



M·REIT

A MEGAWORLD COMPANY

FIRST QUARTER 2024

Analyst Presentation

Takeaways

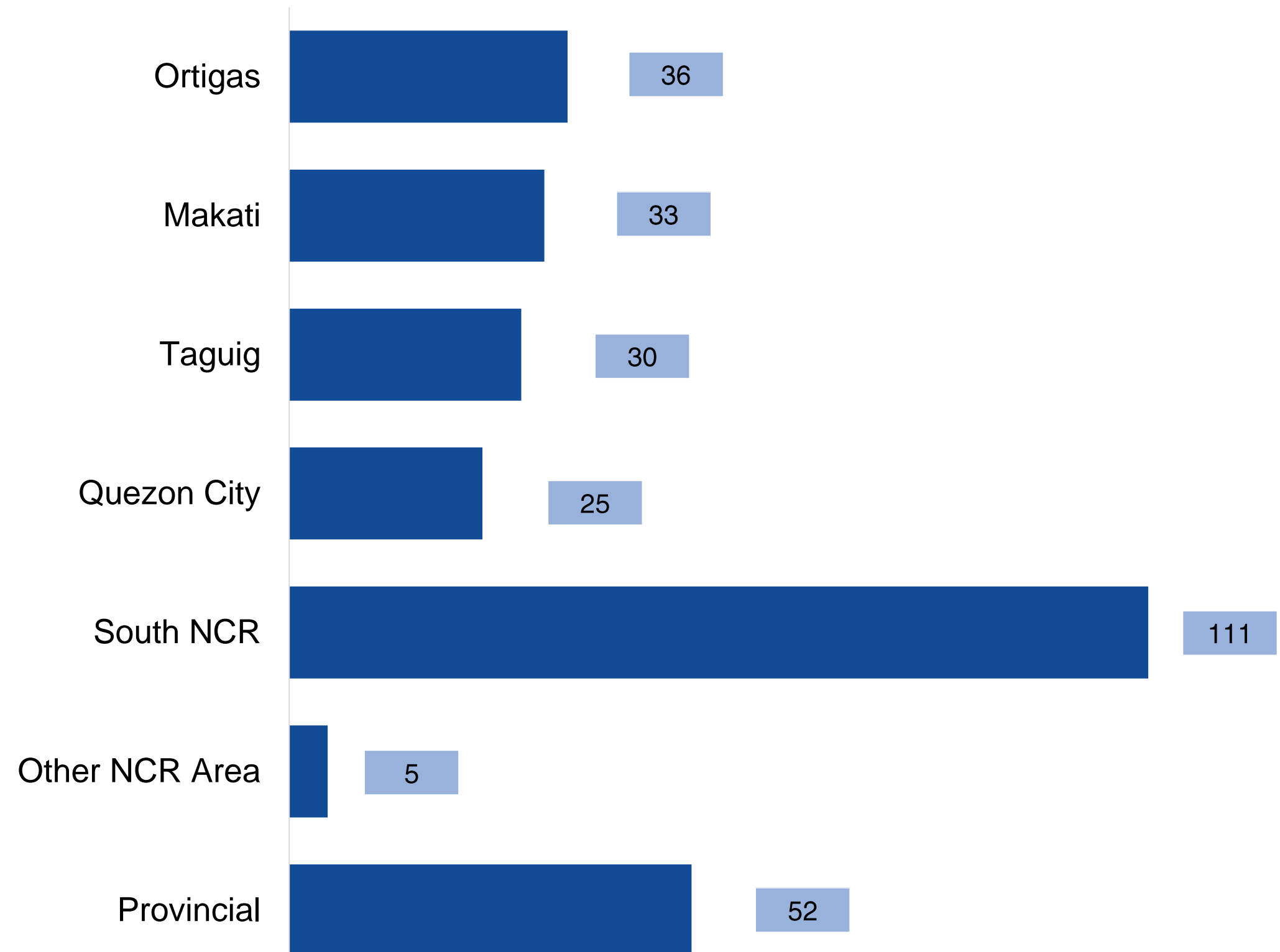


- MREIT's asset portfolio continue to deliver strong financial performance supported by continued positive net take-up in the market.
- Continued rental escalations and new leases from 4Q2023 drove revenues and distributable income growth.
- Newly acquired assets expected to raise MREIT's GLA by 48% or by around 157,000 sqm to 482,000 sqm. The acquisition is dividend accretive and will help drive the continued growth of MREIT.

