

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2 (c) THEREUNDER**

1. **31 January 2025**
Date of Report
2. SEC Identification Number: **CS202052294** 3. BIR Tax Identification No: **502-228-971-000**
4. **MREIT, INC.**
Exact name of Issuer as specified in its charter
5. **Metro Manila**
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code
7. **18th Floor, Alliance Global Tower, 36th Street corner 11th Avenue
Uptown Bonifacio, Taguig City 1634**
Address of principal office
8. **(632) 8894-6300/6400**
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Stock Outstanding</u>
Common	3,721,983,381 ¹
Preferred	0
Total	3,721,983,381¹

10. **Item 9(b)**

Please see the attached Annual Progress Report on the Use of Proceeds from the Block Sale of 40,650,000 common shares of MREIT, Inc. which was settled on April 22, 2024.

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 hereunto duly authorized.

MREIT, INC.
Issuer

By:


GIANCARLO V. INACAY
Compliance Officer
31 January 2025

¹ As of 19 November 2024, MREIT, Inc. has a total of 3,721,983,381 common shares issued and outstanding. 2,795,821,381 common shares are listed in the Philippines Stock Exchange (the "Exchange"), while the 926,162,000 common shares issued on 19 November 2024 are pending listing with the Exchange.



MEGAWORLD CORPORATION

30th Floor, Alliance Global Tower, 36th Street Corner 11th Avenue, Uptown Bonifacio, Fort Bonifacio, Taguig City, NCR, Fourth District Philippines 1630
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January 30, 2025

THE PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Plaza
6th Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: **MS. STEFANIE ANN B. GO**
Officer-In-Charge, Disclosure Department

Subject: Annual Report on the Use of Proceeds from the Block Sale of 40,650,000 common shares of MREIT, Inc. (MREIT)

Dear Ms. Go,

We hereby submit our Progress Report on the Use of Proceeds for the year ending December 31, 2024, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

The proceeds were generated from the Block Sale of 40,650,000 common shares of MREIT, Inc. settled on April 22, 2024, at an offer price of Php12.30 per share, resulting in net proceeds of Php496,148,388.47.

Please be advised that as of December 31, 2024, the remaining balance of the proceeds from the block sale amounts to One Hundred Five Million One Hundred Forty Eight Thousand Three Hundred Eighty Eight Pesos and Forty Seven Centavos (Php105,148,388.47) as indicated below:

Net Proceeds from the Block Sale	496,148,388.47
less:	
Disbursement from Apr. 22 to Jun. 30, 2024	140,000,000.00
Disbursement from Jul. 1 to Sep. 30, 2024	130,000,000.00
Disbursement from Oct. 1 to Dec. 31, 2024	121,000,000.00
<hr/> Balance of Proceeds from the Block Sale as of Dec. 31, 2024	<hr/> 105,148,388.47

Respectfully yours,


FRANCISCO C. CANUTO
Treasurer



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Makati City (METRO MANILA) SS

At Makati City City, Metro Manila, on this 30th day of January 2025, before me personally appeared:

Name	Competent Evidence of Identity	Date and Place Issued
For and on behalf of MEGAWORLD CORPORATION: FRANCISCO C. CANUTO	 SSS ID No. 035188143-1	

who made known and represented to me that they are the same persons who executed the foregoing report including the Annex A and this page on which this Acknowledgment is written, and are signed by the parties hereto, and acknowledged to me that the same is their free and voluntary act and deed as well as of the entities respectively represented by them.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 30th day of January 2025.

Doc. No. 30 ;
Page No. 07 ;
Book No. 43 ;
Series of 2025

NOTARY PUBLIC

J. Amando R. Fabio III
ATTY. MIKHAIL JUDE AMANDO R. FABIO III
NOTARY PUBLIC FOR AND IN MAKATI CITY
APPOINTMENT NO. M 326 VALID UNTIL DECEMBER 31, 2025
PTR No. MKT 10471129 / 01-06-25 / MAKATI CITY
IBP No. 501098 01-07-2025 Roll No. 81066
MCLE Compliance No. VIII-0008160 April 14, 2025
VALID UNTIL APRIL 14, 2028

Report of Independent Auditors on Factual Findings

**The Board of Directors and Stockholders
Megaworld Corporation**
30th Floor, Alliance Global Tower
36th Street cor. 11th Avenue
Uptown Bonifacio, Taguig City

We have performed the procedures agreed with you and enumerated below with respect to the attached Annual Progress Report (the Report) as of and for the period from April 22, 2024 to December 31, 2024 on the application of proceeds received by Megaworld Corporation (the Company) from the block sale of 40,650,000 common shares of MREIT, Inc. (MREIT) which was settled on April 22, 2024, with the offer price of P12.30 per share (the Block Sale), resulting in a net proceeds estimated at no greater than P500.00 million (the Block Sale Proceeds). The procedures were performed solely to enable the Company to comply with the requirement of the Philippine Stock Exchange (PSE) to submit the Report accompanied by an external auditor's report. Our engagement was undertaken and our report is issued in accordance with Philippine Standard on Related Services 4400 (Revised), *Agreed-Upon Procedures Engagements*.

