

PSE Security Code _____
SEC Number CS202052294
File Number _____

MREIT, INC.

(Company's Full Name)

**18TH FLOOR ALLIANCE GLOBAL TOWER, 36TH STREET CORNER
11TH AVENUE, UPTOWN BONIFACIO, TAGUIG CITY 1634,
METRO MANILA, PHILIPPINES**

(Company's Address)

(02) 88946400

(Company's Telephone Number)

DECEMBER 31

(Fiscal Year Ending)
(Month & Day)

SEC FORM 17-Q (Q1 2026)

(Form Type)

(Amendment Designation, if Applicable)

Period Ended Date

PERMIT TO OFFER SECURITIES FOR SALE

(Secondary License Type, if any)

has been subject to such filing requirements for the past ninety (90) days.

Yes

No

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Interim financial statements are attached as Exhibits hereof and incorporated by reference:

- Exhibit 1 - Consolidated Statements of Financial Position as of 31 March 2026
- Exhibit 2 - Consolidated Statements of Income and Consolidated Statements of Comprehensive Income for the Six Months Ended 31 March 2026 and 2025
- Exhibit 3 - Consolidated Statements of Changes in Equity for the Six Months Ended 31 March 2026 and 2025
- Exhibit 4 - Consolidated Statements of Cash Flows for the Six Months Ended 31 March 2026 and 2025
- Exhibit 5 - Notes to Interim Financial Information for the Six Months Ended 31 March 2026

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

Please refer to Exhibit 6 hereof.

Item 3. Aging of Accounts Receivables

Please refer to Exhibit 7 hereof.

Item 4. Schedule of Financial Soundness Indicators

Please refer to Exhibit 8 hereof.

PART II – OTHER INFORMATION

The Company is not in possession of information which have not been previously reported in a report on SEC Form 17-C and with respect to which a report on SEC Form 17-C is required to be filed.

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.

By: 
MABEL P. TACORDA
Chief Financial Officer, Compliance Officer and
Data Privacy Officer
30 April 2026

MREIT, INC.

Issuer

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
STATEMENTS OF FINANCIAL POSITION
March 31, 2026
(With Comparative Figures as of December 31, 2025
(Amounts in Philippine Pesos)

	Notes	March 31, 2026	December 31, 2025
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 1,207,694,080	P 1,387,817,591
Trade and other receivables	5	2,204,121,152	596,167,897
Other current assets	7	666,874,212	360,534,097
Total Current Assets		4,078,689,444	2,344,519,585
NON-CURRENT ASSETS			
Trade receivables	5	279,835,753	320,481,770
Investment properties	6	89,736,859,800	73,707,259,800
Other non-current assets	7	244,236,908	216,153,357
Total Non-current Assets		90,260,932,461	74,243,894,927
TOTAL ASSETS		P 94,339,621,904	P 76,588,414,512
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Accounts and other payables	8	990,455,476	484,001,229
Deposits and other liabilities	9	1,104,132,513	744,085,554
Total Current Liabilities		2,094,587,989	1,228,086,783
NON-CURRENT LIABILITIES			
Interest-bearing loan	10	7,218,970,316	7,217,637,246
Deposits and other liabilities	9	1,534,954,355	983,154,955
Total Non-current liabilities		8,753,924,671	8,200,792,201
Total Liabilities		10,848,512,660	9,428,878,984
EQUITY			
Capital stock		4,718,849,053	3,721,983,381
Additional paid-in capital		79,972,938,712	64,797,000,097
Deposit for future stock subscription		-	187,500,000
Retained earnings (deficit)		(1,200,678,520)	(1,546,947,950)
Total Equity		83,491,109,245	67,159,535,528
TOTAL LIABILITIES AND EQUITY		P 94,339,621,904	P 76,588,414,512

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
INTERIM STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Notes	March 31, 2026	March 31, 2025
REVENUES			
Rental income	6	P 1,327,213,414	P 1,018,636,641
Income from dues - net		<u>395,424,674</u>	<u>321,839,222</u>
		1,722,638,088	1,340,475,863
COST OF SERVICES	7, 11	<u>284,164,629</u>	<u>252,439,266</u>
GROSS PROFIT		1,438,473,459	1,088,036,597
OTHER OPERATING EXPENSES		<u>33,253,016</u>	<u>11,972,815</u>
OPERATING PROFIT		<u>1,405,220,443</u>	<u>1,076,063,782</u>
OTHER INCOME (CHARGES)			
Interest expense	10	(131,523,693)	(128,552,437)
Interest income	4, 7	4,838,513	16,982,371
Miscellaneous income		348,138	1,871,162
Fair value gains (losses) on investment properties		<u>-</u>	<u>-</u>
		(<u>126,337,042</u>)	(<u>109,698,904</u>)
PROFIT (LOSS) BEFORE TAX		1,278,883,400	966,364,878
TAX INCOME (EXPENSE)		(<u>339,017</u>)	(<u>3,260,376</u>)
NET PROFIT (LOSS)		1,278,544,383.06	963,104,502.00
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME (LOSS)		P <u>1,278,544,383</u>	P <u>963,104,502</u>
BASIC AND DILUTED EARNINGS			
(LOSS) PER SHARE		0.27	0.26

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	<u>March 31, 2026</u>	<u>March 31, 2025</u>
CAPITAL STOCK		
Balance at beginning of period	P 3,721,983,381	P 3,721,983,381
Issuance of shares during the period	996,865,672	
Balance at end of period	<u>4,718,849,053</u>	<u>3,721,983,381</u>
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of period	64,797,000,097	64,797,000,097
Addition during the period	15,175,938,615	
Balance at end of period	<u>79,972,938,712</u>	<u>64,797,000,097</u>
RETAINED EARNINGS (DEFICIT)		
Balance at beginning of period	(1,546,947,950)	(2,229,316,775)
Net profit (loss) during the period	1,278,544,383	963,104,503
Dividends declared during the period	(932,274,953)	(932,356,835)
Balance at end of period	<u>(1,200,678,520)</u>	<u>(2,198,569,107)</u>
TOTAL EQUITY	<u>P 83,491,109,245</u>	<u>P 66,320,414,371</u>

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Notes	March 31, 2026 (Three Months)	March 31, 2025 (Three Months)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		P 1,278,883,400	P 966,364,879
Adjustments for:			
Interest expense	9, 10	131,523,693	128,552,437
Interest income	4, 7	(4,850,143)	(16,982,371)
Operating profit before working capital changes		1,405,556,949	1,077,934,945
Increase in trade and other receivables		(1,567,421,966)	(222,173,190)
Increase in other current assets		15,866,464,171	(221,995,343)
Decrease (increase) in other non-current assets		(16,086,920,565)	(18,700,479)
Increase (decrease) in accounts and other payables		506,454,247	1,054,285,089
Increase (decrease) in deposits and other liabilities		898,931,736	(27,232,647)
Cash generated from operations		1,023,064,572	1,642,118,375
Interest received		4,468,670	17,482,132
Income tax paid		(339,017)	(3,260,376)
Net Cash From Operating Activities		1,027,194,226	1,656,340,131
CASH FLOWS FROM AN INVESTING ACTIVITY			
Additional advances to contractors	7	29,733,217	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	16	(932,274,953)	(932,356,835)
Interest paid	10	(117,276,000)	(117,286,000)
Proceeds from deposit for future stock subscription	9, 16	(187,500,000)	-
Net Cash Used in Financing Activities		(1,237,050,953)	(1,049,642,835)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(180,123,511)	606,697,296
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,387,817,591	2,025,255,095
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 1,207,694,080	P 2,631,952,391

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
SELECTED EXPLANATORY NOTES TO
INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(With Comparative Figures as of December 31, 2025
and for the Three Months ended March 31, 2025)
(Amounts in Philippine Pesos)
(UNAUDITED)

1. GENERAL INFORMATION

MREIT, Inc. (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 2, 2020. The Company's primary purpose is to engage in the business of a real estate investment trust, as provided under Republic Act (R.A.) No. 9856, *the Real Estate Investment Trust Act of 2009* (the "REIT Act"), including its implementing rules and regulations, and other applicable laws.

The Company is a subsidiary of Megaworld Corporation Inc. (MC) or the Parent Company owning 62.23% of the Company's outstanding capital stock.

MC is presently engaged in property-related activities such as project design, construction, and property management. MC's real estate portfolio includes residential condominium units, subdivision lots and townhouses, condominium-hotel projects, as well as office projects and retail spaces.

Alliance Global Group, Inc. (AGI) is the Company's ultimate parent company. AGI is a holding company presently engaged in the food and beverage, real estate development, quick-service restaurant, tourism-oriented and gaming businesses.

The registered office address and principal place of business of the Company and MC are located at 18th and 30th Floors, respectively, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City. The registered office of AGI, which is also its principal place of business, is located at 7th Floor, 1880 Eastwood Avenue, Eastwood City Cyberpark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City.

The Company's shares of stock are listed and traded in the Philippine Stock Exchange (PSE). MC and AGI are also publicly-listed entities in the Philippines.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to the periods presented, unless otherwise stated.

2.1 *Basis of Preparation of Financial Statements*

(a) *Statement of Compliance with Philippine Financial Reporting Standards*

The condensed interim financial statements of the Company for the three months ended March 31, 2026 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, Interim Financial Reporting. They do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the audited financial statements of the Company as at and for the period ended December 31, 2025.

The preparation of condensed interim financial statements in accordance with Philippine Financial Reporting Standards (PFRS) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

These condensed interim financial statements are presented in Philippine peso, the functional and presentation currency of the Company, and all values represent absolute amounts except when otherwise indicated.

(b) *Presentation of Financial Statements*

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents all items of income, expense and other comprehensive income or loss in a single statement of comprehensive income.

The Company presents a third statement of financial position as of the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

In 2025, the Company reclassified the presentation of advances to contractors in the statements of cash flows previously presented as part of the changes of Other Non-current Assets under the Operating Activities section to the Investing Activities section.

(c) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos, the Company's presentation and functional currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using the Company's functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

2.2 *Adoption of Amended PFRS Accounting Standards*

(a) *Effective in 2025 that are Relevant to the Company*

The Company adopted for the first time amendments to PAS 21, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the financial statements of the Company.

(b) *Effective Subsequent to 2026 but not Adopted Early*

There are amendments to existing standards effective for annual periods subsequent to 2026, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Company's financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments (effective from January 1, 2026).
- (ii) PFRS 9 and PFRS 7 (Amendments), Financial Instruments, and Financial Instruments: Disclosures – Amendments to Contracts Referencing Nature-dependent Electricity (effective from January 1, 2026).
- (iii) PFRS 18, Presentation and Disclosure in Financial Statements (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In preparing the condensed interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. The judgments, estimates and assumptions applied in the condensed interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last audited financial statements as at and for the period ended December 31, 2025.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following:

<i>(Amounts in PHP)</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash on hand and in bank	P 1,003,687,100	P 1,185,700,752
Short-term placements	<u>204,006,980</u>	<u>202,116,839</u>
	<u>P 1,207,694,080</u>	<u>P 1,387,817,591</u>

Cash in bank generally earns interest based on daily bank deposit rates.

