



**ADVISEMENT REPORT ON
MATERIAL RELATED PARTY TRANSACTIONS**

Reporting PLC: MREIT, Inc. (MREIT)

SEC Identification Number: CS202052294

Name of Related Party: Megaworld Corporation (MEG)

Execution Date of Transaction: December 20, 2021

Relationship between the Parties including financial/non-financial interest: MEG owns 62% of MREIT; MEG is the sponsor of MREIT

Type/Nature of Transaction and Description of Assets Involved	Terms and Conditions	Rationale for Entering into the Transaction	Total Assets ¹ of Reporting PLC	Amount/ Contract Price	Percentage of the Contract Price to the Total Assets of the Reporting PLC	Carrying Amount of Collateral, if any	Approving Authority ²
<p>On December 20, 2021, MREIT and MEG executed the Deed of Absolute Sale (“DAS”) of the following properties:</p> <ol style="list-style-type: none"> Two Techno Place, Iloilo Business Park, Brgy. Buhang, Mandurriao, Iloilo City; Three Techno Place (Building D), Iloilo Business Park, Mandurriao, Iloilo City; One Global Center (Building A), Iloilo Business Park, Mandurriao, Iloilo City; and World Finance Plaza, McKinley Hills, Brgy. Pinagsama, Taguig City (collectively, the “Properties”) <p>On December 16, 2021, MREIT entered into a Term Loan Facility in the aggregate principal amount of up to Php7.25 billion with China Banking Corporation for the purpose of partially financing MREIT’s acquisition of the Properties from MEG.</p>	<p>The consideration amounting to PhP9.116 billion was paid by MREIT to MEG upon the execution of the DAS.</p>	<p>The acquisition is part of MREIT’s growth plan.</p> <p>The transaction would result in an increase in distributable income by its shareholders and an increase in the PLC’s total GLA to 280,131 square meters.</p>	<p>Php 51,829,673,621 as of June 30, 2021</p>	<p>PhP 9,116,000,000</p>	<p>17.6%</p>	<p>N/A</p>	<p>100% of the members of the MREIT RPT Committee, Independent Directors and Board of Directors:</p> <ol style="list-style-type: none"> Francisco C. Canuto (<i>Chairman of the Board</i>) Kevin Andrew L. Tan Katherine L. Tan Lourdes T. Gutierrez-Alfonso Jesus B. Varela (<i>ID</i>) Sergio R. Ortiz-Luis, Jr. (<i>ID & Chairman of the RPT Committee</i>) Antonio E. Llantada, Jr. (<i>ID</i>) <p>100% of the members of the MEG RPT Committee, Independent Directors and Board of Directors:</p> <ol style="list-style-type: none"> Andrew L. Tan (<i>Chairman of the Board</i>) Katherine L. Tan Kingson U. Sian Enrique Santos L. Sy Jesus B. Varela (<i>ID</i>) Cresencio P. Aquino (<i>ID & Chairman of the RPT Committee</i>) Roberto S. Guevarra (<i>ID</i>)

¹ Total assets shall pertain to consolidated assets if the reporting PLC is a parent company.

² The information shall include the names of directors present, names of directors who approved the Material Related Party Transaction and the corresponding voting percentage obtained.