Agreed-upon Procedures

The procedures we performed are as follows:

1. Obtained and checked the mathematical accuracy of the following:
 - a) The Report;
 - b) Schedule of planned application of proceeds from the Block Sale; and,
 - c) Detailed schedule of utilization of proceeds for the period from April 22, 2024 to December 31, 2024.
2. Compared the total amount of utilization appearing in the Report with the detailed schedule of utilization of proceeds.
3. Compared the schedule of planned application of the Block Sale Proceeds to the Reinvestment Plan. Inquired with the Company's management of the reason for the difference, if any, and requested a copy of the approval by the Board of Directors (BOD) and the PSE, as appropriate, i.e., if it involved reallocation or change in the use of proceeds.

4. Traced to and examined supporting documents such as acknowledgement receipts and approved payment endorsement documents, of disbursements in the detailed schedule of utilization of proceeds and traced the total amount of disbursements per category to the Report.

Results of the Performance of Agreed-Upon Procedures

1. With respect to item 1, we noted no exceptions on the mathematical accuracy of the Report and schedules.

We present below the summary of the application of the proceeds from the Block Sale for the period from April 22, 2024 to December 31, 2024, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Location</u>		<u>Disbursement from April 22 to June 30, 2024</u>		<u>Disbursement from July 1 to September 30, 2024</u>		<u>Disbursement from October 1, to December 31, 2024</u>
Bacolod Projects	Bacolod	P	30,000,000	P	65,000,000	P	57,000,000
ArcoVia City	Pasig		35,000,000		30,000,000		34,000,000
The Mactan Newtown	Cebu		<u>75,000,000</u>		<u>35,000,000</u>		<u>30,000,000</u>
			<u>P 140,000,000</u>		<u>P 130,000,000</u>		<u>P 121,000,000</u>

We noted that the Company received proceeds from the Block Sale amounting to P496.15 million. Out of the total proceeds, P391.00 million has been disbursed from April 22, 2024 to December 31, 2024. Remaining balance of the proceeds from the Block Sale as of December 31, 2024 amounts to P105.15 million.

2. With respect to item 2, we noted that the total amount of utilization appearing in the Report is in agreement with the amount in the detailed schedule of utilization of proceeds.
3. With respect to item 3, we noted that the planned application of the Block Sale Proceeds is in agreement with the Reinvestment Plan dated April 22, 2024.
4. With respect to item 4, we traced the utilization of the Block Sale Proceeds for the period from April 22, 2024 to December 31, 2024 to supporting acknowledgment receipts and approved payment endorsement documents.

We noted that the Company granted advances to the following disbursing entities to be used in the projects specified:

<u>Disbursing Entity</u>	<u>Project Name</u>	<u>Township or Location</u>	<u>Amount</u>
Megaworld Bacolod Properties, Inc.	Bacolod Projects	Bacolod	P 152,000,000
ArcoVia Properties, Inc.	ArcoVia City	Pasig	99,000,000
Megaworld OceanTown Properties, Inc.	The Mactan Newtown	Cebu	140,000,000
			P 391,000,000

We traced the cash advances granted by the Company to the acknowledgement receipts issued by the entities. Moreover, we agreed the amounts presented in the Report to the accounting records of the Company.

Because the foregoing procedures do not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), respectively, we do not express an assurance on the use of the Block Sale Proceeds based on the said standards. Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with PSA or PSRE, respectively, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is 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. This report relates only to the information and items specified above and does not extend to any financial statements of the Company, taken as a whole.

PUNONGBAYAN & ARAULLO



By: John Endel S. Mata
Partner

CPA Reg. No. 0121347
TIN 257-622-627
PTR No. 10465907, January 2, 2025, Makati City
BIR AN 08-002551-040-2023 (until January 24, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-012 (until August 12, 2027)

January 28, 2025

SUBSCRIBED AND SWORN to before me this 30 JAN 2025
at Makati City, Philippines. Affiant exhibited to me his/herself
competent ID # _____ valid until _____.

MA. EMERALDA R. CUNANAN
Notary Public for and in Makati City
Until December 31, 2025
App. No. M-13 (2024-2025) Makati City
Attorney's Roll No. 34562
ICE Compliance No. VIII-0009662/valid until 4-14-2027
PTR No. 10467303/1-2-2025/Makati City
IBP Lifetime Member No. 05413
G/F Dela Rosa Carpark I, Dela Rosa St.
Magaspi Village, Makati City

DOC. NO. 128;
PAGE NO. 27;
BOOK NO. X;
SERIES OF 2025.