

October 21, 2019

The Philippine Stock Exchange, Inc.

6th to 10th Floors, PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City 1634

Attention : **Bea Cristina C. Reyes**
Officer-In-Charge, Listings Department

Subject : **Comprehensive Report on Progress of Business Plans as of September 30, 2019**

Dear Ms. Reyes:

Pursuant to the Revised Sworn Undertaking of Kepwealth Property Phils., Inc. (the Company) dated September 5, 2019, please see below comprehensive report on the progress of the Company's business plans as of September 30, 2019.

In connection with the initial public offering (IPO) of the Company on August 19, 2019, we refer to the business plans related to the proceeds of the offer of 67,032,607 common shares amounting to ₱384,767,164 as disclosed in the Final Prospectus dated August 1, 2019.

The plans and the corresponding progress as of September 30, 2019 are discussed below:

- 1) The Company plans to use the proceeds from the IPO to acquire an additional 3,500 square meters of space, which it intends to use primarily for commercial or office leasing purposes. Upon completion of the acquisitions using the proceeds from the IPO, the Company expects to have an estimated 18,121 square meters of leasable space.

Targeted properties are situated on high-traffic, urban areas like the Greater Manila Area (Quezon City, Pasig City and Makati City) and Davao City. These acquisitions will undergo extensive business development studies and due diligence to assess the worth and value of properties based on location, use and yield.

Currently, the Company has not yet made disbursements related to plans to acquire additional leasable space. The Company expects to close several of these acquisitions within the 1st to 2nd quarters of 2020. The Company believes that focusing acquisitions within Greater Manila Area and Davao City will reduce the concentration risk of its current operations in Cebu City and will create additional recurring revenue streams once these assets are leased out to tenants.

Consistent with the foregoing and the Company's secondary purpose, the Company has no plans to engage in the business of a real estate developer.

Certified information as to the Company's use of IPO proceeds as of and for the quarter ended September 30, 2019 are as follows:

Use of Proceeds	Amount
Gross Proceeds	₱384,767,164
Offer Expenses:	
Professional, stock transfer and receiving agent fees	4,737,272
IPO tax	3,847,672
Financial advisory fees and selling commission	1,727,329
Documentary stamp tax	670,326
SEC registration and listing fees	519,235
PSE filing fee	430,939
Printing, marketing and other incidental costs	714,478
	12,647,251
Net Proceeds	₱372,119,913

- 2) The Company plans to increase its asset management portfolio, which complements its leasing business. Some properties and developments eyed for asset management contracts are commercial and office spaces are the following:
- a. A prime property located in Quezon City, Metro Manila. With the growing commercial and residential real estate market within the vicinity, the property owner is planning to build a five-tower complex within the 10,540 square meter lot; and
 - b. The Apo View Hotel in Davao City, owned by a related party, stands on a property which has an area of 9,611 square meters. As the renovation of the said hotel nears its conclusion in 2019, the property owner is planning to build two 40-storey towers which will have commercial and retail spaces.

Currently, the Company continuously discuss potential business with the property owners.

We trust you will find the foregoing report in order.

KEPWEALTH PROPERTY PHILS., INC.


Jason C. Valderrama
 Managing Director