Short-term placements are made for varying periods from 30 to 33 days and earn effective interest of 5% to 6%.

Interest earned from cash in bank and short-term placements for the three months ended March 31, 2026 and 2025 amounted to P4.4 million and P16.5 million, respectively. Interest earned is presented as part of Interest income under Other Income (Charges) in the interim statements of comprehensive income.

5. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

<i>(Amounts in PHP)</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Current –		
Trade receivables:		
Billed	P 524,051,340	P 431,935,878
Accrued	126,521,139	57,246,098
Others	<u>1,553,548,672</u>	<u>106,985,921</u>
	2,204,121,151	596,167,897
Non-current –		
Trade receivables –		
Accrued	<u>279,835,753</u>	<u>320,481,770</u>
	<u>P 2,483,956,904</u>	<u>P 916,649,667</u>

Billed receivables arise mainly from tenants for rentals of office, retail, hotel, and parking spaces, including dues. These are noninterest-bearing and are generally collectible on 30-day term.

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

Other receivables mainly pertain to the advances to the building administration and fit out allowances.

All trade and other receivables are subject to credit risk exposure. However, there was no impairment losses recognized for the reporting periods presented as management believes that the remaining receivables are fully collectible [see Note 15.2(b)]. In addition, the receivables are secured to the extent of advance rent and security deposits received from lessees which provide credit enhancements.

6. INVESTMENT PROPERTIES

The Company's investment properties include several buildings for mixed use, which are being leased out as office, retail, and hotel, including the hotel's parking spaces.

A reconciliation of the carrying amounts of investment properties is shown below.

<i>(Amounts in PHP)</i>	March 31, 2025 <u>(Unaudited)</u>	December 31, 2025 <u>(Audited)</u>
Balance at beginning of period	P 73,707,259,800	P 72,922,717,200
Additions	16,029,600,000	143,685,248
Fair value losses	<u>-</u>	<u>640,857,352</u>
Balance at end of period	<u>P 89,736,859,800</u>	<u>P 73,707,259,800</u>

As of March 31, 2026, the Company has a total of thirty-three (33) investment properties consisting of the following:

Located at McKinley Hill, Fort Bonifacio, Taguig City:

- One Campus Place A
- One Campus Place B
- 8 Campus Place A
- 8 Campus Place B
- 8 Campus Place C
- Southeast Asian Campus
- Science Hub Tower 1
- Science Hub Tower 3
- Science Hub Tower 4
- One World Square
- Two World Square
- Three World Square
- 8/10 Upper McKinley Building
- 18/20 Upper McKinley Building
- World Finance Plaza

One West Campus (80% owned pro indiviso)
Two West Campus (80% owned pro indiviso)
Ten West Campus (80% owned pro indiviso)
Five West Campus (80% owned pro indiviso)
One Le Grand (80% own pro indiviso)

Located at Eastwood, Quezon City:

1880 Eastwood Avenue
1800 Eastwood Avenue
E-Commerce Plaza

Located at Iloilo Business Park, Iloilo City:

Richmonde Hotel Iloilo and Richmonde Iloilo Office Tower
One Techno Place
Two Techno Place
Three Techno Place
One Global Center
Two Global Center
Festive Walk 1B
One Fintech Place
Two Fintech Place

Located at Davao Park District, Davao City:

Davao Finance Center

On March 23, 2023, the SEC issued its confirmation of valuation of the four prime, grade A, office properties in PEZA-accredited zones transferred by MC to the Company in payment of its subscription to 263,700,000 common shares of the Company pursuant to the Deed of Exchange of Property for Shares dated April 5, 2022 (see Note 15.4). Accordingly, the subject properties were transferred to the Company, and 263,700,000 common shares of the Company were issued in the name of MC on March 31, 2023. Pursuant to the amended Deed of Exchange of Property for Shares for this transaction, the Company recognized the income from the four properties beginning January 1, 2023.

On October 10, 2024, the SEC issued its confirmation of valuation of the six prime, grade A, office properties in PEZA-accredited zones transferred by MC to the Company in payment of its subscription to 926,162,000 common shares of the Company pursuant to the Deed of Exchange of Property for Shares dated May 10, 2024 (see Note 15.4). Accordingly, the subject properties were transferred to the Company, and 926,162,000 common shares of the Company were issued in the name of MC on November 19, 2024. Pursuant to the Deed of Exchange of Property for Shares for this transaction, the Company recognized the income from the six properties beginning October 1, 2024.

There was no similar transaction in 2025.

On March 18, 2026, the SEC issued its confirmation of valuation of the nine prime, grade A, office properties in PEZA-accredited zones transferred by MC to the Company in payment of its subscription to 996,865,672 common shares of the Company pursuant to the Deed of Exchange of Property for Shares dated December 17, 2025 (see Note 15.4). Accordingly, the subject properties were transferred to the Company, and 996,865,672 common shares of the Company were issued in the name of MC on March 25, 2026. Pursuant to the Deed of Exchange of Property for Shares for this transaction, the Company recognized the income from the nine properties beginning January 1, 2026.

EXHIBIT 5

The details of the assets transferred to the Company as of 2026 are presented below.

	<u>Ownership</u>
Science Hub Tower 1, McKinley Hill Village, Pinagsama, Taguig City	100%
Science Hub Tower 3 Campus Avenue, McKinley Hill Village, Pinagsama, Taguig City	100%
Science Hub Tower 4 Campus Avenue, McKinley Hill Village, Pinagsama, Taguig City	100%
8 Campus Place A (Wells Fargo), McKinley Hill Village, Pinagsama, Taguig City	100%
8 Campus Place B (Wells Fargo), McKinley Hill Village, Pinagsama, Taguig City	100%
8 Campus Place C (Wells Fargo), McKinley Hill Village, Pinagsama, Taguig City	100%
One Campus Place Bldg. A McKinley Hill Village, Pinagsama, Taguig City	100%
One Campus Place Bldg. B McKinley Hill Village, Pinagsama, Taguig City	100%
SEAC (Wells Fargo) McKinley Hill Village, Pinagsama, Taguig City	100%

The details of the assets transferred to the Company as of 2024 are presented below.

	<u>Ownership</u>
One Fintech Place, Megaworld Blvd., Digital Road and Festive Walk Road, Iloilo Business Park, Manduriao, Iloilo City	100%
Two Fintech Place, Megaworld Blvd., Festive Walk Road, Manduriao, Iloilo City	100%
Davao Finance Center, Davao Park District, Agdao, Davao City	100%
Two West Campus, 5 Le Grand Avenue, McKinley West, Fort Bonifacio, Taguig City	80% pro indiviso
Ten West Campus, 5 Le Grand Avenue, McKinley West, Fort Bonifacio, Taguig City	80% pro indiviso
One Le Grand, Le Grand Avenue, McWest Blvd and Chateau Road, McKinley West, Fort Bonifacio, Taguig City	80% pro indiviso

The details of the assets transferred to the Company in 2023 are presented below.

	<u>Ownership</u>
Two Global Center, Megaworld Blvd. and Enterprise Rd., Iloilo Business Park, Manduriao Iloilo City	100%
Festive Walk 1B, Lot 5 Buhang Taft North Mandurriaio, Iloilo City	100%
One West Campus, 5 Le Grand Avenue, McKinley West, Fort Bonifacio, Taguig City	80% pro indiviso
Five West Campus, 15 Le Grand Avenue, McKinley West, Fort Bonifacio, Taguig City	80% pro indiviso

For the three months ended March 31, 2026 and 2025, rental income from investment properties amounted to P1,327.2 million and P1,018.6 million, respectively.

The direct operating costs incurred relating to investment properties, which pertains to repairs and maintenance and real property taxes, amounted to P12.2 million, P9.5 million for the three months ended March 31, 2026 and 2025, respectively. These direct operating costs are presented as part of the Cost of Services account in the statements of comprehensive income. All investment properties generate rental income.

7. OTHER ASSETS

The Company's other assets consist of the following:

<i>(Amounts in PHP)</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Current:		
Prepaid expenses	P 533,883,502	152,971,190
Creditable withholding taxes - net	66,753,827	136,843,405
Deferred input VAT	51,411,524	55,963,900
Supplies	11,548,572	11,788,076
Creditable VAL withheld	<u>3,276,787</u>	<u>2,967,526</u>
	<u>666,874,212</u>	<u>360,534,097</u>
Non-current:		
Advances to contractors	141,810,833	112,077,617
Deferred charges	62,547,027	63,364,466
Security deposit	<u>39,879,047</u>	<u>40,711,274</u>
	<u>244,236,908</u>	<u>216,153,357</u>
	<u>P 911,111,120</u>	<u>P 576,687,454</u>

Security deposit is related to the lease of certain parcels of land on which the investment properties stand (see Note 11.2). The related interest income recognized from subsequent amortization of the security deposit is presented as part of Interest income under Other Income (Charges) - net section in the interim statements of comprehensive income.

Deferred charges pertain to the difference between the nominal values of the security deposits and their fair values. These are initially measured at fair value and subsequently amortized using the straight-line method. Amortization of deferred charges is presented as part of Miscellaneous under Cost of Services account in the interim statements of comprehensive income. Other non-current asset consists of office machinery-net and advance payment to contractors for aircon related repairs and enhancement.

8. ACCOUNTS AND OTHER PAYABLES

The details of this account are as follows:

<i>(Amounts in PHP)</i>	March 31, 2026 <u>(Unaudited)</u>	December 31, 2025 <u>(Audited)</u>
Accounts payable	524,204,580	130,261,776
Accrued expenses	348,049,756	214,866,083
Output VAT payable	57,406,512	91,000,720
Deferred output VAT	19,950,123	15,556,501
Withholding taxes	8,117,011	15,468,884
Interest payable	8,055,636	8,055,636
Others	<u>24,672,857</u>	<u>8,791,629</u>
	<u>P 990,455,476</u>	<u>P 484,001,229</u>

9. DEPOSITS AND OTHER LIABILITIES

The details of this account are as follows:

<i>(Amounts in PHP)</i>	March 31, 2026 <u>(Unaudited)</u>	December 31, 2025, <u>(Audited)</u>
Current:		
Security deposits	P 714,083,439	P 379,604,484
Advance rent	382,408,992	356,948,889
Deferred credits	<u>7,640,082</u>	<u>7,532,181</u>
	<u>1,104,132,513</u>	<u>744,085,554</u>
Non-current:		
Security deposits	1,036,104,752	681,154,377
Advance rent	368,844,937	202,571,657
Deferred credits	<u>130,004,665</u>	<u>99,428,921</u>
	<u>1,534,954,355</u>	<u>983,154,955</u>
	<u>P 2,639,086,867</u>	<u>P 1,727,240,509</u>

Security deposits represent deposits from lessees to secure the faithful compliance by lessees of their obligations under the lease contracts. These are equivalent to three months' rent for office and six months' rent for commercial spaces and will be refunded to the lessee at the end of the lease term. The related accretion of interest presented as part of Interest expense under Other Income (Charges) - net in the statements of comprehensive income.

