



M·REIT
A MEGAWORLD COMPANY

FULL YEAR 2023

ANALYST PRESENTATION

- MREIT portfolio assets sustained its strong financial performance supported by continued positive net take-up in the market.
- Asset acquisition drove MREIT's growth for the calendar year with the recognition of income beginning January 1, 2023.
- MREIT and its sponsor continue to look at acquisition opportunities to meet its end-2024 portfolio size target to drive further growth through transactions that are accretive to the company.
- In line with its sponsor's Road to Zero program and to further increase its assets' attractiveness, MREIT began transition into renewable sources for its energy needs and adopted other sustainability initiatives undertaken by the Group.

- Colliers reported a significant increase in new lease volume, with a total of **1,037,000 sqm** in FY2023 from **854,000 sqm** in FY2022, across the Philippines.
- Vacancy as of end-2023 reached 19.3%, averting the forecasted rate of 21.2%
- Megaworld Premier Offices captured **13%** of the Colliers reported **new leases** in the market at **133,400 sqm**

FY2023 New Leases (in '000 SQM)



Tenant Mix (by GLA)



BPO
72%



Traditional
22%

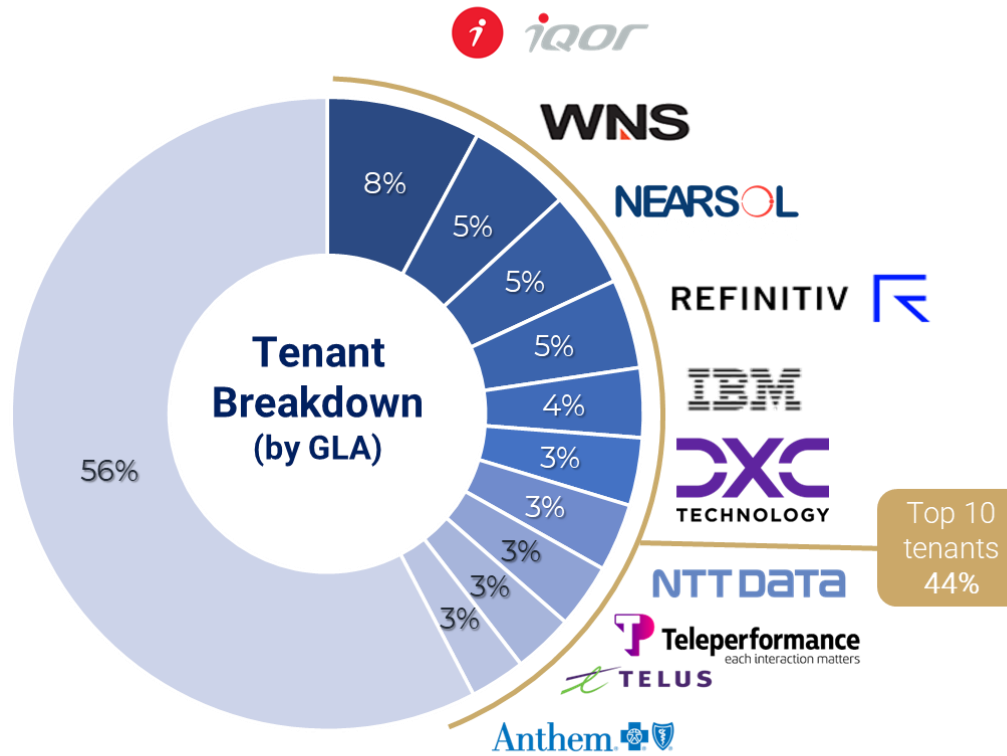


Retail
4%



Hotel
2%

Tenant breakdown (by GLA)

