08 April 2022

Philippine Dealing and Exchange Corporation
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

To **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosures Department

Dear Madam,

We hereby furnish you a copy of AREIT's Final Sponsor Progress Report on Disbursement of Proceeds from the block sale of AREIT shares, pursuant to the Sponsor Reinvestment Plan.

Thank you.

MICHAEL ANTHONY L. GARCIA
Head, Investor Communications and Compliance

April 7, 2022

THE PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Plaza
6th 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 44 million AREIT Shares

Dear Ms. Encarnacion,

We are pleased to submit our Final Report on the Application of Proceeds from the sale of 44 million AREIT Shares at a transaction price of PHP32.00 per share, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On May 5, 2021, Ayala Land, Inc. ("ALI") received gross proceeds from the sale of 44 million AREIT Shares amounting to One Billion Four Hundred Eight Million Pesos (Php1,408,000,000).

As of March 31, 2022, ALI already disbursed the total gross proceeds amounting to One Billion Four Hundred Eight Million Pesos (Php1,408,000,000) in accordance with its Reinvestment plan.

The details of the disbursement are as follows:

Gross Proceeds from sale of 44 million AREIT Shares as of May 5, 2021	Php1,408,000,000.00
Less: Disbursements from May 5, 2021 to March 31, 2022 (Annex A)	Php1,408,000,000.00
Balance of Proceeds from sale of AREIT Shares as of March 31, 2022	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 _____ at Makati City, affiants exhibiting to me their identification documents as follows: APR 08 2022

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

Doc No. 437;
Page No. 89;
Book No. XV;
Series of 2022;

Notarial DST pursuant to
Sec. 188 of the Tax Code
Affixed on Notary Public's copy

MA. FLORENCE THERESE DG. MARTIREZ-CRUZ
NOTARY PUBLIC
ROLL NO. 60896
MAKATI CITY, PHILS.

MA. FLORENCE THERESE D.G. MARTIREZ-CRUZ
Notary Public – Makati City
Appt. No. M-154 until December 31, 2021
Roll of Attorneys No. 60896
Extended until June 30, 2022
IBP No. 178376 – 02/16/2022 - Makati City
PTR No. MKT8862852 – 01/11/2022 – Makati City
MCLE Compliance No. VI –0009482 – 06/20/2018
28th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines

ANNEX A- Disbursements from January 1 to March 31, 2022

Disbursing Entity	Project Name	Amount
Ayala Land Inc.	One Vertis Plaza	167,842,669.23
Ayala Land Inc.	Arbor Lanes 3-5	353,093,073.88
Ayala Land Inc.	Gardencourt	175,533,678.37
Ayala Land Inc.	Andacillo	175,796,424.97
Ayala Land Inc.	Orean Place T2	127,890,492.25
Avida Land Corp.	Manila Property	300,436,281.60
Avida Land Corp.	Avida Towers Riala T1-T5	98,252,365.13
Avida Land Corp.	Avida Towers Verge T1	9,155,014.57
TOTAL		**1,408,000,000.00**

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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

Dear Mr. Bengzon:

We have performed the procedures agreed with you and enumerated below with respect to the attached Quarterly Progress Report as at **March 31, 2022** on the use of the proceeds received by **Ayala Land, Inc.** (the "Company") from the block sale of its shares in **AREIT, Inc.** ("AREIT") on **May 5, 2021**. The procedures were performed solely to enable 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 Quarterly Progress Summary Report on Use of Proceeds from the Block Sale of AREIT Shares (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 planned use of proceeds from the block sale of AREIT shares.

We report our findings below:

1. We checked the mathematical accuracy of the Schedule, no exceptions noted.

2. We traced the disbursements to the supporting documents. We have noted that the Company issued intercompany loans to the following companies to be used in the projects specified:

Distributing Entity	Amount	Project Name
Avida Land Corp	₱300,436,281.60	Manila Property
Avida Land Corp	98,252,365.13	Avida Towers Riala T1-T5
Avida Land Corp	9,155,014.57	Avida Towers Verge T1
	₱407,843,661.3	

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

We also traced the amounts disbursed for the following projects amounting to ₱1,000.16 million to the progress billings, invoices and official receipts and agreed the amount to the accounting records. No exceptions noted.

Project Name	Amount
One Vertis Plaza	₱167,842,669.23
Arbor Lanes 3-5	353,093,073.88
Gardencourt	175,533,678.37
Andacillo	175,796,424.97
Orean Place T2	127,890,492.25
	₱1,000,156,338.70

3. We inquired into and identified the nature of the disbursements. We have noted the Amended Reinvestment Plan dated March 22, 2022 included the proceeds from the block sale of AREIT. We also checked if the disbursements were classified consistently according to its nature based on the schedule of planned use proceeds from the block sale of AREIT shares as documented in the Amended Reinvestment Plan. We have noted that the abovementioned entities and the related projects were included in the 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.

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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. 8854360, January 3, 2022, Makati City

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ACKNOWLEDGMENT

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

APR 0 8 2022

I certify that on _____, 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. 395;
Page No. 80;
Book No. 4;
Series of 2022.

JR

ATTY. JOSHUA P. LAPUZ
Notary Public for Makati City
Appointment No. M-19 until 12/31/2023
Roll No. 45790 / IBP Life No. 04897 / 07 - 03 - 03
PTR - O.R. No. 8852510 / 01 - 03 - 22 / Makati City
MCLE No VI-0016565 / 01 - 14 - 19
G/F Fedman Suites, 199 Salcedo Street,
Legaspi Village, Makati City