Advance rentals from lessees represent cash received in advance representing three months' rent which will be applied to the last three months' rentals on the related lease contracts.

Deferred credits pertain to the difference between the nominal values of the deposits and their fair values. These are initially measured at fair value and subsequently amortized using the straight-line method.

10. INTEREST-BEARING LOAN

In December 2021, the Company obtained an unsecured, 10-year, P7.25 billion term loan from a local bank to finance the acquisition of investment properties (see Note 6). The principal is payable quarterly in installments beginning on the last quarter of the fifth year with a balloon payment at the end of the term. Interest is payable quarterly at 6.47% per annum subject to repricing in December 2024.

The Company is required to maintain certain financial ratios to comply with its debt covenants with a certain local bank. As of March 31, 2026 and December 31, 2025, the Company is in compliance with such financial covenant obligations.

Total capitalized loan origination costs amounted to P54.4 million. Amortization for the first three months of 2026 and 2025 amounted to P1.3 million and P1.3 million respectively, and is presented as part of Interest expense under Other Income (Charges) – net in 2026 and 2025 of statements of comprehensive income.

The related interest incurred amounted to P117.3 million and P117.3 million for the three months of 2026 and 2025, respectively, and this is presented as part of Interest expense under Other Income (Charges) - net in the 2026 and 2025 statements of comprehensive income. The related accrual is presented as Interest payable under Accounts and Other Payables in the statements of financial position.

The reconciliation of the unamortized loan origination costs is presented below.

<i>(Amounts in PHP)</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of period	P 32,362,847	P 37,827,189
Amortization	(1,333,070)	(5,464,342)
Balance at end of period	P 31,029,777	P 32,362,847

11. RELATED PARTY TRANSACTIONS

The Company's related parties include the Parent Company and related parties under common ownership. A summary of the Company's transactions and outstanding balances with its related parties is presented below.

Related Party Category	Notes	Amounts of Transactions		Outstanding Receivable (Payable)	
		March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Parent Company:					
Rendering of services	11.1	P39,134,180	P 110,592,297	P71,014,742	P 64,964,065
Property-for-share swap	11.4	996,865,672	—	—	—
Advance rent	11.1	(10,349,292)	609,360	(14,065,647)	(10,111,431)
Security deposits received	11.1	(68,563,732)	366,840	(68,191,770)	(68,453,932)
Security deposits paid	11.2	—	10,469,949	26,458,224	40,711,274
Land lease	11.2	55,421,684	24,129,465	(55,421,684)	(58,290,596)
Related parties under common Ownership:					
Advance rent	11.1	(22,066,956)	689,717	(30,780,703)	(23,101,764)
Security deposits received	11.1	(27,482,580)	—	(53,409,198)	(27,480,966)
Rendering of services	11.1	31,422,220	30,556,294	139,040,771	122,791,955
Land lease	11.2	1,949,447	943,775	(6,980,477)	(5,031,030)
Management services	11.3	94,745,095	74,651,101	(306,073,919)	(233,909,617)
Key management personnel – Compensation					
	11.5	1,367,445	1,367,445	(6,837,225)	5,469,780

11.1 Rendering of Services to Related Parties

The Company leases some of its investment properties to the Parent Company and other related parties under common ownership with rental payments mutually agreed generally before the commencement of the lease. Most of the leases have terms ranging from 5 to 25 years, with renewal options, and include annual escalation rates of 5% to 10%, except for contingent rent. The revenues earned from these related parties are included as part of Rental income under Revenues section in the statements of comprehensive income. The related outstanding receivables from these transactions, which are collectible on demand, unsecured and noninterest-bearing, are presented as part of Trade receivables under the Trade Receivables account in the statements of financial position (see Note 5). Advanced rentals and security deposits relating to this transaction are presented as part of current and non-current portion of Deposits and Other Liabilities account in the statements of financial position (see Note 9).

11.2 Land Lease Agreement

The Company entered into land lease agreements with MC over the land on which its investment properties stood for a period of 25 years, renewable for another 25 years, at the option of the Company, on terms and conditions mutually acceptable to the parties. As consideration for the land lease, the Company shall pay MC rent equivalent to: (a) 2.5% of gross rental income for office, retail and commercial properties for the period July 1, 2023 and until June 30 2025, and 5% thereafter; and, (b) 1.5% of gross rental income for hotel properties for the period July 1, 2023 and until June 30 2025, and 3% thereafter.

Deposit paid by the Company from the land lease agreement was presented as Security deposit under Other Non-current Assets in the statements of financial position (see Note 7). This deposit will be refunded at the end of the lease term at its face value amounting to P38.2 million.

The Company incurred a total of P57.4 million first three months of 2026 which is presented as part of Cost of Services under the statement of comprehensive income. The outstanding balance of P52.7 million as March 31, 2026 and P 28.3 million as of December 31, 2025 are presented as part of Accounts payable under Accounts and Other Payables account in the statement of financial position (see Note 8).

11.3 Management Services

The fund management function of the Company is handled by MREIT Fund Managers, Inc., a subsidiary of MC, in exchange for a fee. Management fee is payable annually equivalent to 3.5% of the Company's gross revenues but shall not exceed 1% of the net asset value of the properties under management.

The operations and management of the properties and facilities of the Company are handled by MREIT Property Managers, Inc., a subsidiary of MC, in exchange for a fee. Property management fee is payable monthly equivalent to 2% of the Company's gross revenues but shall not exceed 1% of the net asset value of the properties under management.

The Company recognized a total of P94.7 million and P74.7 million management fees for the three months March 31, 2026 and 2025, respectively, which is presented as part of Cost of Services in the interim statements of comprehensive income. The outstanding balance of P306.1 million as of March 31, 2026 and P233.9 million as of December 31, 2025 are presented as part of Accounts payable and Accrued expenses under Accounts and Other Payables account in the interim statements of financial position (see Note 8).

11.4 Property-for-share Swap

In line with the Company's investment plan to infuse 500,000 square meters of office gross leasable area by the end of 2024, the BOD approved on April 1, 2022 the subscription of MC to 263,700,000 shares of the Company to be paid by way of transfer of four grade A buildings in PEZA-registered zones (see Note 6). Pursuant to the Amended Deed of Exchange of Property for Shares between the two parties, all collections of rental fees, security deposits and advanced rent from January 1, 2023 on the covered properties shall be remitted by MC to the Company. In 2023, MC remitted P207.3 million to the Company.

Similarly, pursuant to the Company's investment plan to infuse asset to reach 500,000 square meters of gross leasable area before the end of 2024, the BOD approved on May 10, 2024 the subscription of MC to 926,162,000 shares of the Company to be paid by way of transfer of six grade A buildings in PEZA-registered zones (See Note 6). Pursuant to the Deed of Exchange of Property for Shares between two parties, the Company started recognizing the income from the six properties from the start of fourth quarter of 2024. In 2024, MC remitted P623.5 million to the Company.

After the properties infused in 2024, the Company's investment plan is now to reach to reach 1,000,000 square meters of gross leasable area before the end of 2027, the BOD approved on December 17, 2025 the subscription of MC to 996,865,672 shares of the Company to be paid by way of transfer of nine grade A buildings in PEZA-registered zones (See Note 6). Pursuant to the Deed of Exchange of Property for Shares between two parties, the Company started recognizing the income from the nine properties from the start of first quarter of 2026.

In 2024 and 2023, MC transferred certain real properties for lease to the Company amounting to P13,151.5 million and P5,274.0 million, respectively (see Note 6).

11.5 Key Management Personnel Compensation

Key management personnel compensation pertains to payment for outsourced management services included within Outside services under Other Operating Expenses.

12. EQUITY

12.1 Capital Stock

On October 2, 2020, the Company was incorporated with a total authorized capital stock of P5,000,000,000 divided into 50,000,000 common shares with a P100 par value per share, of which P10,000,000 has been subscribed and paid.

On February 1, 2021, MC has subscribed to and paid for 12,400,000 shares with par value of P100 per share or a total of P1,240,000,000.

On April 7, 2021, majority of the members of the BOD and stockholders of MREIT approved the amendments to the Articles of Incorporation and By-Laws of MREIT, which include, among others, the change in par value of common shares from P100 to P1, resulting in an increase in the number of authorized common shares from 50,000,000 to 5,000,000,000 and subscribed common shares from 12,500,000 to 1,250,000,000. On May 19, 2021, the Company obtained approval of the amendments from the SEC (see Note 1).

On May 28, 2021, an individual stockholder subscribed and paid 1,000 common shares of the Company with par value of P1 per share or a total subscription price of P1,000.

On June 2, 2021, on consummation of the Deed of Exchange of Property and Shares in relation to the Property-for-Share Swap transaction with MC, the Company issued 1,282,120,381 common shares at par value of P1 per share (see Notes 1 and 6). In addition, the Company recognized APIC amounting to P47,920,287,239, less shares issuance costs amounting to P12.8 million.

On June 16, 2021, the Company filed its application with the PSE for the listing of its 2,532,121,381 existing common shares. The listing application was approved by PSE on August 9, 2021 which includes the Secondary Offer Shares of 844,300 common shares with an Overallotment Option of up to 105,537,500 common shares to be offered and sold by MC to the public, under the Main Board of the PSE with an offer price of P16.10 per share. The PSE approved the listing application of the Company on August 9, 2021.

Also on June 16, 2021, the Company filed a Registration Statement covering the registration of 2,532,121,381 existing common shares, in accordance with the requirements of the SEC's Securities Regulation Code. The Registration Statement was rendered effective on September 13, 2021.

On October 1, 2021, the common shares of the Company were listed as a REIT company under the Main Board of the PSE.

On April 1, 2022, the BOD of the Company approved the proposed subscription of MC to 263,700,000 common shares of the Company for a total subscription price of P5.3 billion to be paid by way of transfer of four prime, grade A, office properties in PEZA-accredited zones. On March 23, 2023, the SEC issued its confirmation of the valuation of the property-for-share swap. Consequently, on March 31, 2023, the Company issued 263,700,000 common shares.

EXHIBIT 5

On May 22, 2023, the Company filed the application for listing of the additional shares with the PSE. The additional shares are listed with the PSE on July 18, 2024. In addition, the Company recognized APIC in 2023 amounting to P5,010,300,000, less issuance cost amounting to P134,952,150.

On May 10, 2024, the BOD of the Company approved the subscription of MC to 926,162,000 common shares of the Company for a total subscription price of P13.2 billion to be paid by way of transfer of six prime, grade A, office properties in PEZA-accredited zones. On October 10, 2024, the SEC issued its confirmation of the valuation of the property-for-share swap. Consequently, on November 19, 2024, the Company issued 926,162,000 common shares.

