

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) 8894 6400

(Company's Telephone Number)

DECEMBER 31

(Fiscal Year Ending)
(Month & Day)

**SEC FORM 20-IS (PRELIMINARY INFORMATION STATEMENT)
2026 ANNUAL STOCKHOLDERS' MEETING**

(Form Type)

(Amendment Designation, if Applicable)

Period Ended Date

(Secondary License Type, if any)



18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City, Philippines, 1634

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To all stockholders of
MREIT, INC.

NOTICE IS HEREBY GIVEN that the 2026 Annual Meeting of Stockholders (the "Annual Meeting") of MREIT, Inc. (the "Company") will be held on **29 May 2026 at 2:00 p.m.** to be conducted virtually, through the link <https://mreit.com.ph/asm2026> that can be accessed through the Company's website, with the following agenda:

1. Call to Order
2. Proof of Notice and Determination of Quorum
3. Approval of the Minutes of the Previous Stockholders' Meeting held on 29 September 2025
4. Annual Report of Management
5. Approval of the issuance and listing of up to One Billion Eight Hundred Million (1,800,000,000) primary common shares, details of which are yet to be determined, in exchange for properties, subject to the submission of a Comprehensive Corporate Disclosure on the Issuance of Shares, if applicable, and upon final determination of the valuation of the properties, the Swap Price, and compliance with the requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, and the delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the property for share exchange in order to ensure compliance with the minimum public ownership requirements imposed upon MREIT.
6. Appointment of External Auditors
7. Ratification of Acts and Resolutions of the Board of Directors, Board Committees and Management
8. Election of Directors
9. Other Matters
10. Adjournment

Stockholders of record as of 08 May 2026 will be entitled to notice of, and to vote at, the Annual Meeting. Pursuant to Article 2, Sections 5 and 7 of the Company's Amended By-Laws and Sections 57 and 23 of the Revised Corporation Code, the Company decided to hold the Annual Meeting via remote communication, and allow the stockholders to cast their votes by remote communication or in absentia, or by proxy.

To participate in the Annual Meeting, stockholders must register from 9:00 AM of 13 May 2026 until 5:00 PM of 19 May 2026. The procedure for participation via remote communication and in absentia are contained in the Information Statement.

Stockholders who wish to appoint proxies may submit proxy instruments until 5:00 PM of 19 May 2026, to the Office of the Corporate Secretary at the 30th Floor, Alliance Global Tower, 36th Street corner 11th Avenue, Uptown Bonifacio, Taguig City or by email to compliance@mreit.com.ph. Validation of proxies shall be held on 20 to 21 May 2026. A sample proxy form will be enclosed in the Information Statement for your convenience.

Copies of the Information Statement, the Management Report, SEC Form 17-A (Annual Report), and other relevant reports and disclosures shall be made available in the Company's Website (<https://mreit.com.ph/>) and in PSE Edge.

Taguig City, Philippines, 21 April 2026.

MARIA CARLA T. UYKIM
Corporate Secretary

The Notice of Meeting was distributed through alternative mode of distribution as follows:

1. Uploaded in PSE Edge -
https://edge.pse.com.ph/openDiscViewer.do?edge_no=88ba281629b277d864d70b69f0a3140b
2. It will be uploaded in the Company's website
[-https://mreit.com.ph/assets/Uploads/MREIT-2026-ASM_Notice-of-Annual-Meeting-of-Stockholders.pdf](https://mreit.com.ph/assets/Uploads/MREIT-2026-ASM_Notice-of-Annual-Meeting-of-Stockholders.pdf)
3. It will also be published in print and online publications of two newspapers of general circulation on May 06 and May 07, 2026.

EXPLANATION OF AGENDA ITEMS

1. Call to Order

The meeting will be formally opened at approximately 2:00 o'clock in the afternoon.

2. Certification of Notice and Quorum

The Corporate Secretary will certify that the written notice for the meeting was duly sent to stockholders of record, including the date of publication and the newspapers where the notice was published. The Corporate Secretary will also certify that a quorum exists, and the Stockholders representing at least a majority of the outstanding capital stock, present in person or by proxy, shall constitute a quorum for the transaction of business.

Pursuant to Article 2, Sections 5 and 7 of the Company's Amended By-Laws and Sections 57 and 23 of the Revised Corporation Code, which allow voting through remote communication or *in absentia* by the stockholders, Stockholders may register by submitting requirements via email at compliance@mreit.com.ph and vote through remote communication or *in absentia* on the matters for resolution at the meeting. A stockholder who votes in absentia as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum.

Please refer to **Annex "A"** on the Procedures and Requirements for Voting and Participation in the 2026 Annual Meeting for complete information on remote participation or voting in absentia, as well as on how to join the livestream for the 2026 Annual Meeting.

3. Approval of Minutes of the Previous Annual Meeting

The minutes of the annual meeting held on 29 September 2025 is available at the Company's website through this link:

<https://mreit.com.ph/disclosures/minutes-of-stockholders-meetings/>

4. Annual Report of Management

The performance of the Company in 2025 will be reported.

5. Approval of Issuance and Listing of up to One Billion Eight Hundred Million (1,800,000,000) Primary Common Shares

The proposal for the issuance and listing of up to One Billion Eight Hundred Million (1,800,000,000) primary common shares, details of which are yet to be determined, in exchange for properties, subject to the submission of a Comprehensive Corporate Disclosure on the Issuance of Shares, if applicable, and upon final determination of the valuation of the properties, the swap price, and compliance with the requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, and the delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the property for share exchange in order to ensure compliance with the minimum public ownership requirements imposed upon MREIT will also be endorsed to the stockholders for approval.

6. Appointment of External Auditors

The election of the external auditor for the ensuing year will be endorsed to the stockholders for approval. The external auditor conducts an independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements.

7. Ratification of Acts and Resolutions of the Board of Directors, Board Committees and Management

The actions of the Board and its committees for ratification are those taken since the annual stockholders' meeting on 29 September 2025 until 29 May 2026. They include the approval of agreements, projects, investments and acquisitions, treasury-related matters, matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange, and other similar activities of the Company. The acts of the officers were those taken to implement the resolutions of the Board or its committees or made in the general conduct of business.

8. Election of Directors

Nominees for election of seven (7) members of the Board of Directors, including three (3) independent directors, will be submitted for election by the stockholders. The profiles of the nominees to the Board of Directors are provided in the Information Statement.

9. Other Matters

Other concerns or matters raised by stockholders will be discussed.

10. Adjournment

Upon determination that there are no other matters to be considered, the meeting shall be adjourned.

SAMPLE ONLY

**PROXY
MREIT, INC.
2026 STOCKHOLDERS' MEETING**

I/We hereby name and appoint _____, or in his absence, the Chairman of the meeting, as my/our proxy at the annual stockholders' meeting of **MREIT, INC.** ("MREIT") to be held on 29 May 2026 and/or at any postponement or adjournment thereof, and/or any annual stockholders' meeting of MREIT, whose appointment shall not exceed five (5) years from date hereof.

In particular, I/we hereby direct my/our said proxy to vote all my/our shares on the agenda items set forth below as I/we have expressly indicated by marking the same with an "X".

Items No.	Subject	Action		
		For	Against	Abstain
3.	Approval of Minutes of the Previous Annual Meeting held on 29 September 2025			
5.	Approval of the issuance and listing of up to One Billion Eight Hundred Million (1,800,000,000) primary common shares, details of which are yet to be determined, in exchange for properties, subject to the submission of a Comprehensive Corporate Disclosure on the Issuance of Shares, if applicable, and upon final determination of the valuation of the properties, the swap price, and compliance with the requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, and the delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the property for share exchange in order to ensure compliance with the minimum public ownership requirements imposed upon MREIT			
6.	Appointment of External Auditors			
7.	Ratification of Acts and Resolutions of the Board of Directors, Board Committees and Management			
8.	Election of Directors			
	i. Kevin Andrew L. Tan			
	ii. Jose Arnulfo C. Batac			
	iii. Francisco C. Canuto			
	iv. Lourdes T. Gutierrez-Alfonso			
	v. Antonio E. Llantada, Jr.			
	vi. Jesus B. Varela			
	vii. Sergio R. Ortiz-Luis, Jr.			
FULL DISCRETION				

PRINTED NAME OF STOCKHOLDER

AUTHORIZED SIGNATORY

THIS PROXY SHOULD BE SUBMITTED UNTIL 5:00 PM OF 19 MAY 2026, TO THE OFFICE OF THE CORPORATE SECRETARY AT 30TH FLOOR, ALLIANCE GLOBAL TOWER, 36TH STREET CORNER 11TH AVENUE, UPTOWN BONIFACIO, TAGUIG CITY OR BY EMAIL TO COMPLIANCE@MREIT.COM.PH.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT.

A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSED HIS INTENTION TO VOTE IN PERSON.

THIS PROXY DOES NOT NEED TO BE NOTARIZED.

(Partnerships, Corporations and Associations must attach certified resolutions designating their proxies/representatives and authorized signatories.)



INFORMATION STATEMENT

GENERAL INFORMATION

Date, Time and Place of Meeting of Security Holders

Date of Meeting	:	29 May 2026
Time of Meeting	:	2:00 p.m.
Place of Meeting	:	To be called and presided by the Presiding Officer at the 18th Floor, Alliance Global Tower, 36th Street cor. 11th Ave., Uptown Bonifacio, Taguig City and to be conducted virtually by remote communication
Approximate Distribution of this Statement	:	07 May 2026 ²
Complete Mailing Address of the Principal Office of the Registrant	:	18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City 1634

The Company is not soliciting proxies. We are not asking you for a proxy. Neither are you required to send us a proxy.

Dissenters' Right of Appraisal

There is no proposed corporate action in the agenda for the annual meeting of stockholders that will grant appraisal rights pursuant to the Revised Corporation Code of the Philippines to dissenting stockholders.

Any stockholder of the Company shall have the right to dissent and demand payment of the fair value of his shares in the following instances: 1) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; 2) in case the corporation decides to invest its funds in another corporation or business or for any purpose outside of the primary purpose for which it was organized; 3) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; and 4) in case of merger or consolidation.

The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the Company within thirty (30) days after the date on which the vote was taken, for payment of the fair value of his shares. **A stockholder must have voted against the proposed corporate action in order to avail himself of the appraisal right.** Failure to make the demand within the 30-day period shall be deemed a waiver of the appraisal right. From the time of the demand until either the abandonment of the corporate action in question or the purchase of the dissenting shares by the Company, all rights accruing to the dissenting shares shall be suspended, except the stockholder's right to receive payment of the fair value thereof. If the proposed corporate action is implemented or effected, the Company shall pay to such stockholder, upon surrender of the stock certificate(s) representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

² Pursuant to SEC Notice dated 20 April 2020, digital copies of the Information Statement, Management Report, Annual Report, and other relevant documents will be made available at the Company's website: <https://mreit.com.ph/> and through the PSE Edge.

If the fair value is not determined within sixty (60) days from the date the corporate action was approved by the stockholders, it will be determined by three (3) disinterested persons (one chosen by the Company, another chosen by the dissenting stockholder and the third to be chosen jointly by the Company and the stockholder). The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after such award is made. Upon payment by the Company of the awarded price, the dissenting stockholder shall forthwith transfer his shares to the Company.

No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings.

Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No director or officer of the Company, or any nominee for election as a director of the Company, or any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office.

No director of the Company has informed it in writing that he intends to oppose any action to be taken by the Company at the annual meeting of stockholders.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

(a) Number of Shares Outstanding

As of 31 March 2026, the Company had outstanding shares of 4,718,849,053 common stock. Each common share is entitled to one (1) vote.

(b) Record Date of Meeting

All stockholders on record as of 08 May 2026 will be entitled to notice of, and to vote at, the annual meeting of stockholders.

(c) Manner of Voting

Pursuant to Article 2, Sections 5 and 7 of the Company's Amended By-Laws, Sections 23 and 57 of the Revised Corporation Code, and SEC Memorandum Circular No. 06, Series of 2020 allowing voting through remote communication or in absentia, stockholders may participate in the 2026 Annual Meeting by remote communication and cast their votes in absentia. A stockholder may cast his/her votes by remote communication or *in absentia* until 5:00 pm of 22 May 2026. A stockholder voting remotely or *in absentia* shall be deemed present for purposes of quorum. Please refer to **Annex "A"** on the Procedures and Requirements for Voting and Participation in the 2026 Annual Meeting for complete information on voting via remote participation or voting in absentia, as well as on how to join the livestream for the 2026 Annual Meeting.

(d) Cumulative Voting Rights

Each stockholder shall be entitled to one (1) vote with respect to all matters to be taken up during the annual meeting of stockholders. With respect to the election of the members of the board of directors of the Company, each stockholder shall have cumulative voting rights. Cumulative voting entitles each stockholder to cumulate his shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or distribute them on the same principle among as many nominees as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

(e) Security Ownership of Certain Record and Beneficial Owners and Management

(i) Security Ownership of Record and Beneficial Owners of more than 5% of the Company's Voting Stock as of 31 March 2026:

Title of Class	Name, address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent of Class
Common	Megaworld Corporation 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City 1634 Parent/Sponsor	Megaworld Corporation	Filipino	2,148,498,553 (Direct) 788,079,100 (Indirect)	62.23%
Common	PCD Nominee Corp. (Filipino) G/F MKSE Bldg., 6767 Ayala Ave., Makati	Participants of the PCD composed of custodian banks and brokers. ³	Filipino	1,753,015,802 (Exclusive of Megaworld Corporation's Indirect Shares)	37.14%

Other than the persons identified above, there are no other beneficial owners of more than 5% of the Company's voting stock known to the Company.

(ii) Security Ownership of Management as of 31 March 2026

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Directors/Nominees				
Common	Kevin Andrew L. Tan ⁴	1,000 (Direct) 10,494,000 (Indirect)	Filipino	0.22%
Common	Jose Arnulfo C. Batac ⁵	1,000 (Direct) 100,000 (Indirect)	Filipino	0.00%
Common	Francisco C. Canuto	1,000 (Direct)	Filipino	0.00%
Common	Lourdes T. Gutierrez-Alfonso	1,000 (Direct)	Filipino	0.00%
Common	Antonio E. Llantada, Jr.	1,000 (Direct)	Filipino	0.00%
Common	Jesus B. Varela	1,000 (Direct)	Filipino	0.00%
Common	Sergio R. Ortiz-Luis, Jr.	1,000 (Direct)	Filipino	0.00%
CEO and Most Highly Compensated Officers				
Common	Jose Arnulfo C. Batac	Same as above		
Common	Giovanni C. Ng	0	Filipino	n/a
Common	Maria Carla T. Uykim	0	Filipino	n/a

³ As of 31 March 2026, among the PCD participants, Aurora Securities, Inc. owns 821,788,800 representing 17.41% of the Company's outstanding capital stock, Government Service Insurance System owns 371,319,400 representing 7.87% of the Company's outstanding capital stock, and Banco de Oro – Trust Banking Group owns 227,870,810 representing 4.83% of the Company's outstanding capital stock.

⁴ Indirect Shares are lodged with PCD Nominee Corporation.

⁵ Indirect Shares are lodged with PCD Nominee Corporation.

Title of Class Name of Beneficial Owner		Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Mabel P. Tacorda	0	Filipino	n/a
Common	Andy Willing Dela Cruz, Jr.	0	Filipino	n/a

(iii) Voting Trust Holders of 5% or More

The Company is not aware of the existence of persons holding more than five percent (5%) of the Company's common shares under a voting trust or similar agreement.

(iv) Changes in Control

On 01 February 2021, Megaworld obtained control over the Company by subscribing to 12,400,000 shares of the Company's authorized capital stock with par value of Php100.00 per share or a total of Php1,240,000,000.00. Accordingly, Megaworld acquired 99.20% direct ownership of the Company's total issued and outstanding capital stock.

On 07 April 2021, the Company approved the amendment of its Articles of Incorporation to change the par value of common shares from Php100.00 to Php1.00, resulting in an increase in the number of common shares from 50,000,000 to 5,000,000,000.

On 07 April 2021, the Company also approved the Property-for-Share Swap transaction with Megaworld in which Megaworld transferred, assigned and conveyed absolutely in favor of the Company all of its rights, title and interests in ten (10) mixed-use buildings, in exchange for 1,282,120,381 common shares with a par value of Php1.00 per share and additional paid-in capital (APIC) of Php47,920,287,239.00. The SEC certified its approval of the valuation of the Property-for-Share Swap on 01 June 2021; hence, the issuance of additional common shares to Megaworld was consummated. Accordingly, Megaworld's direct ownership interest increased to 99.61% of the total issued and outstanding capital stock of the Company.

On 01 October 2021, upon the Company's listing in the PSE, Megaworld sold 949,837,500 of its shares in the Company to the public. As a result, Megaworld became the 62.09% owner of the Company, while 37.51% of the Company's shares are held by the public. The remaining shares are held by the Company's directors.

On 20 December 2021, the Company executed a Deed of Absolute Sale with Megaworld for cash acquisition of four (4) Grade A buildings located in PEZA-registered zones for a total purchase price of Php9,116,000,000.00.

On 01 April 2022, the Company approved the Property-for-Share Swap transaction with Megaworld pursuant to which Megaworld transferred, assigned and conveyed absolutely in favor of the Company all of its rights, title and interests in four (4) Grade A buildings located in PEZA-registered Zones in exchange for 263,700,000 common shares of the Company, with a par value of Php1.00 per share and APIC of Php5,010,300,000.00, or for a total subscription price of Php5,274,000,000.00. On 23 March 2023, the SEC approved the valuation of the Property-for-Share Swap, which resulted in the issuance of 263,700,000 additional common shares to Megaworld.

On 06 June 2023, Megaworld disclosed in its SEC Form 23-B the disposition of 1,250,000 shares of the Company. Accordingly, as of 31 December 2023, Megaworld's interest in the Company is 55.63%, while the shares held by the public are at 42.98%. The remaining shares are held by Emperador, Inc. (1.03%) and the Company's directors (0.36%).

On 10 May 2024, the Company approved the subscription of Megaworld to 926,162,000 common shares of the Company for a total subscription price of Php13.2 billion to be paid by way of transfer of six prime, grade A, office properties in PEZA-accredited zones. On 10 October 2024, the SEC issued its confirmation of the valuation of the property-for-share swap. Consequently, on 19 November 2024, the Company issued 926,162,000 common shares in the name of Megaworld. As of 31 December 2024, Megaworld's interest in the Company is 63.44%, while the shares held by the public are at 35.52%. The remaining shares are held by affiliates and Company's directors at 1.05%.

Megaworld entered into several block sales of the Company's common shares as follows: 84,800,000 shares on 25 July 2025, 168,631,900 shares on 17 September 2025 and 98,000,000 shares on 23 December 2025.

On 29 September 2025, the Company and its stockholders approved the amendment of its Articles of Incorporation to increase its authorized capital stock from Five Billion to Eight Billion common voting shares with par value of One Peso (Php1.00) per share. The SEC certified the approval of the increase of capital stock on 27 November 2025.

On 17 December 2025, the Company approved the subscription of Megaworld to 996,865,672 common shares of the Company by way of: (i) a tax-free property-for-share swap transaction over nine (9) grade A buildings located in PEZA-registered zones, and (ii) cash payment of Php187.5 million for a total subscription price of Php16.2 billion.

As of 31 December 2025, Megaworld's interest in the Company is 54.00%, while the shares held by the public are at 44.96%. The remaining shares are held by affiliates and Company's directors at 1.04%.

On 06 March 2026, Megaworld entered into a block sale of 70,000,000 shares of the Company bringing its shareholdings in the Company to 52.12%.

The SEC approved the valuation of the Property-for-Share Swap dated 17 December 2025 on 18 March 2026, which resulted in the issuance of 996,865,672 additional common shares to Megaworld bringing its shareholdings to 62.23%.

(f) Foreign ownership level as of 31 March 2026

As of 31 March 2026, a total of 25,960,998 common shares are held by foreigners, amounting to approximately 0.55% of the total outstanding capital stock of the Company.

Board of Directors and Senior Management

(a) Background of Directors and Executive Officers

The overall management and supervision of the Company is undertaken by the Board of Directors ("Board"). Currently, the Board consists of seven members, of which three (3) are independent directors. The directors will hold office until their successors have been duly elected and qualified.

Information concerning the background of the directors and executive officers of the Company is provided in the Company's Management Report.

(b) Procedure for Nomination and Election of Independent Directors

Pursuant to Article III, Section 2 of the Company's Amended By-Laws, the nomination and election of independent directors shall be conducted in accordance with the procedures for nomination and election prescribed by laws and regulations.

SRC Rule 38 provides that the nomination and election of independent directors shall be conducted in accordance with the following rules:

1. Nomination of independent directors shall be conducted by the Corporate Governance Committee prior to a stockholders' meeting. All recommendations shall be signed by nominating stockholders and shall bear the conformity of the nominees.
2. The Corporate Governance Committee shall pre-screen the nominees and prepare a final list of candidates.
3. The final list of candidates shall contain the business and/or professional experience of the nominees for independent directors, which list shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Company is required to submit to

the Commission. The name of the person or group of persons who recommended the nominees for independent directors shall be identified in such a report including any relationship to the nominees.

4. Only nominees whose names appear in the final list of candidates shall be eligible for election as independent directors. No other nominations shall be entertained after the final list of candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.
5. The conduct of the election of independent directors shall be made in accordance with the standard election procedures of the Company in its by-laws, subject to pertinent laws, rules and regulations of the Commission.
6. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure those independent directors are elected during the stockholders' meeting.
7. In case of failure of election for independent directors, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.

(c) Nominees

Directors are elected annually by the stockholders at the annual stockholders' meeting to serve until the election and qualification of their successors. The Corporate Governance Committee composed of Sergio R. Ortiz-Luis, Jr., as Chairman, and Jesus B. Varela and Antonio E. Llantada, Jr., as members, accepts nominees to the Board of Directors, including nominees for independent director. The Committee is responsible for screening and qualifying the list of nominees. The following is the complete and final list of nominees and candidates for members of the Board of Directors:

1. Kevin Andrew L. Tan
2. Jose Arnulfo C. Batac
3. Francisco C. Canuto
4. Lourdes T. Gutierrez-Alfonso
5. Antonio E. Llantada, Jr. – Independent Director
6. Jesus B. Varela – Independent Director
7. Sergio R. Ortiz-Luis, Jr. – Independent Director

(d) Independent Directors

This year's nominees for directors include three (3) persons who qualify as independent directors. Francisco C. Canuto nominated Antonio E. Llantada, Jr. as independent director, while Kevin Andrew L. Tan nominated Jesus B. Varela and Sergio R. Ortiz-Luis, Jr. as the two other independent directors. The nominators are not related by consanguinity or affinity up to the fourth civil degree to the nominees.

A Secretary's Certificate on the government affiliations of Independent Directors is attached here as Annex "C". Further, the Certifications of Independent Directors executed by the candidates for independent directors of the Corporation are attached hereto as Annex "D" and Annex "D-1" (Jesus B. Varela), Annex "E" (Antonio E. Llantada, Jr.) and Annex "F" (Sergio R. Ortiz-Luis, Jr.).

(e) Significant Employees

While the Company values its workforce, the business of the Company is not highly dependent on the services of personnel outside of Senior Management. Nevertheless, the entire workforce is considered significant, and is expected to work together to achieve the Company's goals and objectives.

(f) Family Relationships

Chairman Kevin Andrew L. Tan is the son of Andrew L. Tan, the Chairman of Megaworld Corporation, the Company's Parent and Sponsor. Kevin Andrew L. Tan is also the Executive Director of Megaworld Corporation.

(g) Involvement in Certain Legal Proceedings

The Company is not aware of the occurrence, as of the date of this Information Statement and during the past five (5) years preceding this date, of any of the following events which it believes to be material to the evaluation of the ability or integrity of any of its directors, nominees for election as director, or executive officers:

1. Any bankruptcy petition filed by or against any business of a director, nominee for election as director, or executive officer who was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. Any director, nominee for election as director, or executive officer being convicted by final judgment in a criminal proceeding, domestic or foreign, or being subject in his personal capacity to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Any director, nominee for election as director, or executive officer being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
4. Any director, nominee for election as director, or executive officer being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

(h) Related Party Transactions

The Company, in the ordinary course of business, engages in transactions with its Parent and affiliates. On 25 June 2021, the Company adopted a Related Party Transaction Policy to ensure that related party transactions are entered into terms comparable to those available to unrelated third parties in similar transactions. The Company has also established a Related Party Transaction Committee composed of three members of the board, two of whom are independent, including the Chairman.

Transactions with related parties include asset acquisitions from, and land leases with, Megaworld Corporation (the Company's Parent and Sponsor), and fund and property management agreements with affiliates. The table below sets out the principal transactions of the Company with related parties as of 31 March 2026:

Year	Related Parties	Nature of the Transaction	Value of the Transaction
2025	Megaworld Corporation	Lease of various lands where the buildings acquired from Megaworld are located ⁶	Commencing on the start of the quarter when the SEC's confirmation of valuation is obtained up to 30 June 2027, rent equivalent to 3% of the Company's gross rental income for office and retail properties; and From 01 July 2027 onwards, rent equivalent to 5% of the Company's gross rental income for

⁶ These leases pertain to the various parcels of land where the buildings to be acquired from Megaworld are located in relation to the 2025 property-for-share swap transactions described below.

			office and retail properties.
2025	Megaworld Corporation	Acquisition of nine buildings owned by Megaworld in exchange for cash and shares of stock in the company	The nine properties, which were valued by an independent property appraiser, were transferred to the Company in exchange for 996,865,672 common shares for a total subscription price of Php16,217.1M, with a resulting additional paid-in capital of Php15,220.2M
2024	Megaworld Corporation	Acquisition of six buildings owned by Megaworld in exchange for shares of stock in the Company ⁷	The six properties, which were valued by an independent property appraiser, were transferred to the Company in exchange for 926,162,000 common shares for a total subscription price of Php13,151.5M with a resulting additional paid-in capital of Php12,225.3M.
2024	Megaworld Corporation (and Davao Park District Holdings, Inc. in respect of a certain property)	Lease of various lands where the buildings acquired from Megaworld are located ⁸	Commencing on the start of the quarter when the SEC's confirmation of valuation is obtained up to 30 June 2025, rent equivalent to, as applicable: (a) 2.5% of the Company's gross rental income for office and retail properties; and (b) 1.5% of the Company's hotel rental/revenues for hotel properties. From 01 July 2025 onwards, rent equivalent to, as applicable: (a) 5% of the Company's gross rental income for office and retail properties; and (b) 3% of the Company's hotel rental/revenues for hotel properties.
2022	Megaworld Corporation		

⁷ This transaction was consummated in 2025 upon the SEC's approval of the valuation of the properties transferred to the Company.

⁸ These leases pertain to the various parcels of land where the buildings to be acquired from Megaworld are located in relation to the 2024 property-for-share swap transactions described above.

		Acquisition of four buildings owned by Megaworld in exchange for shares of stock in the Company ⁹	The four properties, which were valued by an independent property appraiser, were transferred to the Company in exchange for 263,700,000 common shares for a total subscription price of Php5,274M, with a resulting additional paid-in capital of Php5,010.3M
2021	Megaworld Corporation (and Empire East Land Holdings, Inc. in respect of certain properties)	Acquisition of ten buildings owned by Megaworld in exchange for shares of stock in the Company	The ten properties, which were valued by an independent property appraiser, were transferred to the Company in exchange for 1,282,120,381 common shares for a total subscription price of Php49,202,407,620.00, with a resulting additional paid-in capital of Php47,920,287,239.00
2021	Megaworld Corporation	Acquisition of four buildings owned by Megaworld for cash	The four properties were acquired by the Company for cash in the amount of Php9,116,000,000.00
2021, 2022, and 2023	Megaworld Corporation (and Empire East Land Holdings, Inc. in respect of certain properties)	Lease of various lands where the buildings acquired from Megaworld are located ¹⁰	<p>From 01 July 2023, rent equivalent to, as applicable:</p> <p>a. 2.5% of the Company's gross rental income for office and retail properties; and</p> <p>b. 1.5% of the Company's hotel rental/revenues for hotel properties.</p> <p>From 01 July 2025 onwards, rent equivalent to, as applicable:</p> <p>c. 5% of the Company's gross rental income for office and retail properties; and</p> <p>d. 3% of the Company's hotel rental/revenues for hotel properties.</p>

⁹ This transaction was consummated in 2024 upon the SEC's approval of the valuation of the properties transferred to the Company.

¹⁰ These leases pertain to the various parcels of land where the buildings acquired from Megaworld in the property-for-share swap transactions and cash acquisition transactions are located.

2021	MREIT Fund Managers, Inc.	Fund management agreement for the management of the Company's funds and assets	Fund management fee equivalent to 3.5% of the Company's gross revenues, payable annually, not to exceed 1% of the net asset value of the properties under management
2021	MREIT Property Managers, Inc.	Property management agreement for the operation and management of the Company's properties and facilities	Property management fee equivalent to 2% of the Company's gross revenues, payable monthly, not to exceed 1% of the net asset value of the properties under management

Other than the foregoing and those disclosed in the Company's Financial Statements, the Company has not entered into any other related party transactions. (*Please see:* Audited Financial Statements for 2025, Note 6 – Investment Properties and Note 15 – Related Party Transactions)

Reinvestment of Proceeds

On 11 March 2022, Megaworld, the Company's Parent and Sponsor, amended its Reinvestment Plans in connection with the Initial Public Offering of the Company (October 2021) and the sale to the Company of four (4) Prime, Grade A buildings, located in PEZA-registered Zones (December 2021).

Since then, Megaworld has disclosed multiple block sales of the Company's common shares alongside their corresponding Reinvestment Plans. In 2023, it disclosed a block sale of 279,400,000 shares on 27 July. This was followed in 2024 by sales of 40,650,000 shares on 18 April and 79,700,000 shares on 03 June. Throughout 2025, Megaworld executed further block sales comprising 84,800,000 shares on 25 July, 168,631,900 shares on 25 September, and 98,000,000 shares on 23 December.

Most recently, on 12 March 2026, Megaworld disclosed its Reinvestment Plan for a block sale of 70,000,000 shares.

Copies of the amended Reinvestment Plans, as well as the latest Reinvestment Plan Progress Reports, can be viewed in the Company's website:

<https://mreit.com.ph/disclosures/sec-pse-disclosures/>

As of date, the status of the Reinvestment Plans are as follows:

Relevant Transaction	Date of Reinvestment Plan	Date of Full Compliance
Secondary Offer by Megaworld Corporation of 844,300,000 Common Shares of MREIT, Inc. on 1 October 2021	09 September 2021; Amended as of 9 March 2022	30 September 2022
Sale by Megaworld Corporation to MREIT, Inc. of Four Prime, Grade A buildings located in PEZA-registered Zones for Php9.116 billion on 20 December 2021	17 December 2021; Amended as of 9 March 2022	19 December 2022

Block Sale by Megaworld Corporation of 279,400,000 Common Shares of MREIT, Inc. on 27 July 2023	27 July 2023	Q2 2024
Block Sale by Megaworld Corporation of 40,650,000 Common Shares of MREIT, Inc. on 18 April 2024	22 April 2024	Q1 2025
Sale by Megaworld Corporation of 79,700,000 Common Shares of MREIT, Inc. on 03 June 2024	05 June 2024	Q1 2025
Block Sale by Megaworld Corporation of 84,800,000 Common Shares of MREIT, Inc. on 25 July 2025	01 August 2025	Q2 2026
Block Sale by Megaworld Corporation of 168,631,900 Common Shares of MREIT, Inc. on 17 September 2025	25 September 2025	Q2 2026
Block Sale by Megaworld Corporation of 98,000,000 Common Shares of MREIT, Inc. on 19 December 2025	23 December 2025	Q3 2026
Block Sale by Megaworld Corporation of 70,000,000 Common Shares of MREIT, Inc. on 06 March 2026	12 March 2026	Q4 2026

(h) Resignation/Disagreement

No director has resigned or declined to stand for re-election to the Board of Directors because of a disagreement with the Company on any matter relating to the Company's operations, policies or practices.

Compensation of Directors and Executive Officers

(a) Summary of Compensation Table

Aggregate compensation paid to the Company's Chief Executive Officer and the four (4) most highly compensated executive officers as a group for the last two fiscal years and the estimate for the ensuing year are as follows:

Name and Principal Position	Year	Salary	Other Variable Pay	Total Annual Compensation
Kevin Andrew L. Tan Chairman				
Jose Arnulfo C. Batac President and CEO				
Giovanni C. Ng Treasurer				

Maria Carla T. Uykim Corporate Secretary				
Andy Willing Dela Cruz Investor Relations Officer				
President and Four Most Highly Compensated Officers	Actual 2025	Php5.3m	Php1.1m	Php6.4m
	Projected 2026	Php5.6m	Php1.2m	Php6.7m
All Other Officers and Directors as a Group	Actual 2025	Php2.6m	Php0.5m	Php3.1m
	Projected 2026	Php2.7m	Php0.5m	Php3.3m

(b) Compensation of Directors

The Company's By-Laws stipulate that the total yearly compensation of all directors and principal officers of the Corporation shall not exceed 10% of the net income before tax of the Corporation for the preceding year. In the last two reporting periods, directors received per diem only from the Company.

For 2026, the Company has allocated Php525,000.00 for Directors' per diems. There are no arrangements pursuant to which any Director of the Company was compensated, or is to be compensated, directly or indirectly, during the year ended 31 December 2025 for any service provided as a Director.

Name of Directors	Year	Salary	Total Annual Director's Per Diem
Kevin Andrew L. Tan		Per diem	
Jose Arnulfo C. Batac		Per diem	
Lourdes T. Gutierrez-Alfonso		Per diem	
Francisco C. Canuto		Per diem	
Antonio E. Llantada, Jr.		Per diem	
Jesus B. Varela		Per diem	
Sergio R. Ortiz-Luis, Jr.		Per diem	
Total Annual Director's Per Diem	2024		500,000
	2025		525,000
	2026		525,000

(b) Employment Contracts and Termination of Employment and Change-in-Control Arrangement

Executive officers are appointed by the Board to their respective offices. The Company does not enter into employment contracts with its executive officers. Other than benefits available under the Company's applicable retirement plan, there is no compensatory plan or arrangement with respect to an executive officer which results or will result from the resignation, retirement or any other termination of such executive officer's employment with the Company and its subsidiaries, or from a change-in-control of the Company, or a change in an executive officer's responsibilities following a change-in-control of the Company.

(c) Options Outstanding

There are no outstanding warrants or options in connection with the shares of the Company held by any of the directors or executive officers.

ISSUANCE AND EXCHANGE OF SECURITIES

Authorization or Issuance of Securities Other than for Exchange

As of 30 December 2025, the capital structure of the Company and total issued and outstanding common shares is with par value of P1.00 per share, is as follows:

Shareholder	Subscribed Shares	Percentage of Ownership
Megaworld Corporation	1,151,632,8811 (Direct) 858,079,100 (Indirect)	54.00%
PCD Nominee Corp. (Filipino)	1,684,046,752 (Exclusive of Megaworld Corporation's Indirect Shares)	45.24%
PCD Nominee Corp. (Non-Filipino)	24,903,348	0.66%
Aim Scientific Research Foundation, Inc.	1,250,000	0.03%
Pryce Gases, Inc.	1,035,900	0.02%
Pryce Corporation	851,400	0.02%
James Esteves Takano	124,000	0.00%
Myra P. Villanueva	10,000	0.00%
Milagros P. Villanueva	4,000	0.00%
Myrna P. Villanueva	4,000	0.00%
Jose Arnulfo Cruz Batac	1,000	0.00%
Juan Carlos V. Cabreza	1,000	0.00%
Marietta V. Cabreza	1,000	0.00%
Francisco Castaneda Canuto	1,000	0.00%
Lourdes T. Gutierrez-Alfonso	1,000	0.00%
Antonio E. Llantada, Jr.	1,000	0.00%
Sergio R. Ortiz-Luis, Jr.	1,000	0.00%
Katherine L. Tan	1,000	0.00%
Kevin Andrew Lim Tan	1,000	0.00%
Jesus B. Varela	1,000	0.00%

Jennifer T. Ramos	100	0.00%
Jennifer T. Ramos	100	0.00%
Francis J. Ricamora	100	0.00%
TOTAL	3,721,983,381	100.00%

On 17 December 2025, the Board of Directors, upon the recommendation of MREIT Fund Managers, Inc. (“MFMI”) and the Related Party Transaction Committee, approved Megaworld Corporation's subscription to 996,865,672 primary common shares at an issue price of Php 16.27 per share, amounting to a total subscription price of Php 16,217,100,000.00 in exchange for cash and 100% ownership of nine (9) Grade A, PEZA-registered asset buildings located in McKinley Hill Village, Brgy. Pinagsama, Taguig City, namely: Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, Campus Place Tower A (Wells Fargo), Campus Place Tower B (Wells Fargo), Campus Place Tower C (Wells Fargo), One Campus Place Bldg. A, One Campus Place Bldg. B, and Southeast Asian Campus (SEAC).

