



**M·REIT**  
A MEGAWORLD COMPANY

**NINE MONTHS 2023**

ANALYST PRESENTATION

- MREIT portfolio assets continue to deliver stable occupancy and strong financial performance supported by continued positive net take-up in the market
- Recently acquired assets drove MREIT's growth in the first nine months compared to the same period last year with the recognition of income beginning January 1, 2023
- MREIT and its sponsor remain committed to its end-2024 portfolio size target to drive further growth through infusions that are accretive to the company

- Colliers reported an improvement in new lease volume during 9M2023 for both Metro Manila and Provincial, with a total of **651,000 sqm** leased across various locations in the Philippines.
- Significant increase in Metro Manila transactions activity QoQ; Existing provincial IT-BPM players continue to takeup office space in the countryside
- 3Q market vacancy slightly increased to **18.7%** compared to the previous quarter
- Megaworld Premier Offices captured up to **15%** of the reported **new leases** in the market at **95,400 sqm**

## 9M2023 New Leases (in '000 SQM)



## Tenant Mix (by GLA)



BPO  
**79%**



Traditional  
**15%**

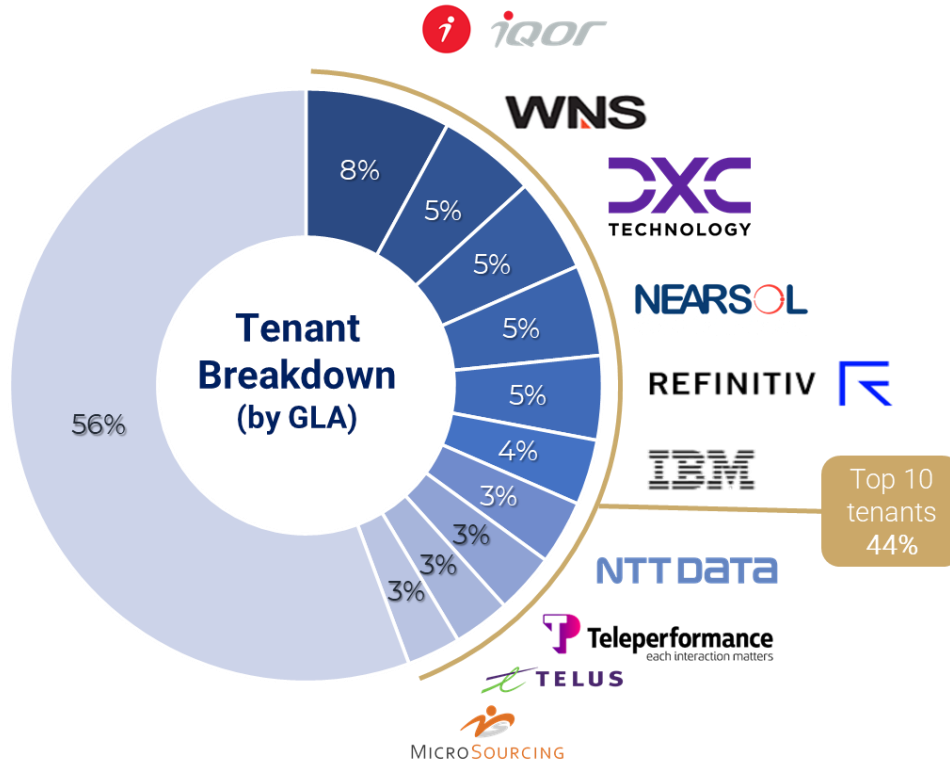


Retail  
**4%**



Hotel  
**2%**

## Tenant breakdown (by GLA)

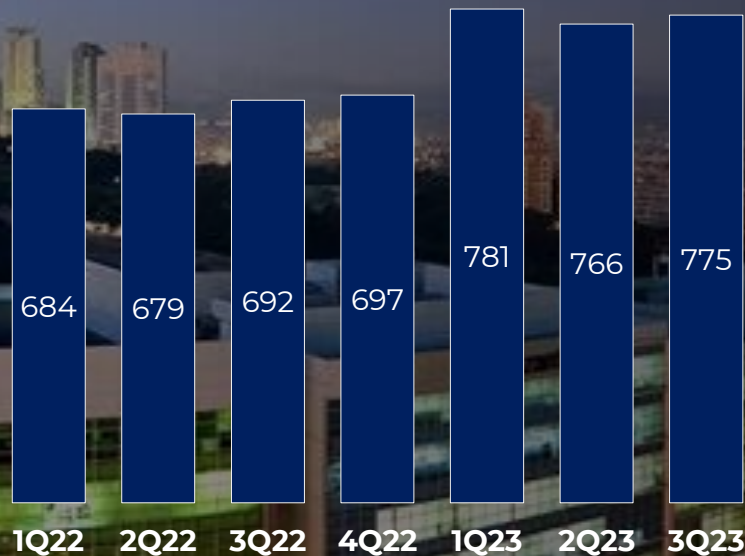


**95%**  
occupancy  
rate

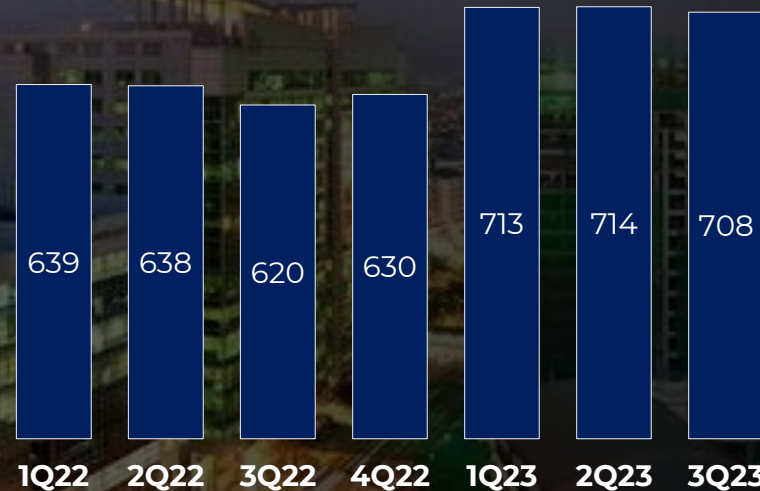
**3.0 YRS**  
weighted average  
lease expiry (WALE)

**50,700 SQM**  
signed  
office transactions

## Rental Income - Billings (Pm)



## Distributable Income (Pm)



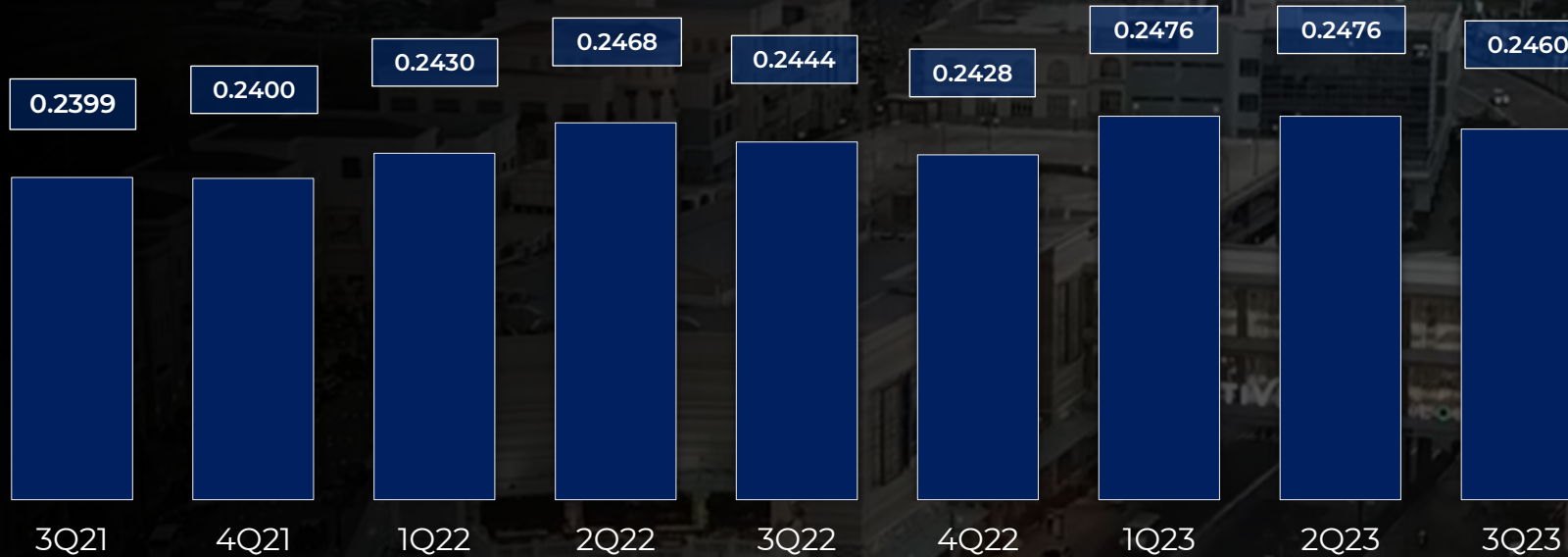
- Existing portfolio's performance is robust, with a high occupancy level and ongoing rent escalations
- Improvement in performance driven by full period recognition of income from the additional assets infused
- Step-up in land lease in the amount of P19.5 million during 3Q2023 slightly tempered growth YoY

# FINANCIAL PERFORMANCE

*YTD increase in both revenues and distributable income due primarily to recognition of income from new assets injected*

