

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

1. **December 22, 2022**  
Date of Report
2. SEC Identification Number: **167423**    3. BIR Tax Identification No: **000-477-103**
4. **MEGAWORLD CORPORATION**  
Exact name of Issuer as specified in its charter
5. **Metro Manila, Philippines**  
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)  
Industry Classification Code
7. **30<sup>th</sup> Floor, Alliance Global Tower  
36<sup>th</sup> Street cor. 11<sup>th</sup> 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>
<b>Common</b>	<b>31,487,376,872</b>
<b>Preferred</b>	<b>6,000,000,000</b>
<b>Total</b>	<b>37,487,376,872</b>

10. **Item 9(b)**


Please see the attached disclosure to the Philippine Stock Exchange.

**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.

**MEGAWORLD CORPORATION**  
Issuer

By:

  
**DR. FRANCISCO C. CANUTO**  
Senior Vice President and  
Corporate Information Officer  
December 22, 2022

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



## Megaworld Corporation

### MEG

#### PSE Disclosure Form REIT-2 - Reinvestment Plan Progress Report

*Reference: Section 6 of the Amended PSE Listing Rules for REITS*

Annual Report  
Quarterly Report

#### Subject of the Disclosure

Final Sponsor Progress Report on the Disbursement of Proceeds from the sale to MREIT, Inc. ("MREIT") of four Prime, Grade A buildings, located in PEZA-registered Zones on December 2021 ("December 2021 Asset Sale") pursuant to the Reinvestment Plan of Megaworld Corporation ("MEG").

#### Background/Description of the Disclosure

Final Progress Report on the Use of Proceeds as of 19 December 2022, in relation to the Reinvestment Plan submitted by MEG in connection with the December 2021 Asset Sale to MREIT, duly certified by external auditors.

#### Update or Status of the Reinvestment Plan

As of 19 December 2022, the proceeds from the December 2021 Asset Sale have been fully disbursed by MEG.

#### Summary of Transactions Involving Real Estate and/or Infrastructure Projects for the Period

The following disbursements for the Reinvestment Plan were made for the period of 01 October 2022 to 19 December 2022:

Project Name: Northwin Global City  
Disbursing Entity: Northwin Properties, Inc.  
Total: Php804,948,044.70

Project Name: Paragua Coastown  
Disbursing Entity: Megaworld San Vicente Coast, Inc.  
Total: Php500,000,000.00

Project Name: The Mactan Newtown  
Disbursing Entity: Oceantown Properties, Inc.  
Total: Php367,825,000.00

Project Name: The Mactan Newtown  
Disbursing Entity: Megaworld Cebu Properties, Inc.  
Total: Php625,000,000.00

Project Name: Bacolod Projects  
Disbursing Entity: Megaworld Bacolod Properties, Inc.  
Total: Php85,000,000.00

Project Name: Iloilo Business Park  
Disbursing Entity: Megaworld Corporation  
Total: Php389,211,368.83

Project Name: Taguig and Manila Projects  
Disbursing Entity: Megaworld Corporation  
Total: Php414,480,275.00

Project Name: Cavite Projects  
Disbursing Entity: Megaworld Corporation  
Total: Php315,000,000.00

#### Description of Real Estate Assets and/or Infrastructure Projects for the Period

Northwin Global City – Malls, Offices, Land Development and other developments in Bulacan  
Paragua Coastown – Malls, Offices, Land Development and other developments in Palawan  
The Mactan Newtown – Malls, Offices, Land Development and other developments in Cebu  
Bacolod Projects – Malls, Offices, Land Development and other developments in Bacolod  
Iloilo Business Park - Malls, Offices, Land Development and other developments in Iloilo  
Taguig and Manila Projects – Malls, Offices, Land Development, and other developments in the National Capital Region  
Cavite Projects – Malls, Offices, Land Development, and other developments in Cavite

#### Other Relevant Information

This report is being amended to include as attachment all the Reinvestment Plan Progress Reports in relation to the December 2021 Asset Sale.

