	68,380,567
Interest expense and other charges	(62,610,947)	(123,765,329)	(68,583,279)	(141,405,337)
	(1,446,334)	(14,704,338)	(29,334,422)	(73,024,770)
Net fair value change in investment properties	**(150,515,097)**	**(214,239,117)**	**(105,064,649)**	**(156,989,552)**
INCOME BEFORE INCOME TAX	**3,056,153,512**	**5,616,502,311**	**2,075,610,261**	**4,122,067,737**
Less: Income tax expense	482,206	1,170,717	498,600	986,337
NET INCOME	**3,055,671,306**	**5,615,331,594**	**2,075,111,661**	**4,121,081,400**
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME	**3,055,671,306**	**5,615,331,594**	**2,075,111,661**	**4,121,081,400**
Basic and diluted earnings per share	**0.74**	**1.35**	**0.65**	**1.28**

AREIT, INC.
UNAUDITED INTERIM STATEMENTS CHANGES IN EQUITY
(All amounts in Philippine Peso)

	For Six Months Ended June 30, 2026				
	Paid-up capital (Note 12)	**Treasury shares (Note 12)**	**Additional paid-in capital (Note 12)**	**Retained earnings (Note 12)**	**Total equity**
At January 1, 2026	37,830,861,320	(673,299,700)	72,223,544,611	26,521,693,603	135,902,799,834
Comprehensive income					
Net income for the period	-	-	-	5,615,331,594	5,615,331,594
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	5,615,331,594	5,615,331,594
Transactions with stockholders					
Issuance of new shares, net	4,411,316,560	-	14,974,756,920	-	19,386,073,480
Retirement of shares	(673,299,700)	673,299,700			-
Cash dividends	-	-	-	(4,607,537,641)	(4,607,537,641)
Total transactions with stockholders	3,738,016,860	-	14,974,756,920	(4,607,537,641)	14,778,535,839
At June 30, 2026	**41,568,878,180**	**-**	**87,198,301,531**	**27,529,487,556**	**156,296,667,267**

	For Six Months Ended June 30, 2025				
	Paid-up capital (Note 12)	**Treasury shares (Note 12)**	**Additional paid-in capital (Note 12)**	**Retained earnings (Note 12)**	**Total equity**
At January 1, 2025	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 period	-	-	-	4,121,081,400	4,121,081,400
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,121,081,400	4,121,081,400
Transactions with stockholders					
Issuance of new shares, net	-	-	-	-	-
Cash dividends	-	-	-	(3,723,243,310)	(3,723,243,310)
Total transactions with stockholders	-	-	-	(3,723,243,310)	(3,723,243,310)
At June 30, 2025	**32,771,959,550**	**(673,299,700)**	**56,368,354,602**	**25,301,346,160**	**113,768,360,612**

AREIT, INC.
UNAUDITED INTERIM STATEMENTS OF CASH FLOWS
(All amounts in Philippine Peso)

	January 1 to June 30 2026 Unaudited	January 1 to June 30 2025 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	5,616,502,310	4,122,067,737
Adjustments for:		
Net fair value change in investment properties	214,239,117	156,989,552
Depreciation and amortization	231,092	170,731
Interest expense	91,499,603	100,789,202
Interest income from finance lease receivables	(1,876,926,711)	(770,530,789)
Interest income	(109,060,991)	(68,380,567)
Operating income before working capital changes	3,936,484,420	3,541,105,865
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Receivables	471,709,704	304,098,381
Other assets	(36,476,770)	(58,139,419)
Increase (decrease) in:		
Accounts and other payables	878,970,965	315,360,251
Deposits and other liabilities	158,529,980	678,567,668
Construction bonds	13,628,105	6,073,462
Cash generated from (used in) operations	5,422,846,404	4,787,066,208
Interest received	109,060,991	68,380,567
Income tax paid	(1,170,718)	(986,338)
Net cash flows provided by (used in) operating activities	**5,530,736,677**	**4,854,460,437**
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in due from related parties	(685,950,000)	(943,004,000)
Payments for additions to investment properties	(96,355,409)	(82,345,831)
Net cash flows provided by (used in) investing activities	**(782,305,409)**	**(1,025,349,831)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of dividends	(4,607,537,641)	(3,723,243,310)
Share issuance cost	(89,889,132)	–
Payments of principal portion of lease liability	(10,994,678)	(7,981,759)
Interest paid	(47,291,667)	(57,055,556)
Net cash flows provided by (used in) financing activities	**(4,755,713,118)**	**(3,788,280,625)**
NET INCREASE (DECREASE) IN CASH	**(7,281,850)**	**40,829,982**
CASH AT BEGINNING OF PERIOD	38,149,890	71,173,448
CASH AT END OF PERIOD	**30,868,040**	**112,003,430**

AREIT, Inc.
NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
All amounts in Philippine Peso

1. Corporate Information

AREIT, Inc. (the "Company") was incorporated and registered with the SEC on September 4, 2006, and amended its Articles of Incorporation on September 26, 2018 to engage in the REIT business under Republic Act No. 9856 (the REIT Act). The Company's common shares have been listed on the Main Board of the PSE since August 13, 2020. As a REIT entity, the Company is (a) not subject to the 2% MCIT; (b) exempt from VAT and DST on property-for-share transfers; (c) entitled to deduct dividend distributions from taxable income; and (d) subject to 50% of the standard DST rate on transfers of real property into the Company.

The Company's operational and administrative functions are handled by ALI prior to 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.

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.

As at June 30, 2026, the Company is 58.94% collectively owned by Ayala Land, Inc. ("ALI, the Parent Company") and its subsidiaries, 4.79% owned by Buendia Christiana Holdings, Corp., a wholly-owned subsidiary of ACEN Corporation, and the rest by the public.

2. Basis of Financial Statement Preparation

The financial statements are prepared in accordance with Philippine Financial Reporting Standards ("PFRS"), comprising PFRS Accounting Standards, Philippine Accounting Standards ("PAS"), and PIC/SIC/IFRIC interpretations adopted by the FSRSC and SEC.

On July 29, 2026 and August 10, 2026, the Audit Committee and Board of Directors, respectively, approved and authorized the release of the accompanying unaudited interim financial statements of AREIT, Inc.

3. Summary of Material Accounting Policies

Adoption of Amended Accounting Standards and Interpretations

(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:

- Lack of Exchangeability – Amendments to PAS 21 *The Effects of Changes in Foreign Exchange Rates.* The adoption of the above amendment did not result in a material impact to the consolidated financial statements of the Company.

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 Company's consolidated financial statements.

(b) Amendments to Existing Standards adopted by the Company effective January 1, 2026

- Amendments to PFRS 9 *Financial Instruments*, and PFRS 7 *Financial Instruments: Disclosures — Amendments to the Classification and Measurement of Financial Instruments*. The Company is currently assessing the impact of these amendments on its financial statements. Based on preliminary assessment, these amendments are not expected to have a significant effect on the Company's financial position or results of operations.

(c) Amendments to Existing Standards not yet effective and not early adopted by the Company

The following amendments to existing standards are not mandatory for the June 30, 2026 reporting period and have not been early adopted by the Company:

- 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 adoption of PFRS 18 will have no impact on the Company's net profit. However, 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.

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 breakdown of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this breakdown 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 the 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 the June 30, 2026 reporting period that are considered to be relevant or have a material impact on the Company's financial statements.

4. Cash

The account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash on hand	320,000	312,500
Cash in banks	30,548,040	12,837,390
Cash equivalents	–	25,000,000
	30,868,040	**38,149,890**

Cash equivalents pertain to short-term investments with an original maturity of three (3) months or less.

Cash in banks and cash equivalents earn interest at the prevailing market rates.

5. Receivables

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Finance lease receivables	13	55,414,609,027	35,086,452,638
Due from related parties	13	5,781,091,388	4,677,770,304
Trade receivables – billed		1,169,294,908	1,245,751,587
Accrued receivables		936,515,724	722,276,607
Other receivables		1,052,702	3,182,994
		63,302,563,749	41,735,434,130
Allowance for credit losses		(173,403,204)	(173,403,204)
Non-current portion of finance lease receivables		(55,261,192,671)	(35,000,113,450)
Current portion of receivables		**7,867,967,874**	**6,561,917,476**

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

Trade receivables arise mainly from tenants for the rental of office and retail spaces and for recovery charges for common areas and utilities. These are non-interest-bearing and are generally collectible on a 30-day term.

Accrued receivables pertain to receivables resulting from the straight-line method of recognizing rental income.