In PHP millions	9M23	9M22	YoY%
Revenues	3,106.8	2,711.5	15%
Direct Operating Costs	684.8	470.5	46%
Gen. & Admin. Expense	50.0	26.4	89%
<b>Net Operating Income</b>	<b>2,372.0</b>	<b>2,214.5</b>	<b>7.1%</b>
Interest & Other Income	45.0	12.1	272%
Interest Expenses	-231.9	-231.5	<1%
Fair value gains (losses)	-	-	-
<b>Pre-Tax Income</b>	<b>2,186.2</b>	<b>1,995.6</b>	<b>9.6%</b>
Tax Income (Expense)	-8.8	-2.3	283%
<b>Net Income</b>	<b>2,177.5</b>	<b>1,993.3</b>	<b>9.2%</b>
Fair value gains (losses)	-	-	-
Straight-line and rental adjustment	-75.6	-128.8	-41%
Other accounting adjustments	33.0	32.0	3%
<b>Distributable Income</b>	<b>2,134.9</b>	<b>1,896.5</b>	<b>13%</b>

## Dividend Per Share



### DIVIDEND DECLARATION

Dividend per Share  
**P0.2460**  
per share

Payment Date

**DEC 14**  
2023

Annualized Yield

**8.1%**  
based on 06 Nov 2023  
closing price

# RUNWAY FOR GROWTH



With the **ongoing asset infusion**, MREIT is set to hit its target of **500,000 sqm** GLA by end of 2024



Average Daily Spend

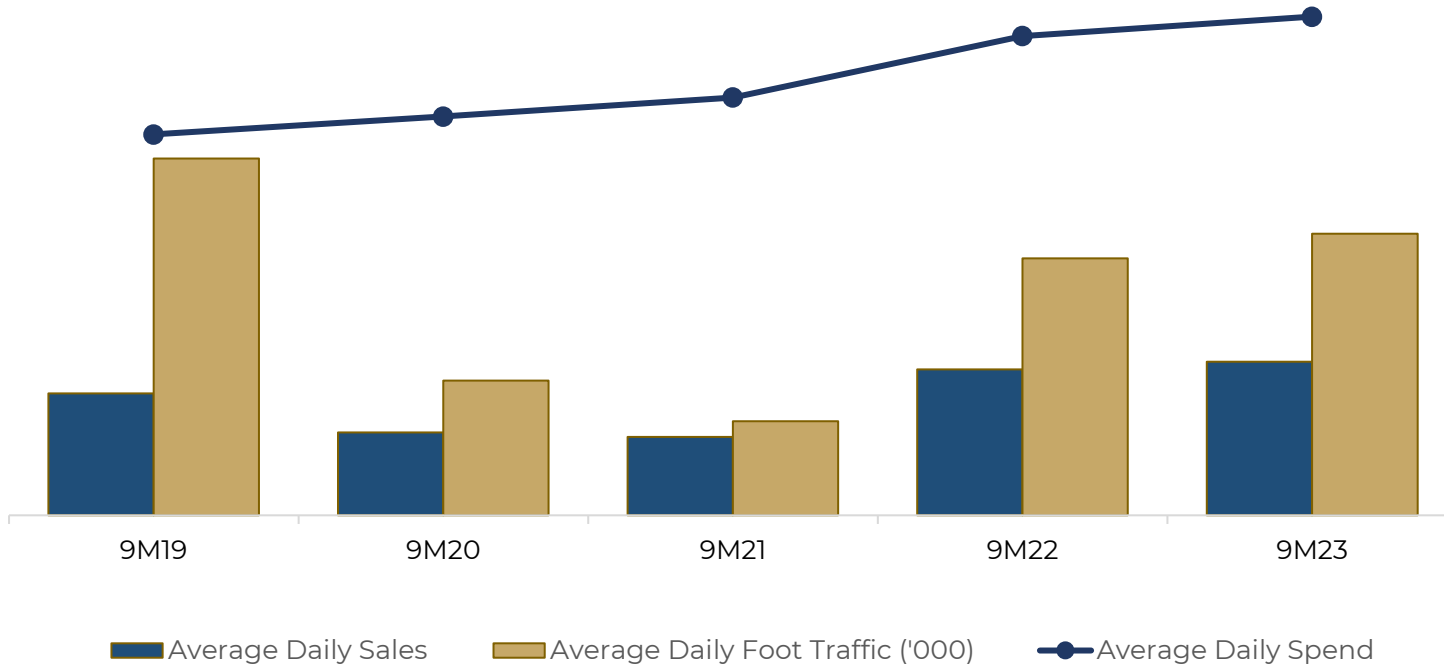
**P550**

⬆️ (4.0% vs 9M2022)

Average Daily Foot Traffic

**209K**

⬆️ (11.0% vs 9M2022)



■ Sponsor's mall revenues improved as daily spend reached 31% higher than 2019

■ Average daily sales of retail tenants likewise reached record levels



THANK YOU

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