The transaction price represents a 15% premium over the 30-day volume-weighted average price prior to the Committee meeting, as validated by a valuation report and fairness opinion issued by independent consultant FTI Consulting Philippines, Inc. Consequently, the transaction falls within the exceptions to the conduct of a rights or public offering requirement of the Philippine Stock Exchange.

On 18 March 2026, the SEC issued its confirmation of valuation. Accordingly, the 996,865,672 shares were issued in the name of Megaworld Corporation on 25 March 2026.

As of 31 March 2026, the capital structure of the Company and total issued and outstanding common shares is 4,718,849,053 with par value of P1.00 per share, is as follows:

Shareholder	Subscribed Shares	Percentage of Ownership
Megaworld Corporation	2,148,498,553 (Direct)	62.23%
	788,079,100 (Indirect)	
PCD Nominee Corp. (Filipino)	1,753,015,802 (Exclusive of Megaworld Corporation's Indirect Shares)	37.15%
PCD Nominee Corp. (Non-Filipino)	25,929,298	0.54%
Aim Scientific Research Foundation, Inc.	1,250,000	0.02%
Pryce Gases, Inc.	1,035,900	0.02%
Pryce Corporation	851,400	0.01%
James Esteves Takano	124,000	0.00%
Dhawal Vasant Kamath	31,700	0.00%
Myra P. Villanueva	10,000	0.00%
Leovillo Dela Cruz Agustin	5,000	0.00%

Milagros P. Villanueva	4,000	0.00%
Myrna P. Villanueva	4,000	0.00%
Jose Arnulfo Cruz Batac	1,000	0.00%
Juan Carlos V. Cabreza	1,000	0.00%
Marietta V. Cabreza	1,000	0.00%
Francisco Castaneda Canuto	1,000	0.00%
Lourdes T. Gutierrez-Alfonso	1,000	0.00%
Antonio E. Llantada, Jr.	1,000	0.00%
Sergio R. Ortiz-Luis, Jr.	1,000	0.00%
Katherine L. Tan	1,000	0.00%
Kevin Andrew Lim Tan	1,000	0.00%
Jesus B. Varela	1,000	0.00%
Jennifer T. Ramos	100	0.00%
Jennifer T. Ramos	100	0.00%
Francis J. Ricamora	100	0.00%
TOTAL	4,718,849,053	100.00%

The Company is currently in the process of applying for the listing of the 996,856,672 additional shares issued to Megaworld Corporation.

The Undertaking issued by the Company's Sponsor, Megaworld Corporation, is attached as Annex "G" This affirms that both the Company and the Sponsor will comply with the Reinvestment Requirement regarding any proceeds realized from the sale of REIT shares or other securities.

Acquisition of Properties

Please refer to the previous discussions in *Authorization or Issuance of Securities Other than for Exchange and Related Transactions* of this report.

Independent Public Accountants

The Board of Directors of the Company, in consultation with the Audit Committee composed of Antonio E. Llantada, Jr. as Chairman, and Kevin Andrew L. Tan and Sergio R. Ortiz-Luis, Jr. as members, will recommend to the stockholders the engagement of Punongbayan & Araullo as external auditors of the Company for 2026.

Mr. Endel S. Mata of Punongbayan and Araullo was designated as handling partner for the audit of the financial statements of the Company starting the year ending 31 December 2025. Punongbayan & Araullo was also the auditor of the Company for the year ended 31 December 2024, 31 December 2023, 31 December 2022, and the 6-month period from 1 July 2021 to 31 December 2021.

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their

satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company and its subsidiaries.

Representatives of Punongbayan & Araullo are expected to be present at the Annual Meeting of stockholders. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Financial Information

Financial Statements of the Company and its subsidiaries as of 31 December 2025, 31 December 2024, 31 December 2023, and the Management's Discussion and Analysis of Results of Operations and Financial Condition for the corresponding periods are contained in the Company's Annual Report to Stockholders and are incorporated herein by reference.

Action with Respect to Reports

The minutes of the annual meeting of stockholders held on 29 September 2025 will be submitted to the Company's stockholders for approval. The minutes will refer to the adoption of stockholders' resolutions pertaining to, among others, the following matters:

1. Ratification of Corporate Acts and Resolutions of the Board of Directors and Officers
2. Election of Directors
3. Appointment of External Auditors

The approval or disapproval of the Minutes will constitute merely an approval or disapproval of the correctness of the Minutes but will not constitute an approval or disapproval of the matters referred to in the Minutes.

The minutes of the 2025 Annual Stockholders Meeting has been uploaded to the Company's website and may be viewed through the following link:

<https://mreit.com.ph/disclosures/minutes-of-stockholders-meetings/>

As of the date of this report, the Company has 4,718,849,053 common shares issued and outstanding, 3,721,983,381 of which are listed in the Philippine Stock Exchange. 62.23% of the issued and outstanding shares is held by the Sponsor, Megaworld Corporation, while the remaining shares are held by the public and minority shareholders. Each common share is entitled to one (1) vote with respect to all matters to be taken up during the annual meeting of stockholders.

Other Proposed Action

The stockholders will be asked to ratify all resolutions of the Board of Directors and the Board Committees and acts of Senior Management adopted during the period covering 29 September 2025 through 29 May 2026. These include, among others, the following matters:

1. Election and Appointment of Officers
2. Approval of the Audited Financial Statements as of 31 December 2025
3. Appointment of Contract Signatories;
4. Application for, or Renewal of, Permits, Licenses, Clearances and Accreditations
5. Declaration of Cash Dividends
6. Holding of 2025 Annual Meeting of Stockholders

These also include the approval of agreements, projects, investments, treasury-related matters, and other matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange, and other similar activities of the Company. The acts of the officers were those taken to implement the resolutions of the Board or its committees or made in the general conduct of business.

Voting Procedures

(a) Vote Required

In the election of directors, the seven (7) nominees garnering the highest number of votes will be elected as members of the board of directors, provided that there shall be elected at least one-third (1/3) or at least two (2), whichever is higher, independent directors in the Company's board of directors.

(b) Method of Counting of Votes

Each common share entitles the person in whose name it is registered in the books of the Company to one vote with respect to all matters to be taken up during the annual meeting of stockholders. In the election of directors, each holder of common share may vote such number of shares for as many persons as there are directors to be elected or may cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many nominees as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

There will be seven (7) persons to be elected to the Company's board of directors, including at least three (3) independent directors. In the event that the number of nominees to the board of directors should exceed the number of board seats, voting shall be done by ballot. However, if the number of nominees to the board of directors will not exceed the number of board seats, voting may be done by ballot or a show of hands. Election inspectors duly appointed for the meeting shall be responsible for counting the number of votes, subject to validation by representatives of Punongbayan & Arullo, the Company's external auditors.

(c) Participation of Shareholders by Remote Communication

Stockholders may cast their votes by remote communication or in *absentia*, or by proxy. A stockholder who votes in *absentia* as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum. Please refer to **Annex "A"** on the Procedures and Requirements for Voting and Participation in the 2026 Annual Meeting for complete information on voting via remote participation or voting in *absentia*, as well as on how to join the livestream for the 2026 Annual Meeting.

The Company shall provide, without charge, to each stockholder a copy of its annual report on SEC Form 17-A, upon written request addressed to MREIT, Inc., Attention: The Corporate Secretary, 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City 1634.

[Signature page follows.]

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Taguig on

APR 22 2026

MREIT, INC.

By:



JOSE ARNULFO G. BATAC
President & Chief Executive Officer



MANAGEMENT REPORT

I. BUSINESS

Overview

MREIT, Inc. (the Company) is a real estate investment trust (REIT) incorporated under the Philippine Real Estate Investment Trust Law (Republic Act No. 9856) on 02 October 2020. The Company was designated by Megaworld Corporation (Megaworld), its Parent and Sponsor, to operate as its flagship REIT company, the primary focus of which will be office and retail leasing to a diversified tenant base, with a high-quality portfolio of thirty-three (33) office, hotel, retail and other assets across the Philippines and an aggregate gross leasable area (GLA) of 647,000 square meters as of the date of this report.

The Company has an authorized capital stock of ₱8,000,000,000.00 divided into 8,000,000,000 common shares with a par value of ₱1.00 per share, with no preferred shares and no shares held in treasury.

On 01 October 2021, the Company conducted an initial public offering and listed its shares in the Philippine Stock Exchange (PSE). MREIT has a total market capitalization of Php 63.798 billion based on the closing price of Php 13.52 per common share on 31 March 2026.

As of the date of this report, the Company has 4,718,849,053 common shares issued and outstanding. 62.23% of the issued and outstanding shares is held by the Sponsor, Megaworld, while 36.93% is held by the public. The remaining shares are held by affiliates and Company's directors at 0.84%.

Current Asset Portfolio

The Company is a REIT formed primarily to own and invest in an income-producing commercial portfolio of office, retail, and hotel properties in the Philippines, that meets its investment criteria. The principal investment mandate and strategy of the Company is to invest in income-generating real estate that meets a select set of criteria, such as location, property grade and type, and tenant profile. As of the date of this report, the Company owns and operates a total of thirty-three (33) mixed-use buildings (the Properties), with a total GLA of 647,000 square meters, namely:

Located at McKinley Hill, Fort Bonifacio, Taguig City:

- 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% owned pro indiviso)
- 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)
SEAC (Wells Fargo)

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

All thirty-three (33) Properties are acquired from Megaworld. In furtherance of the transfer, assignment and conveyance in favor of the Company of all of Megaworld's rights, title and interests in the Properties, Megaworld also assigned in favor of the Company all of its rights and interests in and to the contracts of lease over portions of the Properties leased out to various entities as office, retail and hotel. The Company started earning rental income from its initial portfolio in 2021, which included 1800 Eastwood Avenue, 1880 Eastwood Avenue, E-Commerce Plaza, One World Square, Two World Square, Three World Square, 8/10 Upper McKinley, 18/20 Upper McKinley, World Finance Plaza, Richmonde Hotel Iloilo and Richmonde Iloilo Office Tower, One Techno Place, Two Techno Place, Three Techno Place, and One Global Center. In 2023, income generation commenced for One West Campus, Five West Campus, Two Global Center, and Festive Walk 1B. This was followed in 2024 by One Fintech Place, Two Fintech Place, Davao Finance Center, Two West Campus, Ten West Campus, and One Le Grand. Most recently, in the first quarter of 2025, the Company began earning rental income from 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). (For more information, see Exhibit 1 – Audited Financial Statements).

As a commercial REIT, the Company will focus on expanding its office, mall, and hotel properties. However, if the opportunity arises, the Company may also explore other types of real estate properties available in the market. The Company offers shareholders an investment opportunity with a stable yield, opportunities for Gross Revenue and Net Operating Income growth, high-quality properties with strong tenant demand, strong Sponsor support from Megaworld, experienced management with incentive to grow the Company's Gross Revenue and Net Operating Income, and distribution of at least 90% of the Company's Distributable Income.

Through its Fund Manager, the Company intends to maximize investment returns by growing the Gross Revenue as well as the Net Operating Income from the Company's Properties over time, through active management of present and future property portfolio in order to secure income growth and provide a competitive investment return to its investors.

The Company derives its revenues through leasing real properties. The thirty-three (33) mixed used buildings owned by the Company located in Quezon City, Taguig City, Iloilo City, and Davao City are leased out to various entities as office, retail and hotel. All of the Properties were developed by Megaworld and stand on land leased from Megaworld or its affiliates for an aggregate period of fifty (50) years.

Properties are PEZA-registered and/or located in PEZA-registered zones. The Company's portfolio has tenants across various sectors which are categorized as follows: (i) Business Process Outsourcing (BPO) and traditional office; (ii) hotel, and (iii) retail and others. In prior years, the Company has secured a number of major BPO customers as long-term tenants in the properties.

As of 31 December 2025, the total available GLA is approximately 482,000 sqm., 91.9% of which was occupied by BPOs and traditional offices, and 4.3% was occupied by retail and other tenants including 6,769 square meters pertaining to the hotel GLA.

Most of the commercial office lease agreements for the Company's properties are for tenancy periods of between five (5) to ten (10) years. To ensure the timely payment of rent, arrears management procedures are enforced to ensure timely payment of rent. For office properties, the Company requires three months' deposit and three months' advance rental. For retail properties, the Company requires six months' deposit and one month advance rental. Rentals, as well as common use service area (CUSA) fee of the maintenance and upkeep of the buildings are billed monthly or quarterly and are collected either every fifth of the month or first month of the quarter, as applicable. In addition, under the general terms of the leases, lessees and tenants for office properties are obligated to pay additional security deposit also equivalent to three months' rental upfront.

The Company's current committed leases structurally provide opportunities for growth, and this is primed to continue into the future. The total Gross Revenue from the Properties is expected to increase continuously primarily due to higher rental rates obtained on new leases or on renewals of existing leases and built-in rental escalations. The Properties have contractual fixed lease rental escalations of 5% to 10% per annum, providing for a secure source of organic growth and clear income visibility. Additionally, the Company also has the ability to lease up the assets, raising the overall occupancy of the buildings.

The Company is also not subject to the effects of seasonality or other sales cycles, as its rent terms are fixed and apply uniformly (subject to individually negotiated escalation rates) across the lease terms. Additionally, tenants of office properties typically pay a security deposit equal to three months' rent and advance rent equal to three months. Meanwhile, tenants of commercial properties usually pay a security deposit equal to six months' rent and advance rent equal to one month. All of these advance rents are forfeited in case the tenant pre-terminates the lease agreement without prior notice or before the expiry of the lease term without cause. Such stable cash flows have allowed, and will continue to allow, the Company flexibility in maintaining and upgrading the Properties to continually satisfy its tenants' needs; in seeking further investment opportunities, whether expansion of the Company's existing Properties or acquisition of additional properties; and in making regular distributions to the Company's shareholders.

Business Strategy

The principal investment mandate and strategy of the Company is to invest in income-generating real estate that meets a select set of criteria, such as location, property grade and type, and tenant profile. In determining future investments to expand the REIT portfolio, the key criteria in making an investment decision include:

- **Location:** The potential property should be located in a prime location in either Metro Manila, key provinces in the Philippines or other attractive locations, as opportunities arise;
- **Property Grade and Type:** The potential property should be primarily (but not exclusively) focused on Grade A office and retail properties, but may be related to other types of real estate properties, including residential, hospitality, industrial, etc., available in the market; and,
- **Tenant Profile:** The potential property should have stable occupancy, tenancy and income operations. Target tenants would be reputable captive BPOs with track record of operations.

The Fund Manager and the Property Manager intend to work towards maximizing investment returns by increasing Gross Revenue as well as Net Operating Income over time through active

management of the properties. The Fund Manager and the Property Manager aim to promote growth in returns by obtaining better lease terms through proactive lease negotiations, by optimizing the use of the GLA at each of the Properties, and by taking advantage of desirable opportunities for property acquisition. Further, to enhance the value of the Company's portfolio, the Fund Manager, pursuant to the Fund Management Agreement and REIT Law, and in accordance with the Company's plans, will perform dedicated oversight in studying potential pipeline assets for infusion into the portfolio to enhance long-term growth.

The Fund Manager intends to hold the Properties in the Portfolio on a long-term basis. However, where suitable opportunities arise, and subject to applicable laws and regulations, the Fund Manager may also consider divesting Properties or part thereof to realize their optimal market potential and value. In the future, the Fund Manager may also consider divesting mature and non-core properties which have reached a stage that affords limited growth for income in order to free up capital and reinvest proceeds into properties that meet the Company's investment criteria.

II. MARKET PRICE INFORMATION

The common shares of the Company are traded on the PSE under the symbol of MREIT. The Company's common stock was first listed on the PSE on 01 October 2021.

The following table sets out, for the periods indicated, the high and low sales price for the Company's common shares as reported on the PSE as of 31 March 2026:

Year		Q1	Q2	Q3	Q4
2021	High				19.70
	Low				16.70
2022	High	22.50	18.58	16.04	14.48
	Low	18.50	15.14	13.90	11.28
2023	High	15.36	15.90	14.56	12.80
	Low	13.70	13.76	12.08	11.54
2024	High	14.20	13.26	13.82	14.04
	Low	12.30	12.30	12.64	13.14
2025	High	13.98	13.98	15.04	14.20
	Low	13.00	13.80	13.34	13.40
2026	High	14.32			
	Low	13.20			

Market price of the Company Shares as of 31 March 2026 was Php13.52 per share.

III. HOLDERS

The Company has twenty five (25) shareholders of record. The following table sets forth the largest shareholders of the Company as of the date of this report.

Shareholder	Subscribed Shares	Percentage of Ownership
Megaworld Corporation	2,148,498,553 (Direct)	62.23%
	788,079,100 (Indirect)	

PCD Nominee Corp. (Filipino)	1,753,015,802 (Exclusive of Megaworld Corporation's Indirect Shares)	37.15%
PCD Nominee Corp. (Non-Filipino)	25,929,298	0.54%
Aim Scientific Research Foundation, Inc.	1,250,000	0.02%
Pryce Gases, Inc.	1,035,900	0.02%
Pryce Corporation	851,400	0.01
James Esteves Takano	124,000	0.00%
Dhawal Vasant Kamath	31,700	0.00%
Myra P. Villanueva	10,000	0.00%
Leovillo Dela Cruz Agustin	5,000	0.00%
Milagros P. Villanueva	4,000	0.00%
Myrna P. Villanueva	4,000	0.00%
Jose Arnulfo Cruz Batac	1,000	0.00%
Juan Carlos V. Cabreza	1,000	0.00%
Marietta V. Cabreza	1,000	0.00%
Francisco Castaneda Canuto	1,000	0.00%
Lourdes T. Gutierrez-Alfonso	1,000	0.00%
Antonio E. Llantada, Jr.	1,000	0.00%
Sergio R. Ortiz-Luis, Jr.	1,000	0.00%
Katherine L. Tan	1,000	0.00%
Kevin Andrew Lim Tan	1,000	0.00%
Jesus B. Varela	1,000	0.00%
Jennifer T. Ramos	100	0.00%
Jennifer T. Ramos	100	0.00%
Francis J. Ricamora	100	0.00%
TOTAL	4,718,849,053	100.00%

IV. DIVIDENDS AND DIVIDEND POLICY

The Company is required to declare dividends pursuant to the REIT Law. The REIT Law requires a REIT to distribute annually a total of at least 90% of its distributable net income, as adjusted for unrealized gains and losses/expenses and impairment losses, and other items in accordance with generally accepted accounting standards (excluding proceeds from the sale of the Company's assets that are reinvested in the Company within one year from the date of the sale), as dividends to its shareholders. Such dividends shall be payable only from the unrestricted retained earnings, and the income distributable as dividends shall be based on the audited financial statements for the most recently completed fiscal year prior to the prescribed distribution. The Company may declare either cash, property, or stock dividends. However, the declaration of stock dividends must be approved by at least a majority of the entire membership of the Company's Board, including the unanimous vote of all its independent Directors, and stockholders representing not less than two-thirds (2/3) of the outstanding capital stock at a regular meeting or special meeting called for that purpose. Any such stock dividend declaration is also subject to the approval of the Philippine SEC within five working days from receipt of the request for approval. If the Philippine SEC does not act on said request within such a period, the declaration shall be deemed approved.

The Company has adopted a dividend policy in accordance with the provisions of the REIT Law, pursuant to which the Company's shareholders are entitled to receive at least 90% of the Company's annual Distributable Income. The Company intends to declare and pay out dividends on a quarterly basis each year.

In 2025, the Company's distributable income reached Php 3,734.4 million, reflecting a 17% increase from the previous year. Revenue also experienced a 24% year-on-year jump to Php 5,580.1 million. This growth was driven by the four new high-quality office towers and rent escalations from current tenants.

Out of the distributable net income for 2025, the Company declared total cash dividends on the Company's common shares amounting to Php 3,729,096,280.90 broken down as follows:

Payment Date	Amount	Amount per Share
June 05, 2025	Php 932,270,343.60	Php0.250478
September 11, 2025	Php 932,275,492.00	Php0.250478
December 19, 2025	Php 932,275,492.00	Php0.250478
March 26, 2026	Php 932,274,953.30	Php0.250478
Total		Php1.001912

The Company has distributed 99.9% of its distributable income for the period.

V. RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES

During 2025 and early 2026, the Company was informed of Megaworld's sale of its common shares in the Company through several block sale transactions. Specifically, Megaworld sold 84,800,000 shares on 25 July 2025, 168,631,900 shares on 17 September 2025, and 98,000,000 shares on 19 December 2025. Most recently, Megaworld entered into a block sale of 70,000,000 shares on 06 March 2026. The corresponding Reinvestment Plans were filed shortly after the said transactions.

As of the date of this report, the status of the recent Reinvestment Plans are as follows:

Relevant Transaction	Date of Reinvestment Plan	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	Q2 2026

Block Sale by Megaworld Corporation of 168,631,900 Common Shares of MREIT, Inc. on 17 September 2025	25 September 2025	Q2 2026
Block Sale by Megaworld Corporation of 98,000,000 Common Shares of MREIT, Inc. on 19 December 2025	23 December 2025	Q3 2026
Block Sale by Megaworld Corporation of 70,000,000 Common Shares of MREIT, Inc. on 06 March 2026	12 March 2026	Q4 2026

On 17 December 2025, Megaworld and the Company entered into a property-for-share swap transaction covering 996,865,672 common shares for a total subscription price of Php16.2 billion. This was paid by way of a cash payment of Php187.5 million and the transfer of nine (9) Grade A buildings located in PEZA-registered zones. These buildings are: 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, Taguig City.

The foregoing transaction is an exempt transaction pursuant to Section 10.1(k) of the Securities Regulation Code, which exempts from registration the sale of securities by an issuer to fewer than twenty (20) persons in the Philippines during any twelve-month period.

As of the date of this report, the Company has 996,865,672 common shares that are to be listed in the Philippine Stock Exchange. These shares were issued on 25 March 2026 pursuant to the Property-for-Shares swap transaction entered into by the Company with Megaworld on 17 December 2025, the valuation of which was approved by the Securities and Exchange Commission on 18 March 2026.

VI. BOARD OF DIRECTORS AND SENIOR MANAGEMENT

There are seven (7) members of the Company's Board of Directors, three (3) of whom are independent directors. An independent director is a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as director (SRC Rule 38). All directors will hold office until their successors have been duly elected and qualified. All the incumbent directors have been nominated for election to the Board of Directors of the Company for the ensuing calendar year.

Information concerning the background of the directors/nominees for directors and executive officers of the Company indicating their principal occupation or employment and their business experience for the past five (5) years is provided below.

The table sets forth each member of the Company's Board as of 31 March 2026.

Name	Age	Citizenship	Position	Period of Service in the Company
Kevin Andrew L. Tan	46	Filipino	Director and Chairman	5 years and 5 months

Jose Arnulfo C. Batac	51	Filipino	Director, President, and CEO	1 year and 10 months
Francisco C. Canuto	68	Filipino	Director	5 years and 5 months
Lourdes T. Gutierrez-Alfonso	62	Filipino	Director	5 years and 5 months
Antonio E. Llantada, Jr.	70	Filipino	Independent Director	4 years and 10 months
Jesus B. Varela	69	Filipino	Independent Director	4 years and 11 months
Sergio R. Ortiz-Luis, Jr.	82	Filipino	Independent Director	4 years and 11 months

The table below sets forth the Company's executive officers in addition to its executive directors listed above as of 31 March 2026.

Name	Age	Citizenship	Position	Period of Service
Giovanni C. Ng	52	Filipino	Treasurer	4 years and 6 months
Maria Carla T. Uykim	49	Filipino	Corporate Secretary	4 years and 11 months
Mabel P. Tacorda	53	Filipino	Chief Financial Officer, Compliance Officer and Data Privacy Officer	1 month
Andy Willing Dela Cruz, Jr.	31	Filipino	Investor Relations Officer	3 years

Kevin Andrew L. Tan
Chairman of the Board

Mr. Tan is a Director since October 2020 and the Chairman of the Board of Directors of the Company. He previously held the position of President and Chief Executive Officer from 2020 to 2025. He is currently the Director and Executive Director of Megaworld Corporation, and was first appointed as Director on 07 October 2024. He has been with the Company since July 2001, and previously held the position of Executive Vice President and Chief Strategy Officer. Mr. Tan has led the master planning of 36 township developments and extensive tourism projects of the Company, which continue to drive economic growth across various regions of the Philippines. He also previously held the position of Senior Vice President for Commercial Division, which markets and operates the Megaworld Lifestyle Malls including Eastwood Mall and The Clubhouse at Corinthian Hills in Quezon City, Venice Piazza at McKinley Hill and Burgos Circle at Forbestown Center, both in Fort Bonifacio, California Garden Square in Mandaluyong City, Newport Mall at Newport World Resorts Manila in Pasay City, Lucky Chinatown Mall in Binondo, Manila and Uptown Mall in Bonifacio Global City. He is the President, Chief Executive Officer and Vice Chairman of publicly-listed company, Alliance Global Group, Inc. He is concurrently a Director of publicly-listed companies, Empire East Land Holdings, Inc., Emperador Inc. and Global-Estate Resorts, Inc., as well as Eastwood Cyber One Corporation, Uptown Cinemas, Inc., Megaworld Central Properties Inc., Twin Lakes Corporation, Megaworld Land, Inc., Townsquare Development, Inc., Emperador Distillers, Inc., Alliance Global Brands, Inc., Anglo Watsons Glass, Inc., Yorkshire Holdings, Inc., The Bar Beverage, Inc., Emperador Brandy, Inc., and New Town Land Partners, Inc. He also serves as the Chairman of Travellers International Hotel Group, Inc. and Megaworld Foundation, Inc., Chairman and President of Alliance Global-Infracorp Development, Inc.,

and Chairman and President/CEO of Agile Digital Ventures, Inc. Beyond his corporate leadership, Mr. Tan serves on several distinguished advisory bodies, including the Presidential Economic Advisory Council under Philippine President Ferdinand R. Marcos Jr., APEC Business Advisory Council (ABAC), and the International Advisory Council of the Singapore Management University (SMU). Mr. Tan obtained his bachelor's degree in Business Administration major in Management from the University of Asia and the Pacific.

Jose Arnulfo C. Batac

Director, President and Chief Executive Officer

Mr. Batac is a Director since May 2024 and the President and Chief Executive Officer of the Company. He has been in the Company since 2024 and previously held the position of Chief Operating Officer. He concurrently serves as Head for Sustainability of Megaworld Corporation. Additionally, he holds several key leadership and board positions across multiple organizations. He serves as Chairman and President of Citylink Coach Services, Inc., Integrated Town Management Corporation, and Bonifacio Capital District Estate Management Corp. He is also the Chairman of Bonifacio Capital District Estate Assn. Inc. Furthermore, he serves as Director and President of Eastwood Cyber One Corporation and Embassy Hills Properties Inc., and sits as a Director for Forbestown Commercial Center Administration, Inc. and Paseo Center Building Administration, Inc. Prior to his current roles, he headed the Corporate Ventures and Partnerships Management of Megaworld Corporation, the Company's Parent and Sponsor. Before this, he used to lead the estate management department handling the operations of Megaworld's township developments around the country. Mr. Batac obtained his bachelor's degree in Architecture from the University of Santo Tomas in 1996.

Francisco C. Canuto

Director

Mr. Canuto joined the Company as a Director in October 2020. He previously held the position of Chairman of the Board of Directors until 2025. He is a Certified Public Accountant and currently holds the rank of Senior Vice President, as well as the positions of Chief Finance Officer, Treasurer, Compliance Officer, Corporate Information Officer and Chief Audit Executive and is Senior Assistant to the Chairman. He is also a member of the Company's Management Executive Committee of Megaworld Corporation (publicly-listed). He is concurrently Director of Megaworld Global-Estate, Inc., and Eastwood Property Holdings, Inc., Director and President of Gilmore Property Marketing Associates, Inc., Director and Corporate Secretary of Megaworld Central Properties, Inc. and Director and Treasurer of Megaworld Cebu Properties, Inc., Twin Lakes Corporation, Megaworld Oceantown Properties, Inc., Megaworld Resort Estates, Inc., Megaworld Land, Inc., Megaworld-Daewoo Corporation, and Eastwood Cyber One Corporation. He serves as Chairman of Prestige Hotels & Resorts, Inc. and Chairman and President of Arcovia Properties, Lucky Chinatown Cinemas, Inc., Festive Walk Cinemas, Inc., Southwoods Cinemas, Inc., McKinley Cinemas, Inc., and Uptown Cinemas, Inc. He is also the President of Megaworld Foundation, Inc. Before joining the Company, he worked as Audit Manager of SGV & Company and Controller of Federal Express Corporation. Mr. Canuto holds a bachelor's degree in Commerce major in Accounting from Polytechnic University of the Philippines ("PUP") in 1978 and a Master's Degree in Business Administration from Ateneo de Manila University in 1986. His alma mater, PUP, conferred him Doctor of Business Administration, Honoris Causa in 2018.

Lourdes T. Gutierrez-Alfonso

Director

Ms. Gutierrez-Alfonso is a Director of the Company from October 2020. She is currently the President and CEO of Megaworld Corporation. She is also a member of the Executive Committee of the Company. She has been with the Company since March 1990. She likewise serves as director in affiliate companies including publicly-listed Alliance Global Group, Inc., and Global-Estate Resorts, Inc. Ms. Gutierrez-Alfonso is Chairman of the property management company, First Oceanic Property Management, Inc. She is also a director of Suntrust Properties, Inc., Twin Lakes Corporation,

Southwoods Mall, Inc., Mactan Oceanview Properties and Holdings, Inc., Megaworld Resort Estates, Inc., Megaworld Oceantown Properties, Inc., Megaworld Bacolod Properties, Inc., Eastwood Cyber One Corporation, Davao Park District Holdings, Inc., and Prestige Hotels & Resorts, Inc. She is also currently the Chairman of the Board of Megaworld Cebu Properties, Inc., Belmont Newport Luxury Hotels, Inc., Megaworld Global-Estate, Inc., and Savoy Hotel Manila, Inc. She is also a trustee and a Corporate Secretary of Megaworld Foundation, Inc. She has extensive experience in real estate and a strong background in finance and marketing. Ms. Gutierrez-Alfonso graduated cum laude from the Far Eastern University with the degree of Bachelor of Science major in Accounting in 1984. She is a certified public accountant by profession. She was conferred with Doctor of Humanities, Honoris Causa by the Far Eastern University during its 2025 Commencement Exercise.

Jesus B. Varela

Independent Director

Mr. Varela has been an Independent Director of the Company since April 2021. He is presently Chairman of Euro Exim Philippines and OPHIR, HK Ltd. He is President of the Erehwon Art Foundation. He also writes a regular column at the Daily Tribune. He is a member of the Board of Regents of the Unibersidad de Manila, a post which he has held since 2019. Mr. Varela was the immediate past Director General of the International Chamber of Commerce Philippines and served the institution for 10 years. He was Vice President and a Board of Governor member of the Employers Confederation of the Philippines while concurrently serving as a Board Member of the PCCI. Mr. Varela also had prior government experience as a member of the Board of Pagibig Fund for 7 years, a Labor Attache in Athens & Cyprus; Kobe, Japan and the Northern Marianas Island with concurrent accreditation in Guam and the Federated States of Micronesia. He served as the official Philippine Campaigner of the Philippine Candidature for the International Labor Organization in Geneva. He likewise served as the Sector Head of Labor and Human Settlements at the Presidential Management Staff from 1979 to 1981. He was also President of the Philippine Genetics, Inc; Chairman of Livecorp Philippines, Board member of the NFA and Planters Product Inc, among others.

Antonio E. Llantada, Jr.

Independent Director

Mr. Llantada is an Independent Director of the Company and has served as such since May 2021. Mr. Llantada is a Certified Public Accountant (CPA) by profession. He is concurrently a Professor of Accounting and Finance in Enderun Colleges and Thames International Business School, and a Guest and Regular Resource Faculty - School of Executive Education and Lifelong Learning (SEELL) and the Executive Master in Business Administration Program (EMBA) of the Washington Sycip Graduate School of Business (WGSB) - Asian Institute of Management (AIM). He previously served as the Internal Audit Consultant and Chief Audit Executive of Empire East Land Holdings, Inc. (publicly-listed). Mr. Llantada obtained his Bachelor of Science Commerce degree in Accounting and Bachelor of Arts degree in Behavioral Science. (LIA-COM) in De La Salle University - Manila, and his Master's Degree in Business Administration (MBA) in the Ateneo Graduate School of Business (AGSB).

Sergio R. Ortiz-Luis, Jr.

Lead Independent Director

Mr. Ortiz-Luis is an Independent Director of the Company and has served as such since April 2021. He is the President of the Employers Confederation of the Philippines (ECOP), One Philippine Foundation, Inc., Philippine Exporters Confederation (PHILEXPORT) and honorary Chairman and Treasurer of the Philippine Chamber of Commerce and Industry (PCCI). He is the Chairman of Philippine International Airways, National Center for Mediation, Waterfront Mactan Casino Hotel, Inc., Waterfront Philippines, Inc., Grand Ilocandia Resort and Development, Inc., Mayo Bonanza, Inc., Club Waterfront International, Limited, Davao Insular Hotel Company, Inc., Aristocrat Manila City Holdings, Inc. He is also the Chairman and President of Southernpec Phil Corporation and Honorary Chairman of Integrated Concepts & Solutions, Inc. Mr. Ortiz-Luis is also the Vice Chairman of Export Development Council, VC Securities Corporation, Acesite Hotel Philippines, Inc. and Philippine Ease

of Doing Business Foundation. He is a Director of Empire East Land Holdings, Inc., GS1 (Formerly Phil. Article Numbering Council), The Wellex Group, Manila Exposition Complex, Inc., La SalleTech Academy, Inc., Philippine Estate Corporation, B.A Securities, Forum Pacific, Inc. (FPI: Philippines), LikeCash Asia & Pacific Corp (LikeCash), SPC Power Corporation, Alliance Energy Power and Development Inc., Philippine H2O Ventures Corporation, Jolliville Holdings Corporation, Buklod Bayani Coalition, and Director and Treasurer of Bayaning Pulis Foundation, Inc. He is also the Private Sector Representative of The Philippine Bamboo Council, Member of Council of Adviser Makati City, Senator of Philippine Jaycee Senate, Captain of Philippine Coastguard Auxiliary, Trustee & Treasurer of Human Resources Development Foundation, Hon. Consul General of Consulate of Romania in the Philippines, Dean of Consular Corps (2022) of Consular Corps of the Philippines and Honorary Adviser of Int'l. Association of Educators for World Peace. Mr. Ortiz-Luis, Jr. obtained his bachelor's degree in Liberal Arts and Business Administration, and a candidate of Master of Business Administration from De La Salle College. He has a PhD in Humanities from Central Luzon State University, PhD in Business Technology from Eulogio "Amang" Rodriguez Institute of Science and Technology, and PhD in Business Administration from Angeles University Foundation.

Giovanni C. Ng
Treasurer

Mr. Ng is the Treasurer of the Company. He concurrently serves as Senior Vice President and Finance Director of Megaworld Corporation, the Company's Parent and Sponsor (a publicly-listed company) since April 2021. He serves as director and Treasurer in Eastwood Property Holdings, Inc., Gilmore Property Marketing Associates, Inc., and Valle Verde Properties, Inc., and director in Megaworld Oceantown Properties, Inc., Empire East Communities, Inc., First Centro, Inc., Lucky Chinatown Cinemas, Inc., McKinley Cinemas, Inc., Uptown Cinemas, Inc., Mactan Oceanview Properties and Holdings, Inc. and New Town Land Partners, Inc. He also serves as Treasurer of publicly-listed Empire East Land Holdings, Inc., as well as Adams Properties, Inc. and Townsquare Development, Inc. He is also a Director and Corporate Secretary of Megaworld Land, Inc. Mr. Ng obtained his Bachelor's Degree in Quantitative Economics from the University of Asia and the Pacific, graduating summa cum laude in 1995.