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

As of June 30, 2026, the aging analysis of the Company's receivables presented per class is as follows:

	Neither Past Due nor Impaired	Past due but not impaired				Impaired	Total
		<30 days	31-60 days	61-90 days	>90 days		
Finance lease receivables	55,414,609,027	–	–	–	–	–	55,414,609,027
Due from related parties	4,125,086,582	367,070,344	286,642,956	280,183,606	722,107,899	–	5,781,091,388
Trade receivables	71,247,578	89,649,995	268,052,369	161,542,739	405,399,023	173,403,204	1,169,294,908
Accrued receivables	936,515,724	–	–	–	–	–	936,515,724
Total	**60,547,458,912**	**456,720,338**	**554,695,326**	**441,726,345**	**1,127,506,922**	**173,403,204**	**63,301,511,047**

Movements in the allowance for credit losses of trade receivables are as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance of beginning of year	173,403,204	148,703,334
Additions	–	24,699,870
Balance at end of year	**173,403,204**	**173,403,204**

6. Other Assets

(a) Other Current Assets

This account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Input VAT	566,153,527	474,355,079
Deferred Input VAT	61,644,456	61,513,813
Prepaid expenses	281,422,230	120,900,434
Recoverable deposits	31,856,283	31,856,283
	941,076,496	688,625,609

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

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.

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

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

(b) Other Non-Current Assets

This account consists of:

	June 30, 2026 (Unaudited)	**December 31, 2025 (Audited)**
Input VAT	114,873,011	439,799,347
Creditable withholding taxes ("CWT"), net	481,393,624	387,498,950
Advances to contractors	41,175,412	26,117,867
	637,442,047	**853,416,164**

The remaining balance of input VAT is assessed to be recoverable beyond 12 months from the reporting date.

CWT represents the amount withheld by customers. 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.

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

7. 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.

Name of properties	**Details and location**
Stand-alone buildings	
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
Tech Tower	One (1) tower in Sumilon cor. Camiguin Roads, Cebu City
Evotech One and Two	Two (2) office buildings in Santa Rosa, 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[1]	One (1) mall building in Angeles City, Pampanga
Seda Lio[1]	One (1) hotel building in El Nido, Palawan
Greenbelt 3&5 Mall[1]	Two (2) mall buildings in Makati City
Holiday Inn Makati[1]	One (1) hotel building in Makati City
Ayala Malls Feliz[1]	One (1) mall building in Marikina
Mixed-use properties	
Ayala North Exchange[1]	Two (2) office towers and one (1) serviced apartment in Makati City
The 30th Commercial[1]	One (1) office building and one (1) mall building in Pasig City
Vertis North Commercial Complex[1]	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[1]	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[1]	Two (2) office buildings, (1) mall building and one (1) hotel building in Cebu I.T. Park, Cebu City
Ayala Center Cebu Development[1]	One (1) office tower, one (1) hotel building, and one (1) mall building in Ayala Center Cebu, Cebu Business Park, Cebu City
Abreeza BPO and Mall[1]	One (1) office building and one (1) mall building in Davao
Centrio BPO and Mall[1]	One (1) office building and one (1) mall building in Cagayan de Oro
Condominium office units	
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
Land parcels	
Laguna Technopark	Four (4) land parcels in Laguna Technopark, Laguna
Palauig Industrial Lot	276 hectares in Palauig, Zambales

[1] Mall and hotel buildings subject to finance lease and recognized under finance lease receivables

As of June 30, 2026, the investment properties are composed of the following:

	June 30, 2026 (Unaudited)	**December 31, 2025 (Audited)**
Beginning of period	104,179,274,197	97,579,387,207
Acquisitions and improvements	19,571,562,030	21,229,769,261
Property under finance lease	(19,475,962,612)	(14,731,708,050)
Disposal	-	(6,853,989)
Fair value adjustment	(214,239,117)	108,679,768
	104,060,634,498	**104,179,274,197**

Additions

On June 25, 2026, the Company received approval from the SEC for the acquisitions of Ayala Center Cebu Mall and Ayala Malls Feliz through a property-for-share swap transaction under a tax-free exchange for the issuance of shares amounting to ₱19.48 billion.

For the year ended December 31, 2025, the Company entered into a property-for-share swap transaction via tax-free exchange for certain investment properties in exchange for the issuance of shares amounting to ₱20.99 billion. The transaction was approved by the SEC on September 25, 2025.

Disposals

In 2025, the Company sold a building improvement for total proceeds of ₱0.66 million and recognized a loss on disposal of ₱6.20 million.

8. Accounts and Other Payables

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Due to related parties	13	3,418,960,279	2,875,240,192
Accounts payable		1,239,912,145	923,656,396
Accrued expenses		236,408,643	238,777,966
Taxes payable		69,245,650	69,704,419
Retention payable		12,202,926	9,213,039
Interest payable		25,333,333	6,500,000
		5,002,062,976	**4,123,092,012**

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

Taxes payable consists of amounts payable to the BIR pertaining to withholding taxes and 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.

9. Short-term Debt

As of June 30, 2026 and December 31, 2025, the Company's short-term debt pertains to short-term loans payable with a local bank, which are unsecured, with an average term of 31 days and with average interest rates of 4.70% and 5.51%, respectively.

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 of June 30, 2026, the carrying value of the Company's construction bonds amounts to ₱174.33 million and ₱160.70 million as of December 31, 2025.

11. Deposits and Other Liabilities

The account consists of:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Security deposits	1,985,421,538	1,995,099,082
Advance rentals	1,544,548,268	1,499,649,298
Deferred credits	480,985,892	357,677,338
	4,010,955,698	3,852,425,718
Less: Current portion of deposits and other liabilities	(578,111,916)	(536,951,627)
Deposits and other liabilities, net of current portion	**3,432,843,782**	**3,315,474,091**
Security deposits	1,985,421,538	1,995,099,082

Security deposits
Security deposits represent deposits from lessees to secure the faithful compliance by lessees of their obligations 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.

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.

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

12. Equity

Paid-up capital and additional paid-in capital ("APIC")
The details of the Company's paid-up capital as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026 (Unaudited)		**December 31, 2025 (Audited)**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
	Common	**Common**	**Common**	**Common**
Authorized	5,700,000,000	57,000,000,000	4,050,000,000	40,500,000,000
Issued	4,156,887,818	42,242,177,880	3,783,086,132	37,830,861,320
Treasury shares	–	(673,299,700)	(67,329,970)	(673,299,700)
Issued and outstanding	**4,156,887,818**	**41,568,878,180**	**3,715,756,162**	**37,157,561,620**

The changes in the number of common shares are as follows:

	June 30, 2026 (Unaudited)	**December 31, 2025 (Audited)**
Authorized number of shares (₱10.00 par value)		
Beginning	4,050,000,000	4,050,000,000
Increase in authorized capital stock	1,717,329,970	–
Decrease in authorized capital stock	(67,329,970)	–
Ending	5,700,000,000	4,050,000,000
Issued shares (₱10.00 par value)		
Beginning	3,783,086,132	3,277,195,955
Retirement of treasury shares	(67,329,970)	–
Issuance of new shares	441,131,656	505,890,177
Ending	4,156,887,818	3,783,086,132
Treasury shares (₱10.00 par value)		
Beginning	(67,329,970)	(67,329,970)
Retirement of shares	67,329,970	–
Ending	–	(67,329,970)
Outstanding shares	**4,156,887,818**	**3,715,756,162**

Authorized Capital Stock
On June 25, 2026, the Company received the approval from the SEC for the following items:

- decrease in the authorized capital stock of the Company from P40,500,000,000.00 to P39,826,700,300.00 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.

Issuance of New Shares
On June 25, 2026, the SEC approved the property-for-share swap transactions via tax-free exchange related to the acquisition of Ayala Center Cebu Mall and Ayala Malls Feliz for an aggregate value of ₱19.48 billion.

During the year ended December 31, 2025, the Company entered into property-for-share swap transactions for certain investment properties in exchange for the 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.