On November 22, 2024, the Company filed the application for listing of the additional shares with the PSE, which is still pending as of the issuance date of the Company's financial statements. The Company recognized APIC in 2024 amounting to P12,225,338,400, less issuance cost amounting to P211.2 million.

In their respective meetings held on August 12, 2025, and September 29, 2025, Company's BOD and stockholders approved the increase in the Company's authorized capital stock from P5,000,000,000, divided into 5,000,000,000 common shares with par value of P1.00 per share to P8,000,000,000, divided into 8,000,000,000 common shares with par value of P1.00 per share.

On October 17, 2025, the Company and MC executed a Memorandum of Understanding where the parties agree to pursue a share swap arrangement over certain income-generating real estate (the Target Growth Assets) of MC that meet the investment criteria of the Company (see Notes 6 and 12). The Company intends to acquire the Target Growth Assets to secure income growth and provide a competitive investment return to its shareholders. In exchange for the Target Growth Assets and/or cash, MC shall subscribe to primary common shares of the Company at an average adjusted price per share equivalent to not less than P14.39 per share. The share price shall carry a premium to Volume Weighted Average Price of the Company's shares for the period of thirty (30) trading days prior to the transaction.

On December 17, 2025, the Company's BOD approved the proposed amended subscription by MC to 996,865,672 common shares in the Company for a total subscription price of P16,217,100,000 broken down into: (i) paid-up capital (at par) of P996,865,672, and (ii) additional paid-in capital of P15,220,234,328. The amended subscription price translates to an effective price per share of P16.27, representing a fifteen percent (15%) premium over the Volume-Weighted Average Price (VWAP) of P14.15 per share over a period of thirty (30) trading days. The amended subscription price shall be payable as follows: (a) the amount of P187,500,000 shall be paid by in cash, full receipt of which is acknowledged by the Company, and (b) the balance of the total subscription price amount to P16,029,600,000 shall be paid by way of a tax-free exchange of nine grade A asset buildings located in PEZA-registered zone (see Notes 6 and 12).

The SEC approved the increase in authorized capital stock on November 27, 2025. However, the completion of the property-for-share swap transaction is subject to the SEC's confirmation of the valuation of the Target Growth Assets, which serves as a condition precedent to the issuance of the corresponding shares. The SEC confirmed the valuation of the Target Growth Assets on March 18, 2026. Hence, the P187.5 million cash infusion received from MC is recognized as Deposit for Future Stock Subscription presented under Equity in the 2025 statement of financial position.

There are 43,041 and 37,500 shareholders of at least one board lot of the listed shares as of December 31, 2025 and 2024, respectively. As of March 31, 2026 and December 29, 2025, the last trading dates for each year, the shares closed at P13.52 and P14.00 per share, respectively.

12.2 Dividends

On February 27, 2026, the BOD approved the declaration of cash dividends of P0.2505 per share to stockholders on record as of March 16, 2026. The dividends were declared out of the unrestricted retained earnings for the year ending December 31, 2025. The cash dividends were paid on March 26, 2026.

12.3 Distributable Income

The computation of the distributable income of the Company for the months ended March 31, 2026 is shown below.

Net income	P	1,278,544,383
Unrealized gains or adjustments to income as a result of certain transactions accounted for under PFRS		(40,686,914)
Adjustments due to any prescribed accounting standard which results to a loss		<u>14,247,693</u>
Distributable income	P	<u>1,252,105,162</u>

13. EARNINGS (LOSS) PER SHARE

Basic and diluted earnings (loss) per share amounts were computed as follows:

<i>(Amounts in PHP)</i>	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Net profit for the period	P 1,278,544,383	P 963,104,503
Divided by weighted number Of outstanding common shares	<u>4,718,849,053</u>	<u>3,721,983,381</u>
Basic and diluted earnings (loss) per share	<u>P 0.27</u>	<u>P 0.26</u>

The Company has no potential dilutive common shares as of three months ended March 31, 2026 and 2025.

14. COMMITMENTS AND CONTINGENCIES

14.1 Operating Lease Commitments – Company as a Lessor

The Company is a lessor under several operating leases covering real estate properties for office and commercial use (see Note 6). The future minimum lease receivable under these agreements as of March 31, 2026 and December 31, 2025 are shown below:

EXHIBIT 5

	March 31, 2026	March 31, 2025
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Within one year	P 4,489,501,978	P 4,041,831,749
After one year but not more than two years	4,012,674,637	3,299,579,930
After two years but not more than three years	3,162,779,091	2,458,530,172
After three years but not more than four years	2,069,772,028	1,899,046,189
After four years but not more than five years	734,502,305	1,416,364,914
More than five years	<u>1,360,811,438</u>	<u>3,055,947,030</u>
	P 15,830,041,477	P 16,171,299,984

The Company is subject to risk incidental to the operation of its office and commercial properties, which include, among others, changes in market rental rates, inability to renew leases upon lease expiration, and inability to collect rent from tenants due to bankruptcy or insolvency of tenants. Majority of the Company's revenue from rental properties are derived from commercial and BPO-based tenants. If the expected growth, particularly from BPO-based tenants, does not meet management's expectations, or in the case of commercial tenants more stringent health measures are imposed resulting to further temporary or permanent closures of commercial establishments, the Company may not be able to lease their properties in a timely manner or collect rent at profitable rates.

To mitigate these risks, the Company requires security deposits and advanced rentals representing three months' and six months' rent from office and commercial tenants, respectively (see Note 9).

14.2 Operating Lease Commitments – Company as a Lessee

The Company entered into a land lease agreement with MC over the land on which its investment properties stood for a period of 25 years, renewable for another 25 years. (see Note 11.2). Variable lease payments commenced on July 1, 2023. The lease agreement does not contain any fixed lease payments. In addition, the lease agreement involves payment for security deposit (see Note 7).

14.3 Others

There are commitments and contingent liabilities that may arise in the normal course of the Company's operations, which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these commitments and contingencies will not have material effects on the Company's financial statements.

15. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks in relation to its financial instruments. The Company's financial assets and financial liabilities by category are summarized in Note 16. The main types of risks are market risk, credit risk and liquidity

risk.

The Company's risk management is coordinated with its parent company, in close coordination with the BOD, and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial risks.

The Company does not engage in trading of financial assets for speculative purposes. The relevant financial risks to which the Company is exposed are discussed below.

15.1 Market Risk

As of March 31, 2026 and December 31, 2025, the Company is exposed to market risk through its cash in banks, which are subject to changes in market interest rates. However, management believes that the related interest rate risk exposure is not significant. All other financial assets and financial liabilities are either noninterest-bearing or subject to fixed interest rates.

15.2 Credit Risk

The Company's credit risk is attributable to trade and other receivables and other financial assets. The Company maintains defined credit policies and continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at a reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties. In addition, for trade receivables, security deposits and advance payments are received to mitigate credit risk.

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statements of financial position (or in the detailed analysis provided in the notes to financial statements), as summarized below.

	Notes	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash and cash equivalents	4	P 1,207,694,080	P 1,387,817,591
Trade and other receivables	5	2,483,956,904	916,649,667
Security deposit	7	39,879,047	40,711,274
		<u>P 3,731,530,031</u>	<u>P 2,435,178,532</u>

(a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum of P1.0 million for every depositor per banking institution.

(b) Trade and Other Receivables

The Company applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade and other receivables. To measure the

expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from third parties other than trade receivables and have substantially the same risk characteristics as the trade receivables. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other assets.

Management considers the ECL on the Company’s trade and other receivables to be negligible taking into consideration the counterparties’ ability to repay at the reporting date and the actual collection from such counterparties during the reporting periods.

Furthermore, the Company considers credit enhancements in determining the expected credit loss. Trade receivables are collateralized by advance rental and security deposits received from lessees.

The estimated fair value of collateral and other security enhancements held against trade and other receivables as of March 31, 2026 and December 31, 2025 is presented below.

	<u>Gross Maximum Exposure</u>	<u>Fair Value of Collaterals</u>	<u>Net Exposure</u>
As of March 31, 2026 (Unaudited)	P 2,483,956,904	P 2,643,934,367	P -
As of December 31, 2025 (Audited)	P 916,649,667	P 1,620,279,406	P -

(c) *Security Deposit*

The credit risk for security deposit is considered negligible as the Company has ongoing lease agreement with the counterparty and the latter is considered to be with sound financial condition and sufficient liquidity. The security deposit can also be applied against future rental payments in cases of default.

15.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week, as well as on the basis of a rolling 30-day projection. Long-term needs for a 6-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash is invested in time deposits, or short-term marketable securities.

EXHIBIT 5

As at March 31, 2026 and December 31, 2025, the Company's financial liabilities have contractual maturities which are presented below.

		<u>Within 1 Year</u>		<u>1 to 5 Years</u>		<u>More than 5 Years</u>
<u>March 31, 2026 (unaudited)</u>						
Interest-bearing loan	P	493,744,333	P	9,493,998,733	P	-
Security deposits		78,963,260		817,036,667		679,902,534
Accounts payable		348,049,756		-		-
Accrued expenses		<u>524,204,580</u>		<u>-</u>		<u>-</u>
	P	<u>1,444,961,929</u>	P	<u>10,311,035,400</u>	P	<u>679,902,534</u>
<u>December 31, 2025 (audited)</u>						
Interest-bearing loan	P	479,213,309	P	2,407,284,005	P	7,185,996,189
Security deposits		93,046,521		698,438,319		380,812,398
Accounts payable		130,261,776		-		-
Accrued expenses		<u>214,866,083</u>		<u>-</u>		<u>-</u>
	P	<u>917,387,689</u>	P	<u>3,105,722,324</u>	P	<u>7,566,808,587</u>

The above contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting periods.

16. CATEGORIES, FAIR VALUES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

16.1 Carrying Amounts and Fair Value by Category

The carrying values and fair values of the categories of financial assets and financial liabilities presented in the statements of financial position are shown below.

		<u>March 31, 2026 (Unaudited)</u>		<u>December 31, 2025 (Audited)</u>	
		<u>Notes</u>	<u>Carrying Values</u>	<u>Fair Values</u>	<u>Carrying Values</u>
<i>Financial assets</i>					
Financial assets at amortized cost:					
Cash and cash equivalents	4	P 1,207,694,080	P 1,207,694,080	1,387,817,591	P 1,387,817,591
Trade and other receivables	5	2,483,956,904	2,483,956,904	916,649,667	916,649,667
Security deposit	7	<u>39,879,047</u>	<u>39,382,846</u>	<u>40,711,274</u>	<u>39,671,019</u>
		P 3,731,530,031	P 3,731,033,830	P 2,345,178,532	P 2,344,138,277
<i>Financial liabilities</i>					
Financial liabilities at amortized cost:					
Interest-bearing loan	10	P 7,218,970,316	P 7,218,970,316	P 7,217,637,246	P 7,217,637,246
Security deposits	9	1,418,513,745	1,405,599,122	1,060,758,861	1,029,459,502
Accounts payable	8	348,049,756	348,049,756	130,261,776	130,261,776
Accrued expenses	8	524,204,580	524,204,580	214,866,083	214,866,083
Interest payable	8	<u>8,055,636</u>	<u>8,055,636</u>	<u>8,055,636</u>	<u>8,055,636</u>
		P 9,517,794,033	P 9,594,879,410	P 8,953,331,732	P 8,631,579,602

A description of the Company's risk management objectives and policies for financial instruments is provided in Note 15.