Maria Carla T. Uykim
Corporate Secretary

Atty. Uykim is the Corporate Secretary of the Company since April 2021. She is concurrently the Head of the Corporate Advisory and Compliance Division of Megaworld Corporation, the Company's Parent and Sponsor, and a member of its Executive Committee. She is concurrently the Corporate Secretary of publicly-listed company, Global-Estate Resorts, Inc. and serves as Corporate Secretary in various companies such as Global One Integrated Business Services, Inc., Megaworld Bacolod Properties, Inc., Northwin Properties, Inc., Suntrust Properties, Inc. and Maple Grove Land, Inc. She likewise serves as a Director and Corporate Secretary of various companies, such as Asia Affinity Property Management, Inc., Asian E-commerce, Inc., Luxury Global Malls, Inc., Manila Bayshore Property Holdings, Inc., Megaworld Capital Town, Inc., and Megaworld San Vicente Coast, Inc. Atty. Uykim was previously an Associate at Andres Marcelo Padernal Guerrero and Paras law offices from August 2005 to April 2007, where she specialized in labor and corporate law, and at ACCRA Law from February 2003 to January 2004, where she practiced immigration law. She also served as Chief of Staff of Congresswoman Remedios L. Petilla from July 2004 until June 2005. Atty. Uykim obtained her Juris Doctor Degree from the Ateneo De Manila School of Law in 2002 and is a graduate of the double degree program of De La Salle University, with a Bachelor of Arts in Psychology and a Bachelor of Science in Marketing Management in 1997.

Mabel P. Tacorda
Chief Financial Officer, Compliance Officer and Data Privacy Officer

Ms. Tacorda is the Chief Financial Officer, Compliance Officer and Data Privacy Officer of the Company since February 2026. Ms. Tacorda concurrently serves as Senior Asst. Vice President of Megaworld Corporation, handling the Financial Reporting Group for subsidiaries and Revenue

Business Group. Prior to her appointment, she was affiliated with Shang Properties Inc. and SGV & Co. Ms. Tacorda is a Certified Public Accountant and a Certified Financial Analyst from the American Academy of Financial Management. She graduated from the University of St. La Salle with the degree of Bachelor of Science in Accountancy.

Andy Willing Dela Cruz, Jr.
Investor Relations Officer

Mr. Dela Cruz is the Investor Relations Officer of the Company since March 2023. Mr. Dela Cruz concurrently holds the same position at Megaworld Corporation, the publicly listed Sponsor of the company. Before joining the Megaworld Group, Mr. Dela Cruz built a distinguished career in the financial industry, holding key roles such as Equity Analyst at Philippine Equity Partners (affiliated with Bank of America Securities), Institutional Sales, and Senior Analyst at COL Financial Group. Mr. Dela Cruz graduated with honors from Ateneo de Manila University, earning a Bachelor of Science degree in Management-Honors with a minor in Financial Management. He is also a Chartered Financial Analyst (CFA).

VII. EXTERNAL AUDIT FEES AND SERVICES

The external auditors of the Company billed the amounts of Php845,250 for the year ended 31 December 2025; Php771,650 for the year 31 December 2024; Php1,292,500 for the year ended 31 December 2023; and Php968,000 for the year ended 31 December 2022, in fees for professional services rendered for the audit of the Company's annual financial statements and services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements. The external auditors also billed the Company the amount of Php440,000 for services related to the property-for-shares swap transaction between the Company and Megaworld Corporation in April 2022.

Except as disclosed above, no other services were rendered or fees billed by the external auditors of the Company for the years 2025, 2024 and 2023.

The Board of Directors, after consultation with the Audit Committee, recommends to the stockholders the engagement of the external auditors of the Company. The selection of external auditors is made on the basis of credibility, professional reputation, accreditation with the Philippine Securities and Exchange Commission, and affiliation with a reputable foreign partner. The professional fees of the external auditors of the Company are approved by the Company's Audit Committee after approval by the stockholders of the engagement and prior to the commencement of each audit season.

VIII. CORPORATE GOVERNANCE

Pursuant to the Company's corporate governance manual, and in compliance with Leading Practices on Corporate Governance, its Board created each of the following committees and appointed Board members thereto.

Audit Committee

The Audit Committee is responsible for ensuring that all financial reports comply with internal financial management and accounting standards, performing oversight financial management functions, pre-approving all audit plans, scope and frequency and performing direct interface functions with internal and external auditors. On 07 July 2021, the Board approved the Audit Committee Charter which provides for the purpose, membership, structure, operations, duties and responsibilities of the Audit Committee. The Company's Audit Committee has three members, two of whom are independent directors. An independent director serves as the head of the committee. The membership of the Audit Committee is as follows: Antonio E. Llantada, Jr. as Chairman, and Lourdes T. Gutierrez-Alfonso and Sergio R. Ortiz-Luis, Jr., members.

Corporate Governance Committee

The Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities. It also oversees the implementation, review and periodic evaluation of the corporate governance framework. It also recommends continuing relevant education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance, as well as establishing a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers. It is also responsible for determining the nomination and election process for the Corporation's directors and the general profile of board members and ensures that this process is conducted in accordance with qualifications prescribed by Philippine law and the Company's Manual on Corporate Governance. The membership of the Corporate Governance Committee is as follows: Sergio R. Ortiz-Luis, Jr. as Chairman, and Jesus B. Varela and Antonio E. Llantada, Jr. as members.

Board Risk Oversight Committee

The Board Risk Oversight Committee is responsible for the development, evaluation, and oversight of the Corporation's Enterprise Risk Management system to ensure its functionality and effectiveness. It also advises the Board on its risk appetite levels and risk tolerance limits, and reviews the company's risk appetite levels and risk tolerance limits based on changes and developments in the business. The Company's Board Risk Oversight Committee consists of three members, including at least one independent director. The membership of the Board Risk Oversight Committee is as follows: Jesus B. Varela as Chairman, and Francisco C. Canuto and Sergio R. Ortiz-Luis, Jr. as members.

Related Party Transaction Committee

The Related Party Transaction Committee is responsible for reviewing all material related party transactions of the company to ensure that all transactions involving related parties are conducted in strict adherence to the principle of arm's length dealings and preventing potential conflicts of interests. This Committee shall evaluate on an ongoing basis the existing relations between and among business and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured, and evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms. The Company's Related Party Transaction Committee consists of three members, including at least one independent director. The membership of the Related Party Transaction Committee is as follows: Sergio R. Ortiz-Luis, Jr. as Chairman, and Lourdes T. Gutierrez-Alfonso and Jesus B. Varela as members.

Evaluation System

The Company has designated a Compliance Officer who is tasked with monitoring compliance with the provisions and requirements of its Manual on Corporate Governance. The Compliance Officer has established an evaluation system, patterned after the CG Scorecard of the Institute of Corporate Directors to measure or determine the level of compliance by the Company with its Manual.

The Board conducts an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. It periodically evaluates and monitors the implementation of such policies and strategies, including the business plans and operating budgets and monitors and assesses the Management's overall performance based on established performance standards that are consistent with the Company's strategic objectives. The Company has not yet engaged a third party auditor to conduct the assessment.

The Corporate Governance Committee takes into consideration the performance of the directors when it reviews, evaluates, pre-screens and shortlists the nominees of candidates to become a member of the Board of Directors and other appointments requiring Board approval. The performance results are collated from the most recently concluded self-assessment of the Board.

Deviations from Manual and Sanctions Imposed

In 2025, the Company substantially complied with its Manual on Corporate Governance and did not materially deviate from its provisions. No sanctions were imposed on any director, officer or employee on account of non-compliance with the Company's Manual on Corporate Governance.

Plan to Improve Corporate Governance

The Company adopted a Manual of Corporate Governance that is compliant with SEC Memorandum Circular No. 19, Series of 2016. The Company will continue to adopt best practices in Corporate Governance as may be prescribed by the Commission.

IX. FINANCIAL INFORMATION

Management's Discussion and Analysis of Results of Operations and Financial Condition

Management's Discussion and Analysis of Results of Operations and Financial Condition

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	1.64	1.91

Debt to Equity Ratio ²	0.13	0.14
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%

*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 / Average Total Assets

*5 – Net Profit / 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.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

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	1,887,890,007	317%	The increase was primarily due to higher billed receivables and the timing difference between revenue recognition and collection.
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)	(1,200,665,617)	346,282,333	(22%)	The decrease in deficit is due to the Company's net income for the year, net of dividends declared.

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

Item	31 March 2026 (3 Months)	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	33,251,744	21,278,929	178%	The increase was mainly due to the higher tax assessment rates and professional fees incurred during the period.
Other income	5,198,281	(13,655,252)	(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.

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.

Review of Twelve Months ending 31 December 2025 versus Twelve Months Ending 31 December 2024

The Company's net income increased to Php4,399.6 million for the fiscal year ending December 31, 2025, compared to Php3,973.9 million in the same period last year. This improvement reflects the Company's strong revenue growth driven by higher rental income and income from dues, supported by improved occupancy and rental escalations. After adjusting for fair value gains and other non-cash accounting items, the Company's distributable income also demonstrated strong growth, rising to Php3,734.4 million from Php3,178.3 million in the prior year. This increase was primarily driven by the higher rental revenues and improved operational efficiencies. The significant year-over-year improvement highlights the Company's continued efforts to enhance its asset portfolio, optimize income-generating properties, and deliver sustained value to its stakeholders.

Revenues

Rental income increased to Php4,280.6 million from Php3,464.1 million, while income from dues grew to Php1,299.5 million from Php1,049.3 million in the same period last year. The increase was primarily driven by improved occupancy and rental escalations, as well as the contribution of newly recognized assets.

Cost and Expenses

Cost of services increased to Php1,168.8 million from Php978.3 million, driven by the addition of six newly infused assets. Meanwhile, other operating expenses rose to Php152.7 million from Php92.5 million, primarily due to provision for probable losses on creditable withholding tax due to non-utilization because of the income tax incentives that the Company enjoys as a REIT.

Fair value gains on investment properties decreased to Php640.9 million for the year ending December 31, 2025, compared to Php790.4 million in the same period last year. The decline was primarily due to relatively lower valuation gains recognized during the year with no additional assets infused during the year.

Interest expenses increased to Php530.1 million from Php304.4 million in the previous year. The increase was primarily due to interest rate escalation during the year as per the loan agreement.

Tax Expense

Tax expense decreased to Php6.1 million for the year ended December 31, 2025, compared with Php9.6 million in the same period last year. The decrease was primarily attributable to higher dividends declared during the year, resulting in lower taxable income.

The top five (5) key performance indicators of the Company are shown below:

	31 December 2025	31 December 2024
Current Ratio ¹	1.91	1.85
Debt to Equity Ratio ²	0.11	0.11
Net Debt to Equity Ratio ³	0.09	0.08
	31 December 2025	31 December 2024
Return on Assets ⁴	5.76%	5.78%
Return on Equity ⁵	6.59%	6.71%

*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 / Average Total Assets

*5 – Net Profit / 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 were 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.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Financial Position (31 December 2025 vs 31 December 2024)

Item	31 December 2025	Increase/ (Decrease)	% Change	Causes
Cash and cash equivalents	1,387,817,591	(637,437,502)	(31%)	The decrease was primarily due to higher dividends paid during the year.
Trade and other receivables	916,649,667	323,232,109	54%	The increase was primarily due to higher billed receivables and the timing difference between revenue recognition and collection.
Other current assets	360,534,097	32,115,286	10%	The increase was primarily attributable to higher prepaid expenses and supplies, partially offset by lower creditable withholding taxes and input VAT
Accounts and other payables	484,001,229	(326,030,729)	(40%)	The decrease was mainly due to lower accrued expenses and accounts payable, partially offset by higher output VAT payable.
Retained earnings (deficit)	(1,546,947,950)	682,368,825	(31%)	The decrease in deficit is due to the Company's net income for the year, net of dividends declared.

Statement of Income (31 December 2025 vs 31 December 2024)

Item	31 December 2025 (12 Months)	Increase/ (Decrease)	% Change	Causes
Rental income	4,280,578,242	816,448,443	24%	The increase was primarily driven by improved occupancy, rental escalations and higher recoveries from tenants.
Income from dues - net	1,299,540,327	250,192,133	24%	
Operating expense	152,650,000	60,149,685	65%	The increase was mainly due to the provision for probable losses on creditable withholding tax (CWT).
Other income	146,951,089	(393,822,237)	73%	Decrease due to lower valuation gains recognized during the year.

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.

Review of Twelve Months ending 31 December 2024 versus Twelve Months Ending 31 December 2023

The Company's net income saw a substantial increase, reaching Php3,973.9 million for the fiscal year ending December 31, 2024, compared to Php168.3 million in the same period last year. This remarkable growth reflects the company's strategic initiatives and asset expansion efforts. After adjusting for fair value gains or losses and other non-cash accounting items, the Company's distributable income also demonstrated strong growth, rising to Php3,178.3 million from Php2,844.1 million in the prior year. This increase was primarily driven by the recognition of newly infused assets in Q4 2024, which contributed to higher rental revenues and improved operational efficiencies. The significant year-over-year improvement highlights the Company's continued efforts to enhance its asset portfolio, optimize income-generating properties, and deliver sustained value to its stakeholders.

Revenues

Rental income increased to Php3,464.1 million from Php3,223.4 million, while net income from dues grew to Php1,049.3 million from Php933.1 million in the same period last year. These gains were driven by the recognition of newly infused assets in Q4 2024, specifically six (6) prime, Grade A office buildings added to the Company's portfolio.

Cost and Expenses

Cost of services increased to Php978.3 million from Php940.6 million, driven by the addition of six newly infused assets. Meanwhile, other operating expenses rose to Php92.5 million from Php62.2 million, primarily due to a one-time expense related to regulatory requirements for the property share swap.

Fair value gains on investment properties of Php790.4 million was recognized this year, driven by the same factors mentioned above. In contrast, the previous year saw a fair value loss of Php2,732.2 million.

Interest expenses declined slightly to Php304.4 million from Php306.9 million in the previous year.

Tax Expense

Tax expense declined by 24% to Php9.6 million, mainly due to lower final taxes from decreased interest income on the Company's rolled-over short-term placements.

The top five (5) key performance indicators of the Company are shown below:

	31 December 2024	31 December 2023
Current Ratio ¹	1.85	1.90
Debt to Equity Ratio ²	0.11	0.14
Net Debt to Equity Ratio ³	0.12	0.15
	31 December 2024	31 December 2023
Return on Assets ⁴	4.63%	0.28%
Return on Equity ⁵	5.38%	0.33%

*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 / Average Total Assets

*5 – Net Profit / 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 the net sales or 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 were 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 relationship of the Company with unconsolidated entities or other persons created during the reporting period.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Financial Position (31 December 2024 vs 31 December 2023)

Item	31 December 2024	Increase/ Decrease	% Change	Causes
Cash and cash equivalents	2,025,255,093	346,343,047	21%	Increased by 21%, principally through to greater cash inflows from

				the Company's operations.
Trade and other receivables	389,032,440	67,788,145	21%	Increase due to the assignment of receivables and security deposits. Advance rents resulting from the infusion of an extra six (6) offices assets included in the Property-for-Share swap transaction
Other current assets	328,418,809	66,825,428	26%	Increased due to the received creditable withholding tax certificates alongside other taxes that was incurred for the year.
Investment properties	72,922,717,200	13,941,917,200	24%	Increased due to the infusion of an extra six (6) offices assets included in the Property-for-Share swap transaction
Other non-current assets	224,237,781	145,689,803	185%	Increased due to the additional projects which pertains to the building improvements and maintenance.
Other Liabilities	1,782,471,225	462,290,077	35%	Increase which is due to a growth in fund and property management fees, and other payables such as trade, output VAT, and delayed output VAT outlay connected to the addition of the six (6) office assets during the period.
Capital stock	3,721,983,381	926,162,000	33%	Increase resulted from the inclusion of six (6) office assets as part of the Property for Share Swap transaction. The SEC released its certification of valuation for the properties in October 2024, which triggered the issuance of new shares and the infusion of stated assets.
Additional Paid In Capital	64,797,000,097	12,014,186,212	23%	
Retained earnings (deficit)	(2,229,316,774)	1,210,759,577	-36%	Decreased due to non-cash component on fair value losses.

Statement of Income (31 December 2024 vs 31 December 2023)

Item	31 December 2024 (12 Months)	Increase/ Decrease	% Change	Causes
Rental income	3,464,129,798	240,747,083	7%	The increase in revenue is attributed to the recognition of increased income from the six (6) office properties injected during the fourth quarter.
Income from dues - net	1,049,348,194	116,226,441	12%	
Operating expense	92,504,316	30,307,372	49%	The increase is primarily due to payment of fees from the SEC and PSE in relation to the Property for Share Swap transaction as well as expenses from the newly injected properties.
Miscellaneous income	540,773,325	3,513,581,489	118%	Increase due to the fair value gains from the investment properties.

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.

Review of Twelve Months ending 31 December 2023 versus Twelve Months Ending 31 December 2022

The Company's net income increased to Php168.3 million for the fiscal year ending 31 December 2023, from a net loss of Php176.6 million in the same period the previous year. In both periods, fair value loss was recognized driving down the net income of the Company. Adding back the fair value loss and removing other non-cash accounting adjustments, the distributable income of the company increased to 2,844.1 million from 2,562.2 million in the same period the previous year. The increases were primarily driven by the recognition of income from four (4) additional prime, grade A office buildings located in PEZA-registered zones.

Revenues

Rental income grew to Php3,223 million from Php2,918 million while income from dues – net grew to Php933 million from 731 million in the same period last year. Both increases are attributable to the full year recognition of income in the current year from the four (4) additional prime, Grade A office buildings that the Company owns.

Cost and Expenses

Cost of services also grew to Php940 million from Php676 million, while other operating expenses grew to Php62 million from Php38 million, in the same period last year as a result of the full year recognition of expenses for the operation of the four (4) additional office buildings.

A fair value loss of Php2,732 million was also recorded this year for the reason stated above. In the same period last year, a total fair value gain of Php2,822 million was recorded arising from upward adjustments in the appraisal of the Company's investment Properties.

Interest expenses also decreased slightly to Php306 million from Php309 million the previous year.

Tax Expense

Tax expense increased by 189% to Php12.6 million due to the higher final taxes arising from the higher interest income generated from the Company's rolled over short-term placement.

The top five (5) key performance indicators of the Company are shown below:

	31 December 2023	31 December 2022
Current Ratio ¹	1.90	2.52
Debt to Equity Ratio ²	0.14	0.15
Net Debt to Equity Ratio ³	0.15	0.15
	31 December 2023	31 December 2022
Return on Assets ⁴	0.28%	-0.30%
Return on Equity ⁵	0.33%	-0.35%

*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 / Average Total Assets

*5 – Net Profit / 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 the net sales or 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 were 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 relationship of the Company with unconsolidated entities or other persons created during the reporting period.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Financial Position (31 December 2023 vs 31 December 2022)

Item	31 December 2023	Increase/ Decrease	% Change	Causes
Cash and cash equivalents	1,678,912,046	298,385,986	22%	Increased by 22%, principally through to greater cash inflows from the Company's operations during the first half of 2023.

Trade and other receivables	451,266,601	141,425,570	46%	Increase due to the assignment of receivables and security deposits. Advance rents resulting from the infusion of an extra four (4) offices assets included in the Property-for-Share swap transaction
Other non-current assets	78,547,978	(14,092,636)	-15%	Decreased due to the completion of construction in process for building renovations.
Accounts and other payables	785,682,360	291,694,037	59%	Increase which is due to a growth in fund and property management fees, and other payables such as trade, output VAT, and delayed output VAT outlay connected to the addition of the four (4) office assets during the period.
Capital stock	2,795,821,381	263,700,000	10%	Increase resulted from the inclusion of four (4) office assets as part of the Property for Share Swap transaction. The SEC released its certification of valuation for the properties on March 23, 2023, which triggered the issuance of new shares and the infusion of stated assets.
Additional Paid In Capital	52,782,813,885	4,875,347,850	10%	
Retained earnings (deficit)	(3,440,076,347)	(2,518,718,024)	273%	Decreased due to non-cash component on fair value losses.

Statement of Income (31 December 2023 vs 31 December 2022)

Item	31 December 2023 (12 Months)	Increase/ Decrease	% Change	Causes
Rental income	3,223,382,715	305,597,030	10%	The increase in revenue is attributed to the recognition of increased income from the four (4) office properties injected during the first quarter.
Income from dues - net	933,121,752	202,140,179	28%	
Cost of services	940,568,965	264,357,772	39%	
Other operating expenses	62,196,945	24,796,662	66%	The increase is primarily due to payment of fees from the SEC and PSE in relation to the Property for Share Swap transaction.

Interest income	64,685,771	41,643,448	181%	Increase due to higher interest collected from short-term placements.
Miscellaneous income	1,686,743	998,726	145%	Increase due to the collection of penalties and non-recurring rental income from tenants.
Tax income (expenses)	(12,586,537)	(8,237,702)	189%	The increase is attributable to increased final tax expenditure, as well as higher interest revenue obtained from short-term placements during the current period.

There are no other significant changes in the Company's financial position (5% or more) and condition 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.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company.

Section 49 of the Revised Corporation Code

In compliance with Section 49 of the Revised Corporation Code, a copy of the Minutes of the previous annual stockholders' meeting is attached herein as **Annex "B"**.

The attendance of the directors at the meetings of the Board of Directors for the year 2025 is as follows:

Name	No. of Meetings held during the year	No. of Meetings Attended	Percentage of Attendance
Kevin Andrew L. Tan	26	26	100%
Jose Arnulfo C. Batac	15	15	100% ¹¹
Lourdes T. Gutierrez-Alfonso	26	26	100%
Francisco C. Canuto	26	26	100%
Antonio E. Llantada, Jr.	26	26	100%
Jesus B. Varela	26	26	100%
Sergio R. Ortiz-Luis, Jr.	26	26	100%

The Company adopts a policy of full disclosure with regard to related party transactions. All terms and conditions of related party transactions are reported to the Board of Directors. The Company ensures that the transactions are entered on terms comparable to those available from unrelated third parties. Disclosure of relationship or association is required to be made before entering into a transaction. None of the Corporation's directors and officers have entered into self-dealing and related party transactions with or involving the Corporation from 2020 up to 2025.

The Company undertakes to provide, without charge, each stockholder a copy of its annual report on SEC Form 17-A and SEC Form 17-Q for the first quarter of 2026, upon written request addressed to MREIT, Inc., Attention: The Corporate Secretary, 30th Floor, Alliance Global Tower, 36th Street corner 11th Avenue, Uptown Bonifacio, Taguig City 1634.

¹¹ Mr. Batac became a director on 01 June 2025 and attended all meetings from 01 June 2025 to 31 December 2025.



Procedures and Requirements for Voting and Participation in the 2026 Annual Stockholders’ Meeting

Pursuant to Article 2, Sections 5 and 7 of the Company’s Amended By-Laws, Sections 23 and 57 of the Revised Corporation Code, and SEC Memorandum Circular No. 06, Series of 2020 allowing voting through remote communication or in absentia, MREIT, Inc. (the “Company”) will dispense with the physical attendance of its stockholders for the 2026 Annual Stockholders’ Meeting (“Annual Meeting”). Instead, the Company will conduct the Annual Meeting scheduled on **29 May 2026 at 2:00 P.M.** by remote communication and will conduct electronic voting *in absentia*.

Only stockholders of record as of 08 May 2026 are entitled to participate and vote in the Annual Meeting.

The Company has adopted the following procedures and requirements to enable its stockholders to participate and vote in the Annual Meeting.

I. ONLINE REGISTRATION STEPS AND REQUIREMENTS

- A. Stockholders may register from 9:00 AM of 13 May 2026 until 5:00 PM of 19 May 2026 to signify his/her/its intention to participate in the Annual Meeting by remote communication. The registration steps and requirements are available on the Company’s website: <https://mreit.com.ph/asm2026>.
- B. To register, stockholders shall submit the following requirements to the Office of the Corporate Secretary via email at compliance@mreit.com.ph.

B.1 For Individual Stockholders –

- (i) Scanned copy of stock certificate issued in the name of the individual stockholder;
- (ii) Valid email address and active contact number;
- (iii) Scanned copy of valid government-issued identification card; and
- (iv) Recent photo of stockholder.

B.2 For Stockholders with Joint Accounts –

- (i) Authorization letter signed by all stockholders indicating the name of the person authorized to cast the votes;
- (ii) Scanned copy of stock certificate issued in the name of the joint stockholders;
- (iii) Valid email address and active contact number of the authorized stockholder;
- (iv) Scanned copy of valid government-issued identification card of the authorized stockholder; and
- (v) Recent photo of the authorized stockholder.

B.3 For Stockholders under PCD Participant/Brokers Account or holding ‘Scripless Shares’-

- (i) Stockholders should coordinate with their broker and request for the full account name and reference number or account number they provided the Company;
- (ii) Broker’s Certification on the stockholder’s number of shareholdings;
- (iii) Valid email address and active contact number of the stockholder;
- (iv) Scanned copy of valid government-issued identification card of stockholder; and

- (v) Recent photo of stockholder.

B.4 For Corporate Stockholders –

- (i) Secretary's Certificate attesting to the authority of the representative to vote the shares on behalf of the corporate stockholder;
 - (ii) Scanned copy of stock certificate issued in the name of the corporate stockholder;
 - (iii) Valid email address and active contact number of authorized representative;
 - (iv) Valid government-issued identification card of authorized representative; and
 - (v) Recent photo of authorized representative.
- C. The documents submitted will then be verified by the Office of the Corporate Secretary. The validation process will be completed by the Company no later than three (3) business days from the stockholder's receipt of an email from the Company acknowledging receipt of the stockholder's registration documents. Once validated, the stockholder will receive an email that his/her/its account has been verified and shall provide instructions for the stockholder's access to the Company's electronic voting and to access the Annual Meeting live streaming link.

II. ELECTRONIC VOTING IN ABSENTIA

- A. Duly registered stockholders have the option to vote for the matters contained in the agenda for the Annual Meeting through electronic voting in absentia. **The deadline for registration is 5:00 PM on 19 May 2026.** Beyond this date, stockholders may no longer avail of the option to electronically vote *in absentia*.
- B. After verification, the Company shall send a ballot to the registered stockholder through his/her/its e-mail address which shall contain all the agenda items for approval as indicated in the Notice of Meeting and the registered stockholder may vote as follows:
- (1) For items other than Election of Directors, the registered stockholder has the option to vote: In Favor of, Against, or Abstain. The vote is considered cast for all the registered stockholders shares.
 - (2) For the Election of Directors, the registered stockholder may vote for all nominees, not vote for any of the nominees, or vote for some nominees only, in such number of shares as preferred by the stockholder, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of directors to be elected. The total number of votes the stockholder is allowed to cast shall be based on the number of shares he/she or it owns.
 - (3) Once voting on the agenda items is finished, the stockholder can proceed to submit the accomplished ballot via email to compliance@mreit.com.ph.
 - (4) After the ballot has been submitted, the stockholder may no longer change his/her vote. The stockholder will receive a confirmation email that his/her/its vote has been recorded.
- C. Thereafter, the Office of the Corporate Secretary, through election inspectors appointed for the meeting, shall tabulate all valid and confirmed votes cast through electronic voting, together with the votes through proxies, subject to validation by representatives of the Company's external auditors.
- D. Registered stockholders shall have until **5:00 PM of 22 May 2026** to cast their votes *in absentia*. Stockholders will not be allowed to cast votes during the livestream of the Annual Meeting.

III. VOTING BY PROXY

- A. For individual stockholders holding certificated shares of the Company – Download the proxy form that is available at <https://mreit.com.ph/asm2026>.
- B. For stockholders holding 'scripless' shares, or shares held under a PCD Participant/Broker – Download the proxy form that is available at <https://mreit.com.ph/asm2026>. Stockholders are advised to coordinate with their brokers first for the execution of this type of proxy.
- C. For corporate stockholders – Download the proxy form that is available at <https://mreit.com.ph/asm2026>. A copy of the duly signed and notarized Secretary's Certificate must be submitted together with the proxy form. For reference, a sample Secretary's Certificate is also available at <https://mreit.com.ph/asm2026>.
- D. General Instructions on Voting by Proxy:
- (1) Download and fill up the appropriate proxy form. Follow the instructions on how to cumulate or allocate votes in the election of directors.
- Send the scanned copy of the duly executed proxy form via email to compliance@mreit.com.ph or submit the original proxy form to the Office of the Corporate Secretary at 30th Floor, Alliance Global Tower, 36th Street corner 11th Avenue, Uptown Bonifacio, Taguig City.
- (2) The deadline for the submission of proxies is at **5:00 PM on 19 May 2026**.
- (3) Validation of proxies will be on **20-21 May 2026**.
- (4) If a stockholder avails of the option to cast his/her vote electronically *in absentia* and also issues proxy votes with differing instructions, the duly accomplished ballots sent through e-mail shall replace the proxy votes issued by the stockholder.

IV. PARTICIPATION BY REMOTE COMMUNICATION

- A. Only duly registered stockholders will be included in determining the existence of a quorum.
- B. Duly registered stockholders may send their questions and/or comments prior to the Annual Meeting through email at compliance@mreit.com.ph. The deadline for submitting questions shall be at **5:00 PM of 22 May 2026**.
- C. The proceedings during the Annual Meeting will be recorded.

For any clarifications, please contact the Office of the Corporate Secretary via email at compliance@mreit.com.ph.

Draft; For approval in the Next Stockholders' Meeting.

MREIT, INC.

Minutes of the Annual Meeting of the Stockholders
29 September 2025/ 2:00 pm
by livestream access via <https://mreit.com.ph/asm2025>

Stockholders Present:

Please see the attached Annex "A".

Directors Present:

Kevin Andrew L. Tan	-	Director and Chairman of the Board
Jose Arnulfo C. Batac	-	Director, President and Chief Executive Officer
Francisco C. Canuto	-	Director
Lourdes T. Gutierrez-Alfonso	-	Director
Sergio R. Ortiz-Luis, Jr.	-	Independent Director
Jesus B. Varela	-	Independent Director
Antonio E. Llantada, Jr.	-	Independent Director

Also Present:

Maria Carla T. Uykim	-	Corporate Secretary
Giovanni C. Ng	-	Treasurer
Giancarlo V. Inacay	-	Chief Financial Officer and Compliance Officer
Andy Willing Dela Cruz, Jr.	-	Investor Relations Officer
Romualdo V. Murcia	-	External Auditor
Ramilito L. Nañola	-	External Auditor
Endel S. Mata	-	External Auditor
Justin L. Flora	-	External Auditor
Christine Marquez	-	External Auditor
Ghelyn Amora	-	Stock Transfer Agent

I. CALL TO ORDER

The Chairman of the Board of MREIT, Inc. (the "Corporation"), Mr. Kevin Andrew L. Tan ("Mr. Tan"), welcomed the stockholders to the 2025 Annual Stockholders' Meeting (the "Meeting"). Mr. Tan turned over the floor to the President and CEO of the Corporation, Mr. Jose Arnulfo C. Batac ("Mr. Batac"), to preside over the meeting. The Corporate Secretary, Atty. Maria Carla T. Uykim, recorded the proceedings thereof.

II. PROOF OF NOTICE AND DETERMINATION OF QUORUM

Mr. Batac stated that the Corporation decided to hold the Meeting by remote communication pursuant to the Corporation's Amended By-Laws, the Revised Corporation Code, and relevant regulations of the Securities and Exchange Commission ("SEC"). This notwithstanding, Management has adopted measures to afford the stockholders the opportunity to participate in the Meeting as conveniently and effectively as a physical meeting.

The Corporate Secretary certified that all stockholders of record as of 29 August 2025 have been duly notified of the Meeting pursuant to the Corporation's By-Laws and applicable

SEC Circulars, and that copies of the Notice of the Meeting, the Agenda, and the Definitive Information Statement were made available through: (1) the Corporation's website; and (2) the Philippine Stock Exchange ("PSE") Electronic Disclosure Generation Technology or PSE EDGE. The Notice of the Annual Meeting was also published in the business section of The Manila Times and The Daily Tribune on 04 and 05 September 2025, both in print and online format.

The Corporate Secretary also certified that there existed a quorum to transact the business in the agenda for the Meeting, there being present in person or represented by proxy, stockholders holding 71.41% of the entire subscribed and outstanding capital stock of the Corporation entitled to vote, or equivalent to 2,657,775,048 voting shares.

The Corporate Secretary certified that only stockholders who have successfully registered may participate in the Meeting. Moreover, the Corporate Secretary explained the Procedures for Registration, Voting and Participation in the Meeting contained in the Definitive Information Statement which were implemented as follows:

(i) Stockholders signifying their intention to participate by remote communication have registered by submitting the requirements by email to the Corporate Secretary at compliance@mreit.com.ph;

(ii) Stockholders who have registered sent their questions and/or comments prior to the meeting through email at compliance@mreit.com.ph until 5:00pm of 12 September 2025;

(iii) The resolutions proposed to be adopted at the Meeting will be shown on the screen;

(iv) Stockholders who have duly registered to participate by remote communication have casted their votes by proxy or in absentia by sending their accomplished ballots by email to the Corporate Secretary until 5:00pm of 12 September 2025; and,

(v) The Office of the Corporate Secretary has tabulated all valid and confirmed votes cast through electronic voting, together with the votes through proxies, with the voting results to be announced during the Meeting and reflected in the minutes of the Meeting.

III. APPROVAL OF MINUTES OF THE PREVIOUS STOCKHOLDERS' MEETING

Mr. Batac then proceeded with the approval of the minutes of the Annual Stockholders' Meeting held on 26 June 2024, and informed the stockholders that copies of the minutes of the meetings have been made available through the Corporation's website.

The Corporate Secretary then announced that 100% of the voting shares represented in the Meeting have voted in favor of the approval of the minutes of the Annual Stockholders' Meeting held on 26 June 2024. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, that the Corporation approves the Minutes of the Annual Stockholders' Meeting held on 26 June 2024."

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	2,657,775,048	-	-
% of Outstanding Shares Present	100%		

IV. REPORT OF MANAGEMENT FOR YEAR 2024 AND OPEN FORUM

Mr. Tan delivered the Management Report on the Corporation's performance for the year 2024, as follows:

Dear Stakeholders,

MREIT's 2024 performance stands as a testament to our resilience and disciplined execution amid continued market volatility. We delivered a solid 12% growth in distributable income, reaching a record P3.2 billion, supported by a 9% increase in revenues to P4.5 billion. This growth was driven by continued rental escalations and the successful acquisition of six prime PEZA-accredited office towers in the fourth quarter of 2024, which added 156,000 square meters of gross leasable area (GLA) to our portfolio and expanded our footprint by 48% to over 482,000 square meters.

The strength of our portfolio remains evident, with average occupancy holding at 91%, well above industry benchmarks. This performance reflects the quality of our assets, our focus on high-performing tenants, and the value of our locations within Megaworld's integrated urban townships. In 2024, we signed nearly 110,000 square meters of lease transactions, our highest annual total ever, reaffirming strong market demand for MREIT's office spaces.

This year, we are targeting to grow our portfolio GLA to 600,000 square meters as we continue to pursue accretive acquisitions and explore new asset classes. In line with this, we are set to begin acquiring retail assets from our sponsor, capitalizing on the robust recovery in foot traffic, tenant sales, and rental rates at Megaworld Lifestyle Malls. These moves are all part of our roadmap to reach one million square meters of leasable space by 2030, while further diversifying our income base and ensuring long-term growth.

MREIT's growth strategy is firmly anchored on the deep pipeline of high-quality assets from our sponsor, Megaworld Corporation. To date, Megaworld still holds over one million square meters of office GLA and more than 500,000 square meters of retail GLA that may be infused into MREIT in the future. This gives us clear visibility on future growth opportunities and a unique competitive advantage in scaling both our office and retail portfolios sustainably over the long term.

We also made meaningful progress in advancing sustainability and governance. Over 60% of our buildings are LEED-certified, IMMUNE-certified, or Good Travel Scan-certified, underscoring our commitment to environmental and health standards. MREIT was also recognized with the Global Good Governance (3G) Award and the prestigious Golden Arrow Award for corporate governance, affirming our dedication to ethical and responsible business practices.