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The details of the transaction value of investment properties acquired and the amount resulting from the issuance of new shares for the six months ended June 30, 2026 and year ended December 31, 2025 are as follows:

Property	Counterparty	Transaction value	Number of Shares	Issue Price	Paid-up Capital	Additional Paid-in Capital
Ayala Center Cebu Mall	ALI	15,313,825,380	346,859,012	44.15	3,468,590,120	11,845,235,260
Ayala Malls Feliz	Summerhill Commercial Ventures Corp. (Summerhill)	4,162,137,233	94,272,644	44.15	942,726,440	4,162,137,233
		19,475,962,612	**441,131,656**		**4,411,316,560**	**15,064,646,052**

Property	Counterparty	Transaction value	Number of Shares	Issue Price	Paid-up Capital	Additional Paid-in Capital
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
Ayala Malls 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
Ayala Malls Abreeza	Accendo Commercial Corporation (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
Ayala Malls Centrio	Cagayan de Oro Gateway Corp. (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**

Cash dividends
On February 19, 2026, the Board of Directors approved the declaration of cash dividends for the fourth quarter of 2025, amounting to ₱0.62 per outstanding common share to stockholders on record as of March 5, 2026, amounting to ₱2,303.77 million. The cash dividend was paid on March 19, 2026.

On May 13, 2026, the Board of Directors approved the declaration of cash dividends for the first quarter of 2026, amounting to ₱0.62 per outstanding common share to stockholders on record as of May 28, 2026, amounting to ₱2,303.77 million. The cash dividend was paid on June 11, 2026.

For the year 2025, the Company declared and paid the following quarterly dividends.

Applicable quarter	Board of Directors 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	

Distributable Income
Under Section 4(c) of the Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9856, otherwise known as the Real Estate Investment Trust (REIT) Act of 2009 (the “Act”), and its corresponding ruled and regulations (the “Rules”), the Company is required to present a computation of its distributable income, taking into consideration the requirements under the provisions of the Act and the Rules. Distributable income is not a measure of performance under PFRS.

	June 30, 2026 (Unaudited)
Net income	5,615,331,594
Unrealized gain:	
Net fair value loss (gain) on investment properties	214,239,117
Straight-line adjustments recorded in rental income	(214,239,117)
Distributable income	**5,615,331,594**

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 of June 30, 2026 and December 31, 2025, follow:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Paid-up capital	41,568,878,180	37,830,861,320
Additional paid-in capital	87,198,301,531	72,223,544,610
Treasury shares	–	(673,299,700)
Retained earnings	27,529,487,556	26,521,693,604
	156,296,667,267	**135,902,799,834**

13. Related Party Transactions

Parties are 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 related if they are subject to common control or common significant influence, including affiliates.

Terms and Conditions of Transactions with Related Parties

In its regular business conduct, the Company has entered into transactions with related parties consisting of advances and management, marketing and leasing, and administrative service agreements. These are based on terms agreed by the parties.

Outstanding balances are unsecured, noninterest-bearing, and settlement occurs in cash unless otherwise indicated. No guarantees have been provided or received for any related party receivables or payables.

The following tables provide the value and outstanding balances of transactions that have been entered into with related parties for the relevant financial year:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	
	Outstanding balances		Terms and conditions
Finance lease receivables			
Parent Company and Entities under common control	55,414,609,027	35,086,452,638	Balances are due quarterly or annually. These are non interest-bearing and secured with the related investment properties (Note 5)
Due from related parties			
Parent Company	885,679,768	1,305,163,717	Balances relating to trade receivables are due and demandable. These are interest and non interest- bearing, and unsecured. No impairment is recognized. 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%
Entities under common control	4,829,795,095	3,323,235,587	
Other related parties	65,616,525	49,371,000	
	5,781,091,388	4,677,770,304	
Due to related parties			
Parent Company	975,825,192	871,163,555	Balances are due and demandable. These are non interest- bearing and unsecured.
Entities under common control	2,442,550,249	2,003,591,851	
Other related parties	584,838	484,786	
	3,418,960,279	2,875,240,192	

14. Financial Risk Management

The Company's principal financial instruments comprise cash, receivables, accounts and other payables and security deposits arising directly from its operations.

The Company's business activities lead to its exposure to various financial risks. The Company has policies and processes in place for managing such risks. 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.

The Company regularly reports financial risk management activities and the results of these activities to the Board of Directors.

The Company’s risk exposures are as follows:

Market risk
Market risk is the risk that the 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 does not have significant exposure to cash flow interest rate risk as they are subject to minimal interest. Finance lease receivables, due to/from related parties, trade receivables, security deposits, accounts and other payables, and lease liabilities do not have significant exposure to cash flow interest rate risk as such are subject to zero or 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.

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 continuously monitors 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 help reduce the Company’s credit risk exposure in case of tenant delinquency. For existing tenants, the Company has put in place a monitoring and follow-up system. Receivables are aged and analyzed continuously 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.

Liquidity risk
The Company actively manages its liquidity position 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 (2) months. Capital expenditures are funded through long-term debt, while working capital requirements are sufficiently funded through cash collections and short-term debt.

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 a buffer for any opportunities or emergencies that may arise. To manage the Company's liquidity, credit 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 June 30, 2026 is P23.5 billion. The Company may also refinance its loans and manage payment terms for its payables.

15. Fair Value Measurement

The Company follows the fair value measurement hierarchy to disclose the fair value measurements of its financial instruments. As of June 30, 2026 and December 31, 2025, the Company has no financial instrument measured at fair value.

16. Notes to Interim Statements of Cash Flow

The Company's noncash operating and investing activities are as follows:

Operating

- Interest income from finance lease amounting to ₱1,876.93 million and ₱770.53 million for the six months ended June 30, 2026 and 2025.

17. 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 Company's business meets the qualifications of an operating segment as defined by PFRS 8 *Operating Segments*.

18. Seasonality of Operations

There were no operations subject to seasonality or cyclicality except for the Company's retail spaces. The Company generates a relatively stable stream of revenues throughout the year, with higher sales experienced from retail tenants in the fourth quarter of every year due to holiday spending. This information is provided to better understand the results; however, management has concluded that this is not 'highly seasonal' under PAS 34 *Interim Financial Reporting*.

19. Events After Financial Reporting Date

On August 10, 2026, the Company's Board of Directors approved the following:

a. The property-for-share swap transaction with ALI, Capitol Central Commercial Ventures Corp. ("CCCVC"), Makati Cornerstone Leasing Corp. ("MCLC"), Bay City Commercial Ventures Corp. ("BCCVC") and North Triangle Hotel Ventures, Inc. ("NTHVI") (CCCVC, MCLC, BCCVC and NTHVI are hereinafter referred to as "Subsidiaries") involving the subscription of ALI and its wholly-owned Subsidiaries to 462,481,990 primary AREIT common shares in exchange for commercial properties owned by ALI and its Subsidiaries with a transaction value of ₱17,333,824,985.20, as validated by a third-party fairness opinion.
b. The acquisition of Fairmont Raffles Hotel Makati condominium units from ALI wholly-owned subsidiary, ALI Makati Hotel and Residences, Inc., for ₱2,616,897,832.00 by way of cash.
c. The declaration of regular cash dividends ₱0.63 per common share for the second quarter of 2026. The record date is August 25, 2026, and the payment date is September 9, 2026.

Item 2. Management's Discussion and Analysis of the Financial Condition and Results of Operations

Statement of Comprehensive Income — Horizontal and Vertical Analysis

(All amounts in Philippine Peso; horizontal analysis = 2026 vs. 2025 variance; vertical analysis = % of total revenue for the respective period)

	For the Six Months Ended June 30		Horizontal Analysis		Vertical Analysis	
	2026	2025	Increase (Decrease)		2026	2025
REVENUE						
Rental income	4,734,950,011	4,275,496,115	459,453,896	11%	61%	72%
Dues – net	1,104,098,184	877,123,985	226,974,199	26%	14%	15%
Interest income from finance lease receivables	1,876,926,711	770,530,789	1,106,395,922	144%	25%	13%
Total revenue	**7,715,974,906**	**5,923,150,889**	**1,792,824,017**	**30%**	**100%**	**100%**
COSTS AND EXPENSES						
Direct operating expenses	1,832,650,881	1,542,877,642	289,773,239	19%	24%	26%
General and administrative expenses	37,878,259	28,191,188	9,687,072	34%	0%	0%
Total costs and expenses	**1,870,529,140**	**1,571,068,830**	**299,460,311**	**19%**	**24%**	**26%**
OTHER (CHARGES) INCOME, NET						
Interest income	109,060,991	68,380,567	40,680,424	59%	1%	1%
Interest expense and other charges	(123,765,329)	(141,405,337)	17,640,008	(12%)	(2%)	(2%)
	(14,704,338)	**(73,024,770)**	**58,320,432**	**(80%)**	**0%**	**(1%)**
Net fair value change in investment properties	(214,239,117)	(156,989,552)	(57,249,566)	36%	(3%)	(3%)
Income before income tax	**5,616,502,310**	**4,122,067,737**	**1,494,434,573**	**36%**	**73%**	**70%**
Less: Income tax expense	1,170,717	986,337	184,380	19%	0%	0%
Net income / Total comprehensive income	**5,615,331,594**	**4,121,081,400**	**1,494,250,194**	**36%**	**73%**	**70%**

I. Results of Operations

Net income before the net fair value change in investment properties grew by 36%, from ₱4,278.07 million in 6M 2025 to ₱5,829.57 million in 6M 2026. The increase was driven by full six months' contribution from properties infused in 3Q 2025 and the income from assets acquired in 2Q 2026. Net income after tax likewise increased by 36%, from ₱4,121.08 million in 6M 2025 to ₱5,615.33 million in 6M 2026.