#### Filed on behalf by:

<b>Name</b>	Jamie Katrina Chan
<b>Designation</b>	Senior Manager II



MEGAWORLD CORPORATION

25/F Alliance Global Tower, 36th Street cor. 11th Avenue Uptown Bonifacio, Taguig City 1634  
Trunkline: (632) 905-2900 • (632) 905-2800  
*www.megaworldcorp.com • E-mail: infodesk@megaworldcorp.com*

April 13, 2022

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: 1<sup>st</sup> Quarter 2022 Progress Report on the Use of Proceeds from sale to MREIT,  
Inc. of four (4) prime, Grade A buildings located in PEZA-registered Zones

Dear Ms. Encarnacion ,


We hereby submit our Progress Report on the Use of Proceeds for the quarter ending March 31, 2022 duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

The proceeds are in connection with the sale to MREIT, Inc. of four (4) prime, Grade A buildings located in PEZA-registered Zones for the purchase price of Php 9.116 million last December . Please be advised that as of March 31, 2022, the remaining balance of the proceeds from the sale amounts to Seven Billion Nine Hundred Twenty Two Million Eight Hundred Thirty Thousand and Eight Hundred Thirty Pesos (Php 7,922,830,000.00) as indicated below:

Gross Proceeds from the Asset Sale	9,116,000,000.00
less:	
Disbursement for transaction costs	(458,170,000.00)
Disbursement for Reinvestment Plan (Annex A)	(735,000,000.00)
<u>Net Balance of Asset Sale proceeds as of March 31, 2022</u>	<u>7,922,830,000.00</u>

Thank you.

Respectfully yours,

  
FRANCISCO C. CANUTO  
Treasurer



ANNEX A: Disbursements from the Proceeds of the sale for the period covering January 1 to March 31, 2022

<b>Project</b>	<b>Location</b>	<b>Investment Type</b>	<b>Product</b>	<b>Year to Date Total</b>	<b>Disbursing Entity</b>
Paragua Coastown Project	Palawan	Investment in Building	Malls, Offices, Land developments and Other developments	500,000,000.00	Megaworld San Vicente Coast, Inc
Mactan Newtown project	Cebu	Investment in Building	Malls, Offices, Land developments and Other developments	235,000,000.00	Oceantown Properties, Inc.
				<b>735,000,000.00</b>	

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
(METRO MANILA) SS

At Alatani City City, Metro Manila, on this APR 18 2022 day of           , 20  , before me personally appeared:

Name	Competent Evidence of Identity	Date and Place Issued
Francisco C. Canuto	SSS ID#03-5188143-1	

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.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this            day of APR 18 2022.

Doc. No. 44;  
Page No. 10;  
Book No. 99;  
Series of 2022

NOTARY PUBLIC  
ELIZABETHA L. MENDOZA  
NOTARY PUBLIC  
Until December 31, 2022  
PTR No. 8852784, Makati City-01/04/22  
IBP No. 178030 01-04-1012-3rd No 31206  
MCLE Compliance No. 1-0021653  
500-A Madrigal Bldg. Ayala Ave., Makati City  
Extended until June 30, 2022 per B.M No. 3795



## **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 March 31, 2022 on the application of proceeds received by Megaworld Corporation (the Company) from the sale of four prime, Grade A buildings located in Philippine Economic Zone Authority-registered zones on December 21, 2021 (the Asset Sale). 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, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*, applicable to 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 Asset Sale; and,
  - c) Detailed schedule of utilization of proceeds for the quarter ended March 31, 2022.
  
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 Asset 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 progress billings, invoices, official receipts, bank statements and approval documents, of a sample 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 Asset Sale for the quarter ended March 31, 2022, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Paragua Coastown	Palawan	Malls, Office, Land developments and Other developments	Megaworld San Vicente Coast, Inc.	P 500,000,000
The Mactan Newtown	Mactan	Malls, Office, Land developments and Other developments	Oceantown Properties, Inc.	<u>235,000,000</u>
				<u>P 735,000,000</u>

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 Asset Sale proceeds is in agreement with the amended Reinvestment Plan as approved by the Company's BOD on February 28, 2022.



4. With respect to item 4, we traced the utilization of the Asset Sale proceeds for the quarter ended March 31, 2022 for the cash advances granted by the Company to the following disbursing entities to be used in the projects specified to supporting official receipts issued by the entities, bank statements and accounting records:

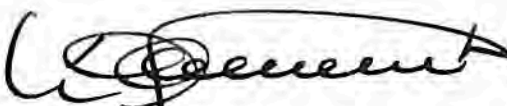
<u>Disbursing Entity</u>	<u>Project Name</u>	<u>Township or Location</u>	<u>Amount</u>
Megaworld San Vicente Coast, Inc.	Paragua Coastown	Palawan	P 500,000,000
Oceantown Properties, Inc.	The Mactan Newtown	Mactan	<u>235,000,000</u>
			<u><b>P 735,000,000</b></u>

