

October 15, 2021

THE PHILIPPINE STOCK EXCHANGE

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

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Subject: 2021 Third Quarter Progress Report on the Disbursement of Proceeds from the sale
of The 30th Commercial Development to AREIT, Inc.

Dear Ms. Encarnacion,

We are pleased to submit our Progress Report on the Application of Proceeds for the Third Quarter of 2021, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

Please be advised that as of September 30, 2021 the remaining balance of the proceeds from the sale of The 30th Commercial Development to AREIT, Inc., amounts to Four Billion One Hundred Fifty-Five Million Nine Hundred Seventy Eight Thousand One Hundred Fifty Nine Pesos and Nineteen Centavos (Php4,155,978,159.19).

The details of the disbursement for the Third Quarter of 2021 are as follows:

Balance of Proceeds from the sale of The 30th as of June 30, 2021,	Php	4,385,787,970.39
Less: Disbursements from July 1 to Sept 30, 2021 (Annex A)		<u>229,809,811.20</u>
Balance of Proceeds from the sale of The 30th as of Sept 30, 2021,	Php	<u>4,155,978,159.19</u>

Thank you.

Very truly yours,



Augusto D. Bengzon
Ayala Land, Inc.
Treasurer and Chief Finance Officer



Ma. Teresa R. Fajay
AREIT, Inc.
Chief Finance and Compliance Officer

ANNEX A- Disbursements from July 1 to September 30, 2021

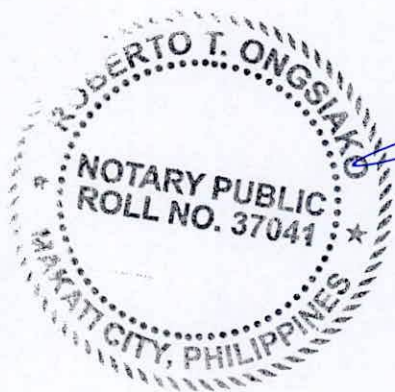
Disbursing Entity	Project Name	Amount
ALI Eton Property Development Corporation	Parklinks	103,825,928.97
Unity Realty & Dev't Corp.	Pampanga Property	22,369,603.33
Cebu District Property Enterprise, Inc.	Gatewalk Central	103,614,278.90
TOTAL		229,809,811.20

SUBSCRIBED AND SWORN to before me this OCT 15 2021 at Makati City, affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place Issued
AYALA LAND, INC.	TIN: 000-153-790-000	
<i>Represented by:</i>		
Augusto D. Bengzon	Passport No. P4323352B	08 Jan 2020/ DFA NCR East
AREIT, Inc.	TIN: 006-346-689-000	
<i>Represented by:</i>		
Ma. Teresa R. Famy	Driver's License No. D06-97-186463	Expiration Date 05 Dec 2023

Doc No. 436;
Page No. 89;
Book No. XXXVII;
Series of 204;

Notarial DST pursuant to
Section. 188 of the Tax Code
affixed in Notary Public's copy



ROBERTO T. ONGSIAKO
Notary Public – Makati City
Appt. No. M-149 until December 31, 2022
Roll of Attorneys No. 37041
Lifetime IBP No. 02163 – RSM Chapter
PTR No. 8533973ME – 01/04/2021 - Makati City
MCLE Compliance No. VII – 0000267 – 07/30/20
4th Floor Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines

STRICTLY CONFIDENTIAL

REPORT OF FACTUAL FINDINGS

AYALA LAND, INC.

31st Floor, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **Mr. Augusto D. Bengzon**
Chief Finance Officer

Dear Mr. Bengzon:

We have performed the procedures agreed with you and enumerated below with respect to the attached Quarterly Progress Report as at **September 30, 2021** on the use of the proceeds from the sale of The 30th Commercial Development to AREIT, Inc. on **January 15, 2021**. The procedures were performed solely to enable the Company to comply with the Philippine Stock Exchange, Inc.'s (PSE) requirement to submit an external auditor's certification on the information being presented by the Company relating to the use of proceeds. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. These agreed-upon procedures and results thereof are summarized as follows:

1. Obtain the Quarterly Progress Summary Report on Use of Proceeds from the sale of The 30th Commercial Development to AREIT, Inc. (the "Schedule") and perform the following:
 - Check the mathematical accuracy of the Schedule;
 - Check whether there are additions and disbursements in the schedule and compare with the schedule of application of proceeds;
 - On a sample basis, trace additions and disbursements to the supporting documents such as progress billings, bank statements, invoices, and official receipts, and agree the amount to the accounting records.
 - On a sample basis, inquire into and identify the nature of the additions and disbursements. Check if the disbursements were classified consistently according to its nature based on the schedule of planned use of sale of The 30th proceeds.

We report our findings below:

1. We checked the mathematical accuracy of the Schedule, no exceptions noted.

2. We traced the disbursements to the supporting documents. We have noted that the Company issued intercompany loans to the following companies to be used in the projects specified:

Distributing Entity	Amount	Project Name
ALI Eton Property Development Corporation	₱103,825,928.97	Parklinks
Cebu District Property Enterprise, Inc.	103,614,278.90	Gatewalk Central
Unity Realty & Dev't Corp.	22,369,603.33	Pampanga Property
	₱229,809,811.20	

We have traced these amounts to the bank statements, request for payments and request for check preparations and agreed the amounts to the accounting records. No exceptions noted.

3. There were no additions during the 3rd quarter (July to September). Further, we inquired into and identified the nature of the disbursement. We checked if the disbursements were classified consistently according to its nature based on the schedule of planned use of The 30th proceeds as documented in the Reinvestment Plan. We have noted that the abovementioned entities and the related projects were included in the Reinvestment Plan, and the amounts disbursed to these companies have not exceeded the planned use. No exceptions noted.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the accounts of the Company or its financial statements, taken as a whole.

Had we performed additional procedures or performed an audit or review of the financial statements in accordance with PSA or PSRE, other matters might have come to our attention that would have been reported to you.

Our report is intended 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 who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of proceeds from the sale and items specified above and do not extend to any financial statements of the Company taken as a whole.

SYCIP GORRES VELAYO & CO.



Michael C. Sabado

Partner

CPA Certificate No. 89336

Tax Identification No. 160-302-865

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 0664-AR-4 (Group A)

November 11, 2019, valid until November 10, 2022

SEC Firm Accreditation No. 1561-AR-1 (Group A)

January 31, 2019 valid until January 30, 2022

BIR Accreditation No. 08-001998-073-2020,

December 3, 2020, valid until December 2, 2023

PTR No. 8534357, January 4, 2021, Makati City

ACKNOWLEDGMENT

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

I certify that on 15 July 2021, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Name	Competent Evidence of Identity	Date / Place Issued
Michael C. Sabado	P1178919B	March 25, 2019/DFA

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

SUBSCRIBED AND SWORN TO BEFORE ME THIS
DAY OF OCT 15 2021 MAKATI CITY

Doc. No. 126 ;
Page No. 37 ;
Book No. 44 ;
Series of 2021 21

ATTY. MARIO MALABANAN
Notary Public for Makati City
Appointment No. M-363
Until December 30, 2021 (BM-3795)
298 Emilia Bautista, Palanan Makati City
PTR No. 851236/ Jan. 04, 2021
IBP No. 133855, IBP Batangas, Dec. 02, 2020
MCLE VI 00224556, April 24, 2019
PPLM Roll No. 58312
Tin No. 278608760000