16.2 Offsetting of Financial Assets and Financial Liabilities

Except when applicable for the offsetting of rental receivables and rental deposits arising from the normal course of the Company's leasing activities, the Company has not set off financial instruments and do not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle

all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and shareholders. As such, the Company's outstanding receivables from and payables to the same related parties can be potentially offset to the extent of their corresponding outstanding balances.

17. FAIR VALUE MEASUREMENT AND DISCLOSURE

17.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

17.2 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The Company's financial assets which are not measured at fair value in the statements of financial position but for which fair value is disclosed only include cash and cash equivalents categorized as Level 1. All other financial assets and financial liabilities are categorized under Level 3.

For financial assets with fair values included in Level 1, management considers that the carrying amounts of these financial instruments approximate their fair values due to their short-term duration.

The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability based on the instrument where the significant inputs required to determine the fair value of such instruments are not based on observable market data.

17.3 Fair Value Measurement of Investment Properties

As of March 31, 2026 and December 31, 2025, the Company's investment properties amounting to P89.7 billion and P73.7 billion, respectively, are classified under Level 3 of the hierarchy of fair value measurements.

The fair values of the Company's investment properties (see Note 6) are determined on the basis of the appraisals performed by Cuervo Appraisers, Inc., an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. Briefly describing the valuation method used, the approach converts anticipated future gains to present worth by projecting reasonable income and expenses for the properties. In estimating the fair value of these properties, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Company's investment property is its current use.

Fair value as determined by independent appraisers are based on the Income Approach. Under the Income Approach, the fair value of an asset is measured by calculating the present value of its economic benefits by discounting expected cash flows at a rate of return that compensates the risks associated with the particular investment. The most common approach in valuing future economic benefits of a projected income stream is the discounted cash flows model. This valuation process of this model consists of the following: (a) estimation of the revenues generated; (b) estimation of the costs and expenses related to the operations of the development; (c) estimation of an appropriate discount rate; and (d) discounting process using an appropriate discount rate to arrive at an indicative fair value. The most significant inputs used in this model are the estimated expected future annual cash inflow and outgoing expenses, anticipated increase in market rental, discount rate and terminal capitalization rate.

The fair value is sensitive to changes in discount rate, terminal capitalization rate and market rental. A change in these unobservable inputs would have the following impact on fair value:

	<u>Increase</u>	<u>Decrease</u>
Discount rate	Decrease	Increase
Terminal capitalization rate	Decrease	Increase
Increase in market rental	Increase	Decrease

The discount rates and terminal capitalization rates were determined with reference to published risk free rates and risk premium rates at the date of valuation.

Also, there were no transfers into or out of Level 3 fair value hierarchy.

18. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern.

The Company sets the amount of capital in proportion to its overall financing structure, i.e., equity and liabilities. The Company manages the capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's total liabilities and total equity are presented below.

EXHIBIT 5

<i>(Amounts in PHP)</i>	March 31, 2026 <u>(Unaudited)</u>	December 31, 2025 <u>(Audited)</u>
Total liabilities	P 10,848,512,660	P 9,428,878,984
Total equity	83,491,109,245	67,159,535,528

Under REIT Act, the Company is subject to external capital requirement to have a minimum paid-up capital of P300.0 million, which was complied with as of the reporting periods presented.

19. OPERATING SEGMENT

The Company has determined that it operates as one operating segment. The Company's only income-generating activity is the lease of its buildings, which is the measure used by the Chief Operating Decision Maker in allocating resources.

20. SUBSEQUENT EVENTS**Dividends**

On April 29, 2026, the board of Directors approved the declaration of cash dividends of P0.26300 per share, to be paid from unrestricted retained earnings for the first quarter of 2025, to stockholders record as of March 31, 2026, with payment scheduled on May 29, 2026.

EXHIBIT 6

Management's Discussion and Analysis of Results of Operations and Financial Condition (March 31, 2026)

Results of Operations (Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of Three Months ending March 31, 2026 versus Three Months Ending March 31, 2025

The Company's net income increased to Php1,278.6 million for the three months ended March 31, 2026, from Php963.1 million in the same period last year, primarily driven by the infusion of additional income-generating assets which resulted in higher rental revenues and income from dues. As a result, distributable income also rose to Php1,252.1 million from Php932.3 million, mainly attributable to the expanded asset base from the infusion, with incremental support from rental escalations. The year-over-year improvement for the first quarter of 2026 reflects the Company's continued efforts to strengthen its asset portfolio through strategic infusions, enhancing its income-generating capacity and supporting sustained value for its stakeholders.

Revenues

For the first three months ended March 31, 2026, total revenue increased by 29%, or Php382 million reaching Php1,722.6 million compared to Php1,340.5 million in the same period in 2025. The growth was primarily attributable to the infusion of newly acquired assets, which expanded the Company's income-generating portfolio and enhanced overall operating performance. The increase reflects the Company's strategic focus on sustainable expansion and long-term value creation through proactive asset management and continuous enhancement.

Cost and Expenses

The cost of services increased by 13%, from Php252 million for the first three months ended March 31, 2025 to Php284 million in the same period in 2026, primarily due to higher real property tax (RPT) assessments and increased land lease rates.

Tax Expense

Tax expense decreased by 90%, or Php2,921 million, primarily due to lower final tax incurred on short-term placements during the current period.

	March 31, 2026	December 31, 2025
Current Ratio ¹	1.95	1.91
Debt to Equity Ratio ²	0.13	0.11
Net Debt to Equity Ratio ³	0.07	0.09
Return on Assets ⁴	5.98%	5.76%
Return on Equity ⁵	6.79%	6.59%

EXHIBIT 6

**1 – Current Assets / Current Liabilities*

**2 – Total Debt / Equity (Total debt includes interest bearing loans and borrowings and bonds payable)*

**3 – Net Debt / Equity (Net debt is total debt less cash and cash equivalents)*

**4 – Net Profit (Annualized) / Average Total Assets*

**5 – Net Profit (Annualized) / Average Equity*

- Due to the Company's sound financial condition, there is no foreseeable trend or event which may have a material impact on its short-term or long-term liquidity.
- Funding will be sourced from internally-generated funds and/or bank loans.
- There is no material commitment for capital expenditures other than those performed in the ordinary course of trade or business.
- There is no known trend, event or uncertainty that have had or that are reasonably expected to have a material impact on revenues or income from continuing operations.
- There is no known significant element of income or loss that did not arise from the Company's continuing operations, except as disclosed above and in the attached financial statements.
- There have been no seasonal aspects that had a material effect on the financial condition or results of the Company's operations.
- There are no known events and uncertainties that will trigger direct or contingent financial obligation that is 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.

EXHIBIT 6

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Income (31 March 2026 vs 31 March 2025)

Item	31 March 2026	Increase/ (Decrease)	% Change	Causes
Rental income	1,327,213,414	308,576,773	30%	The increase was primarily driven by the infusion of newly acquired income-generating assets.
Income from dues - net	395,424,674	73,585,452	23%	
Cost of Services	284,164,629	31,725,363	13%	Increased mainly due to higher land lease rates and gross revenue-based management fees.
Operating expense	33,253,016	21,280,201	178%	The increase was mainly due to the higher tax assessment rates and professional fees incurred during the period.
Other income	5,186,651	(13,666,882)	(72%)	Decreased due to lower interest income from short-term investments.
Tax Expense	339,017	(2,921,359)	(90%)	The decrease was primarily due to lower final tax incurred on short-term placements during the current period.

Statement of Financial Position (31 March 2026 vs 31 December 2025)

Item	31 March 2026	Increase/ (Decrease)	% Change	Causes
Cash and cash equivalents	1,207,694,080	(180,123,511)	(13%)	The decrease was primarily due to cash disbursements for various expenses incurred during the period.
Trade and other receivables	2,483,956,904	1,567,307,237	171%	The increase was primarily due to higher billed receivables and the timing difference between revenue recognition and collection.

EXHIBIT 6

Investment properties	89,736,859,800	16,029,600,000	22%	The increase was primarily driven by the infusion of newly acquired assets.
Accounts and other payables	990,455,476	506,454,247	105%	Increased due to higher accrual of expenses and unpaid supplier related to operating and project-related costs during the period.
Deposits and other liabilities	2,639,086,867	911,846,358	52%	The increase was primarily driven by higher deposits and accrued expenses related to ongoing operations.
Retained earnings (deficit)	(1,200,678,520)	346,269,430	(22%)	The decrease in deficit is due to the Company's net income for the year, net of dividends declared.

There are no other significant changes in the Company's financial position (5% or more) and results of operations that will warrant a more detailed discussion. Further, there are no material events and uncertainties known to management that would have impact or change the reported financial information and condition on the Company.

EXHIBIT 7

MREIT, INC.

Aging of Accounts Receivables

March 31, 2026

Type of Receivables:	Total	Current/ Not Yet Due	Past Due but not Impaired					Individually Impaired
			<30 days	30-60 days	61-90 days	91-120 days	> 120 days	
a. Trade receivables	929,281,276	625,419,475	41,472,940	32,368,765	51,477,509	24,698,664	153,843,923	-
b. Other receivable	1,554,675,628	1,554,675,628						-
TOTAL	2,483,956,904	2,180,095,103	41,472,940	32,368,765	51,477,509	24,698,664	153,843,923	-

EXHIBIT 8

MREIT, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
MARCH 31, 2026

Ratio	Formula	March 31, 2026	December 31, 2025
Current ratio	Current assets / current liabilities	1.95	1.91
Acid test ratio	Quick assets / Current liabilities (Quick assets include cash and current portion of trade receivables - net)	1.63	1.62
Debt-to-equity ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings and bonds and notes payable)	0.13	0.11
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.13	1.14
		<u>March 31, 2026</u>	<u>December 31, 2025</u>
Solvency Ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings and bonds and notes payable) **	0.13	0.12
Interest rate coverage ratio	EBIT / Total Interest (Total interest includes interest expense and capitalized interest)	10.72	8.52
Return on equity	Net profit (Annualized) / Average Stockholders' equity	0.0598	0.0576
Return on assets	Net profit (Annualized) / Average total assets	0.0679	0.0659
Net profit margin	Net profit / Total revenues	0.74	0.72

Disclosures for REIT Companies¹

(a) Real Estate Transactions for Q1 2026

On 18 March 2026, the Securities and Exchange Commission issued its Certificate of Confirmation of Valuation for a property-for-share swap involving nine grade A asset buildings located in McKinley Hill, Barangay Pinagsama, Taguig City, specifically Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, One Campus Place Bldg. A, One Campus Place Bldg. B, 8 Campus Place A (Wells Fargo), 8 Campus Place B (Wells Fargo), 8 Campus Place C (Wells Fargo), and SEAC (Wells Fargo) which were transferred by Megaworld Corporation ("Megaworld") in favor of the Company.