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 Offering 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: **Renan A. Piamonte**  
Partner

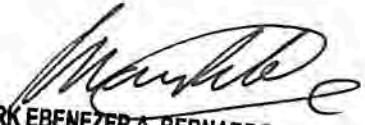
CPA Reg. No. 0107805  
TIN 221-843-037  
PTR No. 8852342, January 3, 2022, Makati City  
SEC Group A Accreditation  
Partner - No. 107805-SEC (until Dec. 31, 2023)  
Firm - No. 0002 (until Dec. 31, 2024)  
BIR AN 08-002511-037-2019 (until Sept. 4, 2022)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

April 13, 2022



**SUBSCRIBED AND SWORN** to before me the above-mentioned affiant on April 20, 2022 at the City of Makati exhibiting his Professional Regulatory Commission (PRC) License ID registration no. 0107805 valid until September 19, 2022.

Notary Public

  
**ATTY. MARK EBENEZER A. BERNARDO**  
Notary Public for Makati City  
Until December 31, 2022  
Notarial Commission No. M-02  
Roll No. 74096  
IBP Number: 169485 01/03/2022, PPLM  
PTR No. 8851839 01/03/2022, Makati City  
MCLE Compliance No. VII-0011480 valid until April 14, 2025

Doc. No. 20 :  
Page No. 5 ;  
Book No. 2 ;  
Series of 2022.



MEGAWORLD CORPORATION

25/F Alliance Global Tower, 36th Street cor. 11th Avenue Uptown Bonifacio, Taguig City 1634  
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*www.megaworldcorp.com • E-mail: infodesk@megaworldcorp.com*

July 14, 2022

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: 2<sup>nd</sup> Quarter 2022 Progress Report on the Use of Proceeds from sale to MREIT,  
Inc. of four (4) prime, Grade A buildings located in PEZA-registered Zones

Dear Ms. Encarnacion,


We hereby submit our Progress Report on the Use of Proceeds for the quarter ending June 30, 2022 duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

The proceeds are in connection with the sale to MREIT, Inc. of four (4) prime, Grade A buildings located in PEZA-registered Zones for the purchase price of Php 9.116 million last December . Please be advised that as of June 30, 2022, the remaining balance of the proceeds from the sale amounts to Five Billion Sixty Eight Million Nine hundred Sixty Four Thousand Six Hundred Eighty-eight Pesos, and fifty-three centavos (Php 5,068,964,688.53) as indicated below:

Balance of Asset Sale proceeds as of March 31, 2022	7,922,830,000.00
less:	
Disbursement for Reinvestment Plan (Annex A)	(2,853,865,311.47)
<u>Balance of Asset Sale proceeds as of June 30, 2022</u>	<u>5,068,964,688.53</u>

Thank you.

Respectfully yours,

  
FRANCISCO C. CANUTO  
Treasurer



ANNEX A: Disbursements from the Proceeds of the sale for the period covering April 1 to June 30, 2022

Project Name	Location	Investment Type	Product	2Q Disbursements	Disbursing Entity
Office - Iloilo	Iloilo	Investment in Building	A LEED Office building with support retail to be developed in Iloilo Business Park	98,293,631.17	Megaworld Corporation
Manila Projects	Manila	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	1,235,519,725.00	Megaworld Corporation
The Mactan Newtown	Cebu	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	255,000,000.00	Oceantown Properties, Inc
The Mactan Newtown	Cebu	Investment in Building	Malls, Offices, Land Development and other developments	425,000,000.00	Megaworld Cebu Properties, Inc
Bacolod Projects	Bacolod	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	55,000,000.00	Megaworld Bacolod Properties, Inc
Northwin Global City	Northwin	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

**2,853,865,311.47**

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
Makati City, METRO MANILA) SS

At Makati City City, Metro Manila, on this \_\_\_ day of JUL 15 2022, 20\_\_\_, before me personally appeared:

Name	Competent Evidence of Identity	Date and Place Issued
For and on behalf of MEGAWORLD CORPORATION:		
For and on behalf of		

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.