Revenues

Total revenues rose by 30%, from ₱5,923.15 million in 6M 2025 to ₱7,715.97 million in 6M 2026, driven primarily by higher rental income, dues, and interest income from finance leases arising from the additional properties acquired in the third quarter of 2025 and second quarter of 2026.

Rental income increased by 11%, from ₱4,275.50 million in 6M 2025 to ₱4,734.95 million in 6M 2026. Dues increased by 26%, from ₱877.12 million to ₱1,104.10 million. Interest income from finance leases increased by 144%, from ₱770.53 million to ₱1,876.93 million.

Cost and Expenses

Direct operating expenses increased by 19%, from ₱1,542.88 million in 6M 2025 to ₱1,832.65 million in 6M 2026. General and administrative expenses increased by 34%, from ₱28.19 million to ₱37.88 million, primarily on higher costs from the additional properties acquired in the third quarter of 2025.

Other Income (Charges)

Interest income increased by 59%, from ₱68.38 million in 6M 2025 to ₱109.06 million in 6M 2026, mainly on higher interest earned on intercompany loans. Interest expense and other charges decreased by 12%, from ₱141.41 million to ₱123.77 million, on lower interest expense on short-term debt.

Net Fair Value Change in Investment Properties

The Company recognized a reduction in the fair value of investment properties of ₱214.24 million and ₱156.99 million for the six months ended June 30, 2026 and 2025, respectively.

Provision for Income Tax
Income tax provision increased from ₱0.99 million in 6M 2025 to ₱1.17 million in 6M 2026, pertaining to final tax on bank interest income.

II. Financial Position

(All amounts in Philippine Peso)	June 30, 2026	December 31, 2025	Inc (Dec)	% Change
Cash and cash equivalents	30,868,040	38,149,890	(7,281,851)	-19%
Receivables – current	7,867,967,874	6,561,917,476	1,306,050,399	20%
Other current assets	941,076,496	688,625,609	252,450,887	37%
Total current assets	8,839,912,410	7,288,692,975	1,551,219,435	21%
Receivables – noncurrent	55,261,192,671	35,000,113,450	20,261,079,221	58%
Investment properties	104,060,634,498	104,179,274,197	(118,639,699)	0%
Property and equipment, net	1,421,458	896,558	524,899	59%
Other noncurrent assets	637,442,047	853,416,164	(215,974,116)	(25%)
Total assets	**168,800,603,083**	**147,322,393,344**	**21,478,209,739**	**15%**
Accounts and other payables	5,002,062,976	4,123,092,012	878,970,964	21%
Short-term debt	2,000,000,000	2,000,000,000	-	0%
Current portion of deposits/other liabilities	578,111,916	536,951,627	41,160,289	8%
Construction bonds	174,331,043	160,702,937	13,628,105	8%
Total current liabilities	7,754,505,935	6,820,746,576	933,759,359	14%
Deposits/other liabilities, noncurrent	3,432,843,782	3,315,474,091	117,369,691	4%
Lease liability	1,316,586,099	1,283,372,843	33,213,256	3%
Total liabilities	**12,503,935,816**	**11,419,593,510**	**1,084,342,306**	**9%**
Total equity	**156,296,667,267**	**135,902,799,834**	**20,393,867,434**	**15%**

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

As of June 30, 2026, total assets stood at ₱168,800.60 million, up 15% from ₱147,322.39 million as of December 31, 2025.

Total debt as of June 30, 2026, registered at ₱2.0 billion, translating to both debt-to-equity ratio and net debt-to-equity ratio of 0.01:1.

Return on equity stood at 8% as of June 30, 2026.

The Company actively manages its liquidity position 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 the Board of Directors. As of June 30, 2026, the Company's available credit line is ₱23.5 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 have, a material impact on 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 or uncertainties will trigger direct or contingent financial obligations 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.

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

- Cash and cash equivalents decreased by 19%, reflecting a lower cash position at period end
- Receivables increased by 20%, mainly due to higher amounts due from related parties and operations of newly infused properties in the third quarter of 2025
- Other current assets increased by 37%, mainly from higher prepaid expenses
- Noncurrent receivables increased by 58%, due to additional finance lease receivables from the infusion of Ayala Center Cebu Mall and Ayala Malls Feliz recognized in the second quarter of 2026
- Property and equipment increased by 59%, due to the replacement of office equipment
- Other noncurrent assets decreased by 25%, mainly due to the higher current portion of input VAT
- Accounts and other payables increased by 21%, in line with the increase in operations from the additional properties infused in the third quarter of 2025
- Current portion of deposits and other liabilities increased by 8%, due to leases expiring in the next 12 months
- Construction bonds increased by 8%, mainly due to new leases currently in the fit-out period
- Total equity increased by 15%, due to issuance of new shares in exchange for identified investment properties, through a property-for-share swap transaction

Property Performance as of June 30, 2026

Property	Location	Valuation Cost (in P,Mn)	Total GLA (in sq.m)	Occupancy Rate	Remaining Land Lease Term	Rental Income (in P, Mn)	Gross Revenues (in P, Mn)
OFFICES							
Solaris One	Makati	7,267	46,768	93%	23	257	324
Ayala North Exchange BPO	Makati	6,240	40,370	100%	32	263	320
Ayala North Exchange HQ	Makati	3,453	21,368	73%	32	115	131
McKinley Exchange Corporate Center	Makati	1,710	10,688	99%	29	75	98
Teleperformance Cebu	Cebu	1,793	18,093	100%	25	87	122
The 30th Corporate Center	Pasig	4,775	47,871	97%	30	222	317
Vertis Corporate Center Towers 1 to 3	Quezon City	16,698	125,144	96%	33	635	826
BPI- Philam Makati (AREIT Owned Units)	Makati	18	1,072	62%	n/a	2	3
BPI- Philam Alabang (AREIT Owned Units)	Muntinlupa	7	212	0%	n/a	-	(0)
Bacolod Capitol Center	Bacolod	358	11,313	60%	36	16	27
Bacolod Ayala Northpoint	Bacolod	279	4,654	100%	32	13	18
One and Two Evotech	Laguna	3,164	23,727	97%	32	97	156
eBloc Towers 1 to 4	Cebu	7,492	79,640	97%	32	324	473
Ayala Center Cebu Office Tower	Cebu	1,626	27,458	86%	32	95	109
Tech Tower	Cebu	1,039	16,273	80%	32	50	58
One Ayala West and East Towers	Makati	12,612	70,995	100%	39	677	832
Glorietta BPOs 1 and 2	Makati	8,095	40,026	99%	33	271	377
Ayala Triangle Garden Tower 2	Makati	14,186	63,150	100%	38	658	791
Central Bloc 1 and 2	Cebu	4,966	67,116	100%	39	259	380
Abreeza BPO	Davao	813	9,214	100%	41	32	49
Centrio BPO	Cagayan de Oro	493	9,053	100%	41	30	45
RETAIL/MALLS							
Ayala North Exchange Retail Floors	Makati	594	7,542	88%	32	52	50
AyalaMalls The 30th	Pasig	-	26,833	100%	30	-	14
AyalaMalls Vertis	Quezon City	-	39,306	100%	33	-	22
Glorietta Malls 1 and 2	Makati	4,618	68,764	100%	33	-	141
Marquee Mall	Pampanga	2,756	66,041	100%	33	-	92
Greenbelt Malls 3 and 5	Makati	6,889	94,029	100%	38	-	218
AyalaMalls Central Bloc	Cebu	5,105	112,429	100%	39	-	179
AyalaMalls Abreeza	Davao	4,576	89,893	100%	41	-	162
AyalaMalls Centrio	Cagayan de Oro	5,690	92,707	100%	41	-	200
AyalaMalls Feliz	Marikina	4,162	160,521	100%	50	-	110
Ayala Center Cebu Mall	Cebu	15,314	214,337	100%	50	-	397