In exchange, Megaworld subscribed to 996,865,672 common shares of the Company at a par value of Php1.00 per share, alongside additional paid-in capital (APIC) of Php15,220,234,328.00, yielding a total subscription price of Php16,217,100,000.00. Following an initial cash payment of Php187,500,000.00, the tax-free exchange of these properties satisfied the balance of the subscription price amounting to Php16,029,600,000.00.

The properties were valued by Cuervo Appraisers, Inc. and FTI Consulting Philippines, Inc. utilizing the Discounted Cash Flows ("DCF") Method and Direct Capitalization Method under the Income Approach.

(b) Schedule of Properties as of 31 March 2026

Property and Location	Purchase Price	Latest Appraisal *	Remaining Land Lease Term	Gross leasable area (GLA)	Leased Area	Occupancy Rate	Rental Income	Gross Revenue	Cost of Services	Gross Profit
	in Php millions	in Php millions	Years	in sqm	in sqm	%	in Php millions	in Php millions	in Php millions	in Php millions
Eastwood, Quezon City										
1800 Eastwood Avenue	6,948	5,836	45.25	34,718	30,739	89%	67.1	90.4	15.2	75.2
1880 Eastwood Avenue	6,749	5,712	45.25	33,490	28,994	87%	58.4	80.9	14.6	66.3
E-Commerce Plaza	4,188	3,905	45.25	21,032	16,636	79%	30.4	40.1	6.3	33.8
McKinley Hill, Taguig										
One World Square	7,529	7,111	45.25	30,482	27,672	91%	74.5	93.2	10.6	82.5

¹ Pursuant to Section 6.2 of the Amended Listing Rules for REITs

Two World Square	5,258	7,892	45.25	21,286	16,156	76%	51.9	71.5	9.0	62.6
Three World Square	5,241	6,907	45.25	21,222	14,703	69%	33.2	53.3	8.9	44.3
8/10 Upper McKinley	4,925	2,565	45.25	19,938	15,280	77%	42.5	51.1	7.3	43.8
18/20 Upper McKinley	4,795	3,442	45.25	19,413	12,494	64%	33.0	40.7	7.1	33.6
World Finance Plaza	5,153	3,988	46.67	25,067	17,842	71%	38.4	47.2	9.2	38.1
One Campus Place A	910	315	31.50	***12,120	10,963	90%	26.9	32.3	6.1	26.2
One Campus Place B	1,064	293	31.50	***11,305	8,510	75%	22.7	27.7	5.7	22.0
Science Hub Tower 1	2,095	610	31.50	***21,565	19,414	90%	54.9	66.5	11.1	55.5
Science Hub Tower 3	2,025	593	31.50	***20,517	18,324	89%	48.7	59.7	10.5	49.2
Science Hub Tower 4	2,069	594	31.50	***20,691	20,691	100%	64.0	75.1	10.6	64.5
8 Campus Place A	986	324	31.50	***9,860	9,860	100%	23.6	34.4	5.8	28.6
8 Campus Place B	924	307	31.50	***9,335	9,333	100%	22.5	32.7	5.5	27.2
8 Campus Place C	999	324	31.50	***9,991	9,991	100%	23.8	34.7	5.8	28.8
Southeast Asian Campus	4,959	2,326	31.50	***50,094	50,094	100%	119.2	115.6	7.1	108.5
McKinley West, Taguig										
One West Campus*	1,473	1,154	46.75	9,704	9,657	100%	22.0	26.3	3.2	23.1
Five West Campus*	1,001	997	46.75	10,257	10,257	100%	20.5	24.9	3.3	21.6
Two West Campus*	825	1,079	48.42	9,332	9,332	100%	20.5	24.6	3.0	21.5
Ten West Campus*	3,250	3,898	48.42	36,277	27,726	76%	67.6	78.6	7.1	71.5
One Le Grand*	4,354	6,705	48.42	48,439	43,864	91%	106.0	138.9	17.4	121.5
Iloilo Business Park, Iloilo										
Richmonde Tower	2,062	1,054	45.25	13,124	13,124	100%	25.9	32.1	5.8	26.4
One Techno Place	1,509	965	45.25	9,549	9,330	98%	11.8	23.9	8.4	15.5
Two Techno Place	1,465	970	46.67	11,393	11,393	100%	22.8	36.2	8.9	27.3
Three Techno Place	1,242	896	46.67	9,568	9,568	100%	19.4	27.7	6.6	21.1

One Global Center	1,256	671	46.67	10,301	9,958	97%	16.4	26.9	6.7	20.2
Festive Walk 1B	1,507	970	46.75	14,703	12,852	87%	25.8	40.6	10.2	30.4
Two Global Center	1,293	915	46.75	9,903	9,903	100%	21.9	35.8	7.2	28.6
One Fintech Place	1,589	1,978	48.42	18,088	17,681	98%	38.3	55.9	14.6	41.3
Two Fintech Place	1,638	1,509	48.42	18,053	17,667	98%	31.8	48.4	14.8	33.6
Davao Park, Davao City										
Davao Finance Center	1,496	2,587	48.42	26,074	26,047	100%	40.9	54.6	10.5	44.2
Total	92,774	79,394		646,892	576,053	89%	1,327	1,723	284	1,438

* The latest appraisal valuation for MREIT properties, dated December 31, 2025, align with the reports issued by Cuervo Appraisers. All properties were appraised using the Income Approach method.

** The purchase price indicated in this report for these properties represent the price of the 80% pro indiviso ownership transferred to the Company pursuant to the Deed of Exchange of Property for Shares dated 5 April 2022.

*** Additional office, retail, telecom and advertising spaces identified with a total area of 165,478 sqm.

(c) Comparative Summary of Financial Performance

The comparative summary of the Company's financial performance for various time periods can be found in the SEC Form 17-Q and in the Unaudited Financial Statements for the first quarter of 2025.

(d) Reinvestment Plan Progress Report as of 31 March 2026

Relevant Transaction	Date of Reinvestment Plan	Amount of Funds for Reinvestment	Estimated Date of Full Compliance
Block Sale by Megaworld Corporation of 84,800,000 Common Shares of MREIT, Inc. on 25 July 2025	01 August 2025	Php1,157,600,571.45	Q2 2026
Block Sale by Megaworld Corporation of 168,631,900 Common Shares of MREIT, Inc. on 17 September 2025	25 September 2025	Php2,212,916,212.13	Q3 2026

Block Sale by Megaworld Corporation of 98,000,000 Common Shares of MREIT, Inc. on 19 December 2025	23 December 2025	Php1,319,879,969.10	Q4 2026
Block Sale by Megaworld Corporation of 70,000,000 Common Shares of MREIT, Inc. on 06 March 2026	12 March 2026	Php942,683,994.00	Q4 2026

**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. **14 April 2026**
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	4,718,849,053 ¹
Preferred	0
Total	4,718,849,053

10. **Item 9(b)**


Please see the attached 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of 84,800,000 common shares of MREIT, Inc. which was settled on July 29, 2025.

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:


MABEL P. TACORDA
Compliance Officer
14 April 2026

¹ On 18 March 2026, the Securities and Exchange Commission issued its confirmation of valuation in relation to a property-for-share swap of 996,865,672 common shares which shall be listed with the Exchange for nine (9) grade A asset buildings located in PEZA-registered zone namely: Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, One Campus Place Bldg. A, One Campus Place Bldg. B, 8 Campus Place A (Wells Fargo), 8 Campus Place B (Wells Fargo), 8 Campus Place C (Wells Fargo), and SEAC (Wells Fargo), all located in McKinley Hill, Barangay Pinagsama, Taguig City.



MEGAWORLD CORPORATION

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April 13, 2026

THE PHILIPPINE STOCK EXCHANGE

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

Attention: **ATTY. JOHANNE DANIEL M. NEGRE**
Head, Disclosure Department

Subject: 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of
84,800,000 common shares of MREIT, Inc. (MREIT)

Gentlemen:

We hereby submit our Progress Report on the Use of Proceeds for the quarter ending March 31, 2026, 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 84,800,000 common shares of MREIT, Inc. settled on July 29, 2025, at an average price of Php13.82 per share, resulting in net proceeds of Php1,157,600,571.45

Please be advised that, as of March 31, 2026, Megaworld has disbursed the total amount of Eight Hundred Thirty Five Million Pesos (Php 835,000,000.00), in accordance with its reinvestment plan.

The details of the disbursements are as follows:

Net Proceeds from the Block Sale	1,157,600,571.45
less:	
Disbursements from Jul. 29 to Sept. 30, 2025	300,000,000.00
Disbursements from Oct. 1 to Dec. 31, 2025	300,000,000.00
Disbursements from Jan. 1 to Mar. 31, 2026 (Annex A)	235,000,000.00
<hr/> Balance of Proceeds from the Block Sale as of March 31, 2026	<hr/> 322,600,571.45

Thank you.

Respectfully yours,


FRANCISCO C. CANUTO
Treasurer



ANNEX A: Disbursements from the Proceeds of the Block Sale for the period covering January 1 to March 31, 2026

	Project Name	Township/ Location	Investment Type	Product	Disbursement	Disbursing Entity
1	The Mactan Newtown	Cebu	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	150,000,000.00	Megaworld Oceantown Properties, Inc
2	Bacolod Projects	Bacolod	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	85,000,000.00	Megaworld Bacolod Properties, Inc
TOTAL				PHP	235,000,000.00	

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
~~MAKATI CITY~~ METRO MANILA) S.S.

At ~~MAKATI CITY~~ City, Metro Manila, on this 13th day of ~~2026~~ April 2026, 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 he is the same person who executed the foregoing report including the Annex A and this page on which this Acknowledgment is written, and is signed by the party hereto, and acknowledged to me that the same is his free and voluntary act and deed as well as of the entity represented by him.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 13th day of April 2026.

NOTARY PUBLIC

Doc. No. 443 ;
Page No. 90 ;
Book No. 9 ;
Series of 2026.