This 2025 also marks a new chapter for MREIT. As of June 1, I have assumed the role of Chairman of the Board. It has been a privilege to serve as President and CEO since MREIT's inception. During that time, we more than doubled our portfolio size and consistently grew earnings, positioning MREIT among the best-performing REITs in the country. I am honored

to continue guiding the company's strategic direction and long-term vision in my new role as Chairman.

I am also pleased to officially welcome Mr. Jose Arnulfo "Arnie" Batac as our new President and CEO. Mr. Batac brings with him a wealth of experience from key leadership roles within Megaworld, including estate management, sustainability, and corporate ventures. As MREIT's former COO, he was instrumental in executing our most recent acquisitions, improving our efficiencies, and advancing our ESG initiatives. I am confident that under his leadership, MREIT will continue to grow, innovate, and deliver value to shareholders.

We remain steadfast in our commitment to disciplined growth, responsible governance, and shareholder value creation. On behalf of the entire MREIT team, thank you for your trust and continued support.

After Mr. Tan's report, the Corporation's Investment Relations Officer, Andy Willing Dela Cruz, Jr. ("Mr. Dela Cruz"), read questions that were sent through compliance@mreit.com.ph. Below is a summary of the questions and the answers that were given:

Question : What are MREIT's growth plans in terms of expanding its portfolio and gross leasable area in the next few years?

Answer : We remain focused on expanding our portfolio and we also recently announced that we have accelerated our growth plans and aim to double our portfolio to one million square meters by 2027 from currently around 482,000 sqm. This year, we are targeting to reach 600,000 sqm. Beyond that, our sponsor Megaworld has also set clear GLA targets of two million square meters of offices and one million square meters of retail by 2030. This provides MREIT with a long runway of high-quality assets that can be infused into the REIT in the coming years.

Question : What can shareholders expect on dividend growth going forward?

Answer : We are committed to delivering sustainable and growing dividends supported by our recurring income base. With organic rental growth and our plan to double our portfolio size to one million square meters by 2027, we see continued room to grow our distributable income, which in turn supports consistent dividend growth over time. We also continue to improve operating efficiency of our assets which expand our margins and dividends in the long term.

Question : Can you share updates on your acquisition pipeline and how you are selecting properties for infusion?

Answer : We are in the advanced stages of evaluating several properties for acquisition. Our focus is on assets with high occupancy, long-term lease visibility, and strategic locations – both in Metro Manila and key provincial centers, where demand is proving resilient. This ensures that every acquisition will be accretive and aligned with our long-term growth strategy. Apart from this, we are also aiming to diversify our assets and will begin to acquire retail assets as we work on our 2027 target of doubling our portfolio size.

Question : How is MREIT managing occupancy and tenant mix to ensure stability in its income?

Answer : Our portfolio continues to enjoy a strong occupancy rate of 89%. Our tenant base is well-diversified across top-tier BPOs, traditional tenants, and other growing industries. We believe the quality and location of our assets is among the best in the industry and we are confident that we can increase our occupancy rate in line with the continued recovery of the office industry.

Question : How is MREIT preparing for the future, particularly with ESG becoming more important for investors and tenants?

Answer : Sustainability is a key push for MREIT alongside our sponsor's MEGreen program. Over 60% of MREIT's buildings are LEED-certified, IMMUNE certified, or Good Travel Scan certified. Beyond this, we continue to pursue additional green building certifications across the portfolio while implementing energy efficiency measures. These steps not only support our commitment to responsible growth but also make our properties more attractive to global BPOs and multinational tenants who are increasingly prioritizing sustainability in their leasing decisions.

V. APPROVAL OF THE INCREASE OF MREIT'S AUTHORIZED CAPITAL STOCK

The Presiding Officer informed the stockholders that the next item on the agenda is the Approval of the increase of MREIT's Authorized Capital Stock from Five Billion Pesos to Eight Billion Pesos divided into Eight Billion (8,000,000,000) common voting shares with par value of One Peso (Php1.00) per share and the amendment of the Seventh Article of the Articles of Incorporation for the purpose; issuance of such number of shares out of such increase in order to support the increase under such price and such other terms and conditions as the Company's Senior Management will decide; and, delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the issuance to support the increase

The Corporate Secretary certified that 99.98 % of the voting shares represented in the Meeting or 71.39% of the entire subscribed and outstanding capital stock of the Corporation entitled to vote have voted in favor of the agenda item. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, that the Corporation approves the increase of MREIT's Authorized Capital Stock from Five Billion Pesos to Eight Billion Pesos divided into Eight Billion (8,000,000,000) common voting shares with par value of One Peso (Php1.00) per share and the amendment of the Seventh Article of the Articles of Incorporation for the purpose; issuance of such number of shares out of such increase in order to support the increase under such price and such other terms and conditions as the Company's Senior Management will decide; and, delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the issuance to support the increase."

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	2,657,204,148	570,900	-
% of Outstanding Shares Present	99.98%	0.02%	

VI. APPROVAL OF THE ISSUANCE AND LISTING OF UP TO ONE BILLION THREE HUNDRED SIXTY MILLION (1,360,000,000) PRIMARY COMMON SHARES

The Presiding Officer informed the stockholders that the next item on the agenda is the approval of the issuance and listing of up to One Billion Three Hundred Sixty Million (1,360,000,000) primary common shares, details of which are yet to be determined, in exchange for cash and/or properties, subject to the submission of a Comprehensive Corporate Disclosure on the Issuance of Shares, if applicable, and upon final determination of the valuation of the properties, the Swap Price, and compliance with the requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, and the delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the property for share exchange in order to ensure compliance with the minimum public ownership requirements imposed upon MREIT.

The Corporate Secretary certified that 99.98% of the voting shares represented in the Meeting have voted in favor of the agenda item. Therefore, the Presiding Officer declared that the following resolution has been approved:

“RESOLVED, that the Corporation approves the issuance and listing of up to One Billion Three Hundred Sixty Million (1,360,000,000) primary common shares, details of which are yet to be determined, in exchange for cash and/or properties, subject to the submission of a Comprehensive Corporate Disclosure on the Issuance of Shares, if applicable, and upon final determination of the valuation of the properties, the Swap Price, and compliance with the requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, and the delegation to the Company's Senior Management of the power and authority to determine and fix the terms and conditions of the property for share exchange in order to ensure compliance with the minimum public ownership requirements imposed upon MREIT.”

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	2,657,204,148	570,900	-
% of Outstanding Shares Present	99.98%	0.02%	

VII. APPOINTMENT OF EXTERNAL AUDITORS

The Presiding Officer informed the stockholders that the Audit Committee of the Board of Directors has recommended to the Board the engagement of Punongbayan & Araullo as independent auditors of the Corporation for the audit of the Corporation's financial statements for the year ending 31 December 2025, and that the Board has approved such engagement.

The Corporate Secretary then announced that 100% of the voting shares represented in the Meeting have voted in favor of the engagement of Punongbayan & Araullo as independent auditors for the fiscal year ending December 31, 2025. Therefore, the Presiding Officer declared that the following resolution has been approved:

“RESOLVED, that the Corporation approves the engagement of Punongbayan & Araullo for the audit of the Corporation’s financial statements for the year ending December 31, 2025.”

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	2,657,765,648	9,400	-
% of Outstanding Shares Present	100%	0.00%	

VIII. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND MANAGEMENT

The Presiding Officer informed the stockholders that the next item on the agenda is the ratification of all acts and resolutions of the Board of Directors, Board Committees and Officers of the Corporation since the date of last year’s annual stockholders’ meeting held on 26 June 2024 until 28 September 2025. He informed the stockholders that a list of such acts was provided in the Definitive Information Statement, which was made available through the Corporation’s website and PSE EDGE.

The Corporate Secretary certified that 100% of the voting shares represented in the Meeting have voted in favor of the ratification all acts and resolutions of the Board of Directors, Board Committees and Officers of the Corporation which were duly adopted in the ordinary course of business since the date of last year’s annual stockholders’ meeting held on 26 June 2024 until 28 September 2025. Therefore, the Presiding Officer declared that the following resolution has been approved:

“RESOLVED, that the stockholders of the Corporation ratify all acts and resolutions of the Board of Directors, Board Committees and Officers of the Corporation from the annual stockholders’ meeting on 26 June 2024 until 28 September 2025.”

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	2,657,775,048	-	-
% of Outstanding Shares Present	100%		

IX. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that the Corporation shall be electing seven (7) Directors, at least one-third (1/3) of whom shall be Independent Directors pursuant to the REIT Act, and the Corporation’s Revised Manual of Corporate Governance. He

requested Mr. Dela Cruz, on behalf of the Corporate Governance Committee, to present the Final List of Nominees for members of the Board of Directors.

Mr. Dela Cruz presented the final list of nominees to the Board of Directors, as follows: Mr. Francisco C. Canuto, Mr. Kevin Andrew L. Tan, Mr. Jose Arnulfo C. Batac, and Ms. Lourdes T. Gutierrez-Alfonso as Regular Directors; and Mr. Antonio E. Llantada, Jr., Mr. Jesus B. Varela, and Mr. Sergio R. Ortiz-Luis, Jr., as Independent Directors.

Mr. Dela Cruz likewise reported that the Final List of Nominees for election as directors of the Corporation possess all the qualifications and none of the disqualifications to hold office as directors of the Corporation.

The Corporate Secretary then informed the Presiding Officer that no further nominations shall be allowed pursuant to the Corporation's By-Laws, as amended.

The Corporate Secretary certified that each of the nominees have obtained the required number of votes to be elected as members of the Board. Therefore, the Presiding Officer declared that the following resolution electing the members of the Board has been approved:

"RESOLVED, that the Corporation elects the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:

1. Mr. Francisco C. Canuto
2. Mr. Kevin Andrew L. Tan
3. Mr. Jose Arnulfo C. Batac
4. Ms. Lourdes T. Gutierrez-Alfonso
5. Mr. Antonio E. Llantada, Jr.
6. Mr. Jesus B. Varela and
7. Mr. Sergio R. Ortiz-Luis, Jr.

The results based on the votes cast are as follows:

Director	For	Against	Abstain
Francisco C. Canuto	2,657,775,048		
Kevin Andrew L. Tan	2,657,204,148	570,900	
Jose Arnulfo C. Batac	2,657,775,048		
Lourdes T. Gutierrez-Alfonso	2,657,775,048		
Antonio E. Llantada, Jr.	2,657,775,048		
Jesus B. Varela	2,657,775,048		
Sergio R. Ortiz-Luis, Jr.	2,657,204,148	570,900	

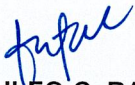
X. ADJOURNMENT

The Presiding Officer inquired if there are other matters in the agenda. The Corporate Secretary replied there were none. There being no other matters to be discussed, the Meeting was adjourned at 2:37 p.m.

CERTIFIED CORRECT:

MARIA CARLA T. UYKIM
Corporate Secretary

ATTESTED BY:


JOSE ARNULFO C. BATAC
President

Annex A
Tabulation of Stockholder Attendance

Total No. of Shares Outstanding and Voting Shares as of Record Date	Total Number of Shares Present	Percentage of Total
3,721,983,381	2,657,775,048	71.41%

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

SECRETARY'S CERTIFICATE

I, **MARIA CARLA T. UYKIM**, of legal age, Filipino, with principal office at the 10th Floor, Two World Square, 24 Upper McKinley Road, McKinley Hill, Taguig City, Philippines 1634, after having been sworn according to law, hereby depose and state:

- 1. I am the Corporate Secretary of **MREIT, Inc.** (hereinafter referred to as the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal address at 18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City 1634, Philippines.
- 2. Mr. Jesus B. Varela, an Independent Director, is a Regent of Universidad de Manila and has the required permission from the University President of Universidad de Manila to be an Independent Director of the Company pursuant to Office of the President Memorandum Circular No.17 and Section 12, Rule XVIII of The Revised Civil Service Rules.
- 3. Apart from the foregoing, to the best of my knowledge, I certify that none of the members of the Board of Directors, including the other independent directors and officers of the Company, are appointed to or are employees in any government agency as of the date of this Certification. I further certify that, to the best of my knowledge and apart from the foregoing, none of the nominees to the Board of Directors in the 2026 Annual Stockholders' Meeting and the candidates for election to become officers of the Company for the ensuring year are appointed to or are employees in any government agency as of the date of this Certification.
- 4. This Certification is issued for the purpose of attesting to the truth of the foregoing and for whatever legal purpose it may serve.

22 APR 2026

IN WITNESS WHEREOF, I have hereunto set my hand this _____, in MAKATICITY, Philippines.

MARIA CARLA T. UYKIM
Corporate Secretary

22 APR 2026

MAKATICITY

SUBSCRIBED AND SWORN to before me, this _____ at _____, Philippines, affiant exhibiting to me her Driver's License No. H02-94-034162 valid until 14 July 2032 issued by Land Transportation Office.

NOTARY PUBLIC

Doc. No. 465;
Page No. 94;
Book No. 412;
Series of 2026.

[Signature]
RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONO STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT.10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012858/04-14-2023

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JESUS B. VARELA**, Filipino, of legal age, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee to be an independent director of **MREIT, Inc.** (the "Corporation") and have been its independent director since April 2021.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Global Estate Resorts, Inc.	Independent Director	June 2016 to present
Unibersidad de Manila	Board Regent	2019 to present
International Chamber of Commerce Philippines	Immediate Past Director General	2016 to 2024
Foundation for Crime Prevention	President	2017 to present
Philippine Greek Business Council	President	2008 to present
Philippine Peru Business Council	President	2008 to present
Oil & Petroleum Holdings International Reserves, HK Ltd. (OPHIR, HK Ltd)	Director and Chair of Governance & Investment Committee	2019 to present
Euro Exim Consultancy Limited	Honorary Chairman	2019 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not subject of any pending criminal, civil, or administrative investigation of proceeding.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.


7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this 22 day of APR 2026, at MAKATI CITY.


JESUS B. VARELA
Affiant
22 APR 2026

SUBSCRIBED AND SWORN to before me this _____ day of _____ at
MAKATI CITY, affiant personally appeared before me and exhibited to me his Senior Citizen
(OSCA) ID No. 11700 issued at Quezon City on 23 January 2017.

Doc. No. 464 ;
Page No. 94 ;
Book No. 412 ;
Series of 2026.


ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONO STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT 10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012898/04-14-2028



Republic of the Philippines
City of Manila



ANNEX "D-1"

UNIVERSIDAD DE MANILA

CERTIFICATION

This is in reiteration of Board Resolution No. 63 series of 2023¹ of the Universidad De Manila Board of Regents which resolved to interpose no objection on the appointment of Regent Jesus B. Varela as independent director of Megaworld Corp., Travellers Inc., Suntrust Holdings, MREIT Inc. and Global Estate Resorts Inc.

This certification is issued upon the Request of Regent Jesus B. Varela for whatever legal purpose it might serve.

Issued on the 12th day of August 2025 in the City of Manila.


MA. FELMA CARLOS-TRIA, Ed.D
Vice-Chairman/University President

¹ Attached as Annex A





UNIVERSIDAD DE MANILA

Republic of the Philippines
City of Manila

BOARD OF REGENTS Board Resolution No. 63 Series of 2023

WHEREAS, Section 5 of City of Manila Ordinance No. 8750 (the "Ordinance"), the current Charter of Universidad de Manila, provides, that:

"The overall governance of the University shall be vested in the governing board to be known as the Board of Regents of the University, whose members are of known probity and integrity, and have great interest in the continuing development of the City of Manila. xxx";

WHEREAS, Section 13 of the same Ordinance likewise provides that:

"The responsibility of University administration shall devolve upon the University President and its officials. xxx";

WHEREAS, in this connection, Section 10, paragraph 26 of the Ordinance provides that:

"The Board may exercise such other powers and duties not inconsistent with laws as may be necessary or essential to carry out its purposes";

WHEREAS, Regent Jess Varela requested that a Certificate of No-Objection signed by the President/Vice-Chairman supported by a board resolution be issued to him as an Independent Director of Megaworld Corp., Travellers Inc., Suntrust Resorts Holdings, MREIT Inc. and Global Estate Resorts Inc. as required by SEC;

WHEREAS, the supporting documents¹ of the foregoing were shared to the Board for its perusal; and

WHEREAS, upon deliberation, the Board resolves to approve the request of Regent Jess Varela;

NOW, THEREFORE, be it **RESOLVED**, as it is hereby **RESOLVED**, that the request of Regent Jess Varela that a Certificate of No-Objection signed by the President/Vice-Chairman and supported by a board resolution be issued to him as an Independent Director of Megaworld Corp., Travellers Inc., Suntrust Resorts Holdings, MREIT Inc. and Global Estate Resorts Inc. as required by SEC be **APPROVED/CONFIRMED**, as it is hereby **APPROVED/CONFIRMED**.

City of Manila, 28 September 2023.

¹ Copies of which are attached as Annexes "A" and series.



UNIVERSIDAD DE MANILA

Republic of the Philippines
City of Manila

APPROVED:

HON. MARIA SHEILAH "HONEY" H. LACUNA-PANGAN, M.D., FPDS
Chairman/City Mayor

MA. FELMA CARLOS-TRIA, Ed.D.
Vice-Chairman/University President

PAMELA "FA" FUGOSO PASCUAL
Ex-Officio Member

RITA E. RIDDLE
Ex-Officio Member

ABUNDIO EDICIO G. DELA TORRE
Member

CORAZON P. GUIDOTE
Member

FRANCIS C. CHUA
Member

JESUS B. VARELA
Member

JOSHUA BALATICO
Student Regent

RODOLFO V. CASTILLO JR.
Faculty Regent

JACY A. JUMUL
Alumni Regent

Attested by:

ATTY. CHRISTIAN R. DE LA CRUZ-MARCOS
Secretary to the Board

Uplifting lives through quality education.

One Mahan Gardens Manila Philippines 1000



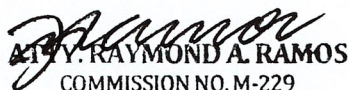
ANTONIO E. LLANTADA, JR.

Affiant

22 APR 2026

SUBSCRIBED AND SWORN to before me this day of at **MAKATI CITY**, affiant personally appeared before me and exhibited to me his Passport No. P5976428A issued at DFA NCR East valid until February 8, 2028.

Doc. No. 463 ;
Page No. 94 ;
Book No. 412 ;
Series of 2026.



ATTY. RAYMOND A. RAMOS

COMMISSION NO. M-229

NOTARY PUBLIC FOR MAKATI CITY

UNTIL DECEMBER 31, 2026

2364 ANGONO STREET

BARANGAY POBLACION 1210, MAKATI CITY

SC Roll No. 62179/04-26-2013

IBP NO. 536461/01-05-2026/Pasig City

PTR NO. MKT 10764120/01-05-2026/Makati City

MCLE Compliance No. VIII-0012898/04-14-2024

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SERGIO R. ORTIZ-LUIS, JR.**, Filipino, of legal age, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee to be an independent director of **MREIT, Inc.** (the "Corporation") and have been its independent director since April 2021.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP
Employers' Confederation of the Philippines (ECOP)	President
Philippine Chamber of Commerce and Industry (PCCI)	Honorary Chairman and Treasurer
Philippine Exporters Confederation, Inc.	President
International Chamber of Commerce Philippines	Director
The Wellex Group	Director
Forum Pacific, Inc.	Director
Philippine International Airways	Chairman
National Center for Mediation	Chairman
GS1 (Formerly Phil. Article Numbering Council)	Founding Director
Integrated Concepts & Solutions, Inc.	Honorary Chairman
Export Development Council	Vice Chairman
Philippine Estate Corporation	Director
B.A. Securities	Director
VC Securities Corporation	Vice Chairman
Waterfront Mactan Casino Hotel, Inc.	Chairman
Waterfront Philippines, Inc.	Chairman
Grand Ilocandia Resort and Development, Inc.	Chairman
Mayo Bonanza, Inc.	Chairman
Club Waterfront International, Limited	Chairman
Davao Insular Hotel Company, Inc.	Chairman
Aristocrat Manila City Holdings, Inc.	Chairman
Acesite Hotel Philippines, Inc.	Vice Chairman
Empire East Land Holdings, Inc.	Director
Manila Exposition Complex, Inc.	Director
La SalleTech Academy, Inc.	Director
LikeCash Asia & Pacific Corp (LikeCash)	Director
SPC Power Corporation	Director
Alliance Energy Power and Development Inc.	Director
Philippine H2O Ventures Corporation	Director
Jollville Holdings Corporation	Director
Southernpec Phil Corporation	Chairman/President
The Philippine Bamboo Council	Private Sector Representative
Council of Adviser Makati City	Member
Philippine Ease of Doing Business Foundation	Vice Chairman
Buklod Bayani Coalition	Director
Philippine Jaycee Senate	Senator
Philippine Coastguard Auxiliary	Captain
Bayaning Pulis Foundation, Inc	Director/ Treasurer
Human Resources Development Foundation	Trustee & Treasurer
One Philippine Foundation, Inc.	President
Consulate of Romania in the Philippines	Hon. Consul General
Consular Corps of the Philippines	Dean of Consular Corps (2022)
Int'l. Association of Educators for World Peace	Honorary Adviser

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not subject of any pending criminal, civil, or administrative investigation of proceeding.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.


7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this 22 APR 2026 day of MAKATI CITY.


SERGIO R. ORTIZ-LUIS, JR.
Affiant

SUBSCRIBED AND SWORN to before me this 22 APR 2026 day of _____ at _____, affiant personally appeared before me and exhibited to me his Passport ID No. P5889673B issued at DFA Manila valid until December 1, 2030.

Doc. No. 441 ;
Page No. 94 ;
Book No. 412 ;
Series of 2026.


ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONO STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT 10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012858/04-14-2028

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


FIRM UNDERTAKING

I, **LOURDES T. GUTIERREZ-ALFONSO** of legal age, Filipino, with office address at 30th Floor, Alliance Global Tower, 36th Street corner 11th Avenue, Uptown Bonifacio, Taguig City, after having been sworn in accordance with law, depose and state that:

1. I am the authorized representative and duly elected and incumbent President and Chief Executive Officer of **MEGAWORLD CORPORATION** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, having its principal office address at the 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City.
2. Pursuant to Sections 4(k) and 8 of Philippine Stock Exchange ("PSE") Memorandum CN No. 2020-0005, otherwise known as the Amended Listing Rules for Real Estate Investment Trusts (the "PSE Amended REIT Listing Rules"), the Corporation hereby undertakes as Sponsor of **MREIT, INC.** (the "REIT"), a corporation duly organized and existing under the laws of the Republic of the Philippines, having its principal office address at the 18th Floor, Alliance Global Tower, 36th St. corner 11th Avenue, Uptown Bonifacio, Taguig City, Philippines, and applying for the listing of its shares as a real estate investment trust company under the PSE Amended REIT Listing Rules, to reinvest in real estate or infrastructure projects in the Philippines any monies realized from (a) the subsequent sale of the REIT's shares or other securities issued in exchange of income-generating real estate transferred to the REIT; or (b) the sale of income-generating real estate to the REIT.
3. The Corporation further undertakes to regularly report to the REIT the status of implementation of the Reinvestment Plan submitted to the PSE.

IN WITNESS WHEREOF, I have hereunto set my hand this 22 APR 2026, in _____, Philippines.


MEGAWORLD CORPORATION



LOURDES T. GUTIERREZ-ALFONSO
President and Chief Executive Officer

SUBSCRIBED AND SWORN to before me, this 22 APR 2026 at MAKATI CITY, Philippines, affiant exhibiting to me her Passport ID NO. P50002378 valid until March 1, 2030.

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ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONO STREET

BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT 10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012858/04-14-2028



The following document has been received:

Receiving: DONNA ENCARNADO

Receipt Date and Time: April 17, 2026 10:42:24 AM

Company Information

SEC Registration No.: CS202052294

Company Name: MREIT, Inc.

Industry Classification: K64200

Company Type: Stock Corporation

Document Information

Document ID: OST104172026811235401

Document Type: ANNUAL_REPORT

Document Code: SEC_Form_17-A

Period Covered: December 31, 2025

Submission Type: Amendment

Remarks: WITH FS

Acceptance of this document is subject to review of forms and contents

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-A (2025)

(Form Type)

(Amendment Designation, if Applicable)

Period Ended Date

PERMIT TO OFFER SECURITIES FOR SALE

(Secondary License Type, if any)

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A
ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE
AND SECTION 141 OF THE CORPORATION CODE**

1. For the fiscal year ended **31 December 2025**
2. SEC Identification Number: **CS202052294** 3. BIR Tax Identification No. **502-228-971**
4. **MREIT, INC.**
Exact name of issuer as specified in its charter
5. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation or organization
6. (SEC Use Only)

Industry Classification Code
7. **18th Floor, Alliance Global Tower, 36th Street cor.
11th Avenue, Uptown Bonifacio, Taguig City 1634**
Address of principal office
8. **(02) 8894-6400**
Registrant's telephone number, including area code
9. Former name, former address and former fiscal year, if changed since last report:
N/A
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Stock Outstanding
Common	3,721,983,381¹

11. Are any or all of these securities listed on a Stock Exchange?

Yes **No**

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Philippine Stock Exchange Common Shares

12. Check whether the issuer:

has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months.

Yes **No**

¹ On 18 March 2026, the Securities and Exchange Commission issued a 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.

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

Yes

No

13. Aggregate Market Value of Voting Common Stock held by Non-Affiliates as of 31 December 2025 is Php23,425,745,000 based on the closing price of Php14 per share.
14. Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A into which the document is incorporated:
 - (a) 2025 Audited Financial Statements;
 - (b) Pursuant to SEC Memorandum Circular No. 4-2019, MREIT, Inc.'s Sustainability Report for 2025 is attached to and submitted together with this SEC Form 17-A;
 - (c) Pursuant to Section 6.2 of the Amended Listing Rules for REITs, MREIT, Inc.'s Disclosure for REIT Companies as of 31 December 2025.

PART I - BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Background

MREIT, Inc. (the Company) is a real estate investment trust (REIT) incorporated under the Philippine Real Estate Investment Trust Law (Republic Act No. 9856) on 02 October 2020. The Company was designated by Megaworld Corporation (Megaworld), its Parent and Sponsor, to operate as its flagship REIT company, the primary focus of which will be office and retail leasing to a diversified tenant base, with a high-quality portfolio of twenty-four (24) office, hotel, retail and other assets across the Philippines and an aggregate gross leasable area (GLA) of 481,414 square meters as of 31 December 2025.

The Company has an authorized capital stock of Php8,000,000,000.00 divided into 8,000,000,000 common shares with a par value of Php1.00 per share, with no preferred shares and no shares held in treasury.

On 01 October 2021, the Company conducted an initial public offering and listed its shares in the Philippine Stock Exchange (PSE). MREIT has a total market capitalization of Php 52.1 billion based on the closing price of Php14.00 per common share on 31 December 2025, the last trading day of the year. As of the date of this report, the Company has 3,721,983,381 common shares issued and outstanding.

As of 31 December 2025, 54% of the issued and outstanding shares is held by the Sponsor, Megaworld, while 44.96% is held by the public. The remaining 1.04% of the shares are held by affiliates and the Company's directors.

The Business

The Company is a REIT formed primarily to own and invest in an income-producing commercial portfolio of office, retail, and hotel properties in the Philippines that meets its investment criteria. The principal investment mandate and strategy of the Company is to invest in income-generating real estate that meets a select set of criteria, such as location, property grade and type, and tenant profile. As of 2025, the Company owns and operates a total of twenty four (24) mixed-use buildings (the Properties), with a total GLA of 481,414 square meters, namely:

Quezon City

1800 Eastwood Avenue
1880 Eastwood Avenue
E Commerce Building

Taguig City

One World Square
Two World Square
Three World Square
8/10 Upper McKinley
18/20 Upper McKinley
World Finance Plaza
One West Campus
Two West Campus
Ten West Campus
Five West Campus
One Le Grand

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

Davao City

Davao Finance Center

All twenty-four (24) Properties are acquired from Megaworld. In furtherance of the transfer, assignment and conveyance in favor of the Company of all of Megaworld's rights, title and interests in the Properties, Megaworld also assigned in favor of the Company all of its rights and interests in and to the contracts of lease over portions of the Properties leased out to various entities as office, retail and hotel. The Company started earning rental income from 1800 Eastwood Avenue, 1880 Eastwood Avenue, E Commerce Building, One World Square, Two World Square, Three World Square, 8/10 Upper McKinley, 18/20 Upper McKinley, World Finance Plaza, Richmonde Hotel Iloilo and Richmonde Iloilo Office Tower, One Techno Place, Two Techno Place, Three Techno Place and One Global Center in 2021, from One West Campus, Five West Campus, Two Global Center and Festive Walk 1B in 2023, and from One Fintech Place, Two Fintech Place, Davao Finance Center, Two West Campus, Ten West Campus, One Le Grand in 2024. (For more information, see Exhibit 1 – Audited Financial Statements).

As a commercial REIT, the Company will focus on expanding its office, mall, and hotel properties. However, if the opportunity arises, the Company may also explore other types of real estate properties available in the market. The Company offers shareholders an investment opportunity with a stable yield, opportunities for Gross Revenue and Net Operating Income growth, high-quality properties with strong tenant demand, strong Sponsor support from Megaworld, experienced management with incentive to grow the Company's Gross Revenue and Net Operating Income, and distribution of at least 90% of the Company's Distributable Income.

Through its Fund Manager, the Company intends to maximize investment returns by growing the Gross Revenue as well as the Net Operating Income from the Company's Properties over time, through active management of present and future property portfolio in order to secure income growth and provide a competitive investment return to its investors.

The Company derives its revenues through leasing real properties. The twenty four (24) mixed-used buildings owned by the Company located in Quezon City, Taguig City, Iloilo City, and Davao City are leased out to various entities as office, retail and hotel. All of the Properties were developed by Megaworld and stand on land leased from Megaworld for an aggregate period of fifty (50) years.

All Properties are PEZA-registered and/or located in PEZA-registered zones. The Company's portfolio has tenants across various sectors which are categorized as follows: (i) Business Process Outsourcing (BPO) and traditional office, (ii) hotel, and (iii) retail and others. In prior years, the Company has secured a number of major BPO customers as long-term tenants in the properties. As of 31 December 2025, 91.9% or 442,462 square meters of the total available GLA of the portfolio was occupied by BPOs and traditional offices, and 4.3% or 13,264 square meters of the total available GLA of the portfolio was occupied by retail and other tenants including 6,769 square meters pertaining to the hotel GLA.

Most of the commercial office lease agreements for the Company's properties are for tenancy periods of between five (5) to ten (10) years. To ensure the timely payment of rent, arrears management procedures are enforced. For office properties, the Company requires three months' deposit and three months' advance rental. For retail properties, the Company requires six months' deposit and one month advance rental. Rentals, as well as common use service area (CUSA) fee for the maintenance and upkeep of the buildings are billed monthly or quarterly and are due either every fifth of the month or first month of the quarter, as applicable. In addition, under the general terms of the leases, lessees and tenants for office properties are also obligated to pay additional security deposit equivalent to three months' rental upfront.

The Company's current committed leases structurally provide opportunities for growth, and this is primed to continue into the future. The total Gross Revenue from the Properties is expected to increase continuously primarily due to higher rental rates obtained on new leases or on renewals of existing leases and built-in rental escalations. The Properties have contractual fixed lease rental escalations of 5% to 10% per annum, providing for a secure source of organic growth and clear income visibility. Additionally, the Company also has the ability to lease up the assets, raising the overall occupancy of the buildings.

The Company is also not subject to the effects of seasonality or other sales cycles, as its rent terms are fixed and apply uniformly (subject to individually negotiated escalation rates) across the lease terms. Additionally, tenants of office properties typically pay a security deposit equal to three months' rent and advance rent equal to three months. Meanwhile, tenants of commercial properties usually pay a security deposit equal to six months' rent and advance rent equal to one month. All of these advance rents are forfeited in case the tenant pre-terminates the lease agreement without prior notice or before the expiry of the lease term without cause. Such stable cash flows have allowed, and will continue to allow, the Company flexibility in maintaining and upgrading the Properties to continually satisfy its tenants' needs; in seeking further investment opportunities, whether expansion of the Company's existing Properties or acquisition of additional properties; and in making regular distributions to the Company's shareholders.

Distribution Methods of Services

The Company caters primarily to office tenants. As of 31 December 2025, commercial office space comprised approximately 87.6% of the total gross leasable area of the properties, leased out to BPOs and traditional office lessees. The remaining 4.3% of the GLA are leasable areas taken by retail tenants and hotel operations while the remaining 8.1% is unoccupied.

Marketing

The Company engages the services of MREIT Property Managers, Inc. (MPMI) to render, among other things, marketing services of vacant office units, retail units, and other spaces in the properties, including the preparation and submission of proposals and offers to prospective lessees in the name of the Company, and the identification of potential tenants. MPMI also formulates and implements leasing and marketing strategies, and packages leasing and marketing materials to be provided to prospective lessees. In exchange for MPMI's services, the Company pays property management fees to MPMI on a quarterly basis.

Competition

The Company believes that the competition for office space is principally on the basis of location, quality and reliability of the project's design and equipment, reputation of the developer, supply of comparable space, changing needs of business users, and PEZA registration. The Company considers as primary competitors the REIT subsidiaries of major developers, namely: Ayala Land's AREIT, Inc., Filinvest's FILRT, Vista Land's VREIT, Double Dragon's DDMPR, and Robinsons Land's RCR.

The Company competes on the basis of the strategic locations of its buildings, including their proximity to the malls and residences as part of its mixed-use developments and accessibility to public transportation. The Company believes that its and its Sponsor's established reputation for good quality, ease of doing business, and completing projects on time make the Company one of the most preferred choices of the BPO industry as well as local and multinational companies. The Company is committed to providing an excellent customer experience and satisfaction by offering and maintaining office projects of high quality and reliability, meeting the evolving needs of its customers. Together with Megaworld, the Company aims to maintain its leading position in the office leasing market.

Suppliers

The Company has a broad base of suppliers that cater to the operation, maintenance and upkeep of the Company's properties, which the Company engages either directly or through the property manager.

Transactions with and/or dependence on related parties

The Company, in its ordinary course of business, engages in transactions with its parent and affiliates. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

Transactions with related parties include asset acquisitions from property-for-share swap transactions and land leases with Megaworld (the Company's Parent and Sponsor), and fund and property management agreements with affiliates. As a newly established business, the Company's current operations depend principally on the services of its Senior Management, composed of officers who are seconded from Megaworld, and the services of its fund and property managers. Other related party transactions include advances granted to and obtained from subsidiaries, associates and other related parties for purposes of working capital requirements. (For more information, see Exhibit 1 – Audited Financial Statements, Note 15).

Intellectual Property

The Company has adopted a logo of MREIT which has been filed for the trademark registration with the Philippine Intellectual Property Office. The Company has also secured an exclusive domain for its website and email system (www.mreit.com.ph).

The Company also relies on Megaworld's trademarks to establish and protect its business interests, believing that Megaworld's trademarks and intellectual property rights are important to the Company's success and competitive position. Megaworld, the Sponsor, has registration of trademarks of the McKinley Hill and Iloilo Business Park townships where most of the Properties are located, approved by the Philippine Intellectual Property Office. Megaworld has granted the Company non-exclusive rights to use the foregoing marks where the Properties are located for free for a period of twenty-five (25) years plus an extension of twenty-five (25) years, commencing on 01 June 2021.

Regulatory

Republic Act No. 9856 or the Real Estate Investment Trust Act of 2009 lapsed into law on 17 December 2009. Pursuant to Section 22 of the said law, the Securities and Exchange Commission (the Philippine SEC) approved the implementing rules and regulations of the Real Estate Investment Trust Act of 2009 on 13 May 2010. Under the REIT Law, a REIT is a stock corporation established primarily for the purpose of owning income-generating real estate assets. Although designated as a trust, the REIT Law explicitly provides that a REIT is not a "trust" as contemplated under other existing laws and regulations. Instead, the term is used for the sole purpose of adopting the internationally accepted description of the company in accordance with global best practices.

On 20 January 2020, the Philippine SEC issued Memorandum Circular No. 1, Series of 2020 (the Revised REIT IRR), amending the existing REIT regulations by, among others, modifying the minimum public ownership of a REIT, incorporating a reinvestment of proceeds policy, imposing additional corporate governance mechanisms into a REIT, and adding qualifications of a REIT fund manager and property manager. The regulatory amendment was published in a newspaper of general circulation on 23 January 2020 and became effective on 07 February 2020.