Property	Location	Valuation Cost (in P,Mn)	Total GLA (in sq.m)	Occupancy Rate	Remaining Land Lease Term	Rental Income (in P, Mn)	Gross Revenues (in P, Mn)
HOTELS							
Seda Residences Makati	Makati	1,907	26,034	100%	32	-	73
Seda Lio	Palawan	1,142	17,680	100%	23	-	52
Holiday Inn	Makati	3,355	27,391	100%	23	-	106
Seda Ayala Center Cebu	Cebu	1,750	13,579	100%	38	-	56
Seda Central Bloc	Cebu	1,621	17,949	100%	39	-	55
LAND							
Laguna Technopark Land	Laguna	1,339	98,179	100%	n/a	47	45
Palauig Land	Zambales	6,857	2,759,135	100%	n/a	243	288

III. Key Performance Indicators

Indicator	June 30, 2026	December 31, 2025	Formula
Current ratio	1.14: 1	1.07: 1	Current assets ÷ Current liabilities
Debt-to-equity ratio	0.01: 1	0.02: 1	Interest-bearing debt ÷ Total equity
Asset-to-equity ratio	1.08: 1	1.08: 1	Total assets ÷ Total equity
Return on assets	7%	7%	Annualized net income ÷ Average total assets
Return on equity	8%	8%	Annualized net income ÷ Average total equity
Net asset value (NAV) per share	₱37.60	₱36.57	Total equity ÷ Outstanding common shares

IV. Market Information

AREIT's common stock is traded on the PSE under the symbol "AREIT."

Periods	High	Low	Close	Market Cap. (₱M)
2Q 2026	40.35	36.10	37.35	155,259.76
1Q 2026	44.90	37.60	39.50	146,772.37
4Q 2025	45.20	40.55	43.50	161,635.39
3Q 2025	45.50	40.20	42.95	159,591.73

Market capitalization = Closing price × outstanding common shares for the period

PART II — OTHER INFORMATION

Item 3. Developments as of June 30, 2026

A. New project or investments in another line of business or corporation	None	
B. Composition of Board of Directors (as of April 23, 2026)	Anna Ma. Margarita B. Dy	Chairman
	Alberto M. de Larrazabal	President & CEO
	Jose Eduardo A. Quimpo II	Non-Executive Director
	Mariana Beatriz E. Zobel de Ayala	Non-Executive Director
	Maria Theresa D. Marcial-Javier	Non-Executive Director
	Omar T. Cruz	Lead Independent Director
	Enrico S. Cruz	Independent Director
	Sherisa P. Nuesa	Independent Director
C. Performance of the corporation or result/progress of operations	Please see the unaudited financial statements and management's discussion on the results of operations.	
D. Declaration of dividends	₱0.62 cash dividend per outstanding common share Declaration date: May 13, 2026 Record date: May 28, 2026 Payment date: June 11, 2026	
E. Contracts of merger, consolidation, or joint venture; contract of management, licensing, marketing, distributorship, technical assistance, or similar agreements	None	
F. Offering of rights, granting of Stock Options, and corresponding plans, therefore	None	
G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate	None	
H. Other information, material events, or happenings that may have affected or may affect the market price of the security	None	
I. Transferring of assets, except in the normal course of business	None	

Item 4. Other Notes to Operations and Financials

J. Nature and amount of items affecting assets, liabilities, equity, or net income that are unusual because of their nature, size, or incidents	Please see Item 2: Management's Discussion on Results of Operations and Analysis.
K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period	Please see page 24: Causes for any material changes (+/- 5% or more) in the financial statements

L. New financing through loans / Issuances, repurchases, and repayments of debt and equity securities	None
M. Material events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period	**August 10, 2026** | The Company’s Board of Directors approved the declaration of cash dividends for the second quarter of 2026, amounting to P0.63 per outstanding common share to stockholders on record as of August 25, 2026, amounting to P2,618.84 million. Payment date is September 9, 2026.
N. The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations	None
O. Changes in contingent liabilities or contingent assets since the last annual balance sheet date	None
P. Other material events or transactions during the interim period	**May 13, 2026** | In the first quarter of 2026, AREIT recorded total revenues of P3.5 billion and Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) of P2.6 billion, up 21% and 23% year-on-year, respectively. Net income, excluding the net fair value change in investment properties, rose 25% to P2.6 billion.
Q. Existence of material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation	None
R. 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	None
S. Material commitments for capital expenditures, general-purpose and expected sources of funds	None
T. Known trends, events, or uncertainties that have had or that are reasonably expected to have an impact on sales/revenues/ income from continuing operations	AREIT's performance will depend on the state of the Philippine Office Sector.
U. Significant elements of income or loss that did not arise from continuing operations	None

V. Causes for any material change/s from period to period, in one, or more line items of the financial statements	Please see Notes to Financial Statements (Item 2: Management's Discussion on Results of Operations and Analysis).
W. Seasonal aspects that had a material effect on the financial condition or results of operations	None
X. Disclosures not made under SEC Form 17-C	None.

Signature

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: AREIT, INC.

By:

DANIEL JAN E. DEL MUNDO
Chief Finance Officer, Treasurer and Chief Risk Officer
Date: August 14, 2026

July 15, 2026

THE PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Plaza
6th Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Disclosure Department

Subject: 2026 Second Quarter Progress Report on the Disbursement of Proceeds from the Sale of 75 million AREIT, Inc. ("AREIT") Shares

Dear Gentlemen,

We are pleased to submit our Progress Report on the Application of Proceeds for the Second Quarter of 2026, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On June 18, 2026, Ayala Land, Inc. ("ALI") received net proceeds from the sale of 75 million AREIT Shares amounting to Two Billion Six Hundred Sixty-Five Million Four Hundred Seventy-Four Thousand Three Hundred Fifty Pesos (Php 2,665,474,350.00).

As of June 30, 2026, ALI has not yet disbursed any amount from the net proceeds of the sale of 75 million AREIT Shares.

The details of the disbursement for the Second Quarter of 2026 are as follows:

Proceeds from sale of AREIT Shares	Php	2,665,474,350.00
Less: Disbursements from June 18 to 30, 2026		-
Balance of Proceeds from sale of AREIT Shares as of June 30, 2026	Php	2,665,474,350.00

Thank you.

Very truly yours,

Jose Eduardo A. Quimpo II
Ayala Land, Inc.
Treasurer and Chief Finance Officer

Daniel Jan E. del Mundo
AREIT, Inc.
Treasurer and Chief Finance Officer

SUBSCRIBED AND SWORN to before me this 15 JUL 2026 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AYALA LAND, INC.	TIN: 000-153-790-000	
Represented by: Jose Eduardo A. Quimpo II	Passport No. P9272745B	Issued 22 March 2022 / DFA Manila
AREIT, Inc.	TIN: 006-346-689-000	
Represented by: Daniel Jan E. del Mundo	Passport No. P0490208C	Issued 12 June 2022 / DFA Manila

Doc. No. 465;
Page. No. 94;
Book No. VII;
Series of 2026.

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

pwc Isla Lipana & Co.

Agreed-Upon Procedures Report

To the Management of
Ayala Land, Inc.
31st Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting Ayala Land, Inc. (the "Company") in connection with the Company's compliance with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company on the Quarterly Progress Report for the period from June 18 to June 30, 2026 relating to the use of proceeds received by the Company from the block sale of its shares in AREIT, Inc. ("AREIT") on June 18, 2026 and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The management of the Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves us performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board for Accountants (IESBA) Code.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated July 3, 2026, on the use of proceeds received by the Company from the block sale of its shares in AREIT:

Procedures	Factual Findings
Obtained the Quarterly Progress Report on use of proceeds from the block sale of AREIT Shares (the "schedule") for the period from June 18 to June 30, 2026, and performed the following:	
a. Checked the mathematical accuracy of the schedule.	No exceptions were noted.
b. Checked whether there were additions and disbursements in the schedule and compared with the schedule of application of proceeds.	No exceptions were noted.
a. On a sample basis, traced additions and disbursements listed in the schedule for the period from June 18 to June 30, 2026, to the supporting documents such as progress billings, statement of accounts, invoices and official receipts, as applicable, and agreed the amount to the schedule.	No exceptions were noted. We present in Appendix A the schedule for the period from June 18 to June 30, 2026 based on the information we obtained from the Company.

Procedures	Factual Findings
b. On a sample basis, inquired into and identified the nature of additions and disbursements. Checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the block sale of AREIT shares.	No exceptions were noted. We have noted that the Sponsor Reinvestment Plan dated June 18, 2026, included the proceeds from the block sale of AREIT shares amounting to P2,665,474,350.00. Out of the total proceeds, no disbursements have been made from June 18 to June 30, 2026, based on the information we obtained from the Company as presented in Appendix A.