NEW LEASES

292,000 sqm

- Colliers reported a significant increase in new lease volume, with a total of 292,000 sqm in 1Q2024 from 128,000 sqm in 1Q2023, across the Philippines.
- Vacancy as of end-March 2024 reached 19.0%, from 19.3% in 2023.
- Megaworld Premier Offices captured 12.3% of the Colliers reported new leases in the market at 36,000 sqm.



Source: Colliers Report

Tenant Mix

(by GLA)



BPO
72%



Traditional
22%



Retail
4%



Hotel
2%

Occupancy Rate

96 %

Weighted Average Lease Expiry (WALE)

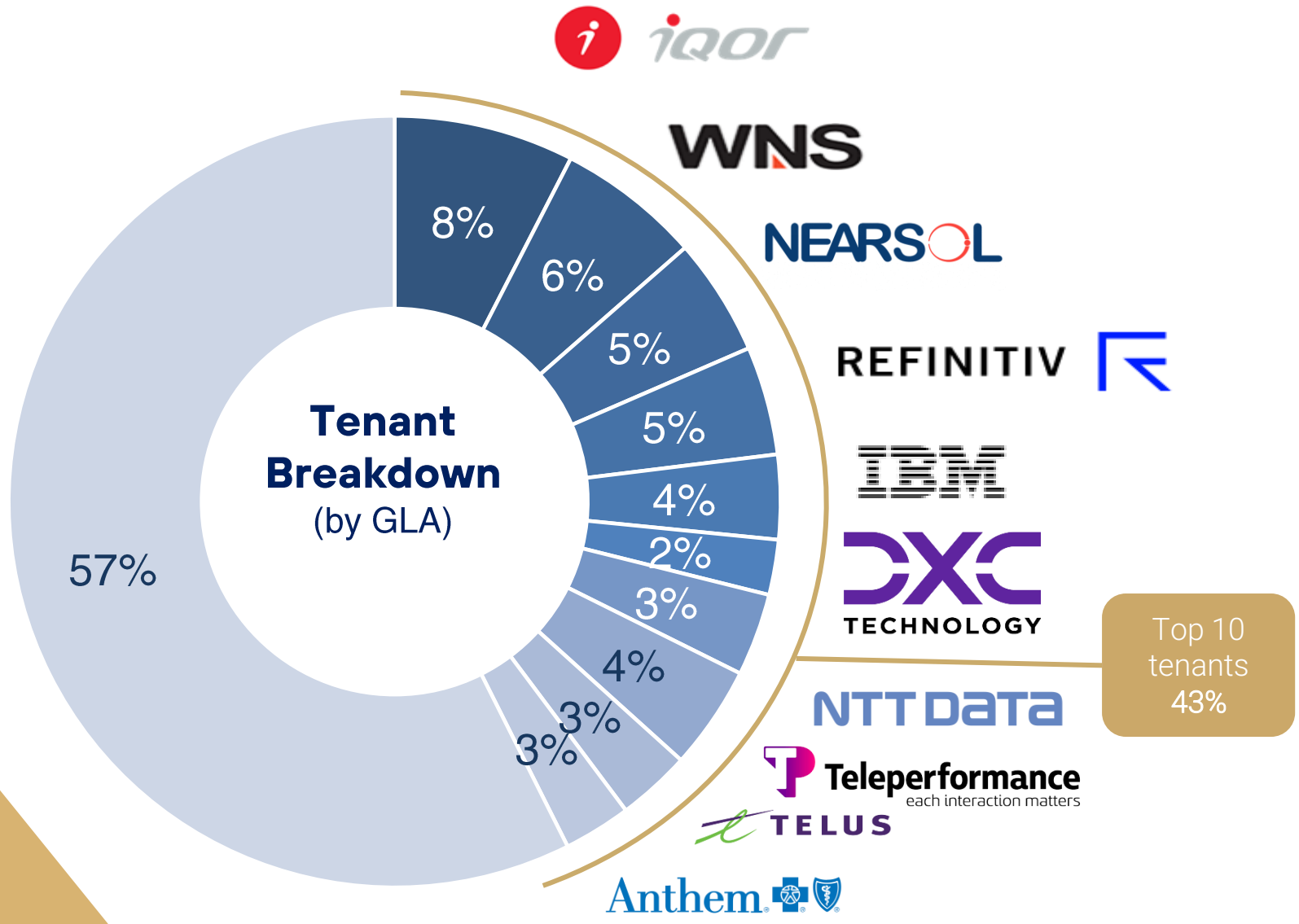
2.5 YEARS

Signed Contract

29,000 sqm

Tenant Breakdown

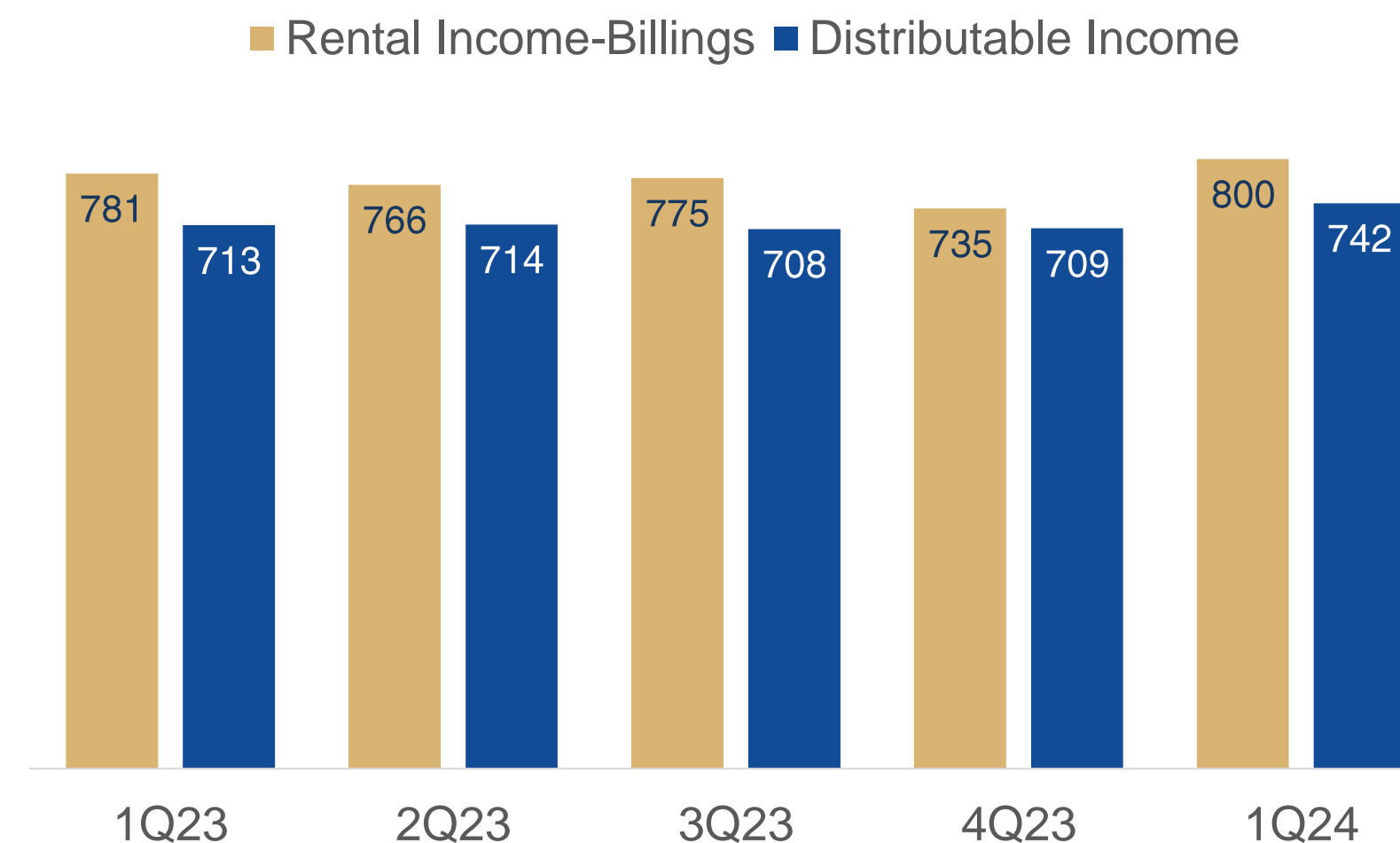
(by GLA)