On 08 January 2026, the Philippine SEC issued Memorandum Circular No. 1, Series of 2026, effective 25 January 2026, further amending the Revised REIT IRR. Key updates include expanding eligible income-generating real estate to cover infrastructure assets, allowing indirect asset holding through special purpose vehicles (SPVs), extending the sponsors' reinvestment period from one to two years, and refining public shareholder definitions and disclosure requirements.

In order to be considered a REIT and to benefit from the incentives under the law, the shares of a REIT must be registered with the Philippine SEC in accordance with the Securities Regulation Code (SRC) and listed with the Philippine Stock Exchange (PSE) in accordance with its Listing and Disclosure Rules and its Amended Listing Rules for REITs (PSE Rules). The procedure for the registration and listing of such shares as a REIT shall comply with the applicable registration and listing rules and regulations of the Philippine SEC and the PSE, in addition to the specific requirements under the REIT Law and the PSE Rules.

The REIT Law and the Revised REIT IRR limit the allowable investment of a REIT mainly to income generating real estate. Seventy five percent (75%) of the total value of the REIT's assets, reflecting the fair market value of total assets held, must be invested in, or consist of, income-generating real estate and 35% of which must be located in the Philippines. Should a REIT invest in income-generating real estate located outside of the Philippines, the same should not exceed 40% of its Deposited Property and only upon special authority from the Philippine SEC. An investment in real estate may, by way of direct ownership or a shareholding in a domestic special purpose vehicle, be constituted to hold/own real estate. The real estate to be acquired by the REIT should have a good track record for three years from the date of acquisition. An income-generating real estate is defined under the REIT Law to mean real property which is held for the purpose of generating a regular stream of income such as rentals, toll fees, user's fees, ticket sales, parking fees and storage fees.

A REIT must distribute at least 90% of its distributable income annually as dividends to its shareholders not later than the last working day of the fifth (5th) month following the close of the fiscal year of the REIT.

Government approvals and regulations

The Company secures various government approvals, such as PEZA licenses, environmental compliance certificates, and operating permits, required primarily in the Company's operation of its assets for leases. The Company's property manager is tasked to ensure that the Company's permits and licenses to operate the properties and to engage in property leasing business are up-to-date.

Employees

The business of the Company is dependent on the services of personnel rendered by Senior Management, who are officers and employees of Megaworld, and by the Company's fund manager and property manager. As of 31 December 2025, the Company has zero full-time employees.

The Company has no collective bargaining agreements with employees and there are no organized labor organizations in the Company.

Risks Associated with the Company's Business

The Company is exposed to risks inherent in the Philippine real estate market.

The Company is highly dependent on the performance of the Philippine real estate market and the state of the Philippine economy because all of its Properties are located in the Philippines. The demand for, and prevailing prices of office leases are directly related to the strength of the Philippine economy and the overall levels of business activity in the Philippines. The growth of the real estate sector has been mainly driven by the fast-growing BPO sector, which is vulnerable to global economic changes. As one of the fastest growing sectors in the Philippine real estate industry, the BPO sector drives office space demand, which fuels the performance and profitability of the Company's Properties.

Several factors contribute to fluctuations in the Philippine property market including the general demand and supply of properties which may cause asset price bubbles, increases and decreases in interest rates, inflationary pressures, Government-related real estate policies and other factors beyond the Company's control. In particular, the global economic downturn resulting from the COVID-19 pandemic has resulted in an economic slowdown and negative business sentiment, which may have had an adverse effect on the outlook on the Philippine property market and lead to an adverse change in the Philippines' macroeconomic situation. This materially and adversely affects the

Company's results of operations. Moreover, the Company's tenants in the BPO sector are taking actions to mitigate its impact, such as early termination, downsizing or non-renewal of leases, particularly with the increase in work-from-home arrangements. Thus, the Company is directly affected by the risks that affect the Philippine property market as a whole, and the property market in the BPO sector in particular. Any decline in the value of land or real estate in the Philippines may lead to a downward revaluation of the Properties and a decrease in rental rates.

The Company is exposed to risks that it will be unable to lease its Properties in a timely manner or collect rent at profitable rates or at all.

The Company is subject to risks incidental to the ownership and operation of office and related retail properties including, among others, competition for tenants, changes in market rents, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, increased operating costs and the need to renovate, repair and re-let space periodically and to pay the associated costs. In particular, the Company relies on the growth of the BPO business as a continued source of revenue from its rental properties. If the BPO business does not grow as the Company expects or if the Company is not able to continue to attract BPO-based tenants, it may not be able to lease its office space or as a consequence, its retail space, in a timely manner or otherwise at satisfactory rents.

Significant competition in the markets in which the Company operates could adversely affect its business.

The Company operates in a highly competitive industry. Its future growth and development are dependent, in large part, on the availability of large tracts of office and commercial assets suitable for acquisition, development or lease. As the Company and its competitors compete for such assets, it may become more difficult to find suitable properties in locations and at prices acceptable to the Company, particularly in Metro Manila, Central Business Districts (CBDs) and other key urban areas. To the extent that the Company is unable to grow its portfolio at acceptable prices, its growth prospects could be limited and its business and results of operations could be adversely affected.

A number of other office and commercial center developers and real estate services companies, some with greater financial and other resources than the Company, compete with the Company in various aspects. Competition from other real estate developers and real estate services companies may adversely affect the Company's ability to grow its portfolio, or attract and retain tenants, and continued development by these and other market participants could result in saturation of the market for office spaces.

Market changes in demand for new types of office space may reduce the appeal of the Properties to potential tenants.

The Company's Properties cater primarily to the BPO sector and the traditional office sector. Majority of its Properties are currently designed with traditional office space or to suit the specific requirements of a BPO tenant.

Recent trends in the Philippine commercial leasing market, however, indicate that many corporate consumers desire non-traditional office space, such as co-working spaces. Tenants that desire these types of co-working space also typically seek short-term lease terms. There is no guarantee that the Company will be able to keep pace with such changes in the commercial leasing market and offer office space and rental terms that are desirable for such businesses. There is also no guarantee that the Company's current tenants will not prefer different types of office space and rental arrangements. If the Company's pool of potential tenants is significantly reduced or if a large number of tenants do not renew their leases as a result of such trends, the rental income generated by the Properties could be adversely affected, which could also impact the Company's financial condition and results of operations and ability to make dividend distributions at the desired levels. The Company attempts to manage this risk by actively monitoring the real estate market in the Philippines to assess market trends and respond to changing needs and preferences, by continuing to maximize the desirability of its Properties and by pursuing well-planned and timed asset acquisition and investments.

The Company does not own the lands on which its Properties are situated.

The Properties are situated on lands owned by Megaworld. Although the Company owns the Properties, the Company leases the underlying land from Megaworld pursuant to separate lease agreements.

Lease agreements are entered into between the Company and Megaworld over the land on which the Properties stands for an aggregate period of fifty (50) years, comprising an initial lease period of twenty-five (25) years, with the Company having the option to renew for another twenty-five (25) years on such terms and conditions mutually acceptable to the Company and Megaworld. As consideration for the land leases, the Company will pay the Sponsor, for the initial period, rent equivalent to 2.5% of gross rental income for office properties, 2.5% of gross retail revenues for retail and other properties, and 1.5% of hotel rental/revenues for hotel properties; and, thereafter, rent equivalent to 5.0% of gross rental income for office properties, 5.0% of gross retail revenues for retail and other properties, and 3.0% of hotel rental/revenues for hotel properties. Rent is exclusive of VAT, DST and other taxes which shall be borne by the Company. The rental amounts due to Megaworld from the Company may be renegotiated for the renewal period.

Any substantial changes to the land lease contracts or Megaworld's ownership or right over the leased land, as well as the cancellation or termination of the lease, may adversely affect the Company's financial condition and results of operations and ability to make distributions. Because Megaworld is the Sponsor and remains as the majority shareholder of the Company, the Company believes that the interests of both parties are generally aligned and this alignment helps mitigate the risk.

In 2024, the Company entered into a land lease agreement with a related party under common ownership, over the land on which a certain investment property 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 rent equivalent to: (a) 2.5% of gross rental income for office and retail properties for the initial period, and 5% thereafter; and, (b) 1.5% of gross rental income for hotel properties for the initial period, and 3% thereafter.

In 2025, the Company entered into a land lease agreement with a related party under common ownership, over the land on which a certain investment property stood until 11 October 2057, 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 rent equivalent to: (a) from 01 January 2026, 3% of the Company's gross rental income for office and retail properties; and (b) from 01 July 2027 onwards, rent equivalent to 5% of the Company's gross rental income for office and retail properties.

The Company's business and operations are dependent upon the expertise and experience of the Fund Manager's and Property Manager's officers and employees.

As part of its transition to a REIT, the executive officers of the Company are seconded from other companies within the Megaworld Group. As such, the Company is dependent on the expertise and experience of the Fund Manager's and the Property Manager's directors, senior management, and other key employees for the success of the business. These individuals possess deep industry knowledge and an acknowledged reputation in the market, owing to their track records and experience.

If one or more of these directors or members of senior management are unable or unwilling to continue in their present positions, the fund manager or the property manager may not be able to replace them within a reasonable period of time with individuals who possess comparable expertise and experience, or at all, which may seriously disrupt, and materially and adversely affect, the Company's business, results of operations, and future prospects. The Company intends to manage the foregoing risks by adopting a business continuity plan and succession plan by identifying members of the management who will be able to assume and take on the role and additional responsibilities arising from such departure.

ITEM 2. PROPERTIES

The Properties of the Company as of 31 December 2025 consist of rental office and retail properties and hotels, including the following:

<u>Property</u>	<u>Location</u>	<u>Description</u>	<u>GLA (in sq.m.)</u>
One World Square	McKinley Hill, Fort Bonifacio, Taguig City	11-storey Office Tower	30,481.7
Two World Square	McKinley Hill, Fort Bonifacio, Taguig City	16-storey Office Tower	21,286.4
Three World Square	McKinley Hill, Fort Bonifacio, Taguig City	16-storey Office Tower	21,221.7
8/10 Upper McKinley Building	McKinley Hill, Fort Bonifacio, Taguig City	10-storey Office Tower	19,937.5
18/20 Upper McKinley Building	McKinley Hill, Fort Bonifacio, Taguig City	10-storey Office Tower	19,412.8
World Finance Plaza	McKinley Hill, Fort Bonifacio, Taguig City	15-storey Office Tower	25,067.5
1880 Eastwood Avenue	Eastwood, Quezon City	10-storey Office Tower	33,490.5
1800 Eastwood Avenue	Eastwood, Quezon City	10-storey Office Tower	34,718.2
E-Commerce Plaza	Eastwood, Quezon City	10-storey Office Tower	21,032.2
Richmonde Tower and Richmonde Hotel Iloilo	Iloilo Business Park, Iloilo City	3-storey Office Tower and 12-storey Tower	6,354.8 and 6,769.1
One Techno Place	Iloilo Business Park, Iloilo City	4-storey Office Tower	9,548.7
Two Techno Place	Iloilo Business Park, Iloilo City	5-storey Office Tower	11,393.4
Three Techno Place	Iloilo Business Park, Iloilo City	4-storey Office Tower	9,567.9
One Global Center	Iloilo Business Park, Iloilo City	4-storey Office Tower	10,301.0
Two Global Center	Iloilo Business Park, Iloilo City	4-storey Office Tower	9,902.6
Festive Walk 1B	Iloilo Business Park, Iloilo City	4-storey Office Tower	14,703.0
One West Campus	McKinley Hill, Fort Bonifacio, Taguig City	5-storey Office Tower	9,704.3

<u>Property</u>	<u>Location</u>	<u>Description</u>	<u>GLA (in sq.m.)</u>
Five West Campus	McKinley Hill, Fort Bonifacio, Taguig City	5-storey Office Tower	10,257.0

On 18 March 2026, the SEC approved the valuation of the Property-for-Share Swap, which resulted in the transfer to the Company with effect from January 2026 of nine (9) Grade A buildings located in PEZA-registered Zones, namely: 100% ownership of Science Hub Tower 1, Science Hub Tower 3, Science Hub Tower 4, 8 Campus Place A (Wells Fargo), 8 Campus Place B (Wells Fargo), 8 Campus Place C (Wells Fargo), One Campus Place Bldg A, One Campus Place Bldg B and SEAC (Wells Fargo) which are located at McKinley Hill, Brgy. Pinagsama, Taguig City, and in exchange for 996,865,672 common shares of the Company, with a par value of Php1.00 per share and APIC of P15,220,234,328.00 or for a total subscription price of 16,217,100,000.00.

The Company continuously seeks opportunities to acquire properties in prime locations through purchase or otherwise to increase its leasable assets.

There are no mortgages, liens or encumbrances over any of the Properties owned by the Company.

ITEM 3. LEGAL PROCEEDINGS

No Material Pending Legal Proceedings

Neither the Company nor any of its Properties are involved in or the subject of any legal proceedings which would have a material adverse effect on the business or financial position of the Company or any of its subsidiaries, or any of its or their properties.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders during the fourth quarter of 2025.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The common shares of the Company are traded in the PSE under the symbol "MREIT". The Company's common stock was first listed in the PSE on 01 October 2021.

The following table sets out, for the periods indicated, the high and low sales price for the Company's common shares as reported in the PSE:

Year		Q1	Q2	Q3	Q4
2021	High				19.70
	Low				16.70
2022	High	22.50	18.58	16.04	14.48
	Low	18.50	15.14	13.90	11.28
2023	High	15.36	15.90	14.56	12.80
	Low	13.70	13.76	12.08	11.54
2024	High	14.20	13.26	13.82	14.04
	Low	12.38	12.30	12.64	13.18

Year		Q1	Q2	Q3	Q4
2025	High	13.98	13.98	15.04	14.20
	Low	13.00	13.48	13.34	13.40

Market price of the Company's shares as at 29 December 2025 was Php14.00 per share.

Holders

As of 31 December 2025, the Company has nineteen (19) shareholders of record. The following table sets forth the shareholders of the Company as of 31 December 2025.

Rank	Name of Stockholder	Number of Common Shares	Percentage of Ownership
1.	Megaworld Corporation	1,151,632,881 (Direct Shares) 858,079,100 (Indirect Shares)	54.00%
2.	PCD Nominee Corp. (Filipino)	1,684,046,752 (exclusive of Megaworld Corporation's Indirect Shares held under PCD Nominee Corp.)	45.25%
3.	PCD Nominee Corp. (Non-Filipino)	24,903,348	0.67%
4.	AIM Scientific Research Foundation, Inc.	1,250,000	0.03%
5.	Pryce Gases, Inc.	1,035,900	0.03%
6.	Pryce Corporation	851,400	0.02%
7.	James Esteves Takano	124,000	0.00%
8.	Dhawal Vasant Kamath	31,700	0.00%
9.	Myra P. Villanueva	10,000	0.00%
10.	Milagros P. Villanueva	4,000	0.00%
11.	Myrna P. Villanueva	4,000	0.00%
12.	Jose Arnulfo Cruz Batac	1,000	0.00%
13.	Juan Carlos V. Cabreza	1,000	0.00%
14.	Marietta V. Cabreza	1,000	0.00%
15.	Francisco Castaneda Canuto	1,000	0.00%
16.	Lourdes T. Gutierrez-Alfonso	1,000	0.00%
17.	Antonio E. Llantada Jr.	1,000	0.00%
18.	Sergio R. Ortiz-Luis Jr.	1,000	0.00%
19.	Katherine L. Tan	1,000	0.00%

20.	Kevin Andrew L. Tan	1,000	0.00%
21.	Jesus B. Varela	1,000	0.00%
22.	Jennifer T. Ramos	100	0.00%
23.	Jennifer T. Ramos	100	0.00%
24.	Francis J. Ricamora	100	0.00%

Dividends and Dividend Policy

The Company is required to declare dividends pursuant to the REIT Law. The REIT Law requires a REIT to distribute annually a total of at least 90% of its distributable net income, as adjusted for unrealized gains and losses/expenses and impairment losses, and other items in accordance with generally accepted accounting standards (excluding proceeds from the sale of the Company's assets that are reinvested in the Company within one year from the date of the sale), as dividends to its shareholders. Such dividends shall be payable only from the unrestricted retained earnings, and the income distributable as dividends shall be based on the audited financial statements for the most recently completed fiscal year prior to the prescribed distribution. The Company may declare either cash, property, or stock dividends. However, the declaration of stock dividends must be approved by at least a majority of the entire membership of the Company's Board, including the unanimous vote of all its independent Directors, and stockholders representing not less than two-thirds (2/3) of the outstanding capital stock at a regular meeting or special meeting called for that purpose. Any such stock dividend declaration is also subject to the approval of the Philippine SEC within five working days from receipt of the request for approval. If the Philippine SEC does not act on said request within such a period, the declaration shall be deemed approved.

The Company has adopted a dividend policy in accordance with the provisions of the REIT Law, pursuant to which the Company's shareholders are entitled to receive at least 90% of the Company's annual Distributable Income. The Company intends to declare and pay out dividends on a quarterly basis each year.

In 2025, the Company's distributable income reached Php 3,734.4 million, reflecting a 17% increase from the previous year. Revenue also experienced a 24% year-on-year jump to Php 5,580.1 million. This growth was driven by the four new high-quality office towers and rent escalations from current tenants.

Out of the distributable net income for 2025, the Company declared total cash dividends on the Company's common shares amounting to Php 3,729,096,280.90 broken down as follows:

Payment Date	Amount	Amount per Share
June 05, 2025	Php 932,270,343.60	Php0.250478
September 11, 2025	Php 932,275,492.00	Php0.250478
December 19, 2025	Php 932,275,492.00	Php0.250478
March 26, 2026	Php 932,274,953.30	Php0.250478
Total		Php1.001912

The Company has distributed 99.9% of its distributable income for the period.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION AND FINANCIAL CONDITION

Results of Operations

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

Review of Twelve Months ending 31 December 2025 versus Twelve Months Ending 31 December 2024

The Company's net income increased to Php4,399.6 million for the fiscal year ending December 31, 2025, compared to Php3,973.9 million in the same period last year. This improvement reflects the Company's strong revenue growth driven by higher rental income and income from dues, supported by improved occupancy and rental escalations. After adjusting for fair value gains and other non-cash accounting items, the Company's distributable income also demonstrated strong growth, rising to Php3,734.4 million from Php3,178.3 million in the prior year. This increase was primarily driven by the higher rental revenues and improved operational efficiencies. The significant year-over-year improvement highlights the Company's continued efforts to enhance its asset portfolio, optimize income-generating properties, and deliver sustained value to its stakeholders.

Revenues

Rental income increased to Php4,280.6 million from Php3,464.1 million, while income from dues grew to Php1,299.5 million from Php1,049.3 million in the same period last year. The increase was primarily driven by improved occupancy and rental escalations, as well as the contribution of newly recognized assets.

Cost and Expenses

Cost of services increased to Php1,168.8 million from Php978.3 million, driven by the addition of six newly infused assets. Meanwhile, other operating expenses rose to Php152.7 million from Php92.5 million, primarily due to provision for probable losses on creditable withholding tax due to non-utilization because of the income tax incentives that the Company enjoys as a REIT.

Fair value gains on investment properties decreased to Php640.9 million for the year ending December 31, 2025, compared to Php790.4 million in the same period last year. The decline was primarily due to relatively lower valuation gains recognized during the year with no additional assets infused during the year.

Interest expenses increased to Php530.1 million from Php304.4 million in the previous year. The increase was primarily due to interest rate escalation during the year as per the loan agreement.

Tax Expense

Tax expense decreased to Php6.1 million for the year ended December 31, 2025, compared with Php9.6 million in the same period last year. The decrease was primarily attributable to higher dividends declared during the year, resulting in lower taxable income.

The top five (5) key performance indicators of the Company are shown below:

	31 December 2025	31 December 2024
Current Ratio ¹	1.91	1.85
Debt to Equity Ratio ²	0.11	0.11
Net Debt to Equity Ratio ³	0.09	0.12
	31 December 2025	31 December 2024
Return on Assets ⁴	5.76%	4.63%
Return on Equity ⁵	6.59%	5.38%

*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 / Average Total Assets

*5 – Net Profit / 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 were 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.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Financial Position (31 December 2025 vs 31 December 2024)

Item	31 December 2025	Increase/ (Decrease)	% Change	Causes
Cash and cash equivalents	1,387,817,591	(637,437,502)	(31%)	The decrease was primarily due to higher dividends paid during the year.
Trade and other receivables	916,649,667	323,232,109	54%	The increase was primarily due to higher billed receivables and the timing difference between revenue recognition and collection.
Other current assets	360,534,097	32,115,286	10%	The increase was primarily attributable to higher prepaid expenses and supplies, partially offset by lower creditable withholding taxes and input VAT
Accounts and other payables	484,001,229	(326,030,729)	(40%)	The decrease was mainly due to lower accrued expenses and accounts payable, partially offset by higher output VAT payable.

Retained earnings (deficit)	(1,546,947,950)	682,368,825	(31%)	The decrease in deficit is due to the Company's net income for the year, net of dividends declared.
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Statement of Income (31 December 2025 vs 31 December 2024)

Item	31 December 2025 (12 Months)	Increase/ (Decrease)	% Change	Causes
Rental income	4,280,578,242	816,448,443	24%	The increase was primarily driven by improved occupancy, rental escalations and higher recoveries from tenants.
Income from dues - net	1,299,540,327	250,192,133	24%	
Operating expense	152,650,000	60,149,685	65%	The increase was mainly due to the provision for probable losses on creditable withholding tax (CWT).
Other income	146,951,089	(393,822,237)	73%	Decrease due to lower valuation gains recognized during the year.

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.

Review of Twelve Months ending 31 December 2024 versus Twelve Months Ending 31 December 2023

The Company's net income saw a substantial increase, reaching Php3,973.9 million for the fiscal year ending December 31, 2024, compared to Php168.3 million in the same period last year. This remarkable growth reflects the company's strategic initiatives and asset expansion efforts. After adjusting for fair value gains or losses and other non-cash accounting items, the Company's distributable income also demonstrated strong growth, rising to Php3,178.3 million from Php2,844.1 million in the prior year. This increase was primarily driven by the recognition of newly infused assets in Q4 2024, which contributed to higher rental revenues and improved operational efficiencies. The significant year-over-year improvement highlights the Company's continued efforts to enhance its asset portfolio, optimize income-generating properties, and deliver sustained value to its stakeholders.

Revenues

Rental income increased to Php3,464.1 million from Php3,223.4 million, while net income from dues grew to Php1,049.3 million from Php933.1 million in the same period last year. These gains were driven by the recognition of newly infused assets in Q4 2024, specifically six (6) prime, Grade A office buildings added to the Company's portfolio.

Cost and Expenses

Cost of services increased to Php978.3 million from Php940.6 million, driven by the addition of six newly infused assets. Meanwhile, other operating expenses rose to Php92.5 million from Php62.2 million, primarily due to a one-time expense related to regulatory requirements for the property share swap.

Fair value gains on investment properties of Php790.4 million was recognized this year, driven by the same factors mentioned above. In contrast, the previous year saw a fair value loss of Php2,732.2 million.

Interest expenses declined slightly to Php304.4 million from Php306.9 million in the previous year.

Tax Expense

Tax expense declined by 24% to Php9.6 million, mainly due to lower final taxes from decreased interest income on the Company's rolled-over short-term placements.

The top five (5) key performance indicators of the Company are shown below:

	31 December 2024	31 December 2023
Current Ratio ¹	1.85	1.90
Debt to Equity Ratio ²	0.11	0.14
Net Debt to Equity Ratio ³	0.12	0.15
	31 December 2024	31 December 2023
Return on Assets ⁴	4.63%	0.28%
Return on Equity ⁵	5.38%	0.33%

*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 / Average Total Assets

*5 – Net Profit / 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 the net sales or 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 were 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 relationship of the Company with unconsolidated entities or other persons created during the reporting period.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Financial Position (31 December 2024 vs 31 December 2023)

Item	31 December 2024	Increase/ Decrease	% Change	Causes
Cash and cash equivalents	2,025,255,093	346,343,047	21%	Increased by 21%, principally through to greater cash inflows from the Company's operations.
Trade and other receivables	389,032,440	67,788,145	21%	Increase due to the assignment of receivables and security deposits. Advance rents resulting from the infusion of an extra six (6) offices assets included in the Property-for-Share swap transaction
Other current assets	328,418,809	66,825,428	26%	Increased due to the received creditable withholding tax certificates alongside other taxes that was incurred for the year.
Investment properties	72,922,717,200	13,941,917,200	24%	Increased due to the infusion of an extra six (6) offices assets included in the Property-for-Share swap transaction
Other non-current assets	224,237,781	145,689,803	185%	Increased due to the additional projects which pertain to the building improvements and maintenance.
Other Liabilities	1,782,471,225	462,290,077	35%	Increase which is due to a growth in fund and property management fees, and other payables such as trade, output VAT, and delayed output VAT outlay connected to the addition of the six (6) office assets during the period.

Capital stock	3,721,983,381	926,162,000	33%	Increase resulted from the inclusion of six (6) office assets as part of the Property for Share Swap transaction. The SEC released its certification of valuation for the properties in October 2024, which triggered the issuance of new shares and the infusion of stated assets.
Additional Paid In Capital	64,797,000,097	12,014,186,212	23%	
Retained earnings (deficit)	(2,229,316,774)	1,210,759,577	-36%	Decreased due to non-cash component on fair value losses.

Statement of Income (31 December 2024 vs 31 December 2023)

Item	31 December 2024 (12 Months)	Increase/ Decrease	% Change	Causes
Rental income	3,464,129,798	240,747,083	7%	The increase in revenue is attributed to the recognition of increased income from the six (6) office properties injected during the fourth quarter.
Income from dues - net	1,049,348,194	116,226,441	12%	
Operating expense	92,504,316	30,307,372	49%	The increase is primarily due to payment of fees from the SEC and PSE in relation to the Property for Share Swap transaction as well as expenses from the newly injected properties.
Miscellaneous income	540,773,325	3,513,581,489	118%	Increase due to the fair value gains from the investment properties.

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.

Review of Twelve Months ending 31 December 2023 versus Twelve Months Ending 31 December 2022

The Company's net income increased to Php168.3 million for the fiscal year ending 31 December 2023, from a net loss of Php176.6 million in the same period the previous year. In both periods, fair value loss was recognized driving down the net income of the Company. Adding back the fair value loss and removing other non-cash accounting adjustments, the distributable income of the company

increased to 2,844.1 million from 2,562.2 million in the same period the previous year. The increases were primarily driven by the recognition of income from four (4) additional prime, grade A office buildings located in PEZA-registered zones.

Revenues

Rental income grew to Php3,223 million from Php2,918 million while income from dues – net grew to Php933 million from 731 million in the same period last year. Both increases are attributable to the full year recognition of income in the current year from the four (4) additional prime, Grade A office buildings that the Company owns.

Cost and Expenses

Cost of services also grew to Php940 million from Php676 million, while other operating expenses grew to Php62 million from Php38 million, in the same period last year as a result of the full year recognition of expenses for the operation of the four (4) additional office buildings.

A fair value loss of Php2,732 million was also recorded this year for the reason stated above. In the same period last year, a total fair value gain of Php2,822 million was recorded arising from upward adjustments in the appraisal of the Company's investment Properties.

Interest expenses also decreased slightly to Php306 million from Php309 million the previous year.

Tax Expense

Tax expense increased by 189% to Php12.6 million due to the higher final taxes arising from the higher interest income generated from the Company's rolled over short-term placement.

The top five (5) key performance indicators of the Company are shown below:

	31 December 2023	31 December 2022
Current Ratio ¹	1.90	2.52
Debt to Equity Ratio ²	0.14	0.15
Net Debt to Equity Ratio ³	0.15	0.15
	31 December 2023	31 December 2022
Return on Assets ⁴	0.28%	-0.30%
Return on Equity ⁵	0.33%	-0.35%

*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 / Average Total Assets

*5 – Net Profit / 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 the net sales or 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.

Material Changes in the Financial Statements

(Increase/decrease of 5% or more)

Statement of Financial Position (31 December 2023 vs 31 December 2022)

Item	31 December 2023	Increase/ Decrease	% Change	Causes
Cash and cash equivalents	1,678,912,046	298,385,986	22%	Increased by 22%, principally through to greater cash inflows from the Company's operations during the first half of 2023.
Trade and other receivables	451,266,601	141,425,570	46%	Increase due to the assignment of receivables and security deposits. Advance rents resulting from the infusion of an extra four (4) offices assets included in the Property-for-Share swap transaction
Other non-current assets	78,547,978	(14,092,636)	-15%	Decreased due to the completion of construction in process for building renovations.
Accounts and other payables	785,682,360	291,694,037	59%	Increase which is due to a growth in fund and property management fees, and other payables such as trade, output VAT, and delayed output VAT outlay connected to the addition of the four (4) office assets during the period.
Capital stock	2,795,821,381	263,700,000	10%	Increase resulted from the inclusion of four (4) office assets as part of the Property for Share Swap transaction. The SEC released its certification of valuation for the properties on March 23, 2023, which triggered the issuance of new shares and the infusion of stated assets.
Additional Paid In Capital	52,782,813,885	4,875,347,850	10%	
Retained earnings (deficit)	(3,440,076,347)	(2,518,718,024)	273%	Decreased due to non-cash component on fair value losses.

Statement of Income (31 December 2023 vs 31 December 2022)

Item	31 December 2023 (12 Months)	Increase/ Decrease	% Change	Causes
Rental income	3,223,382,715	305,597,030	10%	The increase in revenue is attributed to the recognition of increased income from the four (4) office properties
Income from dues - net	933,121,752	202,140,179	28%	

				injected during the first quarter.
Cost of services	940,568,965	264,357,772	39%	
Other operating expenses	62,196,945	24,796,662	66%	The increase is primarily due to payment of fees from the SEC and PSE in relation to the Property for Share Swap transaction.
Interest income	64,685,771	41,643,448	181%	Increase due to higher interest collected from short-term placements.
Miscellaneous income	1,686,743	998,726	145%	Increase due to the collection of penalties and non-recurring rental income from tenants.
Tax income (expenses)	(12,586,537)	(8,237,702)	189%	The increase is attributable to increased final tax expenditure, as well as higher interest revenue obtained from short-term placements during the current period.

There are no other significant changes in the Company's financial position (5% or more) and conditions 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.

ITEM 7. FINANCIAL STATEMENTS

Financial Statements meeting the requirements of SRC Rule 68, as amended, are attached hereto as Exhibit 1 and incorporated herein by reference.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company.

PART III – CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

There are seven (7) members of the Company's Board of Directors, three (3) of whom are independent directors. An independent director is a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as director (SRC, Rule 38). All directors were elected during the annual meeting of stockholders held on 02 June 2023, and will hold office until their successors have been duly elected and qualified. All the incumbent directors have been nominated for election to the Board of Directors of the Company for the ensuing calendar year.

Information concerning the background of the directors/nominees for directors and executive officers of the Company indicating their principal occupation or employment and their business experience for the past five (5) years is provided below.

The table sets forth each member of the Company's Board as of 31 December 2025.

Name	Age	Citizenship	Position
Kevin Andrew L. Tan ²	46	Filipino	Director and Chairman
Jose Arnulfo C. Batac ³	51	Filipino	Director, President and CEO
Francisco C. Canuto	68	Filipino	Director
Lourdes T. Gutierrez-Alfonso	62	Filipino	Director
Antonio E. Llantada, Jr.	70	Filipino	Independent Director
Jesus B. Varela	69	Filipino	Independent Director
Sergio R. Ortiz-Luis, Jr.	82	Filipino	Independent Director

The table below sets forth the Company's executive officers in addition to its executive directors listed above as of 31 December 2025.

Name	Age	Citizenship	Position
Giovanni C. Ng	52	Filipino	Treasurer
Maria Carla T. Uykim	49	Filipino	Corporate Secretary
Giancarlo V. Inacay ⁴	31	Filipino	Chief Financial Officer
Vince Zyrence T. Barlongay ⁵	28	Filipino	Compliance Officer
Andy Willing Dela Cruz, Jr.	31	Filipino	Investor Relations Officer

Kevin Andrew L. Tan
Chairman of the Board

Mr. Tan is a Director since 2020 and the Chairman of the Board of Directors of the Company. He previously held the position of President and Chief Executive Officer from 2020 to 2025. He is currently the Director and Executive Director of Megaworld Corporation, and was first appointed as Director on 07 October 2024. He has been with the Company since July 2001, and previously held the position of Executive Vice President and Chief Strategy Officer. Mr. Tan has led the master planning of 36 township developments and extensive tourism projects of the Company, which continue to drive economic growth across various regions of the Philippines. He also previously held the position of Senior Vice President for Commercial Division, which markets and operates the Megaworld Lifestyle Malls including Eastwood Mall and The Clubhouse at Corinthian Hills in Quezon City, Venice Piazza at McKinley Hill and Burgos Circle at Forbestown Center, both in Fort Bonifacio, California Garden Square in Mandaluyong City, Newport Mall at Newport World Resorts Manila in Pasay City, Lucky Chinatown Mall in Binondo, Manila and Uptown Mall in Bonifacio Global City. He is the President, Chief Executive Officer and Vice Chairman of publicly-listed company, Alliance Global Group, Inc. He is concurrently a Director of publicly-listed companies, Empire East Land Holdings, Inc., Emperador Inc. and Global-Estate Resorts, Inc., as well as Eastwood Cyber One Corporation, Uptown Cinemas, Inc., Megaworld Central Properties Inc., Twin Lakes Corporation, Megaworld Land, Inc., Townsquare Development, Inc., Emperador Distillers, Inc., Alliance Global Brands, Inc., Anglo Watsons Glass, Inc., Yorkshire Holdings, Inc., The Bar Beverage, Inc., Emperador Brandy, Inc., and New Town Land Partners, Inc. He also serves as the Chairman of Travellers International Hotel Group, Inc. and Megaworld Foundation, Inc., Chairman and President of Alliance Global-Infracorp Development, Inc., and Chairman and President/CEO of Agile Digital Ventures, Inc. Beyond his corporate leadership, Mr. Tan serves on several distinguished advisory bodies, including the Presidential Economic Advisory Council under Philippine President Ferdinand R. Marcos Jr., APEC Business Advisory Council

² Appointed as Chairman effective as 01 June 2025

³ Appointed as President and Chief Executive Officer effective as 01 June 2025

⁴ Appointed as Chief Financial Officer effective 15 January 2025 until 25 February 2026

⁵ Appointed as Compliance Officer and Data Privacy Officer effective 29 September 2025 until 25 February 2026

(ABAC), and the International Advisory Council of the Singapore Management University (SMU). Mr. Tan obtained his bachelor's degree in Business Administration major in Management from the University of Asia and the Pacific.

Jose Arnulfo C. Batac

Director, President and Chief Executive Officer

Mr. Batac is a Director and the President and Chief Executive Officer of the Company. He has been in the Company since 2024 and previously held the position of Chief Operating Officer. He concurrently serves as Head for Sustainability of Megaworld Corporation. Additionally, he serves as Chairman and President of Citylink Coach Services, Inc., Integrated Town Management Corporation, and Bonifacio Capital District Estate Management Corp. He is also the Chairman of Bonifacio Capital District Estate Assn. Inc. Furthermore, he serves as Director and President of Eastwood Cyber One Corporation and Embassy Hills Properties Inc., and sits as a Director for Forbestown Commercial Center Administration, Inc. and Paseo Center Building Administration, Inc. Prior to his current roles, he headed the Corporate Ventures and Partnerships Management of Megaworld Corporation. Before this, he used to lead the estate management department handling the operations of Megaworld's township developments. Mr. Batac obtained his bachelor's degree in Architecture from the University of Santo Tomas in 1996.

