

COVER SHEET

SEC Registration Number

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Company Name

[illegible][illegible][illegible]

Principal Office (No./Street/Barangay/City/Town/Province)

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KRIZELLE MARIE F. POBLACION

Contact Person

1	2
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3	1
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Month

Day

Fiscal Year

(632) 8894-6300 local 6333

Company Telephone Number _____

0	6
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0	2
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Month

Day

Annual Meeting

[illegible]

Form Type

[illegible]

M	S	R	D
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Dept. Requiring this Doc.

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Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel Concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

STAMPS

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Remaks = Pls. use black ink for scanning purposes

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

1. **16 October 2023**
Date of Report
2. SEC Identification Number: **CS202052294** 3. BIR Tax Identification No: **502-228-971-000**
4. **MREIT, INC.**
Exact name of Issuer as specified in its charter
5. **Metro Manila**
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code
7. **18th Floor, Alliance Global Tower, 36th Street corner 11th Avenue
Uptown Bonifacio, Taguig City 1634**
Address of principal office
8. **(632) 8894-6300/6400**
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Stock Outstanding</u>
Common	2,795,821,381 ¹
Preferred	0
Total	2,795,821,381¹

10. **Item 9(b)**


Pursuant to the Rule 4, Section 5.1 (e) of the Implementing Rules and Regulations of Republic Act No. 9856 (REIT Act), we are submitting the Quarterly Progress Report for the third quarter of 2023 on the use of the proceeds from the block sale of 279,400,000 common shares of MREIT Inc. (MREIT), pursuant to the Reinvestment Plan of Megaworld Corporation, as Sponsor of MREIT.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MREIT, INC.
Issuer

By:


KRIZELLE MARIE F. POBLACION
Compliance Officer
16 October 2023

¹ MREIT, Inc. has a total of 2,795,821,381 common shares issued and outstanding. 2,532,121,381 common shares are listed in the Philippines Stock Exchange, while the listing application for the 263,700,000 common shares issued in March 2023 is currently pending with the Exchange.



MEGAWORLD CORPORATION

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

October 13, 2023

THE PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Plaza

6th Floor, PSE Tower

Bonifacio Global City, Taguig

Attention: **MS. ALEXANDRA D. TOM WONG**
Head, Disclosure Department

Subject: 3rd Quarter 2023 Progress Report on the Use of Proceeds from the Block Sale of 279,400,000 common shares of MREIT, Inc. (MREIT)

Dear Ms. Tom-Wong,

We hereby submit our Progress Report on the Use of Proceeds for the quarter ending September 30, 2023, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

The proceeds are in connection with the Block Sale of 279,400,000 common shares of MREIT, Inc. which was settled on July 27, 2023, with the offer price of P13.00 per share, resulting in net proceeds at Php3,606,018,012.74. Please be advised that as of September 30, 2023, the remaining balance of the proceeds from the block sale amounts to Two Billion Five Hundred Sixty Million Nine Hundred Sixty-Six Thousand Fifty-Seven pesos and forty-four centavos (Php2,560,966,057.44) as indicated below:

Net Proceeds from the Block Sale	3,606,018,012.74
less:	
Disbursement for Reinvestment Plan (Annex A)	(1,045,051,955.30)
Balance of Proceeds from the Block Sale as of Sept. 30, 2023	2,560,966,057.44

Thank you.

Respectfully yours,


FRANCISCO C. CANUTO
Treasurer



ANNEX A: Disbursements from the Proceeds of the Block Sale for the period covering July 1 to September 30, 2023

Project Name	Township/ Location	Investment Type	Product	Disbursement	Disbursing Entity
Davao Projects	Davao City	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	60,000,000.00	Davao Park District Holdings, Inc
Bacolod Projects	Bacolod City	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	50,000,000.00	Megaworld Bacolod Properties, Inc
Cebu Projects	Cebu City	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	100,000,000.00	Oceantown Properties, Inc
Arcovia City Projects	Arcovia City	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	50,000,000.00	Arcovia Properties, Inc
Bulacan Projects	Bulacan	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	785,051,955.30	Northwin Properties, Inc
TOTAL				PHP 1,045,051,955.30	



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
~~CITY OF MAKATI~~ METRO MANILA) SS

At MAKATI City, Metro Manila, on this 13 OCT 2023 day of , 20 , before me personally appeared:

Name	Competent Evidence of Identity	Date and Place Issued
For and on behalf of MEGAWORLD CORPORATION:	<u>SSS ID no. 055186143-1</u>	
FRANCISCO C. CANUTO		

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

13 OCT 2023

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 20 .

NOTARY PUBLIC

Doc. No. 510 ;
Page No. 103 ;
Book No. 200 ;
Series of 2022.