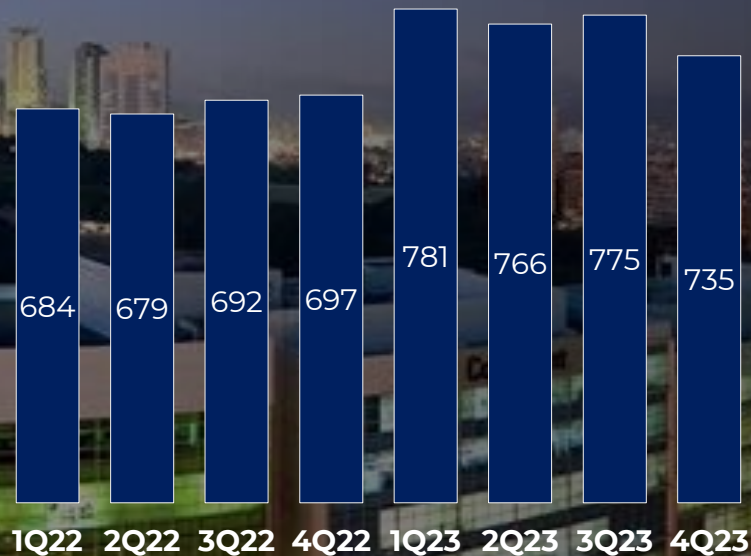


96%
occupancy
rate

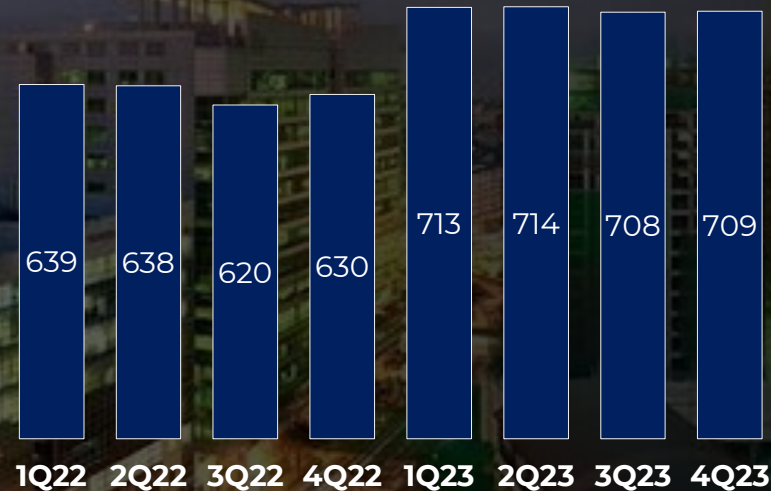
2.80 YRS
weighted average
lease expiry (WALE)

70,000
signed
office transactions

Rental Income - Billings (Pm)



Distributable Income (Pm)