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On December 20, 2021, MREIT and MEG executed four (4) Contracts of Lease (“COLs”) over portions of the parcels of land on which the Properties stand.	The Lease Period shall commence on 20 December 2021 and shall expire 25 years thereafter, with MREIT having the option to renew for 25 years.	The COLs were entered into in light of the acquisition by MREIT of the Properties built on portions of the parcels of land covered by the COLs.	Php 51,829,673,621 as of June 30, 2021	<p>From 01 July 2023 to 30 June 2025, MREIT shall pay MEG Rent equivalent to, as applicable:</p> <p>a. 2.5% of gross rental income for office and retail properties; and,</p> <p>b. 1.5% of hotel rental/ revenues for hotel properties.</p> <p>From 01 July 2025 onwards, MREIT shall pay MEG Rent equivalent to, as applicable:</p> <p>a. 5% of gross rental income for office and retail properties; and,</p> <p>b. 3% of hotel rental/ revenues for hotel properties.</p>	N/A	N/A	<p>100% of the members of the MREIT RPT Committee, Independent Directors and Board of Directors:</p> <ol style="list-style-type: none"> 1. Francisco C. Canuto (<i>Chairman of the Board</i>) 2. Kevin Andrew L. Tan 3. Katherine L. Tan 4. Lourdes T. Gutierrez-Alfonso 5. Jesus B. Varela (<i>ID</i>) 6. Sergio R. Ortiz-Luis, Jr. (<i>ID & Chairman of the RPT Committee</i>) 7. Antonio E. Llantada, Jr. (<i>ID</i>) <p>100% of the members of the MEG RPT Committee, Independent Directors and Board of Directors:</p> <ol style="list-style-type: none"> 1. Andrew L. Tan (<i>Chairman of the Board</i>) 2. Katherine L. Tan 3. Kingson U. Sian 4. Enrique Santos L. Sy 5. Jesus B. Varela (<i>ID</i>) 6. Cresencio P. Aquino (<i>ID & Chairman of the RPT Committee</i>) 7. Roberto S. Guevarra (<i>ID</i>)

Type/Nature of Transaction and Description of Assets Involved	Terms and Conditions	Rationale for Entering into the Transaction	Total Assets ¹ of Reporting PLC	Amount/ Contract Price	Percentage of the Contract Price to the Total Assets of the Reporting PLC	Carrying Amount of Collateral, if any	Approving Authority ²
On December 20, 2021, MREIT and MEG executed four (4) Deeds of Assignment of Leases (“DALs”) over portions of the Properties leased to third parties.	MEG assigned in favor of MREIT all of its rights and interests in and to lease contracts with third parties covering portions of the Properties.	The DALs were entered into in light of the acquisition by MREIT of the Properties.	Php 51,829,673,621 as of June 30, 2021	The assignment is ancillary to MREIT’s acquisition of the Properties.	N/A	N/A	<p>100% of the members of the MREIT RPT Committee, Independent Directors and Board of Directors:</p> <ol style="list-style-type: none"> 1. Francisco C. Canuto (<i>Chairman of the Board</i>) 2. Kevin Andrew L. Tan 3. Katherine L. Tan 4. Lourdes T. Gutierrez-Alfonso 5. Jesus B. Varela (<i>ID</i>) 6. Sergio R. Ortiz-Luis, Jr. (<i>ID & Chairman of the RPT Committee</i>) 7. Antonio E. Llantada, Jr. (<i>ID</i>) <p>100% of the members of the MEG RPT Committee, Independent Directors and Board of Directors:</p> <ol style="list-style-type: none"> 1. Andrew L. Tan (<i>Chairman of the Board</i>) 2. Katherine L. Tan 3. Kingson U. Sian 4. Enrique Santos L. Sy 5. Jesus B. Varela (<i>ID</i>) 6. Cresencio P. Aquino (<i>ID & Chairman of the RPT Committee</i>) 7. Roberto S. Guevarra (<i>ID</i>)

SIGNATURES

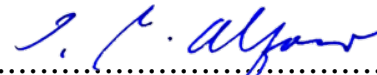
Pursuant to the requirements of the Commission, the company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MREIT, INC.



.....
KEVIN ANDREW L. TAN
President and Chief Executive Officer

MEGAWORLD CORPORATION



.....
LOURDES T. GUTIERREZ-ALONSO
Chief Operating Officer



.....
ENGLEBERT G. TEH
Chief Financial Officer

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

SECRETARY'S CERTIFICATE

I, **VLADIMIR B. BUMATAY**, of legal age, Filipino, and with office address at the 12th Floor of Eastwood Global Plaza, Eastwood City, Bagumbayan, Quezon City, Philippines, after having been duly sworn in accordance with law, do hereby certify that:

1. I am the duly elected and incumbent Assistant Corporate Secretary of **MREIT, INC.** (hereinafter the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at the 18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City, Philippines, 1634.

2. In my capacity as Assistant Corporate Secretary of the Corporation, I have custody of its books and records, including the minutes of the meetings of the Board of Directors and stockholders.