Restriction on Distribution and Use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.

Roderick M. Danao
Partner
CPA Cert No. 88453
P.T.R. No. 0011280, issued on January 8, 2026, Makati City
SEC A.N. (individual) as general auditors 88453-SEC, category A;
valid to audit 2025 to 2029 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2026 to 2030 financial statements
TIN 152-015-078
BIR A.N. 08-000745-042-2023, issued on December 22, 2023; effective until December 21, 2026
BOA/PRC Reg. No. 0142/P-001, effective until November 14, 2028

Makati City
July 20, 2026

Appendix A

Summary of Quarterly Progress Report from June 18 to June 30, 2026 (Amounts are in PHP)

Distributing Entity	Project name	Total disbursements from June 18 to June 30, 2026
Ayala Land, Inc.	Mandarin Oriental	-
	Arca South Mall and Office	-
	Park Central Tower North & South	-
	Enara	-
	Gardencourt Residences	-
	Orean Place and Residences	-
	Tryne Enterprise Plaza	-
		-

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

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN to before me, a Notary Public, for and in behalf of the City of Makati this 20th day of July 2026, by RODERICK M. DANAO who presented to me his CPA License ID No. 88453 issued by the Professional Regulation Commission in the City of Manila and valid until August 1, 2028, that he is the same person who personally signed before me the foregoing document and acknowledged that he executed the same.

Doc. No. 250;
Page No. 57;
Book No. 1;
Series of 2026.

ATTY. CHRISTA ANGELA C. ESTILO, CPA
Notary Public for and in the City of Makati
Appointment No. M-258 until December 31, 2027
Roll No. 79126
PTR No. MKT10767205, 5 January 2026, Makati City
IBP No. 588680, 5 January 2026, Manila III
MCLE Compliance No. VIII-0008158, 16 April 2024
29th floor, AIA Tower, 8767 Paseo de Roxas, Makati City 1226

Documentary Stamp Tax Paid

09796027 JUL 20 2026
Serial Number Date

July 15, 2026

THE PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Plaza
6th Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Disclosure Department

Subject: 2026 Second Quarter Progress Report on the Disbursement of Proceeds from the Sale of 88 million AREIT, Inc. ("AREIT") Shares

Dear Gentlemen,

We are pleased to submit our Progress Report on the Application of Proceeds for the Second Quarter of 2026, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On March 3, 2026, Ayala Land, Inc. ("ALI") received net proceeds from the sale of 88 million AREIT Shares amounting to Three Billion Six Hundred Ninety Million Five Hundred Eleven Thousand Four Hundred Forty Pesos (Php 3,690,511,440.00).

As of June 30, 2026, the remaining balance of the net proceeds from the sale of 88 million AREIT Shares amounts to Two Billion One Hundred Ninety-Seven Million Five Thousand Three Hundred Sixty-Five and 37/100 Pesos (Php 2,197,005,365.37).

The details of the disbursement for period of 2026 are as follows:

Proceeds from sale of AREIT Shares	Php	3,690,511,440.00
Less: Disbursements from March 3 to 31 2026 (Annex A)		513,347,264.20
Disbursements from April 1 to June 30, 2026 (Annex B)		980,158,810.43
Balance of Proceeds from sale of AREIT Shares as of June 30, 2026	Php	2,197,005,365.37

Thank you.

Very truly yours,

Jose Eduardo A. Quimpo II
Ayala Land, Inc.
Treasurer and Chief Finance Officer

Daniel Jan E. del Mundo
AREIT, Inc.
Treasurer and Chief Finance Officer

SUBSCRIBED AND SWORN to before me this 15 JUL 2026 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AYALA LAND, INC.	TIN: 000-153-790-000	
Represented by: Jose Eduardo A. Quimpo II	Passport No. P9272745B	Issued 22 March 2022 / DFA Manila
AREIT, Inc.	TIN: 006-346-689-000	
Represented by: Daniel Jan E. del Mundo	Passport No. P0490208C	Issued 12 June 2022 / DFA Manila

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

Doc. No. 464;
Page. No. 94;
Book No. VII;
Series of 2026.

ANNEX A - Disbursements from March 3 to 31, 2026

Project Name	Disbursing Entity	Amount (in PHP)
Gatewalk Mall and Office	Cebu District Property Enterprise, Inc.	-
Arca South Mall and Office	Ayala Land, Inc.	-
Vertis North BPO 4&5	Ayala Land, Inc.	-
Mandarin Oriental	Ayala Land, Inc.	-
Ayala Malls Nuvali	Soltea Commercial Corp.	513,347,264.20
Total		**513,347,264.20**

ANNEX B - Disbursements from April 1 to June 30, 2026

Project Name	Disbursing Entity	Amount (in PHP)
Gatewalk Mall and Office	Cebu District Property Enterprise, Inc.	345,746,704.35
Arca South Mall and Office	Ayala Land, Inc.	-
Vertis North BPO 4&5	Ayala Land, Inc.	-
Mandarin Oriental	Ayala Land, Inc.	275,908,866.08
Ayala Malls Nuvali	Soltea Commercial Corp.	358,503,240.00
Total		**980,158,810.43**

Agreed-Upon Procedures Report

To the Management of
Ayala Land, Inc.
31st Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting Ayala Land, Inc. (the "Company") in connection with the Company's compliance with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company on the Quarterly Progress Report for the period from April 1 to June 30, 2026 relating to the use of proceeds received by the Company from the block sale of its shares in AREIT, Inc. ("AREIT") on March 3, 2026 and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The management of the Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements.* An agreed-upon procedures engagement involves us performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board for Accountants (IESBA) Code.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated April 13, 2026, on the use of proceeds received by the Company from the block sale of its shares in AREIT:

Procedures	Factual Findings
Obtained the Quarterly Progress Report on use of proceeds from the block sale of AREIT Shares (the "schedule") for the period from April 1 to June 30, 2026, and performed the following:	
a. Checked the mathematical accuracy of the schedule.	No exceptions were noted.
b. Checked whether there were additions and disbursements in the schedule and compared with the schedule of application of proceeds.	No exceptions were noted.
c. On a sample basis, traced additions and disbursements listed in the schedule for the period from from April 1 to June 30, 2026, to the supporting documents such as progress billings, statement of accounts, invoices and official receipts, as applicable, and agreed the amount to the schedule.	No exceptions were noted. We present in Appendix A the information we obtained from the Company. We have noted that the Original Sponsor Reinvestment Plan dated March 3, 2026 (the "Original Sponsor Reinvestment Plan"), included the proceeds from the block sale of AREIT shares amounting to P3,690,511,440.00.

Procedures	Factual Findings
	The Sponsor Reinvestment Plan was amended on June 30, 2026 to update the projects in the reinvestment plan. Following the amendment, P1,493,506,074.63 have been disbursed from March 3 to June 30, 2026, based on the applicable supporting documents we have inspected such as progress billings, statement of accounts, invoices and official receipts. Further information on related projects is presented in Appendix A.
d. On a sample basis, inquired into and identified the nature of additions and disbursements. Checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the block sale of AREIT shares.	No exceptions were noted. No exceptions were noted based on the Amended Sponsor Reinvestment Plan. Further information is presented in Appendix A.

Restriction on Distribution and Use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.

Roderick M. Danao
Partner
CPA Cert No. 88453
P.T.R. No. 0011280, issued on January 8, 2026, Makati City
SEC A.N. (individual) as general auditors 88453-SEC, category A;
valid to audit 2025 to 2029 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2026 to 2030 financial statements
TIN 152-015-078
BIR A.N. 08-000745-042-2023, issued on December 22, 2023; effective until December 21, 2026
BOA/PRC Reg. No. 0142/P-001, effective until November 14, 2028

Makati City
July 20, 2026

Appendix A

Summary of Quarterly Progress Report from March 3 to March 31, 2026 (Amounts are in PHP)

Based on the Original Sponsor Reinvestment Plan (dated March 3, 2026)

Distributing Entity	Project name	Total disbursements from March 3 to March 31, 2026
Ayala Land, Inc.	-	-
		-

Summary of Quarterly Progress Report from March 3 to June 30, 2026 (Amounts are in PHP)

Based on the Amended Sponsor Reinvestment Plan (dated June 30, 2026)

Distributing Entity	Project name	Total disbursements from March 3 to March 31, 2026	Total disbursements from April 1 to June 30, 2026
Cebu District Property Enterprise, Inc.	Gatewalk Mall and Office	-	345,746,704.35
Ayala Land, Inc.	Arca South Mall and Office	-	-
Ayala Land, Inc.	Vertis North BPO 4&5	-	-
Ayala Land, Inc.	Mandarin Oriental	-	275,908,866.08
Soltea Commercial Corp.	Ayala Malls Nuvali	513,347,264.20	358,503,240.00
		513,347,264.20	**980,158,810.43**

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

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN to before me, a Notary Public, for and in behalf of the City of Makati this 20th day of July 2026, by RODERICK M. DANAO who presented to me his CPA License ID No. 88453 issued by the Professional Regulation Commission in the City of Manila and valid until August 1, 2028, that he is the same person who personally signed before me the foregoing document and acknowledged that he executed the same.