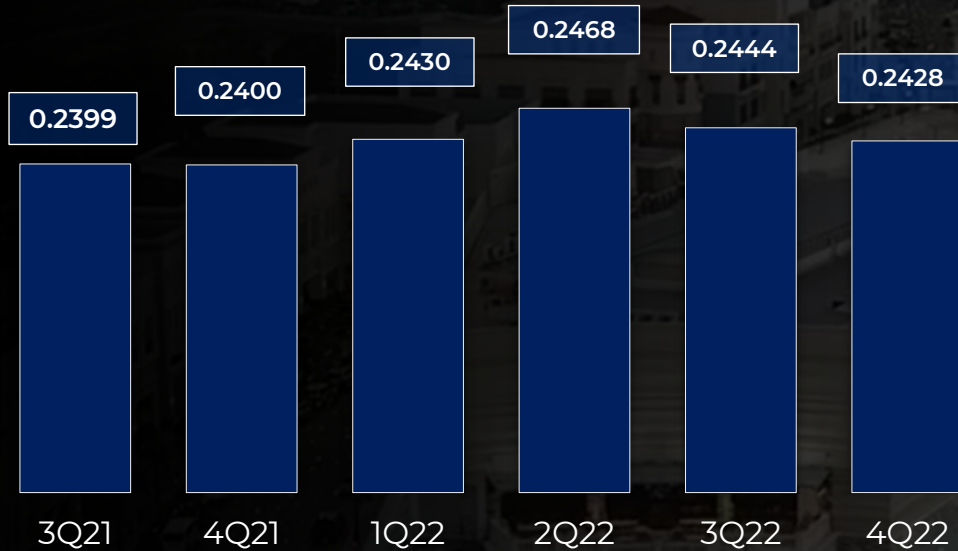


- Existing portfolio's performance is robust, with a high occupancy level and ongoing rent escalations
- Improvement in performance driven by full period recognition of income from the additional assets infused
- One-time expenses related to the infusion and step-up in land lease in 2H23 slightly tempered growth YoY

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

In PHP millions	FY23	FY22	YoY%
Revenues	4,156.5	3,648.8	14%
Direct Operating Costs	-940.6	-676.2	39%
Gen. & Admin. Expense	-62.2	-37.4	66%
Net Operating Income	3,153.7	2,935.2	7%
Interest & Other Income	66.4	23.7	180%
Interest Expenses	-307.0	-309.1	-1%
Fair value losses	-2,732.2	-2,822.0	-3%
Pre-Tax Income (loss)	180.9	-172.2	-205%
Tax Expense	-12.6	-4.3	193%
Net Income	168.3	-176.6	-195%
Fair value losses	2,732.2	2,822.0	-3%
Straight-line and rental adjustment	97.3	-121.2	-180%
Other accounting adjustments	40.9	1.9	2053%
Distributable Income	2,844.1	2,526.2	13%

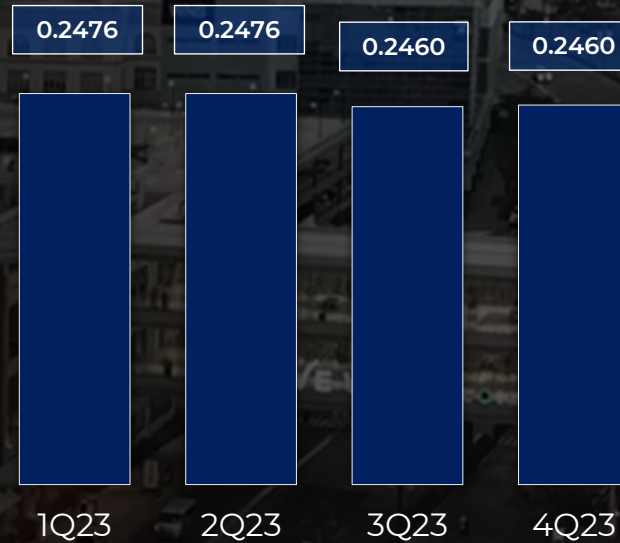
Dividend Per Share



Dividend Yield

7.5%

based on 05 March 2024
closing price



DIVIDEND DECLARATION

Dividend per Share

P0.2460

per
share

Payment Date

APRIL 5

2024

RUNWAY FOR GROWTH



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

ROAD TO ZERO

TRANSITION TO RENEWABLE ENERGY



As of the end-2023, MREIT has **2 Full RE buildings**.

Target: 100% Full RE by 2027*

ADOPT A FOREST Project Million Trees



Planted a total of **72,700 trees** in **2023**

Target: **1.11M trees** by 2029**

ZERO WASTE LANDFILL



Established partnership with **Waste Management Solution Companies**.

Target: 10% Residual Waste by end of 2024

WATER REUSE

Grey Water Reuse Project



Waste water treatment for toilet flushing and irrigation purposes.

Target: Connect all the **McKinley Hill buildings** by 2025

* Only for contestable properties

** Across the Megaworld Group including MREIT



MREIT was awarded a Golden Arrow by the Institute of Corporate Directors (ICD), as one of the 2022 top performing PLCs (Overall).

The Golden Arrow highlights MREIT's adherence to the Philippine Code of Corporate Governance and internationally recommended corporate governance practices by the ASEAN Corporate Governance Scorecard (ACGS)



THANK YOU

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