

October 06, 2021

**THE PHILIPPINE STOCK EXCHANGE**

Philippine Stock Exchange Plaza  
6<sup>th</sup> Floor, PSE Tower  
Bonifacio Global City, Taguig

Attention: Ms. Janet A. Encarnacion  
Head, Disclosure Department

Subject: Final Report on the Disbursement of Proceeds from the Sale of Teleperformance  
Cebu ("TP Cebu") to AREIT, Inc. ("AREIT")

Dear Ms. Encarnacion,

We are pleased to submit our final tranche of the Final Report on the Application of Proceeds from the Sale of TP Cebu to AREIT, Inc., duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On October 07, 2020, Ayala Land, Inc. ("ALI") received final net proceeds from the Sale of TP Cebu amounting to One Billion One Hundred Sixty Million Pesos Only (Php1,160,000,000.00).

As of October 06, 2021, ALI already disbursed the total net proceeds amounting to One Billion One Hundred Sixty Million Pesos Only (Php1,160,000,000.00), in accordance with its Reinvestment plan.

The details of the disbursement are as follows:

Final Proceeds from Sale of TP Cebu, October 07, 2020	Php1,160,000,000.00
Less: Disbursements from July 1 to October 06, 2021	<u>1,160,000,000.00</u>
Balance of Final Proceeds from Sale of TP Cebu as of October 06, 2021	0

Thank you.

Very truly yours,



**Augusto D. Bengzon**  
Ayala Land, Inc.  
Treasurer and Chief Finance Officer



**Ma. Teresa R. Famy**  
AREIT, Inc.  
Chief Finance and Compliance Officer

SUBSCRIBED AND SWORN to before me this OCT 06 2021 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AYALA LAND, INC. <i>Represented by:</i> Augusto D. Bengzon	TIN: 000-153-790-000 Passport No. P4323352B	08 Jan 2020/ DFA NCR East
AREIT, Inc. <i>Represented by:</i> Ma. Teresa R. Famy	TIN: 006-346-689-000 Driver's License No. D06-97-186463	Expiration Date 05 Dec 2023

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Series of 2021

Notarial DST pursuant to  
Section. 188 of the Tax Code  
affixed in Notary Public's copy



**ROBERTO T. ONGSIAKO**  
Notary Public - Makati City  
App. No. M-149 until December 31, 2022  
Roll of Attorneys No. 37041  
Lifetime IBP No. 02163 - RSM Chapter  
PTR No. 8533973ME - 01/04/2021 - Makati Cir  
MCLE Compliance No. VII - 0000267 - 07/30/21  
4th Floor Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines



SyCip Gorres Velayo & Co.  
6760 Ayala Avenue  
1226 Makati City  
Philippines

Tel: (632) 8891 0307  
Fax: (632) 8819 0872  
ey.com/ph

**STRICTLY CONFIDENTIAL**

**REPORT OF FACTUAL FINDINGS**

**AYALA LAND, INC.**

31st Floor, Tower One & Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City

Attention: **Mr. Augusto D. Bengzon**  
Chief Finance Officer

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Dear Mr. Bengzon:

We have performed the procedures agreed with you and enumerated below with respect to the attached final tranche of the Final Report as at **October 6, 2021** on the use of the proceeds from the sale of Teleperformance Cebu (“TP Cebu”) to AREIT, Inc. (“AREIT”) on **September 15, 2020**. The net proceeds from the sale amounted to ₱1.45 billion and out of this amount, ₱1.16 billion was received on **October 7, 2020**. The procedures were performed solely to enable Ayala Land, Inc. (the Company) to comply with the Philippine Stock Exchange, Inc.’s (PSE) requirement to submit an external auditor’s certification on the information being presented by the Company relating to the use of proceeds. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. These agreed-upon procedures and results thereof are summarized as follows:

1. Obtain the final tranche of the Final Report on Use of Proceeds from the sale of Teleperformance Cebu to AREIT, Inc. (the “Schedule”) and perform the following:
  - Check the mathematical accuracy of the Schedule;
  - Check whether there are additions and disbursements in the schedule and compare with the schedule of application of proceeds;
  - On a sample basis, trace additions and disbursements to the supporting documents such as progress billings, bank statements, invoices, and official receipts, and agree the amount to the accounting records.
  - On a sample basis, inquire into and identify the nature of the additions and disbursements. Check if the disbursements were classified consistently according to its nature based on the schedule of sale of TP Cebu.



We report our findings below:

1. We checked the mathematical accuracy of the Schedule, no exceptions noted.
2. We traced the disbursement to the supporting documents. We have noted that the Company issued intercompany loans to the following companies to be used in the projects specified:

<b>Distributing Entity</b>	<b>Start Date</b>	<b>Amount</b>	<b>Project Name</b>
Avida Land Corp.	9/28/2021	₱163,000,000	Avida Towers
Amaia Land Corp.	9/24/2021	28,000,000	Amaia Skies
Avida Land Corp.	9/24/2021	58,000,000	Avida Towers
Avida Land Corp.	10/4/2021	809,700,000	Avida Towers
		<b>₱1,058,700,000</b>	

We have traced these amounts to the promissory notes and the bank statements and agreed the amounts to the accounting records. No exceptions noted.