ATTY. ADONAY JAN R. ASLARONA
Notary Public
Until December 31, 2026
IBP O.R No. 591537/01-07-2026/Pampanga
Appointment No. M-30 (2025-2026)
Roll of Attorney No. 84503
MCLE Compliance No. VIII-0033436
PTR No. 10769145/1-06-2026/Makati City
Unit 1009 Philippine AXA Life Centre, Sen. Gil Puyat
Avenue Corner, Tindalo Street, Makati City 1286

Report of Independent Auditors on Factual Findings

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

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 Quarterly Progress Report (the Report) for the quarter ended March 31, 2026 on the application of proceeds received by Megaworld Corporation (the Company) from the block sale of 84,800,000 common shares of MREIT, Inc. (MREIT) which was settled on July 29, 2025, with the offer price of P13.82 per share (the Block Sale), resulting in a net proceeds estimated at P1,157,600,571.45 (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 quarter ended March 31, 2026.
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 quarter ended March 31, 2026, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Township or Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
The Mactan Newtown	Cebu	Malls, Offices, Land Development, and Other Developments	Megaworld Oceanatown Properties, Inc.	P 150,000,000
Bacolod Projects	Bacolod	Malls, Offices, Land Development, and Other Developments	Megaworld Bacolod Properties, Inc.	<u>85,000,000</u>
				<u>P 235,000,000</u>

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 August 1, 2025.
4. With respect to item 4, we traced the utilization of the Block Sale Proceeds for the quarter ended March 31, 2026 to supporting acknowledgement 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 OceanTown Properties, Inc.	The Mactan Newtown	Cebu	P 150,000,000
Megaworld Bacolod Properties, Inc.	Bacolod Projects	Bacolod	85,000,000
			<u>P 235,000,000</u>

We traced the cash advances granted by the Company to the acknowledgment 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. 10770763, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 121347-SEC (until financial period 2030)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-040-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-012 (until August 12, 2027)

SUBSCRIBED AND SWORN to before me this 13 APR 2026
at Makati City, Philippines. Affiant exhibited to me his/her
competent ID # April 10, 2026 valid until _____

DOC. NO. 273 ;
PAGE NO. 11 ;
BOOK NO. XXVII ;
SERIES OF 2026 .

MA. ESMERALDA B. CUNANAN
Notary Public for Makati City
Until December 31, 2027
Appt. No. M-046 (Ren) (2026-2027) Makati City
Attorney's Roll No. 34562
MCLE Compliance No. VII-0009667/valid until 4-14-2028
PTR No. 10766011/1-2-2026/Makati City
IBP Lifetime Member No. 05413
G/F Dela Rosa Carpark I, Dela Rosa St.
Legaspi Village, Makati City

**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. **14 April 2026**
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	4,718,849,053 ¹
Preferred	0
Total	4,718,849,053

10. **Item 9(b)**

Please see the attached 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of 98,000,000 common shares of MREIT, Inc. which was settled on December 23, 2025.

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:


MABEL P. TACORDA
Compliance Officer
14 April 2026

¹ On 18 March 2026, the Securities and Exchange Commission issued its confirmation of valuation in relation to a property-for-share swap of 996,865,672 common shares which shall be listed with the Exchange for nine (9) grade A asset buildings located in PEZA-registered zone namely: Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, One Campus Place Bldg. A, One Campus Place Bldg. B, 8 Campus Place A (Wells Fargo), 8 Campus Place B (Wells Fargo), 8 Campus Place C (Wells Fargo), and SEAC (Wells Fargo), all located in McKinley Hill, Barangay Pinagsama, Taguig City.



MEGAWORLD CORPORATION

30th Floor, Alliance Global Tower, 36th Street Corner 11th Avenue, Uptown Bonifacio, Fort Bonifacio, Taguig City, NCR, Fourth District Philippines 1630
Tels (632) 88946300 / 79052800 • www.megaworldcorp.com • Email customerservice@megaworldcorp.com

April 13, 2026

THE PHILIPPINE STOCK EXCHANGE

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

Attention: **ATTY. JOHANNE DANIEL M. NEGRE**
Head, Disclosure Department

Subject: 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of
98,000,000 common shares of MREIT, Inc. (MREIT)

Gentlemen:

We hereby submit our Progress Report on the Use of Proceeds for the quarter ending March 31, 2026, 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 98,000,000 common shares of MREIT, Inc. settled on December 23, 2025, at an average price of Php13.50 per share, resulting in net proceeds of Php1,319,879,969.10

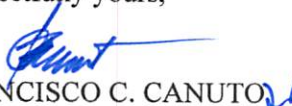
Please be advised that, as of March 31, 2026, Megaworld has disbursed the total amount of Six Hundred Twenty Million Eight Hundred Ninety Thousand Pesos (Php 620,890,000.00), in accordance with its reinvestment plan.

The details of the disbursements are as follows:

Net Proceeds from the Block Sale	1,319,879,969.10
less:	
Disbursements from December 23 to 31, 2025	184,180,000.00
Disbursements from January 1 to March 31, 2026 (Annex A)	436,710,000.00
<hr/> Balance of Proceeds from the Block Sale as of March 31, 2026	<hr/> 698,989,969.10

Thank you.

Respectfully yours,


FRANCISCO C. CANUTO
Treasurer



ANNEX A: Disbursements from Proceeds of the Block Sale of MREIT Common Shares, Covering the 1st Quarter of 2026

	Project Name	Township/ Location	Investment Type	Product	Disbursement	Disbursing Entity
1	The Mactan Newtown	Cebu	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	173,250,000.00	Megaworld Oceantown Properties, Inc
2	Paragua Coastown	Palawan	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	151,500,000.00	Megaworld San Vicente Coast, Inc.
3	Bacolod Projects	Bacolod	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	111,960,000.00	Megaworld Bacolod Properties, Inc
	TOTAL			PHP	436,710,000.00	

ACKNOWLEDGMENT

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

At MAKATI CITY City, Metro Manila, on this 13 APR 2026 13th day of April 2026, 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 he is the same person who executed the foregoing report including the Annex A and this page on which this Acknowledgment is written, and is signed by the party hereto, and acknowledged to me that the same is his free and voluntary act and deed as well as of the entity represented by him.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 13th day of April 2026.

NOTARY PUBLIC

Doc. No. 446 ;
Page No. 91 ;
Book No. 9 ;
Series of 2026.

ATTY. ADONAJAN R. ASLARONA
Notary Public
Until December 31, 2026
IBP O.R No. 591537/01-07-2026/Pampanga
Appointment No. M-30 (2025-2026)
Roll of Attorney No. 84603
MCLE Compliance No. VIII-0033436
PTR No. 10709145/1-06-2026/Makati City
Unit 1009 Philippine AXA Life Centre, Sen. Gil Puyat
Avenue Corner, Tindalo Street, Makati City 1286

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 Quarterly Progress Report (the Report) for the quarter ended March 31, 2026 on the application of proceeds received by Megaworld Corporation (the Company) from the block sale of 98,000,000 common shares of MREIT, Inc. (MREIT) which was settled on December 23, 2025 with the offer price of P13.50 per share (the Block Sale), resulting in a net proceeds estimated at P1,319,879,969.10 (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 quarter ended March 31, 2026.
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 quarter ended March 31, 2026, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Township or Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
The Mactan Newtown	Cebu	Malls, Offices, Land Development, and Other Developments	Megaworld Oceanatown Properties, Inc.	P 173,250,000
Paragua Coastown	Palawan	Malls, Offices, Land Development, and Other Developments	Megaworld San Vicente Coast, Inc.	151,500,000
Bacolod Projects	Bacolod	Malls, Offices, Land Development, and Other Developments	Megaworld Bacolod Properties, Inc.	<u>111,960,000</u>
				<u>P 436,710,000</u>

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 December 23, 2025.
4. With respect to item 4, we traced the utilization of the Block Sale Proceeds for the quarter ended March 31, 2026 to supporting acknowledgement 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 OceanTown Properties, Inc.	The Mactan Newtown	Cebu	P 173,250,000
Megaworld San Vicente Coast, Inc.	Paragua Coastown	Palawan	151,500,000
Megaworld Bacolod Properties, Inc.	Bacolod Projects	Bacolod	111,960,000
			<u>P 436,710,000</u>

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.

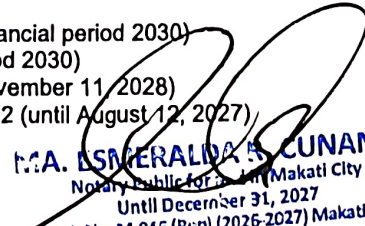
PUNONGBAYAN & ARAULLO



By: **John Endel S. Mata**
Partner

CPA Reg. No. 0121347
TIN 257-622-627
PTR No. 10770763, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 121347-SEC (until financial period 2030)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-040-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-012 (until August 12, 2027)

SUBSCRIBED AND SWORN to before me this 13 APR 2026
at Makati City, Philippines. Affiant exhibited to me his/her
Document ID # _____ until _____


M.A. ESPERALIDA S. CUNANAN
Notary Public for the City of Makati City
Until December 31, 2027
Appt. No. M-046 (Ren) (2026-2027) Makati City
Attorney's Roll No. 34562
JCLE Compliance No. VIII-0009662/valid until 4-14-2028
PTR No. 10766011/1-2-2026/Makati City
IBP Lifetime Member No. 05413
G/F Dela Rosa Carpark I, Dela Rosa St.
Legaspi Village, Makati City

DOC. NO. 234;
PAGE NO. 16;
BOOK NO. 2011;
SERIES OF 2024;

**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. **14 April 2026**
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	4,718,849,053 ¹
Preferred	0
Total	4,718,849,053

10. **Item 9(b)**

Please see the attached 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of 70,000,000 common shares of MREIT, Inc. which was settled on March 10, 2026.

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:


MABEL P. TACORDA
Compliance Officer
14 April 2026

¹ On 18 March 2026, the Securities and Exchange Commission issued its confirmation of valuation in relation to a property-for-share swap of 996,865,672 common shares which shall be listed with the Exchange for nine (9) grade A asset buildings located in PEZA-registered zone namely: Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, One Campus Place Bldg. A, One Campus Place Bldg. B, 8 Campus Place A (Wells Fargo), 8 Campus Place B (Wells Fargo), 8 Campus Place C (Wells Fargo), and SEAC (Wells Fargo), all located in McKinley Hill, Barangay Pinagsama, Taguig City.



MEGAWORLD CORPORATION

30th Floor, Alliance Global Tower, 36th Street Corner 11th Avenue, Uptown Bonifacio, Fort Bonifacio, Taguig City, NCR, Fourth District Philippines 1630
Tels (632) 88946300 / 79052800 • www.megaworldcorp.com • Email customerservice@megaworldcorp.com

April 13, 2026

THE PHILIPPINE STOCK EXCHANGE

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

Attention: **ATTY. JOHANNE DANIEL M. NEGRE**
Head, Disclosure Department

Subject: 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of
70,000,000 common shares of MREIT, Inc. (MREIT)

Gentlemen:

We hereby submit our Progress Report on the Use of Proceeds for the quarter ending March 31, 2026, 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 70,000,000 common shares of MREIT, Inc. settled on March 10, 2026, at an average price of Php13.50 per share, resulting in net proceeds of Php 942,683,994.00.


Please be advised that, as of March 31, 2026, Megaworld has disbursed the total amount of One Hundred Eighty-Five Million Pesos (Php185,000,000.00), in accordance with its reinvestment plan.