**IN WITNESS WHEREOF**, I have hereunto set my hand and seal this \_\_\_ day of JUL 15 2022 .

Doc. No. 142 ;  
Page No. 30 ;  
Book No. 120 ;  
Series of 2022

NOTARY PUBLIC

~~ESCRIBANA MENTURA U. MENDIOLA~~  
NOTARY PUBLIC  
Until December 31, 2022  
PTR No. 8852784 Makati City-03/04/22  
UR No. 1/8830 01-04-2022 Roll No. 71200  
MCLE Compliance No. IL-0021653  
500-A Madrigal Bldg. Ayala Ave., Makati City

## Report of Independent Auditors on Factual Findings

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

T +63 2 8988 2288

**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 June 30, 2022 on the application of proceeds received by Megaworld Corporation (the Company) from the sale of four prime, Grade A buildings located in Philippine Economic Zone Authority-registered zones on December 21, 2021 (the Asset Sale). 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), *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*, applicable to 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 Asset Sale; and,
  - c) Detailed schedule of utilization of proceeds for the quarter ended June 30, 2022.
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 Asset 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 progress billings, invoices, official receipts, bank statements and approval documents, of all the 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 Asset Sale for the quarter ended June 30, 2022, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Iloilo Business Park	Iloilo	Malls, Office, Land developments and Other developments	Megaworld Corporation	P 98,293,631
Manila Projects	Manila	Malls, Office, Land developments and Other developments	Megaworld Corporation	1,235,519,725
The Mactan Newtown	Mactan	Malls, Office, Land developments and Other developments	Oceantown Properties, Inc.	255,000,000
The Mactan Newtown	Mactan	Malls, Office, Land developments and Other developments	Megaworld Cebu Properties, Inc.	425,000,000
Bacolod Projects	Bacolod	Malls, Office, Land developments and Other developments	Megaworld Bacolod Properties, Inc.	55,000,000
<i>Balance carried forward</i>				<b><u>P 2,068,813,356</u></b>

<u>Project Name</u>	<u>Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
<i>Balance brought forward</i>				P 2,068,813,356
Northwin Global City	Bulacan	Malls, Offices, Land developments and Other developments	Northwin Properties, Inc.	<u>785,051,955</u>
				<b><u>P 2,853,865,311</u></b>

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 Asset Sale proceeds is in agreement with the amended Reinvestment Plan as approved by the Company's BOD on February 28, 2022.
4. With respect to item 4, we traced the utilization of the Asset Sale proceeds for the quarter ended June 30, 2022 to supporting progress billings, invoices, official receipts, bank statements and approval 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>
Oceantown Properties, Inc. Megaworld Cebu Properties, Inc.	The Mactan Newtown	Mactan	255,000,000
Megaworld Bacolod Properties, Inc.	The Mactan Newtown	Mactan	425,000,000
Northwin Properties, Inc.	Bacolod Projects	Bacolod	55,000,000
	Northwin Global City	Bulacan	<u>785,051,955</u>
			<b><u>P 1,520,051,955</u></b>

We traced the cash advances granted by the Company to supporting official receipts issued by the entities and bank statements. Moreover, we matched the amounts to the accounting records of the Company.

We also traced the amounts disbursed by the Company for the following projects to supporting progress billings, invoices, official receipts, bank statements and approval documents:

<u>Project name</u>	<u>Amount</u>
Iloilo Business Park	P 98,293,631
Manila Projects	<u>1,235,519,725</u>
	<b><u>P 1,333,813,356</u></b>

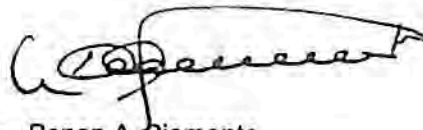


Because the foregoing procedures do not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), respectively, we do not express an assurance on the use of Offering Proceeds based on the said standards. Had 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: Renan A. Piamonte  
Partner

CPA Reg. No. 0107805  
TIN 221-843-037  
PTR No. 8852342, January 3, 2022, Makati City  
SEC Group A Accreditation  
Partner - No. 107805-SEC (until Dec. 31, 2023)  
Firm - No. 0002 (until Dec. 31, 2024)  
BIR AN 08-002511-037-2019 (until Sept. 4, 2022)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

July 14, 2022

**SUBSCRIBED AND SWORN** to before me on 14 July 2022 at Makati City, the above-mentioned affiant, Renan A. Piamonte, with PRC ID No. 0107805, valid until September 19, 2022.

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



  
ATTY. MARK EBENEZER A. BERNARDO  
Notary Public for Makati City Until December 31, 2022  
Notarial Commission No. M-02  
Roll No. 74096

IBP Number 169485 01/03/2022, PPLM  
PTR No. 8851839 01/03/2022, Makati City  
MCLE Compliance No. VII-0011480 valid until April 14, 2025

Doc. No. 110 :  
Page No. 23 :  
Book No. 2:  
Series of 2022.