Doc. No. 249;
Page No. 51;
Book No. 1;
Series of 2026.

Documentary Stamp Tax Paid
09796026 JUL 2 0 2026
Serial Number Date

ATTY. CHRISTA ANGELA C. ESTILO, CPA
Notary Public for and in the City of Makati
Appointment No. M-258 until December 31, 2027
Roll No. 79126
PTR No. MKT10767205, 5 January 2026, Makati City
IBP No. 588680, 5 January 2026, Manila III
MCLE Compliance No. VIII-0008158, 16 April 2024
29th floor, AIA Tower, 8767 Paseo de Roxas, Makati City 1226

July 15, 2026

THE PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Plaza
6th Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Disclosure Department

Subject: 2026 Final Report on the Disbursement of Proceeds from the Sale of 100 million AREIT, Inc. ("AREIT") Shares

Dear Gentlemen,

We are pleased to submit our Final Report on the Application of Proceeds, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On November 28, 2025, Ayala Land, Inc. ("ALI") received net proceeds from the sale of 100 million AREIT Shares amounting to Four Billion One Hundred Eighty-Three Million Seven Hundred Seventy-Seven Thousand Eight Hundred Fifty Pesos (Php 4,183,777,850.00).

As of June 30, 2026, ALI already disbursed the total net proceeds from the sale of 100 million AREIT Shares.

The details of the disbursement are as follows:

Proceeds from sale of AREIT Shares	Php	4,183,777,850.00
Less: Disbursements from January 1 to June 30, 2026 (Annex A)		4,183,777,850.00
Balance of Proceeds from sale of AREIT Shares as of June 30, 2026	Php	-

Thank you.

Very truly yours,

Jose Eduardo A. Quimpo II
Ayala Land, Inc.
Treasurer and Chief Finance Officer

Daniel Jan E. del Mundo
AREIT, Inc.
Treasurer and Chief Finance Officer

SUBSCRIBED AND SWORN to before me this 15 JUL 2026 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AYALA LAND, INC.	TIN: 000-153-790-000	
Represented by: Jose Eduardo A. Quimpo II	Passport No. P9272745B	Issued 22 March 2022 / DFA Manila
AREIT, Inc.	TIN: 006-346-689-000	
Represented by: Daniel Jan E. del Mundo	Passport No. P0490208C	Issued 12 June 2022 / DFA Manila

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

Doc. No. 463;
Page. No. 94;
Book No. VII;
Series of 2026.

ANNEX A - Disbursements from January 1 to June 30, 2026

Project Name	Disbursing Entity	Amount (in PHP)
Park Central Tower North & South	Ayala Land, Inc.	452,596,407.15
Laurean Residences	Ayala Land, Inc.	231,501,222.17
Gardencourt Residences	Ayala Land, Inc.	35,370,192.50
Enara	Ayala Land, Inc.	358,532,914.83
Vertis North BPO 4&5	Ayala Land, Inc.	1,119,543,405.16
Mandarin Oriental	Ayala Land, Inc.	674,109,687.27
Arca South Mall and Office	Ayala Land, Inc.	1,312,124,020.92
Total		**4,183,777,850.00**

pwc Isla Lipana & Co.

Agreed-Upon Procedures Report

To the Management of
Ayala Land, Inc.
31st Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting Ayala Land, Inc. (the "Company") in connection with the Company's compliance with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company on the Final Progress Report for the period from November 28, 2025 to June 30, 2026 relating to the use of proceeds received by the Company from the block sale of its shares in AREIT, Inc. ("AREIT") on November 28, 2025 and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The management of the Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements.* An agreed-upon procedures engagement involves us performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board for Accountants (IESBA) Code.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated January 14, 2026, on the use of proceeds received by the Company from the block sale of its shares in AREIT:

Procedures	Factual Findings
Obtained the Final Progress Report on use of proceeds from the block sale of AREIT Shares (the "schedule") for the period from November 28, 2025 to June 30, 2026, and performed the following:	
a. Checked the mathematical accuracy of the schedule.	No exceptions were noted.
b. Checked whether there were additions and disbursements in the schedule and compared with the schedule of application of proceeds.	No exceptions were noted.
c. On a sample basis, traced additions and disbursements listed in the schedule for the period from November 28, 2025 to June 30, 2026, to the supporting documents such as progress billings, statement of accounts, invoices and official receipts, as applicable, and agreed the amount to the schedule.	No exceptions were noted. We present in Appendix A the schedule for the period from November 28, 2025 to June 30, 2026 based on the information we obtained from the Company.

d. On a sample basis, inquired into and identified the nature of additions and disbursements. Checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the block sale of AREIT shares.	We have noted that the Amended Sponsor Reinvestment Plan dated June 15, 2026 included the proceeds from the block sale of AREIT shares amounting to P4,183,777,850.00. Such proceeds have been fully disbursed from November 28, 2025 to June 30, 2026 based on the information we obtained from the Company as presented in Appendix A.

Restriction on Distribution and Use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.

Roderick M. Danao
Partner
CPA Cert No. 88453
P.T.R. No. 0011280, issued on January 8, 2026, Makati City
SEC A.N. (individual) as general auditors 88453-SEC, category A;
valid to audit 2025 to 2029 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2026 to 2030 financial statements
TIN 152-015-078
BIR A.N. 08-000745-042-2023, issued on December 22, 2023; effective until December 21, 2026
BOA/PRC Reg. No. 0142/P-001, effective until November 14, 2028

Makati City
July 20, 2026

Appendix A

Summary of Final Progress Report from November 28, 2025 to June 30, 2026 (Amounts are in PHP)

Based on the Amended Sponsor Reinvestment Plan (dated June 15, 2026)

Distributing Entity	Project name	Total disbursements from November 28 to December 31, 2025	Total disbursements from January 1 to March 31, 2026	Total disbursements from April 1 to June 30, 2026	Total
Ayala Land, Inc.	Park Central Tower North & South	-	452,596,407.15	-	452,596,407.15
Ayala Land, Inc.	Laurean Residences	-	129,564,335.77	101,936,886.40	231,501,222.17
Ayala Land, Inc.	Gardencourt Residences	-	35,370,192.50	-	35,370,192.50
Ayala Land, Inc.	Enara	-	208,517,877.69	150,015,037.14	358,532,914.83
Ayala Land, Inc.	Vertis North BPO 4 & 5	-	779,570,799.23	339,972,605.93	1,119,543,405.16
Ayala Land, Inc.	Mandarin Oriental	-	474,668,686.76	199,441,000.51	674,109,687.27
Ayala Land, Inc.	Arca South Mall and Office	-	1,312,124,020.92	-	1,312,124,020.92
		-	**3,392,412,320.02**	**791,365,529.98**	**4,183,777,850.00**

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

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN to before me, a Notary Public, for and in behalf of the City of Makati this 20th day of July 2026, by RODERICK M. DANAO who presented to me his CPA License ID No. 88453 issued by the Professional Regulation Commission in the City of Manila and valid until August 1, 2028, that he is the same person who personally signed before me the foregoing document and acknowledged that he executed the same.

Doc. No. 247;
Page No. 51;
Book No. 1;
Series of 2026.

ATTY. CHRISTA ANGELA C. ESTILO, CPA
Notary Public for and in the City of Makati
Appointment No. M-258 until December 31, 2027
Roll No. 79126
PTR No. MKT10767205, 5 January 2026, Makati City
IBP No. 588680, 5 January 2026, Manila III
MCLE Compliance No. VIII-0008158, 16 April 2024
29th floor, AIA Tower, 8767 Paseo de Roxas, Makati City 1226

Documentary Stamp Tax Paid
09796025 JUL 20 2026
Serial Number Date

July 15, 2026

THE PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Plaza
6th Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Disclosure Department

Subject: 2026 Second Quarter Progress Report on the Disbursement of Proceeds from the Sale of 100 million AREIT, Inc. ("AREIT") Shares

Dear Gentlemen,

We are pleased to submit our Progress Report on the Application of Proceeds for the Second Quarter of 2026, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On November 28, 2025, Ayala Land, Inc. ("ALI") received net proceeds from the sale of 100 million AREIT Shares amounting to Four Billion One Hundred Eighty-Three Million Seven Hundred Seventy-Seven Thousand Eight Hundred Fifty Pesos (Php 4,183,777,850.00).