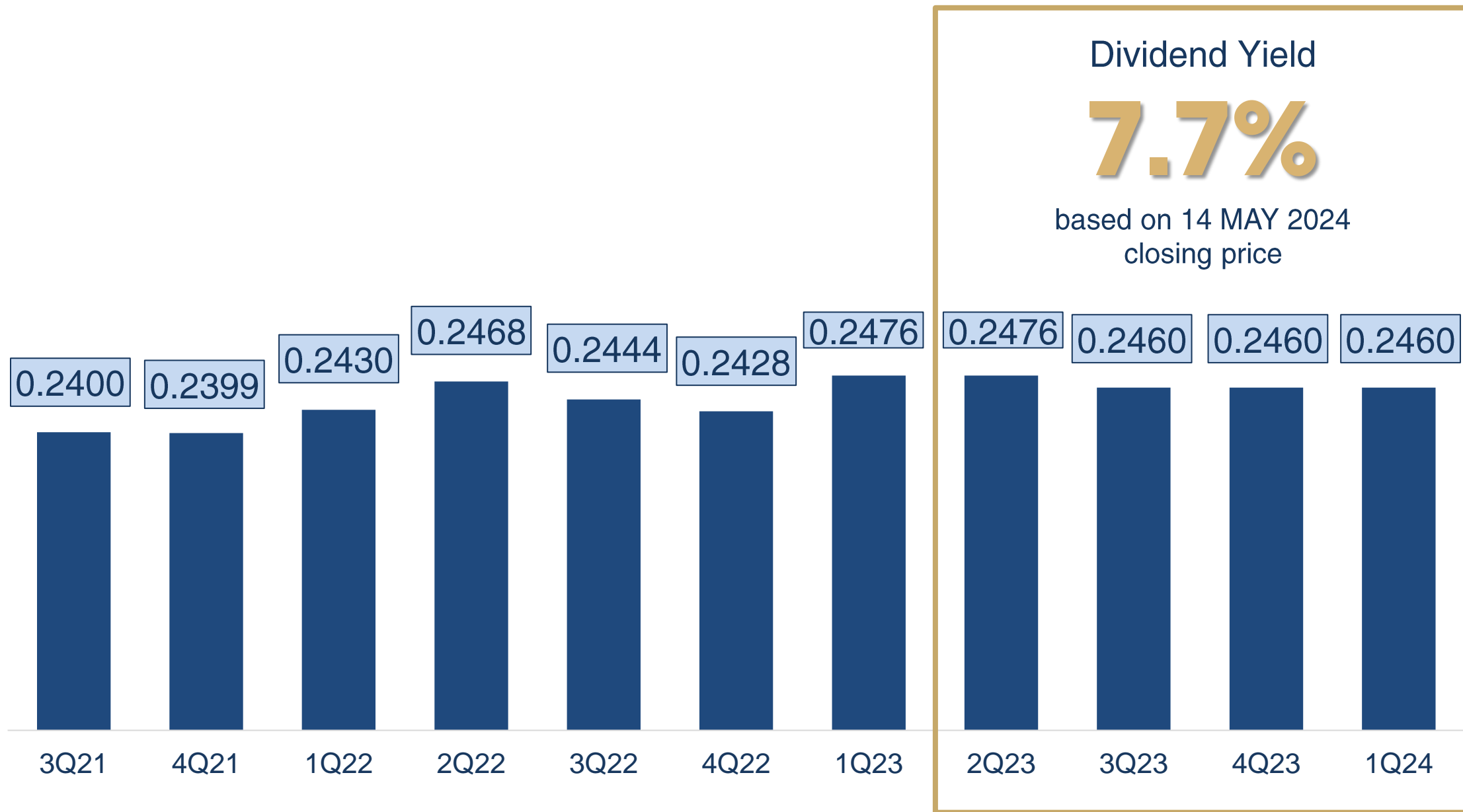
Financial Performance

In PHP millions	1Q2024	1Q2023	YoY%
Revenues	1,076.4	1,035.9	3.9%
Direct Operating Costs	273.6	217.3	25.8%
Gen. & Admin. Expense	11.7	20.2	-42.1%
Net Operating Income	791.1	798.4	-0.9%
Interest & Other Income	19.8	9.0	121.3%
Interest Expenses	-74.1	-75.2	-1.5%
Fair value gains (losses)	-	-	-
Pre-Tax Income	736.8	732.1	0.6%
Tax Expense	3.7	1.7	114.7%
Net Income	733.1	733.8	-0.1%
Fair value losses (gains)	-	-	-
Straight-line and rental adjustment	1.1	-27.1	-104.1%
Other accounting adjustments	7.7	9.6	-19.8%
Distributable Income	741.9	712.9	4.1%

Robust performance driven by high occupancy level with new leases closed during 2023 and ongoing rent escalations