Francisco C. Canuto

Director

Mr. Canuto joined the Company as a Director in 2020. He previously held the position of Chairman of the Board of Directors until 2025. He is a Certified Public Accountant and currently holds the rank of Senior Vice President, as well as the positions of Chief Finance Officer, Treasurer, Compliance Officer, Corporate Information Officer and Chief Audit Executive and is Senior Assistant to the Chairman. He is also a member of the Company's Management Executive Committee of Megaworld Corporation (publicly-listed). He is concurrently Director of Megaworld Global-Estate, Inc., and Eastwood Property Holdings, Inc., Director and President of Gilmore Property Marketing Associates, Inc., Director and Corporate Secretary of Megaworld Central Properties, Inc. and Director and Treasurer of Megaworld Cebu Properties, Inc., Twin Lakes Corporation, Megaworld Oceantown Properties, Inc., Megaworld Resort Estates, Inc., Megaworld Land, Inc., Megaworld-Daewoo Corporation, and Eastwood Cyber One Corporation. He serves as Chairman of Prestige Hotels & Resorts, Inc. and Chairman and President of Arcovia Properties, Lucky Chinatown Cinemas, Inc., Festive Walk Cinemas, Inc., Southwoods Cinemas, Inc., McKinley Cinemas, Inc., and Uptown Cinemas, Inc. He is also the President of Megaworld Foundation, Inc. Before joining the Company, he worked as Audit Manager of SGV & Company and Controller of Federal Express Corporation. Mr. Canuto holds a bachelor's degree in Commerce major in Accounting from Polytechnic University of the Philippines ("PUP") in 1978 and a Master's Degree in Business Administration from Ateneo de Manila University in 1986. His alma mater, PUP, conferred him Doctor of Business Administration, Honoris Causa in 2018.

Lourdes T. Gutierrez-Alfonso

Director

Ms. Gutierrez-Alfonso is a Director of the Company from 2020. She is currently the President and CEO of Megaworld Corporation and was first appointed as Director on 03 June 2024. She is also a member of the Executive Committee of the Company. She likewise serves as director in affiliate companies including publicly-listed Alliance Global Group, Inc., and Global-Estate Resorts, Inc. Ms. Gutierrez-Alfonso is Chairman of the property management company, First Oceanic Property Management, Inc. She is also a director of Suntrust Properties, Inc., Twin Lakes Corporation, Southwoods Mall, Inc., Mactan Oceanview Properties and Holdings, Inc., Megaworld Resort Estates, Inc., Megaworld Oceantown Properties, Inc., Megaworld Bacolod Properties, Inc., Eastwood Cyber One Corporation, Davao Park District Holdings, Inc., and Prestige Hotels & Resorts, Inc. She is also currently the Chairman of the Board of Megaworld Cebu Properties, Inc., Belmont Newport Luxury Hotels, Inc., Megaworld Global-Estate, Inc., and Savoy Hotel Manila, Inc. She is also a trustee and a Corporate Secretary of Megaworld Foundation, Inc. She has extensive experience in real estate and a strong background in finance and marketing. Ms. Gutierrez-Alfonso graduated cum laude from the Far Eastern University with the degree of Bachelor of Science major in Accounting in 1984. She is a

certified public accountant by profession. She was conferred with Doctor of Humanities, Honoris Causa by the Far Eastern University during its 2025 Commencement Exercise.

Jesus B. Varela
Independent Director

Mr. Varela has been an Independent Director of the Company and has served as such since 2021. He is presently Chairman of Euro Exim Philippines and OPHIR, HK Ltd. He is President of the Erehwon Art Foundation. He also writes a regular column at the Daily Tribune. He is a member of the Board of Regents of the Unibersidad de Manila, a post which he has held since 2019. Mr. Varela was the immediate past Director General of the International Chamber of Commerce Philippines and served the institution for 10 years. He was Vice President and a Board of Governor member of the Employers Confederation of the Philippines while concurrently serving as a Board Member of the PCCI. Mr. Varela also had prior government experience as a member of the Board of Pagibig Fund for 7 years, a Labor Attache in Athens & Cyprus; Kobe, Japan and the Northern Marianas Island with concurrent accreditation in Guam and the Federated States of Micronesia. He served as the official Philippine Campaigner of the Philippine Candidature for the International Labor Organization in Geneva. He likewise served as the Sector Head of Labor and Human Settlements at the Presidential Management Staff from 1979 to 1981. He was also President of the Philippine Genetics, Inc; Chairman of Livecorp Philippines, Board member of the NFA and Planters Product Inc, among others.

Antonio E. Llantada, Jr.
Independent Director

Mr. Llantada has been an Independent Director of the Company and has served as such since May 2021. Mr. Llantada is a Certified Public Accountant (CPA) by profession. He is concurrently a Professor of Accounting and Finance in Enderun Colleges and Thames International Business School, and a Guest and Regular Resource Faculty - School of Executive Education and Lifelong Learning (SEELL) and the Executive Master in Business Administration Program (EMBA) of the Washington Sycip Graduate School of Business (WGSB) - Asian Institute of Management (AIM). He previously served as the Internal Audit Consultant and Chief Audit Executive of Empire East Land Holdings, Inc. (publicly-listed). Mr. Llantada obtained his Bachelor of Science Commerce degree in Accounting and Bachelor of Arts degree in Behavioral Science. (LIA-COM) in De La Salle University - Manila, and his Master's Degree in Business Administration (MBA) in the Ateneo Graduate School of Business (AGSB).

Sergio R. Ortiz-Luis, Jr.
Lead Independent Director

Mr. Ortiz-Luis has been an Independent Director of the Company and has served as such since April 2021. He is the President of the Employers Confederation of the Philippines (ECOP), One Philippine Foundation, Inc., Philippine Exporters Confederation (PHILEXPORT) and honorary Chairman and Treasurer of the Philippine Chamber of Commerce and Industry (PCCI). He is the Chairman of Philippine International Airways, National Center for Mediation, Waterfront Mactan Casino Hotel, Inc., Waterfront Philippines, Inc., Grand Ilocandia Resort and Development, Inc., Mayo Bonanza, Inc., Club Waterfront International, Limited, Davao Insular Hotel Company, Inc., Aristocrat Manila City Holdings, Inc. He is also the Chairman and President of Southernpec Phil Corporation and Honorary Chairman of Integrated Concepts & Solutions, Inc. Mr. Ortiz-Luis is also the Vice Chairman of Export Development Council, VC Securities Corporation, Acesite Hotel Philippines, Inc. and Philippine Ease of Doing Business Foundation. He is a Director of Empire East Land Holdings, Inc., GS1 (Formerly Phil. Article Numbering Council), The Wellex Group, Manila Exposition Complex, Inc., La SalleTech Academy, Inc., Philippine Estate Corporation, B.A Securities, Forum Pacific, Inc. (FPI: Philippines), LikeCash Asia & Pacific Corp (LikeCash), SPC Power Corporation, Alliance Energy Power and Development Inc., Philippine H2O Ventures Corporation, Jollville Holdings Corporation, Buklod Bayani Coalition, and Director and Treasurer of Bayaning Pulis Foundation, Inc. He is also the Private Sector Representative of The Philippine Bamboo Council, Member of Council of Adviser Makati City, Senator of Philippine Jaycee Senate, Captain of Philippine Coastguard Auxiliary, Trustee & Treasurer

of Human Resources Development Foundation, Hon. Consul General of Consulate of Romania in the Philippines, Dean of Consular Corps (2022) of Consular Corps of the Philippines and Honorary Adviser of Int'l. Association of Educators for World Peace. Mr. Ortiz-Luis, Jr. obtained his bachelor's degree in Liberal Arts and Business Administration, and a candidate of Master of Business Administration from De La Salle College. He has a PhD in Humanities from Central Luzon State University, PhD in Business Technology from Eulogio "Amang" Rodriguez Institute of Science and Technology, and PhD in Business Administration from Angeles University Foundation.

Giovanni C. Ng
Treasurer

Mr. Ng is the Treasurer of the Company. He concurrently serves as Senior Vice President and Finance Director of Megaworld Corporation, the Company's Parent and Sponsor (a publicly-listed company). He serves as director and Treasurer in Eastwood Property Holdings, Inc., Gilmore Property Marketing Associates, Inc., and Valle Verde Properties, Inc., and director in Megaworld Oceantown Properties, Inc., Empire East Communities, Inc., First Centro, Inc., Lucky Chinatown Cinemas, Inc., McKinley Cinemas, Inc., Uptown Cinemas, Inc., Mactan Oceanview Properties and Holdings, Inc. and New Town Land Partners, Inc. He also serves as Treasurer of publicly-listed Empire East Land Holdings, Inc., as well as Adams Properties, Inc. and Townsquare Development, Inc. He is also a Director and Corporate Secretary of Megaworld Land, Inc. Mr. Ng obtained his Bachelor's Degree in Quantitative Economics from the University of Asia and the Pacific, graduating summa cum laude in 1995.

Maria Carla T. Uykim
Corporate Secretary

Atty. Uykim is the Corporate Secretary of the Company. She is concurrently the Head of the Corporate Advisory and Compliance Division of Megaworld Corporation, the Company's Parent and Sponsor, and a member of its Management Executive Committee. She is concurrently the Corporate Secretary of publicly-listed company, Global-Estate Resorts, Inc. and serves as Corporate Secretary in various companies such as Global One Integrated Business Services, Inc., Megaworld Bacolod Properties, Inc., Northwin Properties, Inc., Suntrust Properties, Inc. and Maple Grove Land, Inc. She likewise serves as a Director and Corporate Secretary of various companies, such as Asia Affinity Property Management, Inc., Asian E-commerce, Inc., Luxury Global Malls, Inc., Manila Bayshore Property Holdings, Inc., Megaworld Capital Town, Inc., and Megaworld San Vicente Coast, Inc. Atty. Uykim was previously an Associate at Andres Marcelo Padernal Guerrero and Paras law offices from August 2005 to April 2007, where she specialized in labor and corporate law, and at ACCRA Law from February 2003 to January 2004, where she practiced immigration law. She also served as Chief of Staff of Congresswoman Remedios L. Petilla from July 2004 until June 2005. Atty. Uykim obtained her Juris Doctor Degree from the Ateneo De Manila School of Law in 2002 and is a graduate of the double degree program of De La Salle University, with a Bachelor of Arts in Psychology and a Bachelor of Science in Marketing Management in 1997.

Giancarlo V. Inacay
Chief Financial Officer

Mr. Inacay served as Chief Financial Officer of the Company until 25 February 2026. He previously held the position of Financial Director of the Company until 2024. Prior to joining the Company, Mr. Inacay was associated with Whitestone Holdings Inc., Philippines, Bayfront Capital Advisors, Singapore and PwC Philippines. Mr. Inacay graduated from De La Salle University – Manila with a degree in Applied Economics and Business Management.

Vince Zyrence T. Barlongay
Compliance Officer

Atty. Barlongay served as In-house Counsel of the Company until 25 February 2026. Prior to joining the Company, Atty. Barlongay was affiliated with Esguerra and Blanco Law Offices and the Bureau of International Trade Relations under the Department of Trade and Industry. Atty. Barlongay earned his Juris Doctor degree from Ateneo de Manila University School of Law and his Bachelor's degree in Political Science from Far Eastern University–Manila.

Andy Willing Dela Cruz, Jr.
Investor Relations Officer

Mr. Dela Cruz is the Investor Relations Officer of the Company. Mr. Dela Cruz concurrently holds the same position at Megaworld Corporation, the publicly listed Sponsor of the company. Before joining the Megaworld Group, Mr. Dela Cruz built a distinguished career in the financial industry, holding key roles such as Equity Analyst at Philippine Equity Partners (affiliated with Bank of America Securities), Institutional Sales, and Senior Analyst at COL Financial Group. Mr. Dela Cruz graduated with honors from Ateneo de Manila University, earning a Bachelor of Science degree in Management-Honors with a minor in Financial Management. He is also a Chartered Financial Analyst (CFA).

Significant Employees

The business of the Company is not highly dependent on the services of personnel outside of Senior Management and the employees of the Fund Manager and the Property Manager. Nevertheless, the entire workforce is considered significant, and is expected to work together to achieve the Company's goals and objectives.

Family Relationships

Kevin Andrew L. Tan, Chairman of the Board, is the son of Andrew L. Tan, the Chairman of Megaworld Corporation (the Company's Parent and Sponsor), and Katherine L. Tan, shareholders of the Company. Kevin Andrew L. Tan is also the Executive Director of Megaworld Corporation.

Involvement in Certain Legal Proceedings

The Company is not aware of the occurrence, as of the date hereof and during the past five (5) years preceding this date, of any of the following events which it believes to be material to the evaluation of the ability or integrity of any of its directors, nominees for election as director, or executive officers:

1. Any bankruptcy petition filed by or against any business of a director, nominee for election as director, or executive officer who was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. Any director, nominee for election as director, or executive officer being convicted by final judgment in a criminal proceeding, domestic or foreign, or being subject in his personal capacity to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Any director, nominee for election as director, or executive officer being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
4. Any director, nominee for election as director, or executive officer being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to

have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

ITEM 10. EXECUTIVE COMPENSATION

Summary Compensation Table

Aggregate compensation paid to the Company's Chief Executive Officer and the four (4) most highly compensated executive officers as a group for the last two fiscal years and the estimate for the ensuing year are as follows:

Name and Principal Position	Year	Salary	Other Variable Pay	Total Annual Compensation
Kevin Andrew L. Tan Chairman				
Giovanni C. Ng Treasurer				
Maria Carla T. Uykim Corporate Secretary				
Jose Arnulfo C. Batac President and CEO				
Andy Willing Dela Cruz Investor Relations Officer				
President and Four Most Highly Compensated Officers	Actual 2025	Php5.3m	Php1.1m	Php6.4m
	Projected 2026	Php5.6m	Php1.2m	Php6.7m
All Other Officers and Directors as a Group	Actual 2025	Php2.6m	Php0.5m	Php3.1m
	Projected 2026	Php2.7m	Php0.5m	Php3.3m

Compensation of Directors

The Company's By-Laws stipulate that the total yearly compensation of all directors and principal officers of the Corporation shall not exceed 10% of the net income before tax of the Corporation for the preceding year. In the last two reporting periods, directors received per diem only from the Company.

For 2025, the Company has allocated Php525,000.00 for Directors' per diems. There are no arrangements pursuant to which any Director of the Company was compensated, or is to be compensated, directly or indirectly, during the year ended 31 December 2025 for any service provided as a Director.

Name of Directors	Year	Salary	Total Annual Director's Per Diem
Kevin Andrew L. Tan		Per diem	
Jose Arnulfo C. Batac		Per diem	

Francisco C. Canuto		Per diem	
Lourdes T. Gutierrez-Alfonso		Per diem	
Antonio E. Llantada, Jr.		Per diem	
Jesus B. Varela		Per diem	
Sergio R. Ortiz-Luis, Jr.		Per diem	
Total Annual Director's Per Diem	2024		500,000
	2025		525,000
	2026		525,000

Employment Contracts and Termination of Employment and Change-in-Control Arrangement

Executive officers are appointed by the Board to their respective offices. The Company does not enter into employment contracts with its executive officers. Other than benefits available under the Company's retirement plan, there is no compensatory plan or arrangement with respect to an executive officer which results or will result from the resignation, retirement or any other termination of such executive officer's employment with the Company and its subsidiaries, or from a change-in-control of the Company, or a change in an executive officer's responsibilities following a change-in-control of the Company.

Options Outstanding

There are no outstanding warrants or options in connection with the shares of the Company held by any of the directors or executive officers.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Record and Beneficial Owners of more than 5% of the Company's Shares as of 31 December 2025

Title of Class	Name, address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent of Class
Common	Megaworld Corporation 30th Floor, Alliance Global Tower, 36th Street cor.	Megaworld Corporation ⁶	Filipino	1,151,632,881 (Direct Shares) 858,079,100 (Indirect Shares) ⁷	54.00%

⁶ The Board of Directors of Megaworld Corporation ("Megaworld") has voting and investment power over shares of stock held by Megaworld in the Company.

⁷ Megaworld Corporation's Indirect Shares are lodged with PCD Nominee Corporation.

	11th Avenue, Uptown Bonifacio, Taguig City 1634				
	Parent/Sponsor				
Common	PCD Nominee Corp. (Filipino) G/F MKSE Bldg., 6767 Ayala Ave., Makati	Participants of the PCD composed of custodian banks and brokers. ⁸	Filipino	2,542,125,852 ⁹	68.30%

Other than the persons identified above, there are no other beneficial owners of more than 5% of the Company's voting stock known to the Company.

Security Ownership of Management as of 31 December 2025

Title of Class Name of Beneficial Owner		Amount and Nature of Beneficial Ownership*	Citizenship	Percent of Class
Directors/Nominees				
Common	Kevin Andrew L. Tan ¹⁰	1,000 (Direct) 9,994,000 (Indirect)	Filipino	0.2700%
Common	Jose Arnulfo C. Batac ¹¹	1,000 (Direct) 100,000 (Indirect)	Filipino	0.0000%
Common	Francisco C. Canuto	1,000 (Direct)	Filipino	0.0000%
Common	Lourdes T. Gutierrez-Alfonso	1,000 (Direct)	Filipino	0.0000%
Common	Antonio E. Llantada, Jr.	1,000 (Direct)	Filipino	0.0000%
Common	Jesus B. Varela	1,000 (Direct)	Filipino	0.0000%
Common	Sergio R. Ortiz-Luis, Jr.	1,000 (Direct)	Filipino	0.0000%
CEO and Most Highly Compensated Officers				
Common	Kevin Andrew L. Tan		Same as above	
Common	Jose Arnulfo C. Batac		Same as above	
Common	Giovanni C. Ng	0	Filipino	n/a
Common	Maria Carla T. Uykim	0	Filipino	n/a
Common	Andy Willing Dela Cruz, Jr.	0	Filipino	n/a
Other Executive Officers				
Common	Giancarlo V. Inacay	0	Filipino	n/a
Common	Vince Zyrence T. Barlongay	0	Filipino	n/a

Voting Trust Holders of 5% or More

The Company is not aware of the existence of persons holding more than five percent (5%) of the Company's common shares under a voting trust or similar agreement.

Changes in Control

On 01 February 2021, Megaworld obtained control over the Company by subscribing to 12,400,000 shares of the Company's authorized capital stock with par value of Php100.00 per share or a total of Php1,240,000,000.00. Accordingly, Megaworld acquired 99.20% direct ownership of the Company's total issued and outstanding capital stock.

⁸ Among the PCD participants, Aurora Securities, Inc. owns 889,880,500 shares representing 23.91% of the Company's outstanding capital stock, Government Service Insurance System owns 371,319,400 shares representing 9.98% of the Company's outstanding capital stock, and Banco De Oro - Trust Banking Group owns 227,088,610 representing 6.10%.

⁹ Inclusive of indirect shares of Megaworld Corporation, Directors and Officers, and affiliates.

¹⁰ Kevin Andrew L. Tan's Indirect Shares are lodged with PCD Nominee Corporation.

¹¹ Jose Arnulfo C. Batac's Indirect Shares are lodged with PCD Nominee Corporation.

On 07 April 2021, the Company approved the amendment of its Articles of Incorporation to change the par value of common shares from Php100.00 to Php1.00, resulting in an increase in the number of common shares from 50,000,000 to 5,000,000,000.

On 07 April 2021, the Company also approved the Property-for-Share Swap transaction with Megaworld in which Megaworld transferred, assigned and conveyed absolutely in favor of the Company all of its rights, title and interests in ten (10) mixed-use buildings, in exchange for 1,282,120,381 common shares with a par value of Php1.00 per share and additional paid-in capital (APIC) of Php47,920,287,239.00. The Philippine SEC certified the approval of the valuation of the Property-for-Share Swap on 01 June 2021; hence, the issuance of additional common shares to Megaworld was consummated. Accordingly, Megaworld's direct ownership interest increased to 99.61% of the total issued and outstanding capital stock of the Company.

On 01 October 2021, upon the Company's listing in the PSE, Megaworld sold 949,837,500 of its shares in the Company to the public. As a result, Megaworld became the 62.09% owner of the Company, while 37.51% of the Company's shares are held by the public. The remaining shares are held by the Company's directors.

On 01 April 2022, the Company approved the Property-for-Share Swap transaction with Megaworld pursuant to which Megaworld transferred, assigned and conveyed absolutely in favor of the Company all of its rights, title and interests in four (4) Grade A buildings located in PEZA-registered Zones in exchange for 263,700,000 common shares of the Company, with a par value of Php1.00 per share and APIC of Php5,010,300,000.00, or for a total subscription price of Php5,274,000,000.00. On 23 March 2023, the Philippine SEC approved the valuation of the Property-for-Share Swap, which resulted in the issuance of 263,700,000 additional common shares to Megaworld.

On 06 June 2023, Megaworld disclosed in its SEC Form 23-B the disposition of 1,250,000 shares of the Company. Accordingly, as of 31 December 2023, Megaworld's interest in the Company is 55.63%, while the shares held by the public are at 42.98%. The remaining shares are held by Emperador, Inc. (1.03%) and the Company's directors (0.36%).

On 10 May 2024, the Company approved the subscription of Megaworld to 926,162,000 common shares of the Company for a total subscription price of Php13.2 billion to be paid by way of transfer of six prime, grade A, office properties in PEZA-accredited zones. On 10 October 2024, the SEC issued its confirmation of the valuation of the property-for-share swap. Consequently, on 19 November 2024, the Company issued 926,162,000 common shares in the name of Megaworld.

Megaworld entered into a block sale for 84,800,000 shares of the Company on 25 July 2025, block sale on 17 September 2025 for 168,631,900 shares and another block sale on 19 December 2025 for 98,000,000. Accordingly, as of 31 December 2025, Megaworld's interest in the Company is 54.00%, while the shares held by the public are at 44.96%. The remaining shares are held by affiliates and Company's directors at 1.05%.

On 17 December 2025, Megaworld subscribed to 996,865,672 common shares for a total subscription price of Php16.2 billion by way of: (i) a tax-free property-for-share swap transaction over 9 Grade A buildings located in PEZA-registered zones, and (ii) cash payment of Php187.5 million.

On 06 March 2026, Megaworld entered into a block sale of 70,000,000 shares of the Company bringing its shareholdings in the Company to 52.12%.

The SEC approved the valuation of the Property-for-Share Swap dated 17 December 2025 on 18 March 2026, which resulted in the issuance of 996,865,672 additional common shares to Megaworld on 25 March 2026 and bringing its shareholdings to 62.23%.

Foreign Ownership

As of 31 December 2025, 24,935,048 common shares, or 0.67% of the Company's outstanding capital stock, are owned by foreigners. The Company's foreign ownership limit is 40%.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company, in the ordinary course of business, engages in transactions with its Parent and affiliates. On 25 June 2021, the Company adopted a Related Party Transaction Policy to ensure that related party transactions are entered into terms comparable to those available to unrelated third parties in similar transactions. The Company has also established a Related Party Transaction Committee composed of three members of the board, two of whom are independent, including the Chairman.

Transactions with related parties include asset acquisitions from, and land leases with, Megaworld Corporation (the Company's Parent and Sponsor), and fund and property management agreements with affiliates. The table below sets out the principal transactions of the Company with related parties as of 31 December 2025:

Year	Related Parties	Nature of the Transaction	Value of the Transaction
2025	Megaworld Corporation	Lease of various lands where the buildings acquired from Megaworld are located	Commencing on the start of the quarter when the SEC's confirmation of valuation is obtained up to 30 June 2027, rent equivalent to 3% of the Company's gross rental income for office and retail properties; and From 01 July 2027 onwards, rent equivalent to 5% of the Company's gross rental income for office and retail properties.
2025	Megaworld Corporation	Acquisition of nine buildings owned by Megaworld in exchange for shares of stock in the company	The nine properties, which were valued by an independent property valuer, were transferred to the Company in exchange for 996,865,672 common shares for a total subscription price of Php16,217.1 million, with a resulting additional paid-in capital of Php15,220.2 million.
2024	Megaworld Corporation (and Davao Park District Holdings, Inc. in respect of certain properties)	Acquisition of six buildings owned by Megaworld in exchange for shares of stock in the company	The six properties, which were valued by an independent property valuer, were transferred to the Company in exchange for 926,162,000 common shares for a total subscription price of Php13,151.5 million, with a resulting additional paid-in capital of Php12,225.3 million.

2024	Megaworld Corporation (and Davao Park District Holdings, Inc. in respect of a certain property)	Lease of various lands where the buildings acquired from Megaworld are located	<p>Commencing on the start of the quarter when the SEC's confirmation of valuation is obtained up to 30 June 2025, rent equivalent to, as applicable:</p> <p>(a) 2.5% of the Company's gross rental income for office and retail properties; and</p> <p>(b) 1.5% of the Company's hotel rental/revenues for hotel properties.</p> <p>From 01 July 2025 onwards, rent equivalent to, as applicable:</p> <p>(a) 5% of the Company's gross rental income for office and retail properties; and</p> <p>(b) 3% of the Company's hotel rental/revenues for hotel properties.</p>
2022	Megaworld Corporation	Acquisition of four buildings owned by Megaworld in exchange for shares of stock in the Company ¹²	The four properties, which were valued by an independent property valuer, were transferred to the Company in exchange for 263,700,000 common shares for a total subscription price of Php5,274,000,000.00, with a resulting additional paid-in capital of Php5,010,300,000.00
2021	Megaworld Corporation (and Empire East Land Holdings, Inc. in respect of certain properties)	Acquisition of ten buildings owned by Megaworld in exchange for shares of stock in the Company	The ten properties, which were valued by an independent property, were transferred to the Company in exchange for 1,282,120,381 common shares for a total subscription price of Php49,202,407,620.00, with a resulting additional paid-in capital of Php47,920,287,239.00
2021	Megaworld Corporation	Acquisition of four buildings owned by Megaworld for cash	The four properties were acquired by the Company

¹² This transaction was consummated in 2023 upon the SEC's approval of the valuation of the properties transferred to the Company.

			for cash in the amount of Php9,116,000,000.00
2021, 2022, and 2023	Megaworld Corporation (and Empire East Land Holdings, Inc. in respect of certain properties)	Lease of various lands where the buildings acquired from Megaworld are located ¹³	From 01 July 2023, rent equivalent to, as applicable: a. 2.5% of the Company's gross rental income for office and retail properties; and b. 1.5% of the Company's hotel rental/revenues for hotel properties. From 01 July 2025 onwards, rent equivalent to, as applicable: a. 5% of the Company's gross rental income for office and retail properties; and b. 3% of the Company's hotel rental/revenues for hotel properties.
2021	MREIT Fund Managers, Inc.	Fund management agreement for the management of the Company's funds and assets	Fund management fee equivalent to 3.5% of the Company's gross revenues, payable annually, not to exceed 1% of the net asset value of the properties under management
2021	MREIT Property Managers, Inc.	Property management agreement for the operation and management of the Company's properties and facilities	Property management fee equivalent to 2.0% of the Company's gross revenues, payable monthly, not to exceed 1% of the net asset value of the properties under management

Other than the foregoing and those disclosed in the Company's Financial Statements, the Company has not entered into any other related party transactions. (For more information, see Exhibit 1 – Audited Financial Statements).

PART IV – CORPORATE GOVERNANCE

Evaluation System

¹³ These leases pertain to the various parcels of land where the buildings acquired from Megaworld in the property-for-share swap transactions and cash acquisition transactions are located.

The Company has designated a Compliance Officer who is tasked with monitoring compliance with the provisions and requirements of its Manual on Corporate Governance. The Compliance Officer has established an evaluation system, patterned after the CG Scorecard of the Institute of Corporate Directors to measure or determine the level of compliance by the Company with its Manual.

Deviations from Manual and Sanctions Imposed

In 2025, the Company substantially complied with its Manual on Corporate Governance and did not materially deviate from its provisions. No sanctions were imposed on any director, officer or employee on account of non-compliance with the Company's Manual on Corporate Governance.

Plan to Improve Corporate Governance

The Company adopted a Manual of Corporate Governance that is compliant with SEC Memorandum Circular No. 19, Series of 2016. The Company will continue to adopt best practices in Corporate Governance as may be prescribed by the Commission.

PART V – EXHIBITS AND SCHEDULES

Exhibits

Exhibit No.	Description of Exhibit
1	Audited Financial Statements as of December 31, 2025
2	Sustainability Report for 2025
3	Disclosure for REIT Companies as of December 31, 2025

Reports on SEC Form 17-C

The Company filed the following reports on SEC Form 17-C during the year ended 31 December 2025:

Date	Disclosures
January 15, 2025	Change in Directors and/or Officers (Chief Financial Officer and Compliance Officer)
February 28, 2025	Material Information/Transactions: Audited Financial Statements of MREIT, Inc. for the year ended 31 December 2024
February 28, 2025	Notice of Analysts'/Investors' Briefing
February 28, 2025	Press Release: MREIT'S Q4 Distributable Income Surges 37% On Strategic Expansion - Megaworld's REIT company on track to achieve 1M sqm GLA within the next 5 years
March 6, 2025	Declaration of Cash Dividend
April 10, 2025	Notice of Annual or Special Stockholders' Meeting
May 6, 2025	Notice of Analysts'/Investors' Briefing
May 7, 2025	Declaration of Cash Dividend
May 8, 2025	Press Release: MREIT'S Q1 Distributable income soared 26%; remains on-track to expand portfolio to 600,000 sqm by yearend
May 9, 2025	Postponement of Annual Stockholders' Meeting
May 14, 2025	Amendment of the disclosure regarding: Notice of Annual or Special Stockholders' Meeting dated April 10, 2025
May 16, 2025	Change in Directors and/or Officers (Chairman, President, CEO and Director)
May 16, 2025	Press Release: Kevin Tan elevated to MREIT Chairman; Batac appointed as President & CEO
May 16, 2025	Amendment of the disclosure regarding: Change in Directors and/or Officers (Chairman, President, CEO and Director) dated May 16, 2025
May 28, 2025	Amendment of the disclosure regarding: Declaration of Cash Dividend dated May 7, 2025

June 25, 2025	Change in Shareholdings of Directors and Principal Officers
June 30, 2025	Press Release: MEGAWORLD'S MREIT taps common ground for 'Digital Park' aimed at helping boost startups, Entrepreneurs
August 4, 2025	Reinvestment Plan
August 8, 2025	Notice of Analysts'/Investors' Briefing
August 12, 2025	Declaration of Cash Dividend
August 12, 2025	Amendments to Articles of Incorporation
August 12, 2025	Material Information/Transactions: Resolutions Approved During the Special Meeting of the Board of Directors of MREIT, Inc. on 12 August 2025
August 12, 2025	Press Release: MREIT to accelerate assets infusion to reach 1M sqm GLA by 2027 as Q2 Income Surges 25%
August 12, 2025	Second Amendment of the disclosure regarding: Notice of Annual or Special Stockholders' Meeting dated April 10, 2025
August 19, 2025	Third Amendment of the disclosure regarding: Notice of Annual or Special Stockholders' Meeting dated April 10, 2025
September 25, 2025	Reinvestment Plan
September 29, 2025	Press Release: MREIT eyes mall assets to diversify portfolio
September 29, 2025	Results of Annual or Special Stockholders' Meeting
September 29, 2025	Results of Organizational Meeting
September 29, 2025	First Amendment of the disclosure regarding: Amendments to Articles of Incorporation dated August 12, 2025
September 30, 2025	Change in Directors and/or Officers (Chief Financial Officer and Compliance Officer)
October 13, 2025	Press Release: Megaworld taps MREIT Proceeds to expand Malls, Offices in Bacolod, Cebu, Palawan
October 20, 2025	Material Information/Transactions: Submission of Application of Increase in Capital Stock
October 20, 2025	Second Amendment of the disclosure regarding: Amendments to Articles of Incorporation dated August 12, 2025
October 24, 2025	Comprehensive Corporate Disclosure on Issuance of Shares
November 10, 2025	Notice of Analysts'/Investors' Briefing
November 13, 2025	Declaration of Cash Dividend
November 13, 2025	Press Release: MREIT'S 3Q Distributable Income up 29% to P935M, revenues surge 42% as it builds momentum for the next wave of growth
November 28, 2025	Third Amendment of the disclosure regarding: Amendments to Articles of Incorporation
November 28, 2025	Press Release: MREIT Gears up for expansion as SEC Approved Authorized Capital Stock Increase
December 04, 2025	Fourth Amendment of the disclosure regarding: Amendments to Articles of Incorporation
December 09, 2025	Clarification of News Reports
December 18, 2025	Material Information/Transactions: Resolutions Approved During the Special Meeting of the Board of Directors of MREIT, Inc. on 17 December 2025
December 18, 2025	Press Release: MREIT Scales Up with Php16.2B Asset Infusion
December 18, 2025	Acquisition or Disposition of Assets: Megaworld Corporation's amended subscription to 996,865,672 common shares for a total subscription price of Php16,217,100,000.00 in exchange for: (a) 9 Grade A buildings located in PEZA-registered zones under a tax-free property-for-share swap transaction and (b) Php187,500,000.00 cash payment
December 19, 2025	Material Information/Transactions: Three-Year Investment Strategy of MREIT, Inc.
December 19, 2025	First Amendment of the disclosure regarding: Comprehensive Corporate Disclosure on Issuance of Shares dated October 24, 2025
December 26, 2025	Reinvestment Plan

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in Makati City, on 15 April 2026.

MREIT, INC.
Company

By:


JOSE ARNULFO C. BATAC
President and Chief Executive Officer


GIOVANNI C. NG
Treasurer


MABEL P. TACORDA
Chief Financial Officer, Compliance Officer
and Data Privacy Officer



MARIA CARLA T. UYKIM
Corporate Secretary

15 APR 2026

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2026 affiants exhibiting to me their Tax Identification Numbers, as follows:

<u>Name</u>	<u>TIN No.</u>
Jose Arnulfo C. Batac	908-169-660
Giovanni C. Ng	164-662-351
Mabel P. Tacorda	177-088-881
Maria Carla T. Uykim	159-353-280

Doc. No. 301
Page No. 62
Book No. 333
Series of 2026.


ATTY RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONC STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012898/04-14-2023

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

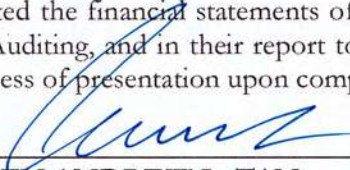
The management of **MREIT, Inc.** (the Company), is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the year ended December 31, 2025, 2024, and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

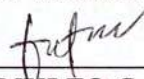
The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.



KEVIN ANDREW L. TAN
Chairman of the Board



JOSE ARNULFO C. BATAC
Chief Executive Officer / President




MABEL P. TACORDA
Chief Finance Officer

SUBSCRIBED AND SWORN TO BEFORE ME, this
27 FEB 2026 day of 2026 at Makati City,
affiant exhibited to me his/her competent evidence of identity
consisting of _____ with no. _____
issued on _____ valid until _____
issued at _____.

Signed this _____ day of _____

DOC NO. 444 ;
PAGE NO. 90 ;
BOOK NO. 402 ;
SERIES OF 2026 .


ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONO STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT 10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012858/04-14-2028



Megaworld Holdings <megaworldholdingsinc@gmail.com>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>
To: MEGAWORLDDHOLDINGSINC@gmail.com
Cc: MEGAWORLDDHOLDINGSINC@gmail.com

Fri, Apr 17, 2026 at 9:43 AM

Hi MREIT, INC.,

Valid files

- EAFS502228971ITRTY122025.pdf
- EAFS502228971RPPTY122025.pdf
- EAFS502228971TCRTY122025-02.pdf
- EAFS502228971TCRTY122025-01.pdf
- EAFS502228971AFSTY122025.pdf

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- <None>

Transaction Code: **AFS-0-QVR13RVX0VTPV4R3NPWNVYNV0NXSM2RRQ**
Submission Date/Time: **Apr 17, 2026 09:43 AM**
Company TIN: **502-228-971**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.



Megaworld Holdings <megaworldholdingsinc@gmail.com>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>
To: MEGAWORLDHOLDINGSINC@gmail.com
Cc: MEGAWORLDHOLDINGSINC@gmail.com

Tue, Apr 14, 2026 at 7:07 PM

Hi MREIT, INC.,

Valid files

- EAFS502228971ITRTY122025.pdf
- EAFS502228971RPPTY122025.pdf
- EAFS502228971AFSTY122025.pdf

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- <None>

Transaction Code: **AFS-0-7CGF996F06EC96EEPXP3QMSW0QVT4WNZZ**
Submission Date/Time: **Apr 14, 2026 07:07 PM**
Company TIN: **502-228-971**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.



P&A
Grant Thornton

FOR SEC FILING

Financial Statements and
Independent Auditors' Report

MREIT, Inc.

December 31, 2025, 2024 and 2023

Report of Independent Auditors

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
MREIT, Inc.

(A Subsidiary of Megaworld Corporation)

18th Floor, Alliance Global Tower
36th Street cor. 11th Avenue
Uptown Bonifacio, Taguig City

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of MREIT, Inc. (the Company), which comprise the statements of financial position as of December 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2025, 2024 and 2023, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years ended December 31, 2025, 2024 and 2023 in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investment Properties

Description of the Matter

The Company's investment properties are accounted for under the fair value model, whereby the fair values are determined by an independent appraiser using 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 a particular investment.