As of June 30, 2026, ALI already disbursed the total net proceeds from the sale of 100 million AREIT Shares.

The details of the disbursement are as follows:

Proceeds from sale of AREIT Shares	Php	4,183,777,850.00
Less: Disbursements from January 1 to March 31, 2026 (Annex A)		3,392,412,320.02
Disbursements from April 1 to June 30, 2026 (Annex B)		791,365,529.98
Balance of Proceeds from sale of AREIT Shares as of June 30, 2026	Php	-

Thank you.

Very truly yours,

Jose Eduardo A. Quimpo II
Ayala Land, Inc.
Treasurer and Chief Finance Officer

Daniel Jan B. del Mundo
AREIT, Inc.
Treasurer and Chief Finance Officer

SUBSCRIBED AND SWORN to before me this 15 JUL 2026 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AYALA LAND, INC.	TIN: 000-153-790-000	
Represented by: Jose Eduardo A. Quimpo II	Passport No. P9272745B	Issued 22 March 2022 / DFA Manila
AREIT, Inc.	TIN: 006-346-689-000	
Represented by: Daniel Jan E. del Mundo	Passport No. P0490208C	Issued 12 June 2022 / DFA Manila

Doc. No. 461;
Page. No. 94;
Book No. VII;
Series of 2026.

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

ANNEX A - Disbursements from January 1 to March 31, 2026

Project Name	Disbursing Entity	Amount (in PHP)
Park Central Tower North & South	Ayala Land, Inc.	452,596,407.15
Laurean Residences	Ayala Land, Inc.	129,564,335.77
Gardencourt Residences	Ayala Land, Inc.	35,370,192.50
Enara	Ayala Land, Inc.	208,517,877.69
Vertis North BPO 4&5	Ayala Land, Inc.	779,570,799.23
Mandarin Oriental	Ayala Land, Inc.	474,668,686.76
Arca South Mall and Office	Ayala Land, Inc.	1,312,124,020.92
Total		**3,392,412,320.02**

ANNEX B - Disbursements from April 1 to June 30, 2026

Project Name	Disbursing Entity	Amount (in PHP)
Park Central Tower North & South	Ayala Land, Inc.	-
Laurean Residences	Ayala Land, Inc.	101,936,886.40
Gardencourt Residences	Ayala Land, Inc.	-
Enara	Ayala Land, Inc.	150,015,037.14
Vertis North BPO 4&5	Ayala Land, Inc.	339,972,605.93
Mandarin Oriental	Ayala Land, Inc.	199,441,000.51
Arca South Mall and Office	Ayala Land, Inc.	-
Total		**791,365,529.98**

pwc Isla Lipana & Co.

Agreed-Upon Procedures Report

To the Management of
Ayala Land, Inc.
31st Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting Ayala Land, Inc. (the "Company") in connection with the Company's compliance with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company on the Quarterly Progress Report for the period from April 1 to June 30, 2026 relating to the use of proceeds received by the Company from the block sale of its shares in AREIT, Inc. ("AREIT") on November 28, 2025 and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The management of the Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements.* An agreed-upon procedures engagement involves us performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board for Accountants (IESBA) Code.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated January 14, 2026, on the use of proceeds received by the Company from the block sale of its shares in AREIT:

Procedures	Factual Findings
Obtained the Quarterly Progress Report on use of proceeds from the block sale of AREIT Shares (the "schedule") for the period from April 1 to June 30, 2026, and performed the following:	
a. Checked the mathematical accuracy of the schedule.	No exceptions were noted.
b. Checked whether there were additions and disbursements in the schedule and compared with the schedule of application of proceeds.	No exceptions were noted.
c. On a sample basis, traced additions and disbursements listed in the schedule for the period from April 1 to June 30, 2026, to the supporting documents such as progress billings, statement of accounts, invoices and official receipts, as applicable, and agreed the amount to the schedule.	No exceptions were noted. We present in Appendix A the information we obtained from the Company. We have noted that the Original Sponsor Reinvestment Plan dated November 28, 2025 (the "Original Sponsor Reinvestment Plan"), included the proceeds from the block sale of AREIT shares amounting to P4,183,777,850.

Procedures	Factual Findings
	The Sponsor Reinvestment Plan was amended on June 15, 2026 to update the projects in the reinvestment plan. Following the amendment, P4,183,777,850.00 have been disbursed from November 28, 2025 to June 30, 2026 based on the applicable supporting documents we have inspected such as progress billings, statement of accounts, invoices and official receipts. Further information on related projects is presented in Appendix A.
d. On a sample basis, inquired into and identified the nature of additions and disbursements. Checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the block sale of AREIT shares.	No exceptions were noted based on the Amended Sponsor Reinvestment Plan. Further information is presented in Appendix A.

Restriction on Distribution and Use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.

Roderick M. Danao
Partner
CPA Cert No. 88453
P.T.R. No. 0011280, issued on January 8, 2026, Makati City
SEC A.N. (individual) as general auditors 88453-SEC, category A;
valid to audit 2025 to 2029 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2026 to 2030 financial statements
TIN 152-015-078
BIR A.N. 08-000745-042-2023, issued on December 22, 2023; effective until December 21, 2026
BOA/PRC Reg. No. 0142/P-001, effective until November 14, 2028

Makati City
July 20, 2026

Appendix A

Summary of Quarterly Progress Report from November 28, 2025 to March 31, 2026 (Amounts are in PHP)

Based on the Original Sponsor Reinvestment Plan (dated November 28, 2025)

Distributing Entity	Project name	Total disbursements from November 28 to December 31, 2025	Total disbursements from January 1 to March 31, 2026
Ayala Land, Inc.	Park Central Tower North & South	-	452,596,407.15
Ayala Land, Inc.	Laurean Residences	-	129,564,335.77
Ayala Land, Inc.	Gardencourt Residences	-	35,370,192.50
Ayala Land, Inc.	Enara	-	208,517,877.69
Ayala Land, Inc.	Vertis North BPO 4 & 5	-	779,570,799.23
Ayala Land, Inc.	Mandarin Oriental	-	474,668,686.76
		-	**2,080,288,299.10**

Summary of Quarterly Progress Report from November 28, 2025 to June 30, 2026 (Amounts are in PHP)

Based on the Amended Sponsor Reinvestment Plan (dated June 15, 2026)

Distributing Entity	**Project name**	**Total disbursements from November 28 to December 31, 2025**	**Total disbursements from January 1 to March 31, 2026**	**Total disbursements from April 1 to June 30, 2026**
Ayala Land, Inc.	Park Central Tower North & South	-	452,596,407.15	-
Ayala Land, Inc.	Laurean Residences	-	129,564,335.77	101,936,886.40
Ayala Land, Inc.	Gardencourt Residences	-	35,370,192.50	-
Ayala Land, Inc.	Enara	-	208,517,877.69	150,015,037.14
Ayala Land, Inc.	Vertis North BPO 4 & 5	-	779,570,799.23	339,972,605.93
Ayala Land, Inc.	Mandarin Oriental	-	474,668,686.76	199,441,000.51
Ayala Land, Inc.	Arca South Mall and Office	-	1,312,124,020.92	-
		-	**3,392,412,320.02**	**791,365,529.98**

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

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN to before me, a Notary Public, for and in behalf of the City of Makati this 20th day of July 2026, by RODERICK M. DANAO who presented to me his CPA License ID No. 88453 issued by the Professional Regulation Commission in the City of Manila and valid until August 1, 2028, that he is the same person who personally signed before me the foregoing document and acknowledged that he executed the same.

Doc. No. 248;
Page No. 51;
Book No. 1;
Series of 2026.

ATTY. CHRISTA ANGELA C. ESTILO, CPA
Notary Public for and in the City of Makati
Appointment No. M-258 until December 31, 2027
Roll No. 79126
PTR No. MKT10767205, 5 January 2026, Makati City
IBP No. 588680, 5 January 2026, Manila III
MCLE Compliance No. VIII-0008158, 16 April 2024
29th floor, AIA Tower, 8767 Paseo de Roxas, Makati City 1226

Documentary Stamp Tax Paid

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Serial Number	Date