

July 8, 2022

PHILIPPINE DEALING AND EXCHANGE CORP.

29/F, BDO Equitable Tower
8751 Paseo de Roxas
Makati City, Philippines

Attention: **Atty. Marie Rose M. Magallen-Lirio**
Head - Issuer Compliance and Disclosure Department

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

Gentlemen:

Please find attached copy of PSE Disclosure Form 4-29 Disbursement of Proceeds for the quarter ended June 30, 2022 which we have filed with the Philippine Stock Exchange.

Thank you.

Very truly yours,



FERDINAND A. CONSTANTINO
Chief Finance Officer

July 8, 2022

PHILIPPINE STOCK EXCHANGE, INC.

3RD 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 D Offering**

Gentlemen:

In compliance with the disclosure requirements of the Philippine Stock Exchange, please be advised that as of and for the quarter ended **June 30, 2022** the Company has disbursed the following from the proceeds of its Preferred Shares Series D Offering.

In Php Millions

Purpose	Per offer Supplement	Actual Net Proceeds	Actual Disbursements			Balance for Disbursement
			As of 3/31/22	For Q2	As of 6/30/22	
Series B Preferred Shares Redemption	2,000.0	2,000.0	2,000.0	0.0	2,000.0	0.0
Cebu Exchange and Savya Financial Center Projects	1,000.0	966.7	0.0	966.7	966.7	0.0
TOTAL	3,000.0	2,966.7	2,000.0	966.7	2,966.7	0.0

Thank you.

Very truly yours,



FERDINAND A. CONSTANTINO
 Chief Finance Officer



July 8, 2022

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 June 30, 2022 dated July 8, 2022 on the use of proceeds generated from the Follow-On Public Offering (the Offering) of Arthaland Corporation (the Company) on December 3, 2021. 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 (Revised) *Agreed-upon Procedures*, which involves our performing the procedures that have been agreed with the Company and reporting the findings which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

We have complied with the Code of Ethics for Professional Accountants in the Philippines which requires us to be independent. Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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 June 30, 2022. 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 the schedule of planned 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 June 30, 2022 aggregating ₱966.7 million. The disbursements were made in accordance with the planned use for Cebu Exchange and Savya Financial Center projects. 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 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 Philippine 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 April 13, 2024

SEC Accreditation No. 97380-SEC Group A

Issued April 8, 2021

Valid for Financial Periods 2020 to 2024

BIR Accreditation No. 08-005144-012-2020

Valid until January 1, 2023

PTR No. 8851710

Issued January 3, 2022, Makati City

Annex A

Comparison of the Actual Disbursements and Schedule of Planned Use of Proceeds from the Offering

We have compared the actual disbursements in the Quarterly Progress Report as at June 30, 2022 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 June 30, 2022 from the ₱2,966.7 million net proceeds from the Offering (amounts in millions).

Use of Proceeds Per Offer Supplement

Purpose	Actual Net Proceeds	Balance for Disbursement as at March 31, 2022	Actual Disbursements for the 2nd Quarter of 2022	Balance for Disbursement as at June 30, 2022
Redemption of Preferred Shares Series B	₱2,000.0	₱–	₱–	₱–
Cebu Exchange Project & Savya Financial Center Projects	966.7	966.7	966.7	–
Total	₱2,966.7	₱966.7	₱966.7	₱–