



January 30, 2015

THE PHILIPPINE STOCK EXCHANGE, INC.

Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet A. Encarnacion**
Head - Disclosure Department

Subject: **Quarterly and Annual Summary of the Application of Proceeds from the Initial Public Offering (IPO)**

Dear Ms. Encarnacion:

We are submitting the following attachments as compliance with the PSE requirement for newly listed companies to provide a progress report on the application of proceeds.

1. Progress report on the application of proceeds from IPO for the quarter and year ended December 31, 2014
2. Certification of KPMG on the accuracy of information provided by DoubleDragon Properties Corp. in relation to the progress report.

We hope you find everything in order.

Very truly yours,

Rizza Marie Joy J. Sia
Treasurer / CFO



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Attention: **Ms. Janet A. Encarnacion**
Head - Disclosure Department

Subject: **Quarterly and Annual Summary of the Application of Proceeds from the Initial Public Offering (IPO)**

Dear Ms. Encarnacion:

In line with the Initial Public Offering (IPO) of DoubleDragon Properties Corp. (DD) on April 7, 2014, we submit herewith our report on the application of the actual net proceeds coming from the offering of DD shares amounting to **ONE BILLION ONE HUNDRED TWENTY TWO MILLION THREE HUNDRED SEVENTY ONE THOUSAND SIX HUNDRED NINETY NINE PESOS (P1,122,371,699)**.

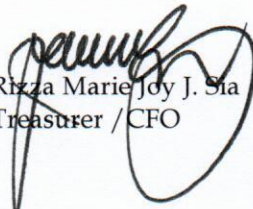
For the quarter and year ended December 31, 2014, the application of the net proceeds is broken down as follows:

Actual Net Proceeds from IPO	Php1,122,371,699
Actual Use of Proceeds	
Additional investment in CityMall Commercial Centers Inc.	(200,000,000)
Acquisition of land and pre-development works for near-term development	(708,761,780)
General working capital purposes	<u>(213,609,919)</u>
Net Balance	<u><u>Php0</u></u>

The Company was able to fully disburse the IPO proceeds in accordance with the schedule of disbursements per Prospectus issued during the IPO.

Thank you.

Very truly yours,


Rizza Marie Joy J. Sia
Treasurer / CFO

DOUBLEDRAAGON PROPERTIES CORP.

**REPORT OF FACTUAL FINDINGS ON THE
APPLICATION OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING**

REPORT OF FACTUAL FINDINGS

The Board of Directors and Stockholders
DoubleDragon Properties Corp.
People's Hotel, Fuentes and Delgado Streets
Iloilo City

We have performed the procedures agreed with you and enumerated below with respect to the Quarterly and Annual Progress Reports on the application of proceeds from the Initial Public Offering (IPO) of DoubleDragon Properties Corp. (the "Company") on April 7, 2014. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditor's certification on the accuracy of the information being represented by the Company relating to the use of proceeds from IPO whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, *Engagements to Perform Agreed-upon Procedures Regarding Financial Information*.

These agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly and Annual Progress Reports from the Company.
2. Compare the list of all the disbursements in the Quarterly and Annual Progress Reports with the schedule of planned use of proceeds from IPO in the Offering Prospectus ("Prospectus") and agree the amounts to the related supporting documents.
3. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds from IPO or of any change in the work program as disclosed in the Prospectus.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from IPO 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 and 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 who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of the proceeds from IPO and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.G. MANABAT & CO.

A handwritten signature in black ink, appearing to be 'Ador C. Mejia', written over a circular stamp or seal.

ADOR C. MEJIA

Partner

CPA License No. 0029620

SEC Accreditation No. 0464-AR-2, Group A, valid until March 24, 2016

January 29, 2015
Makati City, Metro Manila



Summary of Results of Agreed-Upon Procedures Performed

Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Progress Reports for the period ended September 30, 2014 and year ended December 31, 2014. No exceptions noted.
2. We have compared the list of all the disbursements in the Quarterly and Annual Progress Reports with the schedule of planned use of proceeds from IPO in the Prospectus. No exceptions noted.

As presented by the Company and based on the above procedure, the table below lists the details of the disbursements made from the P1,122,371,699 net IPO proceeds as at December 31, 2014.

Nature of disbursements	Actual Disbursements		
	As of September 30	As of December 31	Total
<i>Acquisitions and investments</i>			
Additional investment in CityMall Commercial Centers Inc.	P200,000,000	P -	P200,000,000
Acquisition of land and pre-development works for near-term development	708,761,780	-	708,761,780
General working capital purposes	62,166,877	151,443,042	213,609,919
Total	P970,928,657	P151,443,042	P1,122,371,699

Relative to the actual disbursements for the year, the following procedures were also performed:

- a. Compared the actual disbursements for the period ended September 30, 2014 to the Quarterly Progress Report for the period ended September 30, 2014 submitted by the Company to the PSE. We have also agreed the amounts of the related transactions to the Company's bank account passbooks and bank transaction history records. No exceptions noted.
- b. Traced the details of the movements in the Quarterly Progress Report from October 1 to December 31, 2014 as shown above and noted the following:
 - i. The Company used portion of the proceeds amounting to P151.4 million for general corporate purposes, including administrative, selling and marketing expenses such as salaries and allowances, utilities, supplies, advertising expenses and professional fees. Such transactions and the amounts thereof were agreed to vouchers, invoices and official receipts. No exceptions noted.
3. We have obtained written management representation and noted that there were no reallocations on the Company's planned use of proceeds from IPO or of any changes in the work program as disclosed in the Prospectus. Such representation was verified to be correct based on the result of work performed above.