



## Performance Report for the Fourth Quarter of 2023

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February 14, 2024

This document was prepared by AREIT Fund Managers, Inc. ("AFMI") for AREIT, Inc. ("AREIT" or the "Company") in compliance with the reportorial requirements of the REIT Implementing Rules & Regulations under Republic Act No. 9856.



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## I. PERFORMANCE METRICS

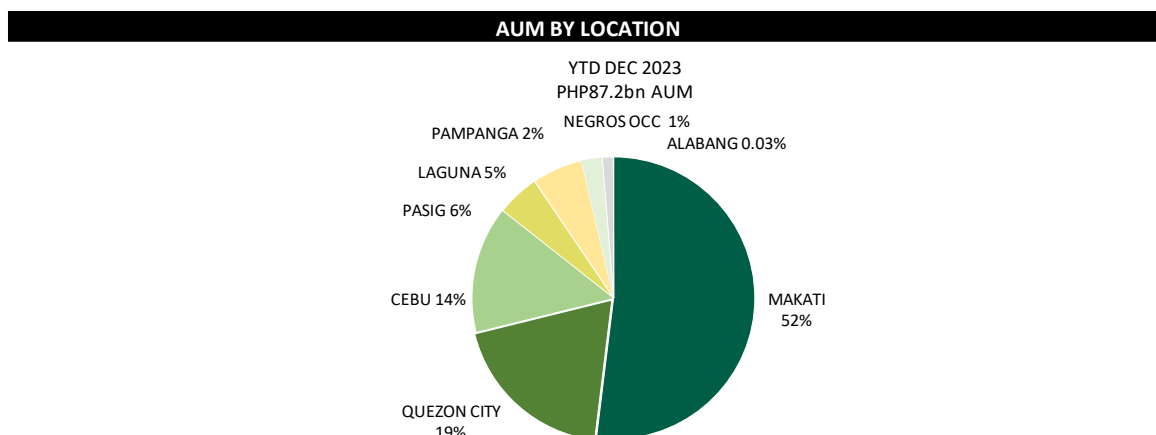
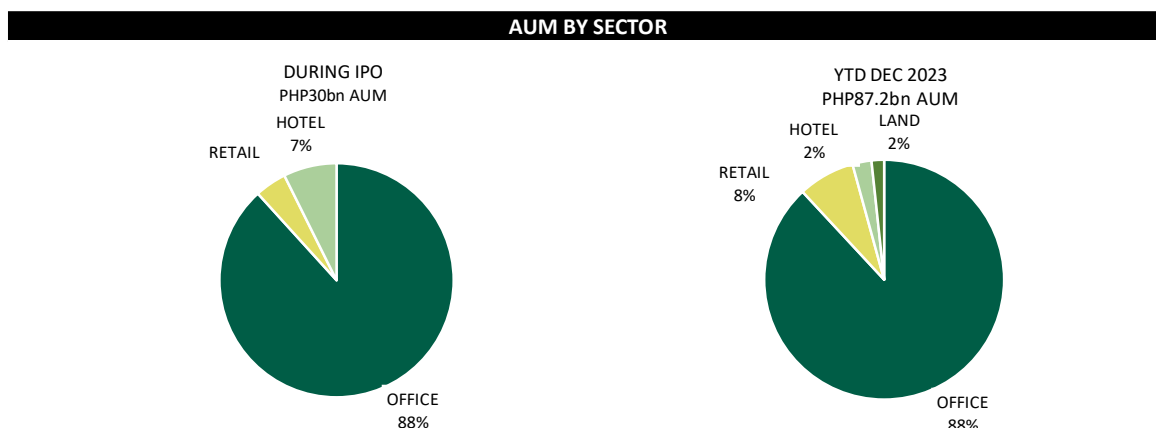
### Performance Highlights

AREIT consistently adheres to its four investment fundamentals: prime location and quality of assets, stable occupancy with long term contracts from top BPO and corporate locators, inflation-hedged growth and new asset infusions, and execution by an experienced management team backed by the strength of its sponsor Ayala Land.

Total portfolio size of 918 thousand sq. m is now 6 times larger than its initial size of only 153 thousand sq. m during the IPO. The property-for-share swap transaction approved by the SEC on September 20, 2023 added 245 thousand sq.m of GLA to AREIT’s portfolio of quality commercial assets. The assets include One Ayala East and West Towers, Glorietta BPOs 1 & 2, Glorietta 1 & 2 mall wings, and Marquee Mall. All properties, which include flagship Makati CBD assets, are in prime locations and have good operating track record, high occupancy and contracted long term leases with high credit grade tenants.

### Diversified Asset Portfolio in Prime Locations

From its initial AUM of PHP30bn during IPO, AREIT’s portfolio diversified and grew to its AUM to PHP87.2bn as of YTD December 2023 with the office sector comprising 88% of its total AUM. AREIT’s properties are now located in several central business districts and prime locations across the Philippines.



### Stable Occupancy and Tenancy

AREIT's consistent and solid operations in the quarter ended December 31, 2023 resulted in an average occupancy of 97%. Stable recurring income is ensured with AREIT's contracted leases and Weighted Average Lease Expiry of AREIT's portfolio of 10.1 years and 3.8 years for offices. Lease expiries are also manageable in the next three years.