The total fair value of investment properties as of December 31, 2025 is P73.7 billion, which represents 96% of the total assets of the Company. The valuation of investment properties is considered a key audit matter because of the significance of the amount to the financial statements and the measurement approach involves application of significant judgments and estimates.

The Company's policy on measurement of investment properties is more fully described in Note 2 to the financial statements. The significant judgments applied and estimates used in measuring fair value are more fully described in Note 3 to the financial statements, while the detailed information on investment properties and valuation approach used are fully described in Notes 6 and 21, respectively, to the financial statements.

How the Matter was Addressed in the Audit

We have evaluated the competence, capability and objectivity of the independent appraisers to establish reliance on their work. We have also involved our internal valuation specialists in evaluating the accuracy of the valuation model and the reasonableness of key assumptions used, such as discount rates and growth rates. We have also tested the completeness and accuracy of key inputs used in the valuation such as lease rates and lease terms, on a sample basis, by agreeing it to supporting lease contracts.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Company's SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2025 required by the Bureau of Internal Revenue is presented by the management of the Company in a supplementary schedule filed separately from the basic financial statements and is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditors' report is John Endel S. Mata.

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 2025)
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)

February 24, 2026

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024
(Amounts in Philippine Pesos)

	Notes	2025	2024
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 1,387,817,591	P 2,025,255,093
Trade and other receivables	5	596,167,897	389,032,440
Other current assets	7	360,534,097	328,418,811
Total Current Assets		2,344,519,585	2,742,706,344
NON-CURRENT ASSETS			
Trade receivables	5	320,481,770	204,385,118
Investment properties	6	73,707,259,800	72,922,717,200
Other non-current assets	7	216,153,357	224,237,781
Total Non-current Assets		74,243,894,927	73,351,340,099
TOTAL ASSETS		P 76,588,414,512	P 76,094,046,443
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Accounts and other payables	8	P 484,001,229	P 810,031,958
Deposits and other liabilities	9	744,085,554	671,761,410
Total Current Liabilities		1,228,086,783	1,481,793,368
NON-CURRENT LIABILITIES			
Interest-bearing loan	10	7,217,637,246	7,212,172,904
Deposits and other liabilities	9	983,154,955	1,110,413,468
Total Non-current liabilities		8,200,792,201	8,322,586,372
Total Liabilities		9,428,878,984	9,804,379,740
EQUITY			
Capital stock	16	3,721,983,381	3,721,983,381
Additional paid-in capital		64,797,000,097	64,797,000,097
Deposit for future stock subscription		187,500,000	-
Deficit		(1,546,947,950)	(2,229,316,775)
Total Equity		67,159,535,528	66,289,666,703
TOTAL LIABILITIES AND EQUITY		P 76,588,414,512	P 76,094,046,443

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	<u>2025</u>	<u>2024</u>	<u>2023</u>
REVENUES				
Rental income	11	P 4,280,578,242	P 3,464,129,799	P 3,223,382,715
Income from dues - net	2	<u>1,299,540,327</u>	<u>1,049,348,194</u>	<u>933,121,752</u>
		5,580,118,569	4,513,477,993	4,156,504,467
COST OF SERVICES				
	12	<u>1,168,766,948</u>	<u>978,303,651</u>	<u>940,568,965</u>
GROSS PROFIT				
		4,411,351,621	3,535,174,342	3,215,935,502
OTHER OPERATING EXPENSES				
	13	<u>152,654,000</u>	<u>92,504,315</u>	<u>62,196,945</u>
OPERATING PROFIT				
		<u>4,258,697,621</u>	<u>3,442,670,027</u>	<u>3,153,738,557</u>
OTHER INCOME (CHARGES)				
Fair value gains (losses) on investment properties	6	640,857,352	790,416,800	(2,732,200,000)
Interest expense	9, 10	(530,060,299)	(304,375,635)	(306,980,679)
Interest income	4, 7	33,692,774	50,171,485	64,685,771
Miscellaneous income		<u>2,461,262</u>	<u>4,560,676</u>	<u>1,686,743</u>
		146,951,089	540,773,326	(2,972,808,165)
PROFIT BEFORE TAX				
		4,405,648,710	3,983,443,353	180,930,392
TAX EXPENSE				
	14	(6,056,299)	(9,573,510)	(12,586,537)
NET PROFIT				
		4,399,592,411	3,973,869,843	168,343,855
OTHER COMPREHENSIVE INCOME				
		-	-	-
TOTAL COMPREHENSIVE INCOME				
		<u>P 4,399,592,411</u>	<u>P 3,973,869,843</u>	<u>P 168,343,855</u>
BASIC AND DILUTED EARNINGS				
PER SHARE	17	<u>P 1.18</u>	<u>P 1.37</u>	<u>P 0.06</u>

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	<u>Capital Stock</u> <small>(see Note 16)</small>	<u>Additional Paid-in Capital</u> <small>(see Note 16)</small>	<u>Deposit for Future Stock Subscription</u> <small>(see Note 16)</small>	<u>Deficit</u> <small>(see Note 16)</small>	<u>Total</u>
Balance at January 1, 2025	P 3,721,983,381	P 64,797,000,097	P -	(P 2,229,316,775)	P 66,289,666,703
Dividends declared during the year	-	-	-	(3,717,223,586)	(3,717,223,586)
Receipt of deposit for future stock subscription	-	-	187,500,000	-	187,500,000
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,399,592,411</u>	<u>4,399,592,411</u>
Balance at December 31, 2025	<u>P 3,721,983,381</u>	<u>P 64,797,000,097</u>	<u>P 187,500,000</u>	<u>(P 1,546,947,950)</u>	<u>P 67,159,535,528</u>
Balance at January 1, 2024	P 2,795,821,381	P 52,782,813,885	P -	(P 3,440,076,347)	P 52,138,558,919
Issuance of shares during the year	926,162,000	12,014,186,212	-	-	12,940,348,212
Dividends declared during the year	-	-	-	(2,763,110,271)	(2,763,110,271)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,973,869,843</u>	<u>3,973,869,843</u>
Balance at December 31, 2024	<u>P 3,721,983,381</u>	<u>P 64,797,000,097</u>	<u>p -</u>	<u>(P 2,229,316,775)</u>	<u>P 66,289,666,703</u>
Balance at January 1, 2023	P 2,532,121,381	P 47,907,466,035	p -	(P 921,358,323)	P 49,518,229,093
Issuance of shares during the year	263,700,000	4,875,347,850	-	-	5,139,047,850
Dividends declared during the year	-	-	-	(2,687,061,879)	(2,687,061,879)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>168,343,855</u>	<u>168,343,855</u>
Balance at December 31, 2023	<u>P 2,795,821,381</u>	<u>P 52,782,813,885</u>	<u>p -</u>	<u>(P 3,440,076,347)</u>	<u>P 52,138,558,919</u>

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 4,405,648,710	P 3,983,443,353	P 180,930,392
Adjustments for:				
Fair value losses (gains) on investment properties	6	(640,857,352)	(790,416,800)	2,732,200,000
Interest expense	9, 10	530,060,299	304,375,635	306,980,679
Interest income	4, 7	(33,692,774)	(50,171,485)	(64,685,771)
Operating profit before working capital changes		4,261,158,883	3,447,230,703	3,155,425,300
Increase in trade and other receivables		(322,795,453)	(141,448,207)	(141,941,325)
Increase in other current assets		(32,115,286)	(277,977,618)	(128,236,415)
Decrease (increase) in other non-current assets		(9,307,801)	(17,172,115)	19,447,414
Increase (decrease) in accounts and other payables		(326,030,729)	24,349,598	291,694,037
Increase (decrease) in deposits and other liabilities		(103,910,993)	431,126,403	9,099,296
Cash generated from operations		3,466,998,621	3,466,108,764	3,205,488,307
Interest received		31,474,067	48,009,101	64,040,587
Income tax paid		(6,056,299)	(9,573,510)	(12,586,537)
Net Cash From Operating Activities		<u>3,492,416,389</u>	<u>3,504,544,355</u>	<u>3,256,942,357</u>
CASH FLOWS FROM AN INVESTING ACTIVITY				
Additional advances to contractors	7	(124,510,972)	(127,058,054)	(4,193,839)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	16	(3,717,223,586)	(2,763,110,271)	(2,687,061,879)
Interest paid	10	(475,619,333)	(268,032,983)	(267,300,653)
Proceeds from deposit for future stock subscription	9, 16	187,500,000	-	-
Net Cash Used in Financing Activities		(4,005,342,919)	(3,031,143,254)	(2,954,362,532)
NET INCREASE (DECREASE)				
IN CASH AND CASH EQUIVALENTS		(637,437,502)	346,343,047	298,385,986
CASH AND CASH EQUIVALENTS				
AT BEGINNING OF YEAR		<u>2,025,255,093</u>	<u>1,678,912,046</u>	<u>1,380,526,060</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>P 1,387,817,591</u>	<u>P 2,025,255,093</u>	<u>P 1,678,912,046</u>

Supplemental Information on Non-cash Investing and Financing Activities:

- 1) In 2025, the Company applied certain advances to contractors previously presented under Other Non-current Assets to Investment Properties amounting to P143.8 million (see Notes 6 and 7). There was no similar transaction in 2024 and 2023.
- 2) Accretion of interest expense relating to the security deposits, which is considered as non-cash portion of interest expense, amounted to P49.0 million, P30.9 million and P34.2 million in 2025, 2024, and 2023, respectively (see Note 9).
- 3) In 2024 and 2023, the Company and Megaworld Corporation (the Parent Company) entered into property-for-share swap transactions, wherein the Parent Company transferred certain real properties for lease to the Company amounting to P13,151.5 million and P5,274.0 million, respectively. In exchange for the properties transferred, the Company issued 926,162,000 common shares in 2024 and 263,700,000 common shares in 2023, with a par value of P1.0 per share, to the Parent Company, which resulted in the recognition of Capital Stock amounting to P926.2 million and Additional Paid-in Capital of P12,014.2 million, net of P211.2 million in stock issuance costs, in 2024 and Capital Stock amounting to P263.7 million and Additional Paid-in Capital of P4,875.3 million, net of P135.0 million in stock issuance costs, in 2023 (see Note 16). There was no similar transaction in 2025.

See Notes to Financial Statements.

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023
(Amounts in Philippine Pesos)

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 54% 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.

The financial statements of the Company as of and for the year ended December 31, 2025 (including the comparative financial statements as of December 31, 2024 and for the years ended December 31, 2024 and 2023) were authorized for issue by the Company's Board of Directors (BOD) on February 24, 2026.

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 all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(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. Comparative information for the 2024 and 2023 statements of cash flows were accordingly reclassified to conform with the current year presentation. Such change only affected the presentation aspect in the statements of cash flows and did not affect the statement of financial position as of December 31, 2024, and the statement of comprehensive income and statement of changes in equity for the year ended December 31, 2024. Hence, a third statement of financial position is not required to be presented.

(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 is not 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 2025 but not Adopted Early*

There are amendments to existing standards effective for annual periods subsequent to 2025, 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.

2.3 Financial Instruments

(a) Financial Assets

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Company commits to purchase or sell the asset).

(i) Classification and Measurement of Financial Assets

The Company's financial assets only include financial assets at amortized cost.

(ii) Impairment of Financial Assets

The expected credit losses (ECL) on trade and other receivables are estimated by applying the simplified approach using a provision matrix developed based on the Company's historical credit loss experience and credit information that are specific to the debtors, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

However, if the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures and provides for credit losses that are expected to result from default events that are possible within 12-months after the end of the reporting period, except when there has been a significant increase in credit risk on the financial asset since initial recognition.

(b) Financial Liabilities

Financial liabilities include Security deposits (presented under Deposits and Other Liabilities), Accounts and Other Payables (except tax-related liabilities), and Interest-bearing Loan.

2.4 Investment Properties

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

Investment properties are accounted for under the fair value model. They are revalued annually and are reported in the statement of financial position at their fair value. Fair value is based on the income approach and is determined annually by an independent appraiser with sufficient experience with respect to both the location and the nature of the investment properties (see Note 21.3).

Any gain or loss resulting from either a change in the fair value or the sale or retirement of an investment property is immediately recognized in profit or loss as Fair value gains or losses on investment properties account under the Other Income (Charges) section in the statement of comprehensive income.

2.5 Revenue and Expense Recognition

Revenue comprises revenue from leasing activities.

The following specific recognition criteria must also be met before revenue is recognized:

- (a) *Income from dues* – Income from dues are recognized when the related services are rendered. Electricity and water dues in excess of actual charges and consumption are recorded as revenues. In addition, billing from common dues, presented at gross amounts, is computed based on a fixed rate per square meter of the leasable area occupied by the tenant.

The Company assesses its revenue agreement against the specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal for billings from common area, air conditioning and other dues, except for electricity and water dues in which the Company acts as an agent.

- (b) *Interest income* – Revenue is recognized as the interest accrues taking into account the effective yield on the asset.

The Company also recognizes revenues from rentals which are based on the provisions of PFRS 16.

Cost of services and operating expenses are recognized in profit or loss upon utilization of the goods or services or at the date these are incurred.

2.6 Leases

The Company accounts for leases as follows:

- (a) *Company as a Lessee*

Variable lease payments that are not based on an index or a rate are not part of the lease liability, but they are recognized in the statement of comprehensive income when the event or condition that triggers those payments occurs.

The Company has elected to account for any short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

- (b) *Company as a Lessor*

The Company applies judgment in determining whether a lease contract is a finance or operating lease.

2.7 Impairment of Non-financial Assets

The Company's non-financial assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.8 Material Related Party Transactions

Based on the requirements of SEC Memorandum Circular No. 10, Series of 2019, *Rules on Material Related Party Transactions for Publicly-Listed Companies*, transactions amounting to 10% or more of the total assets based on the latest audited financial statements that were entered into with the related parties are considered material.

All individual material related party transactions shall be approved by at least two-thirds vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-third of the outstanding capital stock.

For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Company's total assets based on the latest audited financial statements, the same BOD approval would be required for the transactions that meet and exceed the materiality threshold covering the same related party.

Directors with personal interest in the transaction should abstain from participating in the discussions and voting on the same. In case they refuse to abstain, their attendance shall not be counted for the purposes of assessing the quorum and their votes shall not be counted for purposes of determining approval.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgment in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements.

(a) Determination of ECL on Trade and Other Receivables

The Company uses a provision matrix to calculate ECL for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography and customer type).

The Company's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Company's trade and other receivables are disclosed in Note 19.2(b).

Based on management evaluation of information and circumstances affecting the Company's trade and other receivables as of the end of the reporting periods, the Company has not recognized any impairment loss.

(b) *Distinction Among Investment Properties and Owner-occupied Properties*

The Company determines whether a property should be classified as investment property or owner-occupied property. The Company applies judgment upon initial recognition of the asset based on intention and also when there is a change in use. In making its judgment, the Company considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

When a property comprises of a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the Company's main line of business or for administrative purposes, the Company accounts for the portions separately if these portions can be sold separately (or leased out separately under finance lease). If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the Company's main line of business or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Company considers each property separately in making its judgment.

(c) *Distinction Between Operating and Finance Leases as a Lessor*

The Company has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Based on management assessment, the Company's lease agreements are classified as operating leases.

(d) *Evaluating Principal Versus Agent Consideration*

The Company exercises judgment to determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e., the Company is a principal) or to arrange for the other party to provide those goods or services (i.e., the Company is an agent). Failure to make the right judgment will result in misstatement of revenues and expenses accounts. The Company assessed that it is acting as an agent for utility transactions of its tenants under operating leases. The net amount of utility revenues and utility expenses set off against each other is presented as part of Income from dues under Revenues section of the statements of comprehensive income for the reporting periods presented.

(e) *Recognition of Provisions and Contingencies*

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets; hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision. Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are presented in Note 18.

3.2 Key Sources of Estimation Uncertainty

Presented below and in the succeeding page are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(a) *Estimation of Allowance for ECL*

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 19.2(b).

(b) *Fair Value Measurement of Investment Properties*

The Company's investment properties, composed of buildings for mixed use, are measured using the fair value model. In determining the fair value of these assets, the Company engages the services of professional and independent appraisers applying the Income Approach. In determining the fair value under the Income Approach, significant estimates are made such as revenues generated, costs and expenses related to the operations of the development and discount rate (see Note 21.3).

A significant change in these elements may affect prices and the value of the assets. The fair value of investment properties is disclosed in Notes 6 and 21.3.

For investment properties with valuation conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

(c) *Determination of Realizable Amount of Deferred Tax Asset*

The Company reviews its deferred taxes at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Although the Company is not designated as tax-free under the law, as a REIT entity it is exempt from income tax provided it meets certain conditions which includes distribution of a minimum amount of its earnings. The Company assesses that it will continue to comply with the conditions and therefore will not have sufficient taxable income against which it can utilize its net operating loss carry over. As a result, no deferred tax asset was recognized as of December 31, 2025 and 2024 (see Note 14).

(d) *Impairment of Non-financial Assets*

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainties relates to assumptions about future operating results and the determination of suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

The Company assesses at the end of each reporting period whether there is an objective evidence that the creditable withholding tax (CWT) are no longer recoverable. In determining the recoverable amount of CWT, management considers the probability of future transactions or events against which this account can be utilized, including adequacy of documentation for anticipated tax audits. Where the outcome of this matter is different from the amount that was initially recorded, the carrying amount of CWT is reduced and the amount of probable loss is recognized in profit or loss. As a result, a provision for probable losses on CWT was recognized in 2025 (see Note 7). There was no similar provision in 2024 and 2023.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cash on hand and in bank	1,185,700,752	1,783,198,297
Short-term placements	202,116,839	242,056,796
	<u>1,387,817,591</u>	<u>2,025,255,093</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 in 2025 and 30 to 32 days in 2024. These short-term placements earned effective interest of 5.21% in 2025 and 5.88% in 2024.

Interest earned from cash in bank and short-term placements in 2025, 2024 and 2023 amounted to P31.9 million, P48.7 million, and P63.5 million, respectively. Interest earned is presented as part of Interest income under Other Income (Charges) section in the statements of comprehensive income.

5. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current –		
Trade receivables:		
Billed	431,935,878	243,894,057
Accrued	57,246,098	64,100,330
Others	<u>106,985,921</u>	<u>81,038,053</u>
	<u>596,167,897</u>	<u>389,032,440</u>
Non-current –		
Trade receivables –		
Accrued	<u>320,481,770</u>	<u>204,385,118</u>
	<u><u>916,649,667</u></u>	<u><u>593,417,558</u></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 19.2(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>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	72,922,717,200	58,980,800,000	56,439,000,000
Additions	143,685,248	13,151,500,400	5,274,000,000
Fair value gains (losses)	640,857,352	790,416,800	(2,732,200,000)
Balance at end of year	<u>73,707,259,800</u>	<u>72,922,717,200</u>	<u>58,980,800,000</u>

As of December 31, 2025, the Company has a total of 24 investment properties consisting of the following:

Located at McKinley Hill, Fort Bonifacio, Taguig City:

- 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% owned 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.

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 Manduriao, 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

On December 17, 2025, the Company and MC executed a Deed of Exchange for the transfer of nine grade A, office properties in PEZA-accredited zones in payment of its subscription to 996,865,672 common shares of the Company (see Notes 15.4 and 16.1). Accordingly, the subject properties shall be transferred, and shares shall be issued upon the confirmation of the valuation of the properties by the SEC, which remains pending as of the issuance date of the Company's financial statements (see Note 16.1). Further, the foregoing transaction is expected to increase the Company's total office gross leasable area to 646,891 square meters.

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

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

In 2025, 2024 and 2023, rental income from investment properties amounted to P4,280.6 million, P3,464.1 million, and P3,223.4 million, respectively (see Note 11).

The direct operating costs incurred relating to investment properties, which pertain to repairs and maintenance and real property taxes, amounted to P38.0 million, P67.3 million, and P172.9 million in 2025, 2024 and 2023, respectively. These direct operating costs are presented as part of Cost of Services account in the statements of comprehensive income (see Note 12). All investment properties generate rental income.

The fair values of the investment properties as of December 31, 2025 and 2024 were determined based on the latest appraisal reports by an independent real property appraiser, which uses the income approach (see Note 21.3). The related fair value gains in 2025 and 2024 and fair value losses in 2023, are presented as Fair Value Gains (Losses) on Investment Properties in the statements of comprehensive income.

7. OTHER ASSETS

The Company's other assets consist of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current:		
Prepaid expenses	152,971,190	89,998,106
Creditable withholding taxes - net	136,843,405	157,964,435
Deferred input value added tax (VAT)	55,963,900	74,051,496
Supplies	11,788,076	4,538,279
Creditable VAT withheld	2,967,526	1,866,495
	<u>360,534,097</u>	<u>328,418,811</u>
Non-current:		
Advances to contractors	112,077,617	131,251,893
Deferred charges	63,364,466	66,527,664
Security deposit	40,711,274	26,458,224
	<u>216,153,357</u>	<u>224,237,781</u>
	<u>576,687,454</u>	<u>552,656,592</u>

CWT represents the income tax amount withheld by the Company. These are recognized upon collection of the related income and utilized as tax credits against income tax due recognized by the Company as net of related allowance for impairment losses as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	215,719,846	157,964,435
Impairment	(78,876,441)	-
Balance at end of year	<u>136,843,405</u>	<u>157,964,435</u>

Security deposit is related to the lease of certain parcels of land on which the investment properties stand (see Note 15.2). The related interest income recognized from subsequent amortization of the security deposit in 2025, 2024 and 2023 amounted to P1.8 million, P1.5 million, and P1.2 million, respectively. Interest earned is presented as part of Interest income under Other Income (Charges) section in the 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 statements of comprehensive income (see Note 12).

Advances to contractors significantly consists of advance payment to contractors for aircon related major repairs and enhancements, which are expected to be completed in the next reporting period.

8. ACCOUNTS AND OTHER PAYABLES

The details of this account are as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Accounts payable	15.2, 15.3		
	15.5	130,261,776	197,854,085
Accrued expenses	15.3	214,866,083	482,385,265
Output VAT payable		91,000,720	50,385,431
Deferred output VAT		15,556,501	27,320,806
Withholding taxes		15,468,884	12,548,480
Interest payable	10	8,055,636	8,055,636
Deferred revenue		-	16,089,623
Others		8,791,629	15,392,632
		484,001,229	810,031,958

Deferred revenue consists of advance payments received from tenants for common area service charges attributable to the six acquired properties in 2024, which will be recognized as revenue over the next 12 months. This was fully recognized as revenues in 2025.

9. DEPOSITS AND OTHER LIABILITIES

The details of this account are as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Current:			
Security deposit	15.1, 18.1	379,604,484	299,270,394
Advance rent	15.1, 18.1	356,948,889	367,731,879
Deferred credits		7,532,181	4,759,137
		744,085,554	671,761,410
Non-current:			
Security deposit	15.1, 18.1	681,154,377	753,593,448
Advance rent	15.1, 18.1	202,571,657	263,184,311
Deferred credits		99,428,921	93,635,709
		983,154,955	1,110,413,468
		1,727,240,509	1,782,174,878

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 amounted to P49.0 million, P30.9 million, and P34.2 million in 2025, 2024 and 2023, respectively.

A reconciliation of security deposits as of December 31, 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	1,052,863,842	779,152,958	712,839,074
Net additions (applications/refund)	(41,081,605)	242,843,556	32,090,084
Accretion of interest	48,976,624	30,867,328	34,223,800
Balance at end of year	<u>1,060,758,861</u>	<u>1,052,863,842</u>	<u>779,152,958</u>

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.

A reconciliation of deferred credits is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	98,394,846	66,919,355	84,163,376
Additions	58,370,709	62,541,895	17,362,471
Amortization	(49,804,453)	(31,066,404)	(34,606,492)
Balance at end of year	<u>106,961,102</u>	<u>98,394,846</u>	<u>66,919,355</u>

Amortization of deferred credits is presented as part of Rental income under Revenues section in the statements of comprehensive income (see Note 11).

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. In 2025, the interest is payable quarterly at 6.47% per annum.

The Company is required to maintain at all times minimum Fixed Charge Coverage Ratio of 2.0x and a maximum Leverage Ratio of either 35% of Deposited Properties or 70% of Deposited Properties, if the borrower has a publicly disclosed investment grade credit rating by a SEC-accredited or internationally recognized rating agency to comply with its debt covenants with a certain local bank. As of December 31, 2025 and 2024, the Company is in compliance with such financial covenant obligations.

Total capitalized loan origination costs amounted to P54.4 million. Amortization for the years ended December 31, 2025, 2024 and 2023 amounted to P5.5 million for all years and is presented as part of Interest expense under Other Income (Charges) in the statements of comprehensive income.

The related interest incurred amounted to P475.6 million, P268.0 million, and P267.3 million in 2025, 2024 and 2023, respectively, and this is presented as part of Interest expense under Other Income (Charges) in the statements of comprehensive income. The related accrual is presented as Interest payable under Accounts and Other Payables in the statements of financial position (see Note 8).

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

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	37,827,189	43,302,513
Amortization	<u>(5,464,342)</u>	<u>(5,475,324)</u>
Balance at end of year	<u>32,362,847</u>	<u>37,827,189</u>

11. RENTAL INCOME

The Company derives its revenues from contracts with customers through leasing real properties. The breakdown of rental income as reported in the statements of comprehensive income is shown below.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Office		3,927,446,386	3,165,006,838	2,937,940,509
Commercial		225,476,165	197,905,938	188,644,599
Hotel		56,400,000	56,400,000	56,400,000
Advertising		13,893,532	12,340,551	4,447,035
Telecom		6,046,420	-	-
Parking		1,511,286	1,410,068	1,344,080
Amortization of deferred credits	9	<u>49,804,453</u>	<u>31,066,404</u>	<u>34,606,492</u>
		<u>4,280,578,242</u>	<u>3,464,129,799</u>	<u>3,223,382,715</u>

Rental income from office, retail and advertising includes income from straight-line method of recognizing rental income amounting to P109.2 million, P11.6 million, and P62.7 million in 2025, 2024 and 2023, respectively.

Rental income also includes variable lease payments amounting to P33.1 million, P34.0 million, and P26.3 million in 2025, 2024 and 2021, respectively, which do not depend on an index or a rate.

12. COST OF SERVICES

The following are the details of cost of services in 2025, 2024 and 2023:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Outside service		311,192,521	252,724,394	246,110,000
Management fees	15.3	306,906,521	248,243,286	228,607,745
Utilities		247,899,063	190,617,013	146,641,453
Land lease	15.2, 18.2	105,628,345	85,262,585	39,512,606
Membership fees		57,845,057	43,378,266	9,924,309
Taxes and licenses		40,344,077	34,454,821	32,511,921
Insurance		33,802,268	24,519,534	16,766,335
Supplies and materials		21,217,586	47,735,106	63,935,320
Repairs and maintenance		5,997,824	39,618,983	144,933,911
Miscellaneous	7	37,933,686	11,749,663	11,625,365
		<u>1,168,766,948</u>	<u>978,303,651</u>	<u>940,568,965</u>

13. OTHER OPERATING EXPENSES

Presented below are the details of other operating expenses.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Provision for probable losses on CWT	7	78,876,441	-	-
Taxes and licenses		39,203,256	48,158,673	31,314,680
Outside services	15.5	15,131,674	5,469,780	5,469,780
Professional fees		12,370,293	33,954,007	16,903,038
Transportation and travel		905,957	82,889	30,219
Office supplies		62,946	34,650	101,359
Advertising and promotion		-	1,274,014	4,321,061
Salaries and employee benefits		-	503,493	2,873,346
Depreciation		-	42,459	25,661
Miscellaneous		6,103,433	2,984,350	1,157,801
		<u>152,654,000</u>	<u>92,504,315</u>	<u>62,196,945</u>

14. INCOME TAXES

Tax expense in 2025, 2024 and 2023 pertains to the 20% final tax on interest income amounting to P6.1 million, P9.6 million, and P12.6 million, respectively.

A reconciliation of tax on pretax profit or loss computed at the applicable statutory rates to tax expense or income reported in the statements of comprehensive income in 2025, 2024 and 2023 is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on pre-tax profit at 25%	1,101,412,178	995,860,838	45,232,598
Changes in unrecognized deferred taxes	(187,843,866)	(296,184,593)	638,239,162
Adjustment for income subjected to lower tax rates	(1,921,382)	(2,604,453)	(3,294,671)
Tax effects of:			
Deductible dividend distribution	(929,305,897)	(690,777,568)	(671,765,470)
Non-deductible expenses	36,611,892	11,410,795	13,116,776
Non-taxable income	(12,896,626)	(8,131,509)	(8,941,858)
	<u>6,056,299</u>	<u>9,573,510</u>	<u>12,586,537</u>

The Company is subject to regular corporate income tax (RCIT) of 25% of net taxable income. However, the Company did not recognize RCIT during the reporting periods since the Company reported zero net taxable income in 2025, 2024 and 2023.

The Company is not subject to the minimum corporate income being a REIT entity.

The Company opted to claim itemized deduction in 2025, 2024 and 2023. In addition, the Company's dividend distribution can be claimed as a special deduction in computing for taxable income both under optional standard deduction and itemized deductions.

15. 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.

<i>(Amounts in PHP)</i>	Note	Amounts of Transactions			Outstanding Receivable (Payable)	
		2025	2024	2023	2025	2024
Parent Company						
Rendering of services	15.1	107,448,819	596,615,253	185,404,218	64,991,898	61,964,065
Advance rent	15.1	(6,395,076)	-	(2,810)	(10,111,431)	(3,716,355)
Security deposits received	15.1	(5,872,371)	(38,540,189)	(2,187,218)	(68,453,932)	(67,824,930)
Security deposits paid	15.2	10,000,000	5,808,822	1,160,939	40,711,274	26,458,224
Property-for-share swap	15.4	-	13,151,500,400	5,274,000,000	-	-
Collections remitted	15.4	-	623,507,216	207,263,800	-	-
Land lease	15.2	108,920,998	84,332,887	39,512,606	(58,290,596)	(25,282,946)
Related parties under common ownership:						
Land lease	15.2	4,101,331	929,698	-	(5,031,030)	(929,698)
Advance rent	15.1	(23,271,043)	-	-	(23,101,764)	(8,713,747)
Security deposits received	15.1	(1,554,348)	(798,146)	-	(27,480,966)	(25,926,618)
Rendering of services	15.1	123,806,744	128,786,137	127,750,635	122,791,955	107,618,551
Management services	15.3	306,906,521	248,243,286	228,607,745	(233,909,617)	(210,449,598)
Key Management Personnel						
Compensation	15.5	5,469,780	5,469,780	5,469,780	5,469,780	5,469,780

15.1 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 (see Note 11). 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).

15.2 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 with MC will be refunded at the end of the lease term at face value and was presented as Security deposit under Other Non-current Assets in the statements of financial position (see Note 7). As of December 31, 2025 and 2024, the fair value of the security deposit amounts to P38.2 million and P26.5 million, respectively.

In 2024, the Company entered into land lease agreement with a related party under common ownership, over the land on which certain 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 rent equivalent to: (a) 2.5% of gross rental income for office and retail properties for the period October 1, 2024 and until June 30, 2025, and 5% thereafter; and, (b) 1.5% of gross rental income for hotel properties for the period October 1, 2024 and until June 30, 2025, and 3% thereafter.

The Company incurred a total of P105.6 million in 2025, P85.3 million in 2024, and P39.5 million in 2023 for the land lease, which is presented as part of Cost of Services in the statements of comprehensive income. The outstanding balance, which is payable on demand, unsecured and noninterest-bearing, of P28.3 million and P26.2 million as of December 31, 2025 and 2024, respectively, is presented as part of Accounts payable under Accounts and Other Payables account in the statements of financial position (see Note 8).

15.3 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 quarterly 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 P306.9 million, P248.2 million and P228.6 million management fees in 2025, 2024 and 2023, which is presented as part of Cost of Services in the statements of comprehensive income. The outstanding balance, which is payable on demand, unsecured and noninterest-bearing, of P233.9 million and P210.4 million as of December 31, 2025 and 2024, respectively, are presented as part of Accounts payable and Accrued expenses under Accounts and Other Payables account in the statements of financial position (see Note 8).

15.4 Property-for-share Swap

In line with the Company's investment plan to infuse around 100,000 square meters of additional office gross leasable area in 2022, 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 assets 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 shall start recognizing the income from the six properties from the start of the fourth quarter of 2024. In 2024, MC remitted P623.5 million to the Company.

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 Notes 6 and 16.1).

A similar asset-for-share swap transaction with MC is entered into and executed in 2025 involving nine grade A, office properties in PEZA-accredited zones, which remains pending approval by the SEC (see Notes 6 and 16.1). The additional shares to be acquired by MC shall come from the planned increase in authorized capital stock of the Company (see Note 16.1).

15.5 Key Management Personnel Compensation

Key management personnel compensation pertains to payment for outsourced management services included within Outside services under Other Operating Expenses in the statements of comprehensive income (see Note 13). As of December 31, 2025 and 2024, the outstanding balance of P5.5 million is presented as part of Accounts payable under Accounts and Other Payables account in the statements of financial position (see Note 8).

16. EQUITY

16.1 Capital Stock

Capital stock consists of:

	Shares			Amounts in PHP		
	2025	2024	2023	2025	2024	2023
Common shares Authorized	8,000,000,000	5,000,000,000	5,000,000,000	8,000,000,000	5,000,000,000	5,000,000,000
Issued and outstanding						
Balance at beginning of year	3,721,983,381	2,795,821,381	2,532,121,381	3,721,983,381	2,795,821,381	2,532,121,381
Issuance	-	926,162,000	263,700,000	-	926,162,000	263,700,000
Balance at end of year	3,721,983,381	3,721,983,381	2,795,821,381	3,721,983,381	3,721,983,381	2,795,821,381

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 had 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 additional paid-in capital (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.

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 P135.0 million.

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 was approved on December 18, 2025. 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 15.4). 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 amounting 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 15.4).

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. As of the issuance date of the Company's financial statements, the confirmation of the valuation of the Target Growth Assets is still pending with the SEC. 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 37,500 and 24,857 shareholders of at least one board lot of the listed shares as of December 31, 2025 and 2024, respectively. As of December 29, 2025 and December 27, 2024, the last trading dates for each year, the shares closed at P14.00 and P13.34 per share, respectively.

16.2 Dividends

The details of the Company's cash dividend declarations are as follows:

2025	Q4	Q3	Q2	Q1
Declaration date/approved by BOD	Nov. 13, 2025	August 12, 2025	May 7, 2025	March 6, 2025
Date of record	Dec. 1, 2025	August 28, 2025	May 23, 2025	March 21, 2025
Date of payment	Dec. 19, 2025	September 11, 2025	June 6, 2025	April 4, 2025
Amounts declared to common	P 934,768,420	P 917,827,985	P 932,270,344	P 932,356,837
Per share value	P 0.250478	P0.250478	P 0.25047	P 0.2505
2024	Q4	Q3	Q2	Q1
Declaration date/approved by BOD	Nov. 4, 2024	August 2, 2024	May 10, 2024	March 1, 2024
Date of record	Nov. 18, 2024	August 16, 2024	May 24, 2024	March 18, 2024
Date of payment	Dec. 3, 2024	August 30, 2024	June 14, 2024	April 5, 2024
Amounts declared to common	P 695,879,941	P 691,686,210	P 687,772,060	P 687,772,060
Per share value	P 0.2489	P0.2474	P 0.2460	P 0.2460
2023	Q4	Q3	Q2	Q1
Declaration date/approved by BOD	Nov. 6, 2023	August 8, 2023	May 12, 2023	Jan. 6, 2023
Date of record	Nov. 20, 2023	August 23, 2023	May 29, 2023	Jan. 24, 2023
Date of payment	Dec. 14, 2023	Sept. 14, 2023	June 19, 2023	Feb. 15, 2023
Amounts declared to common	P 687,772,060	P 692,245,374	P 692,245,374	P 614,799,071
Per share value	P 0.2460	P0.2476	P 0.2476	P 0.2428

16.3 Distributable Income

The computation of the distributable income of the Company for the year ended December 31 is shown below.