The details of the disbursements are as follows:

Net Proceeds from the Block Sale	942,683,994.000
less:	
Disbursements from March 12 to 31, 2026 (Annex A)	185,000,000.00
<hr/> Balance of Proceeds from the Block Sale as of March 31, 2026	<hr/> 757,683,994.00

Thank you.

Respectfully yours,


FRANCISCO C. CANUTO
Treasurer



ANNEX A: Disbursements from Proceeds of the Block Sale of MREIT Common Shares, Covering the 1st Quarter of 2026

	Project Name	Township/ Location	Investment Type	Product	Disbursement	Disbursing Entity
1	The Mactan Newtown	Cebu	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	75,000,000.00	Megaworld Oceantown Properties, Inc
2	Paragua Coastown	Palawan	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	60,000,000.00	Megaworld San Vicente Coast, Inc.
3	Bacolod Projects	Bacolod	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	50,000,000.00	Megaworld Bacolod Properties, Inc
	TOTAL			PHP	185,000,000.00	

ACKNOWLEDGMENT

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

At MAKATI CITY City, Metro Manila, on this 13 APR 2026 13th day of April 2026, 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 he is the same person who executed the foregoing report including the Annex A and this page on which this Acknowledgment is written, and is signed by the party hereto, and acknowledged to me that the same is his free and voluntary act and deed as well as of the entity represented by him.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 13th day of April 2026.

NOTARY PUBLIC

Doc. No. 444 ;
Page No. 90 ;
Book No. 9 ;
Series of 2026.


ATTY. ADONAI M. R. ASLARONA
Notary Public
Until December 31, 2026
IBP O.R No. 591537/01-07-2026/Pampanga
Appointment No. M-36 (2025-2026)
Roll of Attorney No. 84603
MCLE Compliance No. VIII-0033436
PTR No. 10769145/1-06-2026/Makati City
Unit 1009 Philippine AXA Life Centre, Sen. Gil Puyat
Avenue Corner, Tindalo Street, Makati City 1236

Report of Independent Auditors on Factual Findings

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

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 Quarterly Progress Report (the Report) for the quarter ended March 31, 2026 on the application of proceeds received by Megaworld Corporation (the Company) from the block sale of 70,000,000 common shares of MREIT, Inc. (MREIT) which was settled on March 10, 2026, with the offer price of P13.50 per share (the Block Sale), resulting in a net proceeds estimated at P942,683,994 (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 quarter ended March 31, 2026.
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 quarter ended March 31, 2026, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Township or Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
The Mactan Newtown	Cebu	Malls, Offices, Land Development, and Other Developments	Megaworld Oceantown Properties, Inc.	P 75,000,000
Paragua Coasttown	Palawan	Malls, Offices, Land Development, and Other Developments	Megaworld San Vicente Coast, Inc.	60,000,000
Bacolod Projects	Bacolod	Malls, Offices, Land Development, and Other Developments	Megaworld Bacolod Properties, Inc.	<u>50,000,000</u>
				<u>P 185,000,000</u>

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 March 12, 2026.
4. With respect to item 4, we traced the utilization of the Block Sale Proceeds for the quarter ended March 31, 2026 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 Oceantown Properties, Inc.	The Mactan Newtown	Cebu	P 75,000,000
Megaworld San Vicente Coast, Inc.	Paragua Coasttown	Palawan	60,000,000
Megaworld Bacolod Properties, Inc.	Bacolod Projects	Bacolod	<u>50,000,000</u>
			<u>P 185,000,000</u>

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.

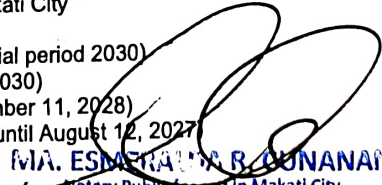
PUNONGBAYAN & ARAULLO



By: **John Endel S. Mata**
Partner

CPA Reg. No. 0121347
TIN 257-622-627
PTR No. 10770763, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 121347-SEC (until financial period 2030)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-040-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-012 (until August 12, 2027)

SUBSCRIBED AND SWORN to before me this 13 APR 2026
at Makati City, Philippines. Affiant exhibited to me his/her
competent ID # _____ until _____
April 10, 2026


MIA. ESMERALDA B. DUNANAN
Notary Public and in Makati City
Until December 31, 2027
App't. No. M-046 (Ren) (2026-2027) Makati City
Attorney's Roll No. 34562
MCLE Compliance No. VIII-0009662/valid until 4-14-2027
P.F. No. 10766011/1-2-2026/Makati City
IBP Lifetime Member No. 03413
G/F Dela Rosa Carpark I, Dela Rosa St.
Legaspi Village, Makati City

DOC. NO. 238;
PAGE NO. 56;
BOOK NO. XXVII;
SERIES OF 2024

**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. **14 April 2026**
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	4,718,849,053 ¹
Preferred	0
Total	4,718,849,053

10. **Item 9(b)**

Please see the attached 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of 168,631,900 common shares of MREIT, Inc. which was settled on September 19, 2025.

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:


MABEL P. TACORDA
Compliance Officer
14 April 2026

¹ On 18 March 2026, the Securities and Exchange Commission issued its confirmation of valuation in relation to a property-for-share swap of 996,865,672 common shares which shall be listed with the Exchange for nine (9) grade A asset buildings located in PEZA-registered zone namely: Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, One Campus Place Bldg. A, One Campus Place Bldg. B, 8 Campus Place A (Wells Fargo), 8 Campus Place B (Wells Fargo), 8 Campus Place C (Wells Fargo), and SEAC (Wells Fargo), all located in McKinley Hill, Barangay Pinagsama, Taguig City.



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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April 13, 2026

THE PHILIPPINE STOCK EXCHANGE

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

Attention: **ATTY. JOHANNE DANIEL M. NEGRE**
Head, Disclosure Department

Subject: 1st Quarter 2026 Progress Report on the Use of Proceeds from the Block Sale of
168,631,900 common shares of MREIT, Inc. (MREIT)

Gentlemen:

We hereby submit our Progress Report on the Use of Proceeds for the quarter ending March 31, 2026, 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 168,631,900 common shares of MREIT, Inc. settled on September 19, 2025, with an average sale price of Php13.28 per share, resulting in net proceeds of Php2,212,916,212.13.

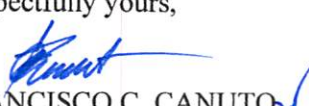
Please be advised that, as of March 31, 2026, Megaworld has disbursed a total amount of One Billion Three Hundred Twenty Five Million Pesos (Php 1,325,000,000.00), in accordance with its reinvestment plan.

The details of the disbursements are as follows:

Net Proceeds from the Block Sale	2,212,916,212.13
less:	
Disbursements from Sept. 19 to Sept. 30, 2025	100,000,000.00
Disbursements from Oct. 1 to Dec. 31, 2025	380,000,000.00
Disbursements from Jan. 1 to Mar. 31, 2026 (Annex A)	845,000,000.00
<hr/> Balance of Proceeds from the Block Sale as of March 31, 2026	<hr/> 887,916,212.13

Thank you.

Respectfully yours,


FRANCISCO C. CANUTO
Treasurer



ANNEX A: Disbursements from the Proceeds of the Sale for the period covering January 1 to March 31, 2026

	Project Name	Township/ Location	Investment Type	Product	Disbursement	Disbursing Entity
1	The Mactan Newtown	Cebu	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	320,000,000.00	Megaworld Oceantown Properties, Inc
2	Paragua Coastown	Palawan	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	325,000,000.00	Megaworld San Vicente Coast, Inc.
3	Bacolod Projects	Bacolod	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	200,000,000.00	Megaworld Bacolod Properties, Inc
	TOTAL			PHP	845,000,000.00	



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
METRO MANILA) S.S.
~~MAKATI CITY~~

At MAKATI CITY City, Metro Manila, on this 13 APR 2026 13th day of April 2026, 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 he is the same person who executed the foregoing report including the Annex A and this page on which this Acknowledgment is written, and is signed by the party hereto, and acknowledged to me that the same is his free and voluntary act and deed as well as of the entity represented by him.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 13th day of April 2026.

NOTARY PUBLIC

Doc. No. 445 ;
Page No. 90 ;
Book No. 9 ;
Series of 2026.


ATTY. ADONALJAN G. ASLARONA
Notary Public
Until December 31, 2026
IBP O.R No. 591537/01-07-2026/Pampanga
Appointment No. M-30 (2025-2026)
Roll of Attorney No. 84603
MCLE Compliance No. VIII-0033436
PTR No. 10769145/1-06-2026/Makati City
Unit 1009 Philippine AXA Life Centre, Sen. Gil Puyat
Avenue Corner, Tindalo Street, Makati City 1286

Report of Independent Auditors on Factual Findings

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

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 Quarterly Progress Report (the Report) for the quarter ended March 31, 2026 on the application of proceeds received by Megaworld Corporation (the Company) from the block sale of 168,631,900 common shares of MREIT, Inc. (MREIT) which was settled on September 19, 2025, with the offer price of P13.28 per share (the Block Sale), resulting in a net proceeds estimated at P2,212,916,212.13 (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 quarter ended March 31, 2026.
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 quarter ended March 31, 2026, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Township or Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Paragua Coasttown	Palawan	Land Development, and Other Developments Malls, Offices,	Megaworld San Vicente Coast, Inc.	P 325,000,000
The Mactan Newtown	Cebu	Malls, Offices, Land Development, and Other Developments	Megaworld Oceantown Properties, Inc.	320,000,000
Bacolod Projects	Bacolod	Malls, Offices, Land Development, and Other Developments	Megaworld Bacolod Properties, Inc.	<u>200,000,000</u>
				<u>P 845,000,000</u>

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 September 25, 2025.
4. With respect to item 4, we traced the utilization of the Block Sale Proceeds for the quarter ended March 31, 2026 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 San Vicente Coast, Inc,	Paragua Coastown	Palawan	P 325,000,000
Megaworld OceanTown Properties, Inc.	The Mactan Newtown	Cebu	320,000,000
Megaworld Bacolod Properties, Inc.	Bacolod Projects	Bacolod	200,000,000
			P 845,000,000

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. 10770763, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 121347-SEC (until financial period 2030)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-040-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-012 (until August 12, 2027)

SUBSCRIBED AND SWORN to before me this 13 APR 2026

at Makati City, Philippines. Affiant exhibited to me his/her

Competent ID # _____ April 10, 2026

DOC. NO. 276;
PAGE NO. 57;
BOOK NO. XXVII;
SERIES OF 7024.

Certified Public Accountants
Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd.

MA. ESMERALDA CUNANAN
Notary Public for Makati City
Until December 31, 2027
Appt. No. M-046 (Ren) (2023-2027) Makati City
Attorney's Roll No. 34562
MCLE Compliance No. VIII-0009662/valid until 4-14-2028
PTR No. 10768011/1-2-2026/Makati City
IBP Lifetime Member No. 05413
G/F Dela Rosa Carpark I, Dela Rosa St.
Legaspi Village, Makati City