We also traced the amounts disbursed by the Company during the period for the following projects amounting to ₱101.30 million to the progress billings, invoices and official receipts and agreed the amount to the accounting records. No exceptions noted.

<b>Project Name</b>	<b>Amount</b>
Tryne Enterprise Plaza	₱52,488,805.31
Avida Towers Sola T1-T3	24,580,000.00
Avida Towers Vireo T1-T3	23,800,000.00
Ayala Triangle Garden 2 (Office)	431,194.69
	<b>₱101,300,000.00</b>

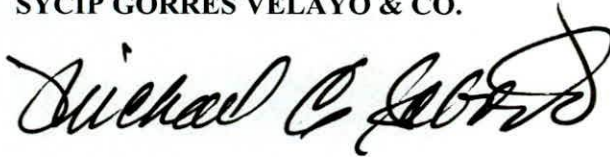
3. There were no additions during the period. Further, we inquired into and identified the nature of the disbursements. We checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of TP Cebu proceeds as documented in the Amended Reinvestment Plan dated August 31, 2021. We have noted that the abovementioned projects were included in the Amended Reinvestment Plan, and the amounts disbursed to these companies have not exceeded the planned use. No exceptions noted.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the accounts of the Company or its financial statements, taken as a whole.

Had we performed additional procedures or performed an audit or review of the financial statements in accordance with PSA or PSRE, other matters might have come to our attention that would have been reported to you.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of proceeds from the offering and items specified above and do not extend to any financial statements of the Company taken as a whole.

**SYCIP GORRES VELAYO & CO.**



Michael C. Sabado

Partner

CPA Certificate No. 89336

Tax Identification No. 160-302-865

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 0664-AR-4 (Group A),

November 11, 2019, valid until November 10, 2022

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-073-2020,

December 3, 2020, valid until December 2, 2023

PTR No. 8534357, January 4, 2021, Makati City

ACKNOWLEDGMENT

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

I certify that on **OCT 06 2021** before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Name	Competent Evidence of Identity	Date / Place Issued
Michael C. Sabado	P1178919B	March 25, 2019/DFA

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 07 ;  
Page No. 02 ;  
Book No. 200 ;  
Series of 2021.

**ATTY. JOSHUA P. LAPUZ**  
Notary Public for and in Makati City  
Appointment No. M-66 until 12/31/2021  
PTR No. 8531012, Jan. 4, 2021 Until Dec. 31, 2021 Makati City  
Roll No. 45790, IBP, Lifetime N. 04897  
MCLE No VI-0016565 / Jan. 14, 2019  
G/F Fedman Suites, 199 Salcedo Street,  
Legaspi Village, Makati City

## Annex A – Disbursement of Funds

Project Name	Disbursing Entity	Date of Disbursements	Disbursed as of to date	Description
Tryne Enterprise Plaza	Ayala Land Inc.	July 1 to Oct 05, 2021	52,488,805.31	Three-tower office development situated at the entrance of ARCA South
Avida Towers Sola T1-T3	Ayala Land Inc.	July 1 to Oct 05, 2021	24,580,000.00	Residential condominium in Vertis, Quezon City
Avida Towers Vireo Tower 1-3	Ayala Land Inc.	July 1 to Oct 05, 2021	23,800,000.00	Residential condominium in Arca South
Avida Towers Asten T3	Avida Land Corp.	Sept 24 to Oct 05, 2021	20,800,000.00	Residential condominium in Makati.
Avida Atria S1 & T1-T4	Avida Land Corp.	Sept 24 to Oct 05, 2021	114,500,000.00	Residential condominium in Atria, Iloilo
Avida Towers Makati Southpoint T1	Avida Land Corp.	Sept 24 to Oct 05, 2021	216,770,000.00	High rise development near EDSA Makati
Avida Towers Riala T1-T5	Avida Land Corp.	Sept 24 to Oct 05, 2021	226,590,000.00	Residential condominium in Cebu IT Park
Avida Towers Verge T1	Avida Land Corp.	Sept 24 to Oct 05, 2021	109,480,000.00	High rise development near EDSA Mandaluyong
Serin East Tagaytay T1-T4	Avida Land Corp.	Sept 24 to Oct 05, 2021	224,900,000.00	Residential development in Tagaytay City
Avida Towers Sucat T9	Avida Land Corp.	Sept 24 to Oct 05, 2021	45,000,000.00	Residential condominium in Paranaque
Amaia Skies Shaw T2	Amaia Land Corp	Sept 24, 2021	28,000,000.00	Residential development near EDSA Mandaluyong
One Antonio	Avida Land Corp.	Sept 24 to Oct 05, 2021	72,660,000.00	Residential development in Makati
Ayala Triangle Garden 2 (Office)	Ayala Land Inc.	July 1 to Oct 05, 2021	431,194.69	40-storey premium office for lease development (64k sqms GLA)