Dividend Per Share



**DIVIDEND
DECLARATION**

Dividend per Share

PO.2460
per share

Payment Date

14 JUNE
2024

Expanding Portfolio

2 WEST CAMPUS

McKinley West, Taguig City

9,332 SQM



10 WEST CAMPUS

McKinley West, Taguig City

36,214 SQM



ONE LEGRAND

McKinley West, Taguig City

48,801 SQM



TWO FINTECH

Iloilo Business Park, Iloilo City

18,053 SQM



ONE FINTECH

Iloilo Business Park, Iloilo City

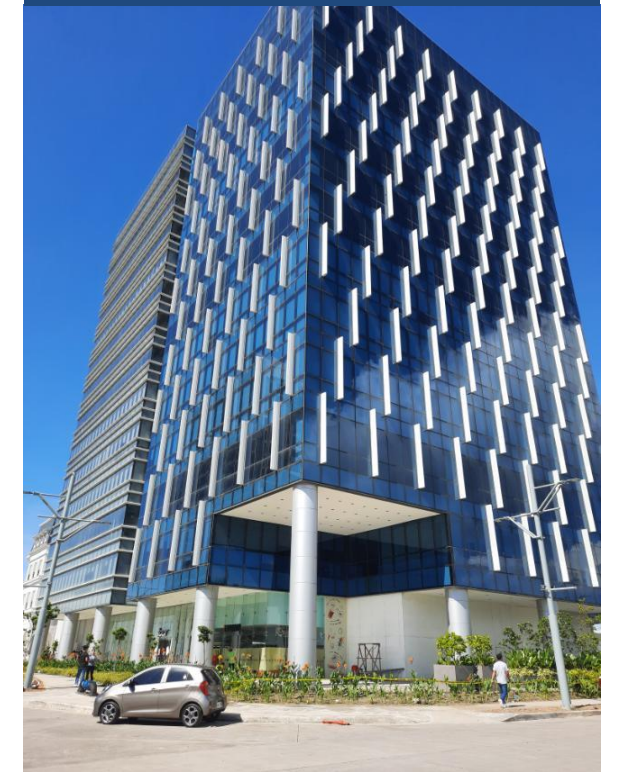
18,157 SQM



DAVAO FINANCE CENTER

Davao Park District, Davao City

26,074 SQM



Total Gross Leasable Area

156,631
SQM

Occupancy Rate

94%

Value for Transfer

P13.2bn

Blended Capitalization Rate

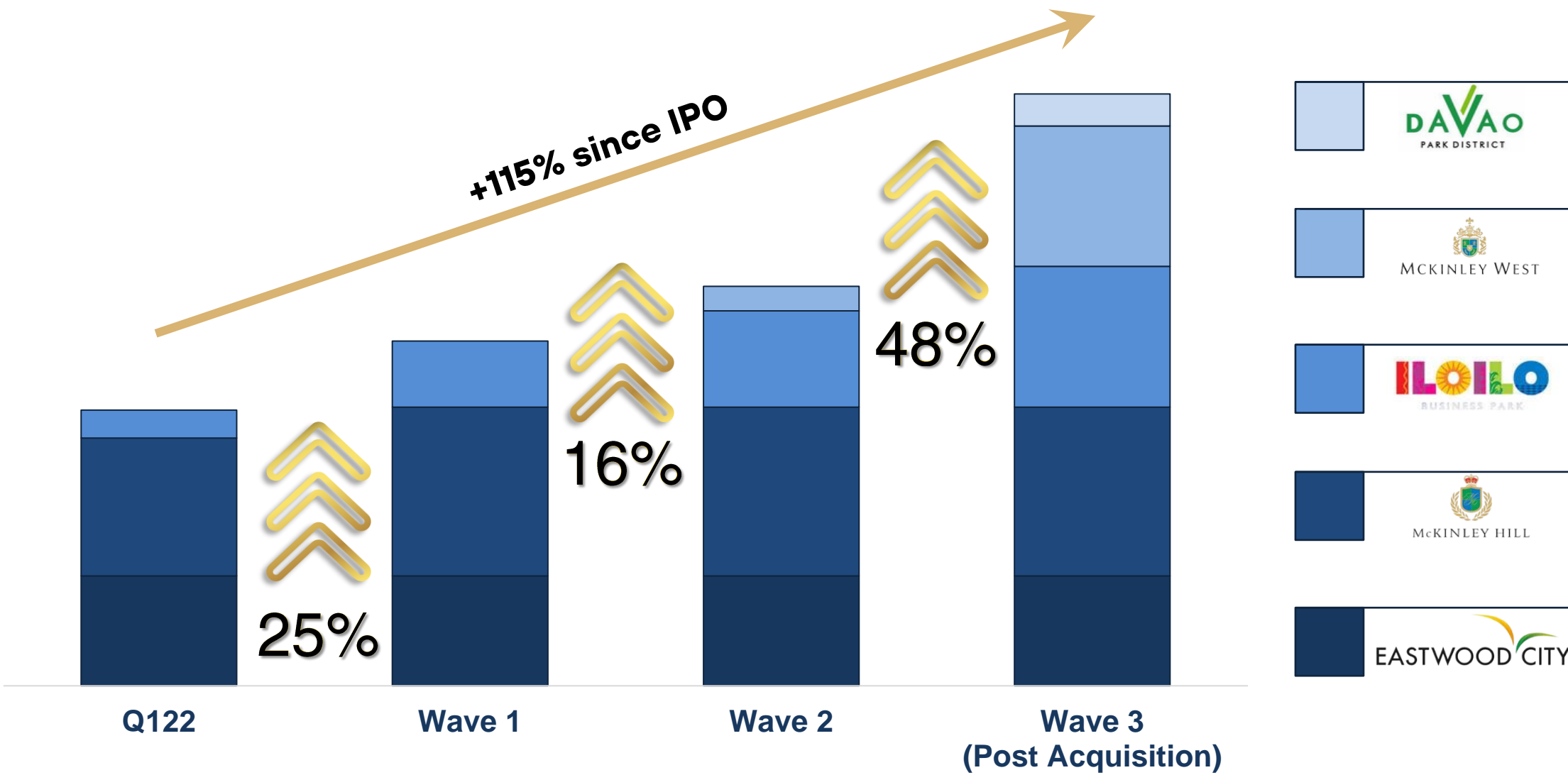
7.4%

Expanding Portfolio

- Transaction will be done through a property-for-share swap.
- The new shares are to be issued at a subscription price of P14.20/share.
- The blended cap rate of 7.4% for the properties versus the yield of 7.0% at the subscription price ensures that the transaction is accretive.

Expanding Portfolio

Location Breakdown (by GLA)



- The addition of the assets in McKinley West, Davao Park District, and Iloilo Business Park further cement MREIT's position as the only REIT in the market with a significant footprint both in Fort Bonifacio (Taguig City) and in the province.



Post-Acquisition Value

P75bn
asset under management

52%
increase since IPO

Our Target



With the **asset infusion** approved by the Board, MREIT will reach **482,000 sqm** of GLA and is on track to reach **500,000 sqm** by end-2024.



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