3. At the duly constituted meeting of the Board of Directors of the Corporation held on 15 December 2021, at which meeting a quorum was present and acting throughout the duration of the meeting, the following resolution was adopted and approved:

"RESOLVED, that the Corporation hereby designates its *President and Chief Executive Officer*, **MR. KEVIN ANDREW L. TAN**, and its *Chief Financial Officer*, **MR. ENGLEBERT G. TEH**, as authorized representatives to sign, execute and deliver the Advisement Report on Material Related Party Transactions for the Corporation as required under the Securities Exchange Commission's Memorandum Circular No. 10, series of 2019, or other/subsequent issuances in relation thereto."

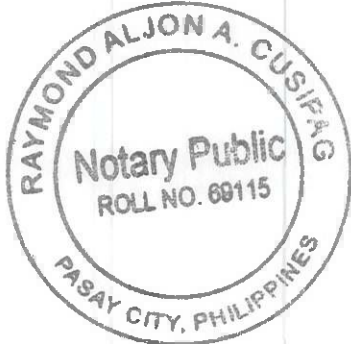
4. The above-quoted Resolution has not been amended, modified, revoked/cancelled, and as of this date of Certification and are in full force and effect.

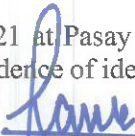
IN WITNESS WHEREOF, I have hereunto affixed my signature this 15 December 2021 at Pasay City.


VLADIMIR B. BUMATAY
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 15 December 2021 at Pasay City, affiant personally appeared before me and exhibited to me his competent evidence of identity: Driver's License No. B03-95-011651 expiring on 14 February 2022.

Doc. No. 126 ;
Page No. 27 ;
Book No. II ;
Series of 2021.




RAYMOND ALJON A. CUSIPAG
Notary Public for Pasay City
Until December 31, 2022
PTR NO. 7364886, 05 January 2021/Pasay City
IBP NO. 017255, Lifetime/Quezon City Chapter
NOTARIAL COMMISSION NO. 21-03
Roll of Attorney No. 69115
10/F NECC Building, Newport Boulevard
Newport City, Pasay City, Metro Manila
MCLE Compliance No. VI-0007930/06 April 2018

SECRETARY'S CERTIFICATE

I, **NELILEEN S. BAXA**, of legal age, Filipino, with office address at the 18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City, 1634, Metro Manila, Philippines, hereby state that:

1. I am the Assistant Corporate Secretary of **MEGAWORLD CORPORATION**, a corporation duly organized in accordance with Philippine laws, with principal office address at the 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City, 1634, Metro Manila, Philippines (hereinafter, the "Corporation").

2. In the absence of the Corporate Secretary or her inability to act, I am authorized to prepare and keep the minutes of meetings of the Board of Directors, the Board Committees and the Stockholders of the Corporation.

3. During the meeting of the Corporation's Board of Directors held on 15 December 2021, at which meeting a quorum was present and acting throughout, the following resolutions were approved:

"RESOLVED, that the Corporation hereby designates its Chief Operating Officer, **Ms. Lourdes T. Gutierrez-Alfonso**, as its duly authorized representative with full power and authority to represent the Corporation and to execute, sign, and deliver the Advisement Report on Material Related Party Transactions, in compliance with the provisions of the Securities and Exchange Commission's Memorandum Circular No. 10, Series of 2019 and other subsequent or relevant issuance."

4. The above-quoted Resolutions have not been amended, modified, cancelled, or revoked, and as of this date of certification, are in full force and effect.


IN WITNESS WHEREOF, I have hereunto set my hand on this 20 December 2021 at Taguig City, Philippines.


NELILEEN S. BAXA

Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 20 DEC 2021 at MAKATI CITY,
Affiant exhibiting to me her Passport No. P4098697A issued on 20 August 2017 at Manila, Philippines.

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Page No. 23;
Book No. 100;
Series of 2021.


ATTY. RAYMOND A. RAMOS
COMMISSION NO. M 239
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2021 per B.M. No. 3795
11 KALAYAAN AVENUE EXTENSION,
BARANGAY WEST REMBO, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 137312/01-04-2021/Pasig City
PTF NO MKT 8531022/01-04-2021/Makati City
MCLE Compliance No. VI-0007878/04-06-2018