MEGAWORLD CORPORATION

25/F Alliance Global Tower, 36th Street cor. 11th Avenue Uptown Bonifacio, Taguig City 1634  
Trunkline: (632) 905-2900 • (632) 905-2800  
*www.megaworldcorp.com • E-mail: infodesk@megaworldcorp.com*

October 14, 2022

THE PHILIPPINE STOCK EXCHANGE

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

Attention: Alexandra D. Tom-Wong  
Officer-In-Charge, Disclosure Department

Subject: 3<sup>rd</sup> Quarter 2022 Progress Report on the Use of Proceeds from sale to MREIT,  
Inc. of four (4) prime, Grade A buildings located in PEZA-registered Zones

Dear Ms. Tom-Wong,

We hereby submit our Progress Report on the Use of Proceeds for the quarter ending September 30, 2022, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

The proceeds are in connection with the sale to MREIT, Inc. of four (4) prime, Grade A buildings located in PEZA-registered Zones for the purchase price of Php 9.116 million last December. Please be advised that as of September 30, 2022, the remaining balance of the proceeds from the sale amounts to Three Billion Five Hundred One Million Nine Hundred Sixty-four Thousand Six Hundred Eighty-eight pesos and fifty-three centavos (Php 3,501,964,688.53) as indicated below:

Balance of Asset Sale proceeds as of June 30, 2022	5,068,964,688.53
less:	
Disbursement for Reinvestment Plan (Annex A)	(1,567,500,000.00)
<u>Balance of Asset Sale proceeds as of June 30, 2022</u>	<u>3,501,464,688.53</u>

Thank you.

Respectfully yours,

  
FRANCISCO C. CANUTO  
Treasurer



ANNEX A: Disbursements from the Proceeds of the sale for the period covering July 1 to September 30, 2022

PROJECT NAME	TOWNSHIP / LOCATION	INVESTMENT TYPE	PRODUCT	Q3 2022 Disbursements	DISBURSING ENTITY
Iloilo Business Park	Iloilo	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	262,500,000.00	Megaworld Corporation
The Mactan Newtown	Mactan	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	315,000,000.00	Oceantown Properties, Inc.
Bacolod Projects	Bacolod	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	55,000,000.00	Megaworld Bacolod Properties, Inc.
Cavite Projects	Cavite	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	135,000,000.00	Megaworld Corporation
Taguig Projects	Taguig	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	350,000,000.00	Megaworld Corporation
The Mactan Newtown	Mactan	Investment in Building and its improvements, Land and its developments through the Company and its subsidiaries	Malls, Offices, Land Development and other developments	450,000,000.00	Megaworld Cebu Properties, Inc.

**1,567,500,000.00**

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
Makati City, METRO MANILA) SS

At Makati City, Metro Manila, on this OCT 14 2022 day of 20, before me personally appeared:

Name	Competent Evidence of Identity	Date and Place Issued
For and on behalf of MEGAWORLD CORPORATION:  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.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this OCT 14 2022 day of 20.

Doc. No. 09 ;  
Page No. 03 ;  
Book No. 144 ;  
Series of 2022

NOTARY PUBLIC  
  
**BUENAVENTURA U. MENDOZA**  
 NOTARY PUBLIC  
 Until December 31, 2022  
 PTV No. 8836478 Makati City-01/04/22  
 IBP No. 231129 08-04-2022 Roll No. 31206  
 MCLM Compliance No. N-0021653  
 500-A Madrigal Bldg. Ayala Ave., Makati City  
 Extended until December 31, 2022 per B.M. No. 3205