[Signature]
ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-077
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2024
5 KALAYAAN AVENUE EXTENSION,
BARANGAY WEST REMBO 1215, MAKATI CITY
SC Roll No. 62179/04-26 2013
IBP NO. 258534/01-02-2023/Pasig City
PTR NO. MKT 9562350/01 03-2023/Makati City
MCLE Compliance No. VII 0020180/04-14-2025

[Handwritten mark]

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

T +63 2 8988 2288

Report of Independent Auditors on Factual Findings

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

We have performed the procedures agreed with you and enumerated below with respect to the attached Quarterly Progress Report (the Report) for the quarter ended September 30, 2023 on the application of proceeds received by Megaworld Corporation (the Company) from the block sale of 279,400,000 common shares of MREIT, Inc. (MREIT) which was settled on July 27, 2023, with the offer price of P13.00 per share (the Block Sale), resulting in a net proceeds estimated at P3.60 billion (the Block Sale Proceeds). The procedures were performed solely to enable the Company to comply with the requirement of the Philippine Stock Exchange (PSE) to submit the Report accompanied by an external auditor's report. Our engagement was undertaken and our report is issued in accordance with Philippine Standard on Related Services 4400 (Revised), *Agreed-Upon Procedures Engagements*.

Agreed-upon Procedures

The procedures we performed are as follows:

1. Obtained and checked the mathematical accuracy of the following:
 - a) The Report;
 - b) Schedule of planned application of proceeds from the Block Sale; and,
 - c) Detailed schedule of utilization of proceeds for the quarter ended September 30, 2023.
2. Compared the total amount of utilization appearing in the Report with the detailed schedule of utilization of proceeds.

3. Compared the schedule of planned application of the Block Sale Proceeds to the Reinvestment Plan. Inquired with the Company's management of the reason for the difference, if any, and requested a copy of the approval by the Board of Directors (BOD) and the PSE, as appropriate, i.e., if it involved reallocation or change in the use of proceeds.
4. Traced to and examined supporting documents such as acknowledgement receipts and approved payment endorsement documents, of disbursements in the detailed schedule of utilization of proceeds and traced the total amount of disbursements per category to the Report.

Results of the Performance of Agreed-Upon Procedures

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

We present below the summary of the application of the proceeds from the Block Sale for the quarter ended September 30, 2023, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Township or Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Northwin Global City	Bulacan	Malls, Offices, Land Development, and Other Developments	Northwin Properties, Inc	P 785,051,955
Davao Park District	Davao	Malls, Offices, Land Development, and Other Developments	Davao Park District Holdings, Inc.	60,000,000
Bacolod Projects	Bacolod	Malls, Offices, Land Development, and Other Developments	Megaworld Bacolod Properties, Inc.	50,000,000
The Mactan Newtown	Mactan, Cebu	Malls, Offices, Land Development, and Other Developments	Megaworld Oceantown Properties, Inc.	100,000,000
Arcovia City	Pasig	Malls, Offices, Land Development, and Other Developments	Arcovia Properties, Inc.	<u>50,000,000</u>

P 1,045,051,955

2. With respect to item 2, we noted that the total amount of utilization appearing in the Report is in agreement with the amount in the detailed schedule of utilization of proceeds.
3. With respect to item 3, we noted that the planned application of the Block Sale Proceeds is in agreement with the Reinvestment Plan dated July 25, 2023.

4. With respect to item 4, we traced the utilization of the Block Sale Proceeds for the quarter ended September 30, 2023 to supporting acknowledgment receipts and approved payment endorsement documents.

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

<u>Disbursing Entity</u>	<u>Project Name</u>	<u>Township or Location</u>	<u>Amount</u>
Davao Park District Holdings, Inc.	Davao Park District	Davao	P 60,000,000
Megaworld Bacolod Properties, Inc.	Bacolod Projects	Bacolod	50,000,000
Megaworld Oceanside Properties, Inc.	The Mactan Newtown	Mactan, Cebu	100,000,000
Arcovia Properties, Inc.	Arcovia City	Pasig	50,000,000
Northwin Properties, Inc.	Northwin Global City	Bulacan	<u>785,051,955</u>
			<u>P 1,045,051,955</u>

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

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

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

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the information and items specified above and does not extend to any financial statements of the Company, taken as a whole.

PUNONGBAYAN & ARAULLO

By: John Endel S. Mata
Partner

CPA Reg. No. 0121347

TIN 257-622-627

PTR No. 9566637, January 3, 2023, Makati City

SEC Group A Accreditation

Partner - No. 121347-SEC (until financial period 2023)

Firm - No. 0002 (until Dec. 31, 2024)

BIR AN 08-002551-040-2023 (until Jan. 24, 2026)

Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

October 13, 2023



Punongbayan & Araullo
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1200 Makati City
Philippines

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SUBSCRIBED AND SWORN to before me, in the City of Makati, on 13 October 2023, the affiant, **John Endel S. Mata**, exhibiting his Professional Regulatory Commission (PRC) License ID registration no. 0121347 valid until July 5, 2025.

IN WITNESS WHEREOF, I set unto my hand and seal on the date and place above written.



ATTY. IRA JENNENA J. BERO, CPA
Notary Public for Makati City
Until December 31, 2024
Notarial Commission No. M-200
Roll No. 82663

IBP Number: 263609 01/03/2023, Cebu City
PTR No. 9570499 01/09/2023, Makati City
MCLE Compliance No. Admitted to the BAR on May 30, 2022
19th Flr., Tower 1, The Enterprise Center, 6766 Ayala Avenue, Makati City

Doc. No. 434;
Page No. 88;
Book No. II;
Series of 2023.