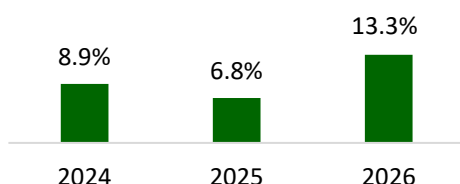
### Operating Statistics as of December 31, 2023

Property	Location	Overall			Office		
		Total gross leasable area (GLA) in sq. m	Occupied GLA, in sq. m	Occupancy rate	Total GLA (in sq. m)	Occupied GLA, in sq. m	Occupancy rate
<b>Solaris</b>	Makati	46,768	45,740	98%	46,027	44,999	98%
<b>Ayala North Exchange</b>	Makati	95,314	86,086	90%	61,737	52,923	86%
<b>MECC</b>	Makati	10,688	10,117	95%	9,633	9,633	100%
<b>TP Cebu</b>	Cebu	18,093	18,093	100%	17,682	17,682	100%
<b>The30th</b>	Pasig	74,704	70,174	94%	47,871	47,871	100%
<b>Laguna Technopark Land</b>	Laguna	98,179	98,179	100%	N/A	N/A	N/A
<b>Vertis</b>	Quezon City	164,450	163,971	100%	125,144	124,665	100%
<b>BPI-Philam Makati</b>	Makati	1,072	660	62%	1,072	660	62%
<b>BPI-Philam Alabang</b>	Muntinlupa	551	551	100%	551	551	100%
<b>Bacolod Capitol</b>	Negros Occidental	11,313	11,313	100%	11,313	11,313	100%
<b>Ayala Northpoint</b>	Negros Occidental	4,654	4,654	100%	4,654	4,654	100%
<b>Evotech</b>	Laguna	23,727	23,727	100%	23,058	23,058	100%
<b>Eblobs 1-4</b>	Cebu	79,640	78,499	99%	74,992	74,992	100%
<b>ACC Tower</b>	Cebu	27,458	26,365	96%	27,458	26,365	96%
<b>Tech Tower</b>	Cebu	16,273	12,852	79%	14,941	11,898	80%
<b>One Ayala West and East Towers</b>	Makati	70,995	70,195	99%	70,995	70,195	99%
<b>Glorietta 1&amp;2 BPOs and Mall</b>	Makati	108,790	108,365	100%	40,026	39,601	99%
<b>Marque Mall</b>	Makati	66,041	66,041	100%	N/A	N/A	N/A

### Weighted Average Lease Expiry (WALE)

Property	WALE (years)
Office	3.8
Retail	25.7
Hotel	34.5
Industrial Land	4.0
<b>Overall</b>	<b>10.1</b>

### Percentage of GLA expiring between 2023-2025



### Strong Tenancy of High Credit Grade Locators

AREIT continues to derive recurring income from its solid base of high credit grade tenants composed of top multinational and local companies. The table below shows the top ten largest tenants of AREIT in terms of gross leasable area.

Rank	Tenant	GLA (sq. m)	% of occupied GLA
1	Integrated Microelectronics, Inc. <sup>1</sup>	98,179	11%
2	Ayala Land, Inc. (Glorietta 1 & 2 Mall)	68,764	8%
3	North Eastern Commercial Corporation (Ayala Malls The 30 <sup>th</sup> and Vertis Mall) <sup>2</sup>	67,207	8%
4	Northbeacon Commercial Corporation <sup>2</sup> (Marque Mall)	66,041	8%
5	Google Services Philippines, Inc.	50,677	6%
6	Telephilippines Incorporated	38,154	4%
7	Concentrix CVG Philippines, Inc.	33,537	4%
8	Shell Shared Services (Asia), B.V.	33,056	4%
9	Telus International (Philippines), Inc.	31,134	4%
10	Makati North Hotel Ventures, Inc. (Seda Residences Makati) <sup>3</sup>	26,034	3%
	<b>Total GLA</b>	<b>512,783</b>	<b>59%</b>

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

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

<sup>(3)</sup> Subsidiary of Ayala Hotels and Resorts Corporation

## II. FINANCIAL PERFORMANCE AS OF END DECEMBER 31, 2023

AREIT, Inc. is still in the process of finalizing its audited financial statements for the year ending December 31, 2023. We shall submit a Supplemental Performance Report for the Fourth Quarter of 2023 once the audited financial statements are available. We endeavor to submit the same on or before 23 February 2024.



**CERTIFICATION**

This PERFORMANCE REPORT was prepared and assembled under our supervision in accordance with existing rules of the Securities and Exchange Commission. The information and data provided herein are complete, true and correct to the best of our knowledge and/or based on authentic records

By:

**AREIT FUND MANAGERS, INC.**  
Fund Manager for AREIT, Inc.

  
**PATRICIA GAIL Y. SAMANIEGO**  
Attorney-in-Fact


  
**BEVERLY S. ESPINA**  
Attorney-in-Fact

SUBSCRIBED AND SWORN to before me this FEB 13 2024 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
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Beverly S. Espina	Driver's License No. N02-22-316854	Expiration Date 15 Oct 2026

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Series of 2024



  
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