## Report of Independent Auditors on Factual Findings

**Punongbayan & Araullo**

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

T +63 2 8988 2288

**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, 2022 on the application of proceeds received by Megaworld Corporation (the Company) from the sale of four prime, Grade A buildings located in Philippine Economic Zone Authority-registered zones on December 21, 2021 (the Asset Sale). 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, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*, applicable to 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 Asset Sale; and,
  - c) Detailed schedule of utilization of proceeds for the quarter ended September 30, 2022.
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 Asset 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 progress billings, invoices, official receipts, bank statements and approval documents, of a sample 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 Asset Sale for the quarter ended September 30, 2022, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Iloilo Business Park (262.5M) Cavite Projects (135M) Taguig Projects (350M)	IBP/ Cavite City/ Taguig City	Malls, Office, Land developments and Other developments	Megaworld Corporation	P 747,500,000
The Mactan Newtown	Cebu Business Park	Malls, Office, Land developments and Other developments	Megaworld Cebu Properties, Inc.	450,000,000
Bacolod Projects	Bacolod City	Malls, Office, Land developments and Other developments	Megaworld Bacolod Properties, Inc.	55,000,000
The Mactan Newtown	Mactan	Malls, Office, Land developments and Other developments	Oceantown Properties, Inc.	<u>315,000,000</u>
				<b><u>P 1,567,500,000</u></b>

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 Asset Sale proceeds is in agreement with the amended Reinvestment Plan as approved by the Company's BOD on February 28, 2022.
4. With respect to item 4, we traced the utilization of the Asset Sale proceeds for the quarter ended September 30, 2022 to supporting progress billings, invoices, official receipts, bank statements and approval 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>
Oceantown Properties, Inc. Megaworld Bacolod	The Mactan Newtown	Mactan	315,000,000
Properties, Inc. Megaworld Cebu	Bacolod Projects	Bacolod	55,000,000
Properties, Inc.	The Mactan Newtown	Mactan	<u>450,000,000</u>
			<b><u>P 820,000,000</u></b>

We traced the cash advances granted by the Company to supporting official receipts issued by the entities and bank statements. Moreover, we agreed the amounts to the accounting records of the Company.

We also traced the amounts disbursed by the Company for the following projects to supporting progress billings, invoices, official receipts, bank statements and approval documents:

<u>Project name</u>	<u>Amount</u>
Iloilo Business Park	P 262,500,000
Cavite Projects	135,000,000
Taguig Projects	<u>350,000,000</u>
	<b><u>P 747,500,000</u></b>

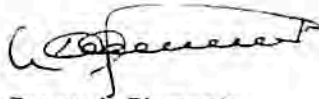
Because the foregoing procedures do not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), respectively, we do not express an assurance on the use of Offering Proceeds based on the said standards. Had 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: **Renan A. Piamonte**  
Partner


CPA Reg. No. 0107805  
TIN 221-843-037  
PTR No. 8852342, January 3, 2022, Makati City  
SEC Group A Accreditation  
Partner - No. 107805-SEC (until Dec. 31, 2023)  
Firm - No. 0002 (until Dec. 31, 2024)  
BIR AN 08-002511-037-2022 (until Aug. 10, 2025)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

October 13, 2022

**SUBSCRIBED AND SWORN** to before me, in the City of Makati, on 14 October 2022, the affiant, **Renan A. Piamonte**, exhibiting his Professional Regulatory Commission (PRC) License ID registration no. 0107805 valid until September 19, 2025.

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



  
**ATTY. MARK EBENEZER A. BERNARDO**  
Notary Public for Makati City  
Until December 31, 2022  
Notarial Commission No. M-02  
Roll No. 74096  
IBP Number: 169485 01/03/2022, PPLM  
PTR No. 8851839 01/03/2022, Makati City  
MCLE Compliance No. VII-0011480 valid until April 14, 2025

Doc. No. 156 :  
Page No. 33 :  
Book No. TJ :  
Series of 2022.



MEGAWORLD CORPORATION

25/F Alliance Global Tower, 36th Street cor. 11th Avenue Uptown Bonifacio, Taguig City 1634

Trunkline: (632) 905-2900 • (632) 905-2800

www.megaworldcorp.com • E-mail: infodesk@megaworldcorp.com

December 19, 2022

THE PHILIPPINE STOCK EXCHANGE  
Philippine Stock Exchange Plaza  
6th Floor, PSE Tower  
Bonifacio Global City, Taguig

Attention: Alexandra D. Tom-Wong  
Officer-In-Charge, Disclosure Department

Subject: Final Report on the Use of Proceeds in connection with the sale to MREIT, Inc. of  
Four (4) prime, Grade A buildings

Dear Ms. Tom-Wong,

We are pleased to submit our Final Report on the Use of Proceeds from the sale to MREIT, Inc. of Four (4) prime, Grade A buildings, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On December 20, 2021, Megaworld sold to MREIT four (4) prime, Grade A buildings located in PEZA-registered Zones, namely: Two Techno Place, Three Techno Place, One Global Center and World Finance Plaza for a purchase price of Php 9.116 billion, with net proceeds amounting to Php 8.657 billion.

