

April 8, 2021

**PHILIPPINE STOCK EXCHANGE, INC.**

3<sup>RD</sup> Floor Philippine Stock Exchange Plaza,  
Ayala Triangle, Ayala Avenue,  
Makati City, Philippines

Attention: **Ms. JANET A. ENCARNACION**  
Head, Disclosure Department

RE: **Quarterly Report on the Disbursement of Proceeds from Preferred Shares Series B Offering**

Gentlemen:

In compliance with the disclosure requirements of the Philippine Stock Exchange, please be advised that as of and for the quarter ended **March 31, 2021** the Company has disbursed the following from the proceeds of its Preferred Shares Series B Offering.

In Php Millions

Purpose	Per offer Supplement	Actual Net Proceeds	Actual Disbursements			Balance for Disbursement
			As of 12/31/20	For Q1	As of 3/31/21	
Cebu Exchange Project	53.6	53.6	53.6		53.6	0.0
Binan Laguna Project	331.9	331.9	314.1	17.8	331.9	0.0
Makati CBD Residential Project	371.6	371.6	371.6		371.6	0.0
Partial Repayment of Loans	330.0	330.0	330.0		330.0	0.0
South of Metro Manila Project	822.4	822.4	822.4		822.4	0.0
General Corporate Purposes	62.3	63.4	63.4		63.4	0.0
<b>TOTAL</b>	<b>1,971.8</b>	<b>1,972.9</b>	<b>1,955.1</b>	<b>17.8</b>	<b>1,972.9</b>	<b>0.0</b>

**Thank you.**

Very truly yours,



**FERDINAND A. CONSTANTINO**  
Chief Finance Officer



April 8, 2021

## Report of Factual Findings

The Board of Directors  
Arthaland Corporation  
7/F Arthaland Century Pacific Tower  
5th Avenue corner 30th Street  
Bonifacio Global City, Taguig City

Gentlemen:

We have performed the procedures agreed to by management with respect to the attached Quarterly Progress Report as at March 31, 2021 dated April 8, 2021 on the use of proceeds generated from the Follow-On Public Offering (the Offering) of Arthaland Corporation (the Company) on December 6, 2016. The procedures were performed solely to enable the Company to comply with the Philippine Stock Exchange Inc.'s requirement to submit an external auditor's certification on the information being presented by the Company relating to the application of proceeds. Our engagement was undertaken in accordance with Philippine Standards on Related Services 4400, "Engagements to Perform Agreed-upon Procedures regarding Financial Information", applicable to agreed-upon procedures engagements. These agreed-upon procedures and results thereof are summarized as follows:

1. We checked the mathematical accuracy of the Quarterly Progress Report from the Company on the application of proceeds from the Offering for the quarter ended March 31, 2021. No exceptions noted.
2. We compared the list of disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds in the Offer Supplement. Refer to Annex A for the comparison of the actual disbursements and Use of Proceeds in the Offer Supplement. No exceptions noted.
3. We examined the nature of the disbursements in the Quarterly Progress Report for the quarter ended March 31, 2021 aggregating ₱17.8 million. The disbursements were made in accordance with the planned use for Biñan Laguna Project. No exceptions noted.
4. We obtained the supporting documents pertaining to the disbursements of the Offering proceeds and agreed the amount in the accounting records. We traced the amount of disbursement to the related check vouchers, official receipts, billing statements and bank statements. We were provided with scanned copies of the documents, no exceptions noted. Management has represented that these scanned copies are authentic documents.
5. We obtained representation from the management indicating that there were no re-allocations on the planned use of proceeds.

The above procedures do not constitute either an audit made in accordance with Philippine Standards on Auditing or a review made in accordance with Philippine Standard on Review Engagements. We do not express any assurance on the financial statements of the Company.

Had we performed additional procedures or performed an audit or a review of the financial statements in accordance with Philippines Standards on Auditing or Philippine Standards on Review Engagements, 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. This report relates only to items specified above and does not extend to any financial statements of the Company taken as a whole.

**REYES TACANDONG & Co.**

  
MICHELLE R. MENDOZA-CRUZ

Partner

CPA Certificate No. 97380

Tax Identification No. 201-892-183-000

BOA Accreditation No. 4782; Valid until August 15, 2021

SEC Accreditation No. 1499-AR-1 Group A

Valid until July 17, 2021

BIR Accreditation No. 08-005144-012-2020

Valid until January 1, 2023

PTR No. 8534279

Issued January 5, 2021, Makati City

## **Annex A**

### **Comparison of the Actual Disbursements and Use of Proceeds in the Offer Supplement**

We have compared the actual disbursements in the Quarterly Progress Report as at March 31, 2021 with the Use of Proceeds in the Offer Supplement and agreed the amounts to the related supporting documents.

Based on the agreed-upon procedures, the table below shows the details of actual disbursements as at March 31, 2021 from the ₱1,972.9 million net proceeds from the Offering (amounts in millions).

<b><u>Purpose</u></b>	<b><u>Actual Net Proceeds</u></b>	<b><u>Balance for Disbursement as at December 31, 2020</u></b>	<b><u>Actual Disbursements for the 1st Quarter of 2021</u></b>	<b><u>Balance for Disbursement as at March 31, 2021</u></b>
South of Metro Manila Project	₱822.4	₱–	₱–	₱–
Makati CBD Residential Project	371.6	–	–	–
Biñan Laguna Project	331.9	17.8	17.8	–
Partial repayment of loans	330.0	–	–	–
General corporate purposes	63.4	–	–	–
Cebu Exchange Project	53.6	–	–	–
<b>Total</b>	<b>₱1,972.9</b>	<b>₱17.8</b>	<b>₱17.8</b>	<b>₱–</b>