<i>(Amounts in PHP)</i>	2025	2024	2023
Net income	4,399,592,411	3,973,869,843	168,343,855
Fair value adjustment of investment property resulting to loss (gain)	(640,857,352)	(790,416,800)	2,732,200,000
Unrealized gains or adjustments to income as a result of certain transactions accounted for under PFRS Accounting Standards	(159,046,873)	(42,653,190)	(97,293,999)
Adjustments due to any prescribed accounting standard which result to a loss	134,698,555	37,480,908	40,881,185
Distributable income	<u>3,734,386,741</u>	<u>3,178,280,761</u>	<u>2,844,131,041</u>

17. EARNINGS PER SHARE

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

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Net profit for the year	4,399,592,411	3,973,869,843	168,343,855
Divided by weighted number of outstanding common shares	<u>3,721,983,381</u>	<u>2,903,873,614</u>	<u>2,729,896,381</u>
Basic and diluted earnings per share	<u>1.18</u>	<u>1.37</u>	<u>0.06</u>

The Company has no potential dilutive common shares during the reporting periods.

18. COMMITMENTS AND CONTINGENCIES

18.1 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 December 31, 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Within one year	3,701,710,569	4,711,624,718
After one year but not more than two years	3,081,608,119	4,133,956,015
After two years but not more than three years	2,649,475,924	3,337,775,440
After three years but not more than four years	2,091,719,849	2,444,406,864
After four years but not more than five years	1,826,118,758	1,735,493,813
More than five years	<u>2,289,055,841</u>	<u>4,442,140,557</u>
	<u>15,639,689,060</u>	<u>20,805,397,407</u>

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).

18.2 Operating Lease Commitments – Company as a Lessee

The Company entered into a land lease agreement with MC and a related party under common ownership, over the land on which its investment properties stood for a period of 25 years, renewable for another 25 years (see Note 15.2). Variable lease payments for the land lease with MC and the related party commenced on July 1, 2023 and October 1, 2024, respectively. The lease agreement does not contain any fixed lease payments. In addition, the lease agreement with MC involves payment for security deposit (see Note 7).

The related variable lease expense incurred amounting to P105.6 million and P85.3 million in 2025 and 2024, respectively, is presented as Land lease under the Cost of Services account in the statements of comprehensive income (see Note 12).

18.3 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.

19. 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 20. 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.

19.1 Market Risk

As of December 31, 2025 and 2024, 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.

19.2 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.

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	4	1,387,817,591	2,025,255,093
Trade and other receivables	5	916,649,667	593,417,558
Security deposit	7	40,711,274	26,458,224
		<u>2,435,178,532</u>	<u>2,645,130,875</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 December 31, 2025 and 2024 is presented below.

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure
As of December 31, 2025	<u>916,649,667</u>	<u>1,620,279,406</u>	<u>-</u>
As of December 31, 2024	<u>593,417,558</u>	<u>1,683,780,032</u>	<u>-</u>

(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.

19.3 *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.

As at December 31, 2025 and 2024, the Company's financial liabilities have contractual maturities which are presented below.

<i>(Amounts in PHP)</i>	Within 1 Year	1 to 5 Years	More than 5 Years
<u>December 31, 2025</u>			
Interest-bearing loan	479,213,309	2,407,284,005	7,185,996,189
Security deposits	93,046,521	698,438,319	380,812,398
Accounts payable	130,261,776	-	-
Accrued expenses	214,866,083	-	-
	<u>917,387,689</u>	<u>3,105,722,324</u>	<u>7,566,808,587</u>
<u>December 31, 2024</u>			
Interest-bearing loan	470,155,247	1,999,814,229	8,072,679,275
Security deposits	210,919,111	687,712,822	256,376,203
Accounts payable	197,854,085	-	-
Accrued expenses	482,385,265	-	-
	<u>1,361,313,708</u>	<u>2,687,527,051</u>	<u>8,329,055,478</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.

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

20.1 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.

<i>(Amounts in PHP)</i>		2025		2024	
		Notes	Carrying Values	Fair Values	Carrying Values
Financial assets					
Financial assets at amortized cost:					
Cash and cash equivalents	4	1,387,817,591	1,387,817,591	2,025,255,093	2,025,255,093
Trade and other receivables	5	916,649,667	916,649,667	593,417,558	593,417,558
Security deposit	7	40,711,274	39,671,019	26,458,224	25,782,163
		<u>2,345,178,532</u>	<u>2,344,138,277</u>	<u>2,645,130,875</u>	<u>2,644,454,814</u>
Financial liabilities					
Financial liabilities at amortized cost:					
Interest-bearing loan	10	7,217,637,246	7,217,637,246	7,212,172,904	7,212,172,904
Security deposits	9	1,060,758,861	1,029,459,502	1,052,863,842	1,021,797,438
Accounts payable	8	130,261,776	130,261,776	197,854,085	197,854,085
Accrued expenses	8	214,866,083	214,866,083	482,385,265	482,385,265
Interest payable	8	8,055,636	8,055,636	8,055,636	8,055,636
		<u>8,631,579,602</u>	<u>8,600,280,243</u>	<u>8,953,331,732</u>	<u>8,922,265,328</u>

A description of the Company's risk management objectives and policies for financial instruments is provided in Note 19.

20.2 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.

21. FAIR VALUE MEASUREMENT AND DISCLOSURE

21.1 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 Accounting Standards, 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.

21.2 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.

21.3 Fair Value Measurement of Investment Properties

As of December 31, 2025 and 2024, the Company's investment properties amounting to P73.7 billion and P73.0 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. in 2025 and 2024, and Santos Knight Frank, Inc. in 2023. Both are independent appraisers 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 both 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.

22. 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.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Total liabilities	9,428,878,984	9,804,379,740
Total equity	67,159,535,528	66,289,666,703

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.

23. 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.

Report of Independent Auditors
to Accompany Supplementary
Information Required by the
Securities and Exchange Commission
Filed Separately from the
Basic Financial Statements

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
MREIT, Inc.

(A Subsidiary of Megaworld Corporation)

18th Floor, Alliance Global Tower
36th Street cor. 11th Avenue
Uptown Bonifacio, Taguig City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of MREIT, Inc. (the Company) as at and for the year ended December 31, 2025 and have issued our report thereon dated February 24, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68 and is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Such supplementary information is the responsibility of the Company's management. The supplementary information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements 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 2025)
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)

February 24, 2026

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
List of Supplementary Information
December 31, 2025

Schedule	Content	Page No.
A	Financial Assets	1
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	2
C	Amounts Receivable/Payable from/to Related Parties which are Eliminated during the Consolidation of Financial Statements	3
D	Long-term Debt	4
E	Indebtedness to Related Parties (Long-term Loans from Related Companies)	5
F	Guarantees of Securities of Other Issuers	6
G	Capital Stock	7

Other Required Information

Reconciliation of Retained Earnings Available for Dividend Declaration

Map Showing the Relationship Between the Company and its Related Entities

Supplemental Schedule of Financial Soundness Indicators

MREIT, Inc.
(A Subsidiary of Megaworld Corporation)
Schedule A - Financial Assets
December 31, 2025

The Company does not have financial assets classified under fair value through other comprehensive income, fair value through profit or loss and held to maturity as of December 31, 2025.

MREIT, Inc.

(A Subsidiary of Megaworld Corporation)

**Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders
(Other than Related Parties)
December 31, 2025**

The Company does not have amounts receivable from directors, officers, employees, related parties and principal stockholders (other than related parties) above P1 million or 1% of total assets as of December 31, 2025.

MREIT, Inc.
(A Subsidiary of Megaworld Corporation)
Schedule C - Amounts Receivable/ Payable from/ to Related Parties which are Eliminated
During the Consolidation of Financial Statements
December 31, 2025

<i>Name and Designation of Debtor</i>	<i>Balance at Beginning of Period</i>	<i>Additions</i>	<i>Deductions</i>		<i>Current</i>	<i>Not Current</i>	<i>Balance at End of Period</i>
			<i>Amounts Collected</i>	<i>Amounts Written Off</i>			
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

MREIT, Inc.
(A Subsidiary of Megaworld Corporation)
Schedule D - Long-Term Debt
December 31, 2025

<i>Title of Issue and Type of Obligation</i>	<i>Amount Authorized by Indenture</i>	<i>Amount shown under caption "Current portion of Interest-bearing loan" in related Balance Sheet</i>	<i>Amount shown under Caption "Non-current portion of Interest-bearing loan" in related Balance Sheet</i>
Long -term loan (Domestic)	P 7,250,000,000	P -	P 7,217,637,246

MREIT, Inc.
(A Subsidiary of Megaworld Corporation)
Schedule E - Indebtedness to Related Parties (Long-term Loans from Related Companies)
December 31, 2025

<i>Name of Related Party</i>	<i>Balance at Beginning of Period</i>	<i>Balance at End of Period</i>
N/A	N/A	N/A

MREIT, Inc.
(A Subsidiary of Megaworld Corporation)
Schedule F - Guarantees of Securities of Other Issuers
December 31, 2025

<i>Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed</i>	<i>Title of Issue of Each Class of Securities Guaranteed</i>	<i>Total Amount Guaranteed and Outstanding</i>	<i>Amount Owned by Person for which Statement is Filed</i>	<i>Nature of Guarantee</i>
N/A	N/A	N/A	N/A	N/A

MREIT, Inc.
(A Subsidiary of Megaworld Corporation)
Schedule G - Capital Stock
December 31, 2025

<i>Title of Issue</i>	<i>Number of Shares Authorized</i>	<i>Number of Shares Issued and Outstanding as shown under the related Balance Sheet Caption</i>	<i>Number of Shares Reserved for Options, Warrants, Conversion and other Rights</i>	<i>Number of Shares Held by</i>		
				<i>Related Parties</i>	<i>Directors, Officers and Employees</i>	<i>Others</i>
Common shares - P1 par value	8,000,000,000	3,721,983,381	-	2,009,711,981	10,001,000	1,702,270,400

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
18th Floor, Alliance Global Tower,
36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City
Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2025

Unappropriated Retained Earnings at Beginning of Year		P	1,437,577,244
Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings			
Reversal of Retained Earning Appropriation/s	P	-	
Effect of restatements or prior-period adjustments		-	
Others		-	-
Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings			
Dividend declaration during the reporting period	(3,717,223,586)	
Retained Earnings appropriated during the reporting period		-	
Effect of restatements or prior-period adjustments		-	
Others		-	(3,717,223,586)
Unappropriated Retained Earnings at Beginning of Year, as adjusted			(2,279,646,342)
Add/Less: Net Income (Loss) for the Current Year			4,399,592,411
Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)			
Equity in net income of associate/joint venture, net of dividends declared		-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents		-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)		-	
Unrealized fair value gain of investment property	(640,857,352)	
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	(159,046,873)	
Sub-total			(799,904,225)
Add: <u>Category C.2:</u> Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
Realized foreign exchange gain, except those attributable to cash and cash equivalents		-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL		-	
Realized fair value gain of investment property		-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS		-	
Sub-total			-
Add: <u>Category C.3:</u> Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)			
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents		-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL		-	
Reversal of previously recorded fair value gain of investment property		-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded		-	
Sub-total			-
<i>Balance carried forward</i>			
Adjusted Net Income/Loss		P	3,599,688,186

Balance brought forward

Adjusted Net Income/Loss P 3,599,688,186

Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)

P -

Sub-total

-

Add/ Less: Category E: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief

-

Total amount of reporting relief granted during the year

-

Others

-

Sub-total

-

Add/ Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)

-

Net movement of deferred tax asset not considered in the reconciling items under the previous categories

-

Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable

-

Adjustment due to deviation from PFRS/GAAP - gain (loss)

134,698,555

Others

-

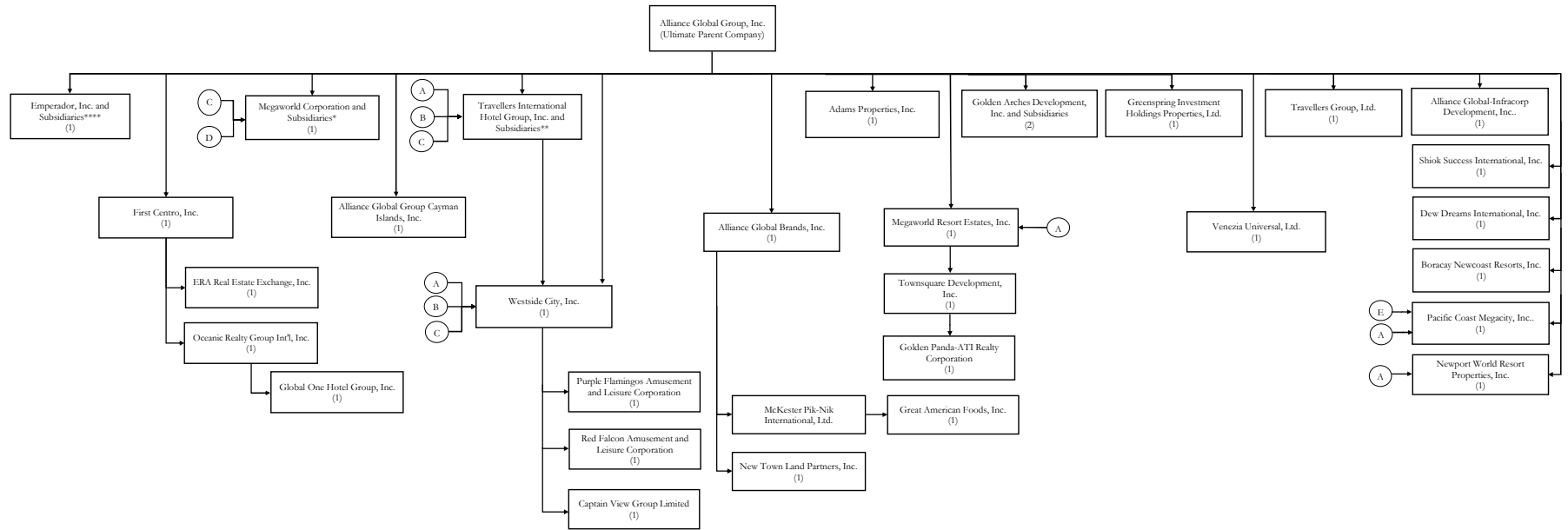
Sub-total

134,698,555

Unappropriated Retained Earnings Available for Dividend Distribution at End of Year

P 1,454,740,399

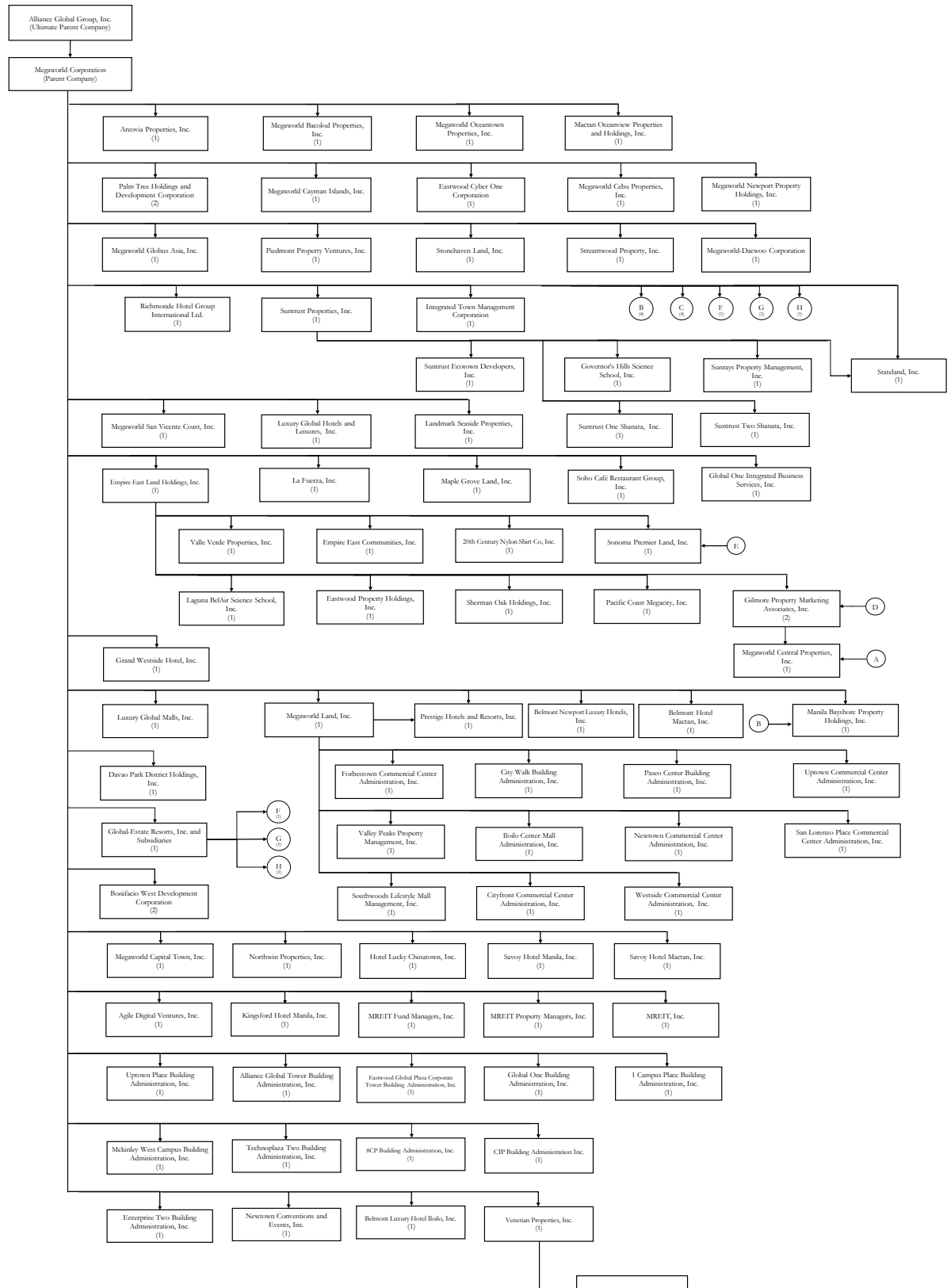
ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
 Map Showing the Relationship Between Alliance Global Group, Inc.
 and its Related Parties
 December 31, 2025



Legend	
(1) Subsidiary	A Megaworld Corporation
(2) Associate	B Adams Properties, Inc.
(3) Jointly Controlled Entity	C First Centro, Inc.
	D Newtown Land Partners, Inc.
	E Empire East Land Holdings, Inc.

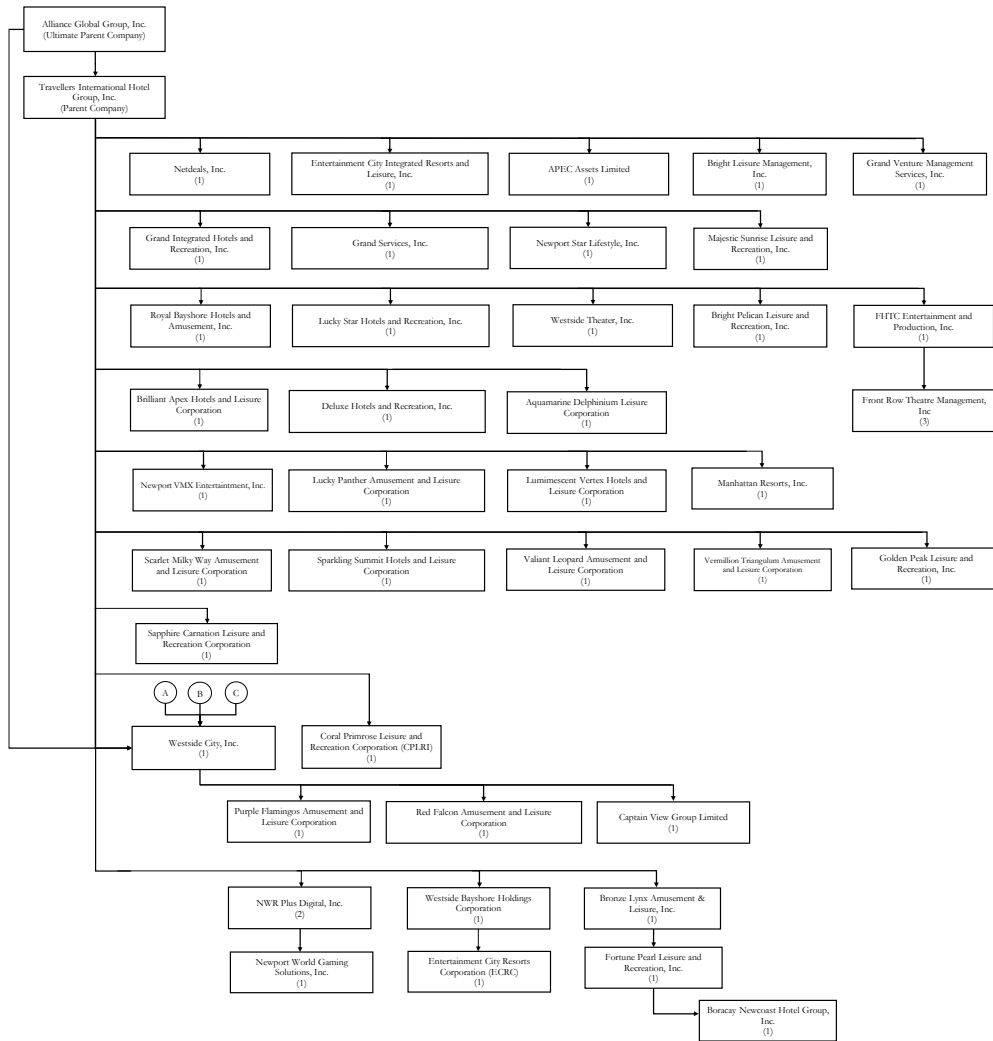
ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES

Map Showing the Relationship Between Alliance Global Group, Inc. and Megaworld Corporation Group
December 31, 2025



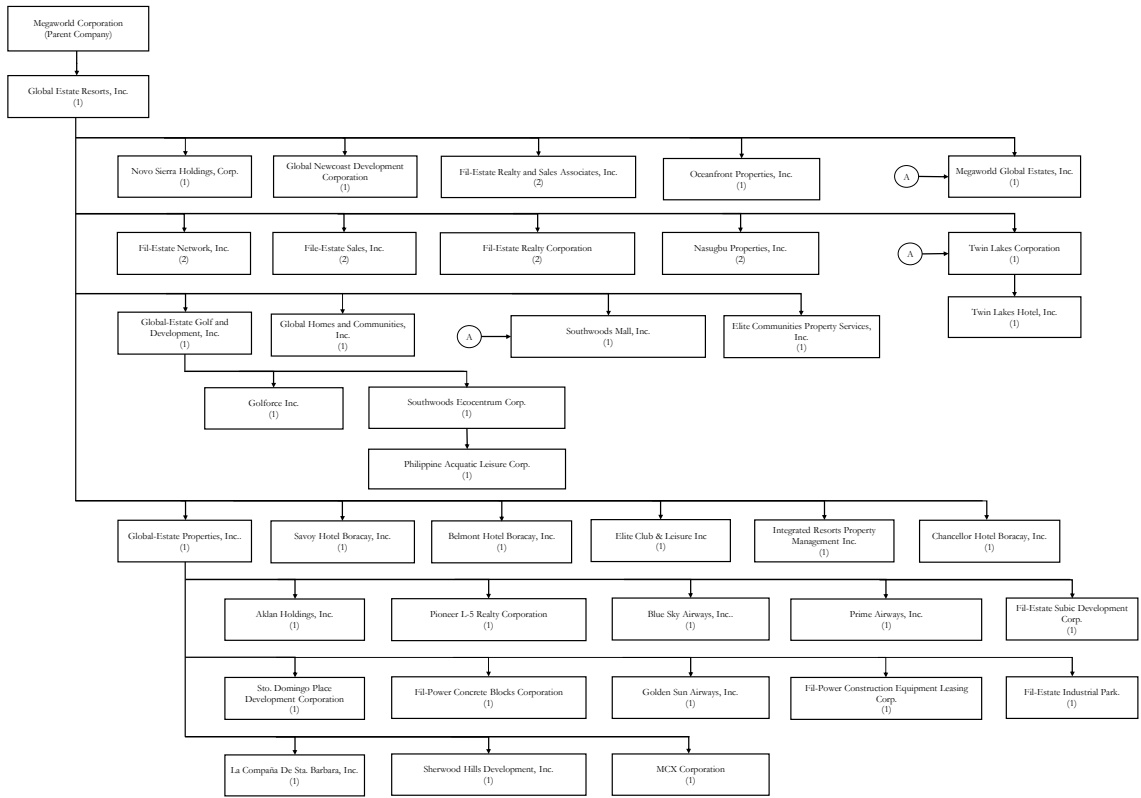
Legend	
<i>Relationship with Megaworld Corporation</i>	
(1)	Subsidiary
(2)	Associate
(3)	Jointly Controlled Entity
(4)	FVOCI
A	Megaworld Corporation
B	Travellers International Hotel Group, Inc.
C	Westside City, Inc.
D	Townsquare Development, Inc.
E	First Centre, Inc.
F	Twin Lakes Corporation
G	Megaworld Global-Estate, Inc.
H	Southwoods Mall, Inc.
I	Empire East Land Holdings, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
 Map Showing the Relationship Between Alliance Global Group, Inc.
 and Travellers Group
 December 31, 2025



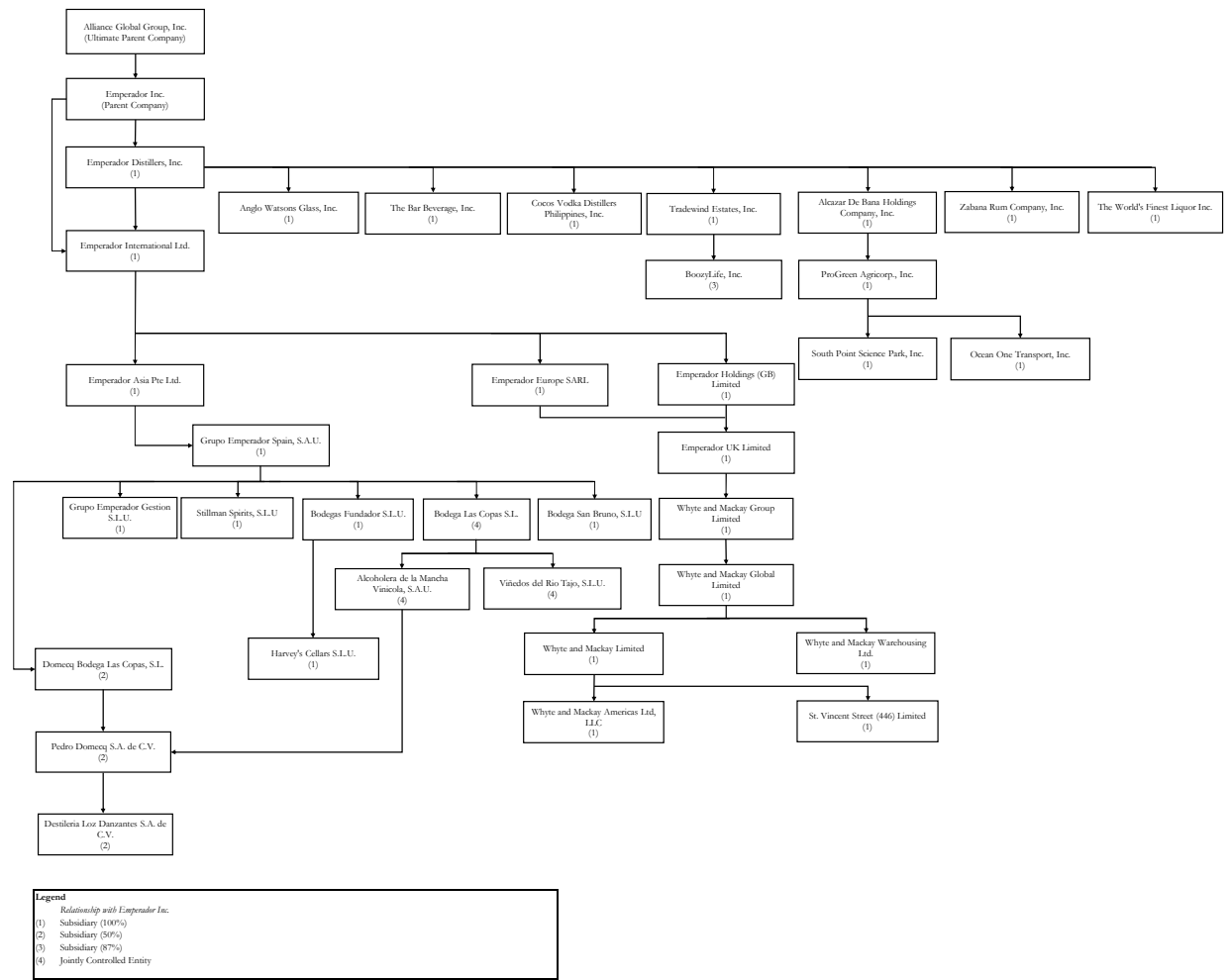
Legend	
Relationship with Travellers International Hotel Group, Inc.	
(1)	Subsidiary
(2)	Associate
(3)	Jointly Controlled Entity
(4)	FVOCI
A	Megaworld Corporation
B	Adams Properties, Inc.
C	Funt Centre, Inc.
D	Newtown Land Partners, Inc.
E	Travellers International Hotel Group, Inc.
F	Manila Bayside Property Holdings, Inc.
G	Westside City, Inc.
H	Townsquare Development, Inc.
I	Megaworld Resort Estates, Inc.
S	Empire East Land Holdings, Inc.
J	Twin Lakes Corporation
K	Megaworld Global Estates, Inc.
L	Megaworld Central Properties, Inc.
M	Shook Success International, Ltd.
N	Dew Dreams International, Ltd.
O	Southwoods Mall, Inc.
P	Sonoma Premier Land, Inc.
Q	Gilmore Property Marketing Associates, Inc.
R	Empireador, Inc.
T	Sunwest Home Developers, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
 Map Showing the Relationship Between and
 Among Megaworld and Global Estate Resorts Inc. Group
 December 31, 2025



Legend	
(1)	Subsidiary
(2)	Associate
(3)	Jointly Controlled Entity
(4)	FVOCI
A	Megaworld Corporation
B	Adams Properties, Inc.
C	First Centre, Inc.
D	Newtown Land Partners, Inc.
E	Travelers International Hotel Group, Inc.
F	Manila Bayshore Property Holdings, Inc.
G	Westside City, Inc.
H	Townsquare Development, Inc.
I	Megaworld Resort Estates, Inc.
S	Empire East Land Holdings, Inc.
J	Twin Lakes Corporation
K	Megaworld Global Estates, Inc.
L	Megaworld Central Properties, Inc.
M	Shik Success International, Ltd.
N	Dew Dreams International, Ltd.
O	Southwoods Mall, Inc.
P	Sosoma Premier Land, Inc.
Q	Gilmore Property Marketing Associates, Inc.
R	Empire East, Inc.
T	Suntrust Home Developers, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
 Map Showing the Relationship Between Alliance Global Group, Inc.
 and Emperor Group
 December 31, 2025



Legend
 Relationship with Emperor Inc.
 (1) Subsidiary (100%)
 (2) Subsidiary (50%)
 (3) Subsidiary (87%)
 (4) Jointly Controlled Entity

MREIT, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the year ended December 31, 2025

Ratio	Formula	December 31, 2025	December 31, 2024	December 31, 2023
Current ratio	Current assets / Current liabilities	1.91	1.85	1.90
Acid test ratio	Quick assets / Current liabilities (Quick assets include cash and cash equivalent and current portion of trade and other receivables)	1.62	1.63	1.68
Debt-to-equity ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings and bonds and notes payable)	0.11	0.11	0.14
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.14	1.15	1.18
Solvency ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings and bonds and notes payable)*	0.68	0.48	0.45
Interest rate coverage ratio	EBIT / Total Interest (Total interest includes interest expense and capitalized interest)**	9.31	11.49	10.49
Return on equity	Net profit / Average total stockholders' equity	0.0659	0.0538	0.0033
Return on assets	Net profit / Average total assets	0.0576	0.0463	0.0028
Net profit margin	Net profit / Total revenues	0.7884	0.7053	0.0405

*EBITDA refers to earnings before interest, taxes, depreciation, amortization and excludes net fair value change in investment properties

**EBIT refers to earnings before interest and taxes and excludes net fair value change in investment properties

MREIT, INC.
(A Subsidiary of Megaworld Corporation)
Supplementary Schedule of External Auditor Fee-Related Information
For the Years Ended December 31, 2025 and 2024
(Amounts in Philippine Pesos)

	2025	2024
Total Audit Fees	P 735,000	P 671,000
Non-audit service fees:		
Other assurance service	-	-
Tax service	-	-
All other service	<u>120,000</u>	<u>-</u>
	<u>120,000</u>	<u>-</u>
Total Audit and Non-audit Fees	P 855,000	P 671,000
Audit and Non-audit fees of other related entities	2025	2024
Audit fees	P -	P -
Non-audit service fees:		
Other assurance service	-	-
Tax service	-	-
All other service	<u>-</u>	<u>-</u>
Total Audit and Non-audit Fees of other related entities	P -	P -

Disclosures for REIT Companies¹

(a) Real Estate Transactions for 2025

During the reported period, MREIT, Inc. and Megaworld Corporation entered into a Property-for-Share Swap transaction.

On 17 December 2025, the Company and Megaworld executed a Deed of Exchange where the parties agreed to an amended subscription by Megaworld to Nine Hundred Ninety-Six Million Eight Hundred Sixty-Five Thousand Six Hundred Seventy-Two (996,865,672) common shares in MREIT for a total subscription price of Php16,217,100,000.00.

This subscription was partially settled by an initial cash payment of Php187,500,000.00, with the remaining balance of Php16,029,600,000.00 through a tax-free exchange of nine grade A asset buildings. These properties, located in a PEZA-registered zone in McKinley Hill, Taguig City, include: 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).

The assets were valued by independent appraisers Cuervo Appraisers, Inc. and FTI Consulting Philippines, Inc. utilizing the Discounted Cash Flows Method and the Direct Capitalization Method under the Income Approach.

The transaction was completed and shares issued upon the receipt of the confirmation of valuation from the Securities and Exchange Commission, which was received by the Company on 19 March 2026.

(b) Schedule of Properties as of 31 December 2025

Properties	Overall				Office		
	Gross leasable area (GLA) in sqm	Leased area in sqm	Occupancy rate	Total Rent in mPhp	% of Total Rent	Occupied GLA in sqm	Average rent Php/sqm/month
1800 Eastwood Avenue	34,718	34,374	99%	345	8%	32,137	789
1880 Eastwood Avenue	33,490	33,325	100%	291	7%	31,578	676
E-Commerce Plaza	21,032	19,926	95%	201	5%	19,926	840
One World Square	30,482	29,007	95%	293	7%	27,958	795
Two World Square	21,286	20,685	97%	271	7%	20,280	1,037

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

Three World Square	21,222	19,974	94%	242	6%	19,627	977
8/10 Upper McKinley	19,938	15,280	77%	177	4%	14,685	932
18/20 Upper McKinley	19,413	16,017	83%	205	5%	15,053	1,023
World Finance Plaza	25,067	17,609	70%	196	5%	17,482	896
Richmonde Tower	13,124	12,396	94%	104	3%	5,059	754
One Techno Place	9,549	9,330	98%	64	2%	8,953	538
Two Techno Place	11,393	11,393	100%	78	2%	10,809	578
Three Techno Place	9,568	9,568	100%	70	2%	8,726	572
One Global Center	10,301	8,199	80%	71	2%	7,633	697
One West Campus	9,704	9,657	100%	82	2%	9,657	880
Five West Campus	10,257	10,257	100%	81	2%	10,257	821
Festive Walk 1B	14,703	12,747	87%	102	2%	11,062	701
Two Global Center	9,903	9,903	100%	80	2%	9,048	628
Two West Campus	9,332	9,332	100%	75	2%	9,332	842
Ten West Campus	36,277	29,139	80%	237	6%	28,852	620
One Fintech Place	18,088	17,681	98%	140	3%	17,681	661
Two Fintech Place	18,053	15,011	83%	119	3%	14,875	652
Davao Finance Center	26,074	26,047	100%	150	4%	25,928	474
One Legrand	48,439	45,606	94%	406	10%	45,331	932
Total	481,414	442,462	91.9%	4,079		421,928	

* 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.

(c) Comparative summary of the financial performance of the REIT

The comparative summary of the Company's financial performance for various time periods can be found in the SEC Form 17-A and in the Audited Financial Statements for the year ended 2025.

(d) Reinvestment Plan Progress Report as of 31 December 2025

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