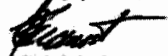
Please be advised that as of December 19, 2022, Megaworld already disbursed the total net proceeds amounting to Eight Billion Six Hundred Fifty-seven Million and Eight Hundred Thirty Thousand pesos (8,657,830,000.00) in accordance with its reinvestment plan.

The details of the disbursements are as follows:

Gross Proceeds	9,116,000,000.00
less:	
Disbursement for transaction costs	(458,170,000.00)
Net Proceeds received	8,657,830,000.00
less:	
Disbursements from Jan 1 to Mar 31, 2022	(735,000,000.00)
Disbursements from April 1 to Jun 30, 2022	(2,853,865,311.47)
Disbursements from Jul 1 to Sep 30, 2022	(1,567,500,000.00)
Disbursements from Oct 1 to Dec 19, 2022	(3,501,464,688.53)
<b>Net Balance of Asset Sale proceeds as of December 19, 2022</b>	<b>0.00</b>

Thank you.

Respectfully yours,

  
FRANCISCO C. CANUTO,  
MEG Treasurer



**ANNEX A: Disbursements from the Asset Sale Proceeds for the period covering October 1 to December 19, 2022**

#	PROJECT NAME	TOWNSHIP / LOCATION	PRODUCT	Q4 2022 Disbursements	DISBURSING ENTITY
1	Northwin Global City	Bulacan	Malls, Offices, Land Development and other developments	804,948,044.70	Northwin Properties, Inc.
2	Paragua Coastown	Palawan	Malls, Offices, Land Development and other developments	500,000,000.00	Megaworld San Vicente Coast, Inc.
3	The Mactan Newtown	Mactan	Malls, Offices, Land Development and other developments	367,825,000.00	Oceantown Properties, Inc.
4	The Mactan Newtown	Mactan	Malls, Offices, Land Development and other developments	625,000,000.00	Megaworld Cebu Properties, Inc.
5	Bacolod Projects	Bacolod	Malls, Offices, Land Development and other developments	85,000,000.00	Megaworld Bacolod Properties, Inc.
6	Iloilo Business Park	Iloilo	Malls, Offices, Land Development and other developments	389,211,368.83	Megaworld Corporation
7	Taguig and Manila Projects	Manila	Malls, Offices, Land Development and other developments	414,480,275.00	Megaworld Corporation
8	Cavite Projects	Cavite	Malls, Offices, Land Development and other developments	315,000,000.00	Megaworld Corporation

**3,501,464,688.53**

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
~~Makati City~~ (METRO MANILA) SS

At ~~Makati City~~ City, Metro Manila, on this DEC 20 2022 day of 20, 2022, before me personally appeared:

Name	Competent Evidence of Identity	Date and Place Issued
For and on behalf of MEGAWORLD CORPORATION:  FRANCISO 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.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this DEC 20 2022 day of 20, 2022.

Doc. No. 262;  
Page No. 54;  
Book No. 157;  
Series of 2022

~~NOTARY PUBLIC~~  
**BUENAVENTURA H. MENDOZA**  
NOTARY PUBLIC  
Until December 31, 2022  
PTN No. 8530378 Makati City-01/04/22  
MFP No. J 81229 01-04-2022 Ref No. 31206  
MCLF Compliance No. H-0021653  
500-A Madrigal Bldg, Ayala Ave., Makati City  
Expiring until December 31, 2022 per LJM No. 3795

## **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 Final Report (the Report) as of December 14, 2022 on the application of proceeds received by Megaworld Corporation (the Company) from the sale of four prime, Grade A buildings located in Philippine Economic Zone Authority-registered zones on December 21, 2021 (the Asset Sale). 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, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*, applicable to 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 Asset Sale; and,
  - c) Detailed schedule of utilization of proceeds as of December 14, 2022.
2. Compared the total amount of utilization appearing in the Report with the detailed schedule of utilization of proceeds.

3. Compared the schedule of application of the Asset Sale proceeds to the Reinvestment Plan. Inquired with the Company's management for the reason of the significant differences, 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 progress billings, invoices, official receipts, bank statements and approval documents, of a sample 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 Asset Sale as of December 14, 2022, based on the information we obtained from the Company.

<u>Project Name</u>	<u>Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Northwin Global City	Bulacan	Malls, Office, Land developments and Other developments	Northwin Properties, Inc.	P 1,590,000,000
The Mactan Newtown	Mactan	Malls, Office, Land developments and Other developments	Megaworld Cebu Properties, Inc.	1,500,000,000
The Mactan Newtown	Mactan	Malls, Office, Land developments and Other developments	Oceantown Properties, Inc.	1,172,825,000
Manila Projects	Manila	Malls, Office, Land developments and Other developments	Megaworld Corporation	1,000,000,000
Taguig Projects	Taguig City	Malls, Office, Land developments and Other developments	Megaworld Corporation	<u>1,000,000,000</u>
Balance carried forward				<u>P 6,262,825,000</u>

<u>Project Name</u>	<u>Location</u>	<u>Products</u>	<u>Disbursing Entity</u>	<u>Amount</u>
Balance brought forward				P 6,262,825,000
Paragua Coastown	Palawan	Malls, Office, Land developments and Other developments	Megaworld San Vicente Coast, Inc.	1,000,000,000
Iloilo Business Park	Iloilo	Malls, Office, Land developments and Other developments	Megaworld Corporation	750,005,000
Cavite Projects	Cavite	Malls, Office, Land developments and Other developments	Megaworld Corporation	450,000,000
Bacolod Projects	Bacolod City	Malls, Office, Land developments and Other developments	Megaworld Bacolod Properties, Inc.	<u>195,000,000</u>
				<b><u>P 8,657,830,000</u></b>

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 application of the Asset Sale proceeds is in agreement with the amended Reinvestment Plan as approved by the Company's BOD on February 28, 2022.
4. With respect to item 4, we traced the utilization of the Asset Sale proceeds as of December 14, 2022 to supporting progress billings, invoices, official receipts, bank statements and approval documents.

We noted that the Company granted advances or additional investments 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>
Northwin Properties, Inc. Megaworld Cebu Properties, Inc.	Northwin Global City	Bulacan	P 1,590,000,000
Oceantown Properties, Inc.	The Mactan Newtown	Mactan	1,500,000,000
Megaworld San Vicente Coast, Inc.	The Mactan Newtown	Mactan	1,172,825,000
Megaworld Bacolod Properties, Inc.	Paragua Coastown	Palawan	1,000,000,000
	Bacolod Projects	Bacolod	<u>195,000,000</u>
			<b><u>P 5,457,825,000</u></b>



We traced the cash advances granted or additional investments made by the Company to supporting official receipts issued by the entities and bank statements. Moreover, we agreed the amounts to the accounting records of the Company.

We also traced the amounts disbursed by the Company for the following projects to supporting progress billings, invoices, official receipts, bank statements and approval documents:

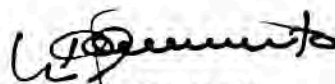
<u>Project name</u>	<u>Amount</u>
Taguig Projects	P 1,000,000,000
Manila Projects	1,000,000,000
Iloilo Business Park	750,005,000
Cavite Projects	<u>450,000,000</u>
	<b><u>P 3,200,005,000</u></b>

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 Offering 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**

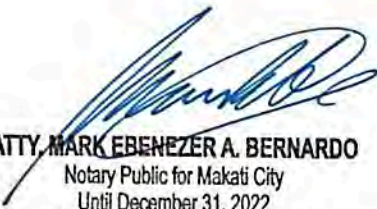
  
By: **Renan A. Piamonte**  
Partner

CPA Reg. No. 0107805  
TIN 221-843-037  
PTR No. 8852342, January 3, 2022, Makati City  
SEC Group A Accreditation  
Partner - No. 107805-SEC (until Dec. 31, 2023)  
Firm - No. 0002 (until Dec. 31, 2024)  
BIR AN 08-002511-037-2022 (until Aug. 10, 2025)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

December 15, 2022

**SUBSCRIBED AND SWORN** to before me, in the City of Makati, on 16 December 2022, the affiant, **Renan A. Piamonte**, exhibiting his Professional Regulatory Commission (PRC) License ID registration no. 0107805 valid until September 19, 2025.

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



**ATTY. MARK EBENEZER A. BERNARDO**  
Notary Public for Makati City  
Until December 31, 2022

Notarial Commission No. M-02  
Roll No. 74096  
IBP Number: 169485 01/03/2022, PPLM  
PTR No. 8851839 01/03/2022, Makati City  
MCLE Compliance No. VII-0011480 valid until April 14, 2025

Doc. No. 226  
Page No. 47  
Book No. II;  
Series of 2022.