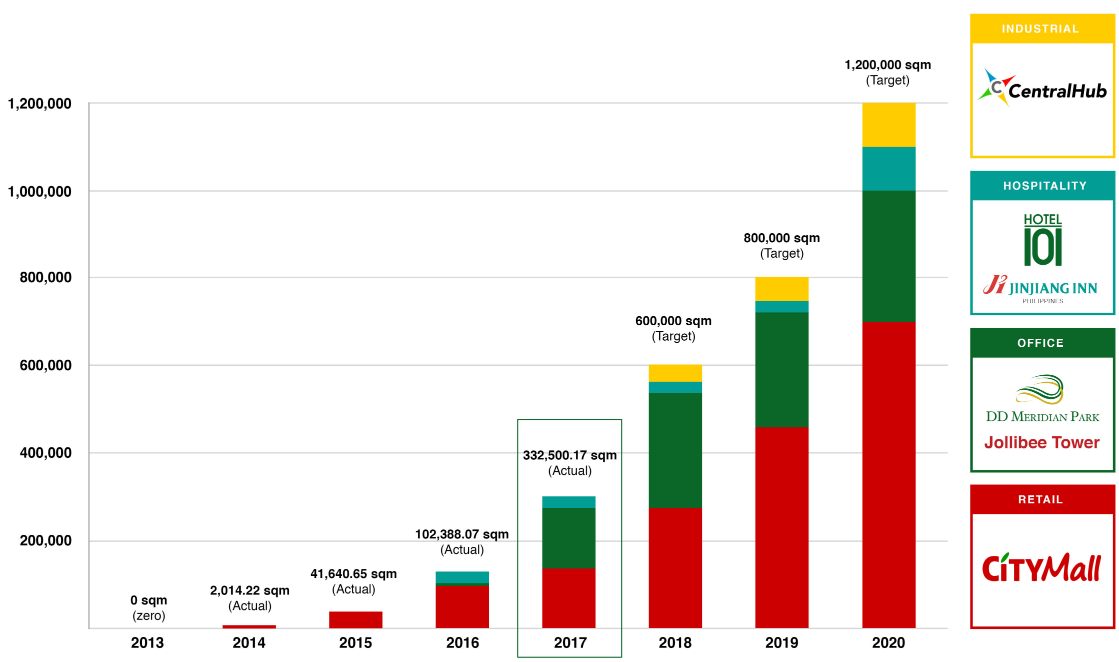
DoubleDragon Properties Corp.

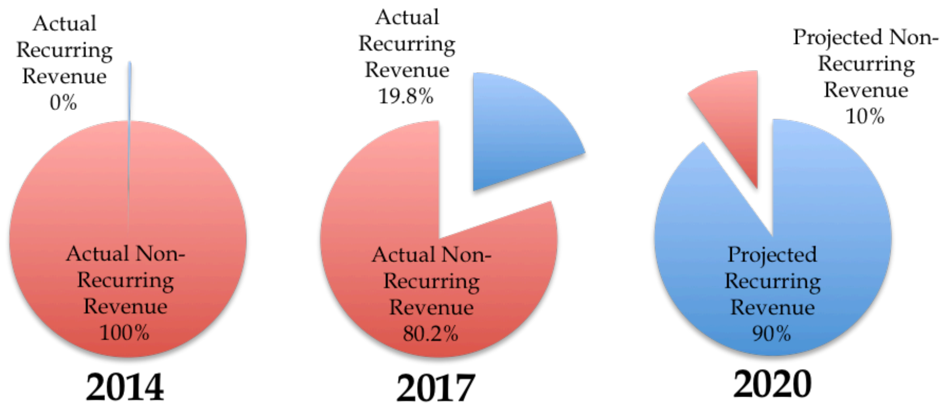
2017 HIGHLIGHTS

- **DoubleDragon Net Income rises 71.8% Year-on-Year to Php 2.53 Billion**
- **Recurring Revenue increased 3.76x to Php 1.31 Billion from only Php 348 Million in 2016**
- **Total Assets increased 28.5% Year-on-Year to Php 64.33 Billion**
- **Total Equity increased 10.4% Year-on-Year to Php 22.32 Billion**
- **Gross Debt-to-Equity Ratio remains healthy at 1.48x**
- **Debt Service Coverage Ratio vastly improved to 1.99x**
- **Operational CityMalls averaging 95.3% Leased Out**
- **DoubleDragon Plaza at DD Meridian Park already 97.2% Leased Out**
- **Hotel Occupancy averaged 74.8% across its hotel properties**
- **Pipeline of 54,000sqm of industrial space from CentralHub Tarlac and Iloilo**

Portfolio Trajectory of Leasable Space (in sqm)



Projected Transition to a Recurring Revenue – focused Business Model



Following are the highlights of the financial results of operations of DoubleDragon Properties Corp. ("DoubleDragon", "The Company" or "DD") and subsidiaries for the year ended December 31, 2017:

	2017	2016	YoY +/-
Assets	₱64,329,317,126	₱50,053,491,266	28.5%
Equity	₱22,315,760,652	₱20,218,303,586	10.4%
Total Revenues	₱6,611,912,768	₱3,711,715,948	78.1%
Net Income	₱2,526,359,835	₱1,470,308,521	71.8%
Recurring Revenue	₱1,306,645,100	₱347,562,130	275.9%

The Company has likewise maintained a healthy buffer on its debt covenants :

	2017	Debt Covenant
Debt Service Coverage Ratio	1.99x	*Minimum of 1.25*
Gross Debt-to-Equity Ratio	1.48x	*Maximum of 2.33*

The Company reports Consolidated Net Income figures for the year-ended 2017 has reached Php 2.53 Billion, an increase of 71.8% compared to Net Income of Php1.47 Billion in 2016. More importantly, DoubleDragon's recurring revenue has risen 3.76x to Php 1.31 Billion in 2017 compared to only Php 347.6 Million the prior year primarily from the growth of its rental revenues which grew 238.4% to Php 909.2 Million in 2017 compared to only Php 268.7 Million the prior year. Recurring revenue now accounts for 19.8% of the Company's total revenues as it continues its shift towards its goal of becoming a 90% recurring revenue company by 2020.

In just three (3) years, DoubleDragon has completed 332,500 sqm of leasable space and the Company expects that over 50.0% of its target leasable portfolio will already be online which should start to contribute substantially by 2019. The first 25 CityMalls are averaging 95.3% leased out. DoubleDragon expects a total of 50 completed CityMalls by the end of 2018.

Total Assets of the Company rose 28.5% year-on-year to Php 64.3 Billion as the Company completes more of its projects which has driven a 42.7% increase in its Investment Properties, which stood at Php 46.4 Billion as of the end of 2017.

Total Equity likewise increased by 10.4% to Php 22.3 Billion by the end of 2017 from Php 20.2 Billion in the prior year allowing the Company to maintain a relatively low Gross Debt-to-Equity ratio of 1.48x vs. its debt covenant cap of 2.33x. This went hand in hand with a vast improvement in the Company's Debt Service Coverage Ratio (DSCR), which stood at 1.99x in 2017 vs. its debt covenant floor of 1.25x. DSCR measures the Company's ability to service its debt, in this case the amount of its consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) vs. its debt service requirements for the year.

As for its Hospitality business, the Group's hotel revenues rose 404% year-on-year to Php 397.5 Million vs. only Php 78.9 Million in 2016 due to the full year contribution of its hospitality subsidiary, Hotel of Asia Inc. (HOA) which was only acquired in October 2016. HOA currently has 866 operational rooms in its portfolio across its hotel properties that averaged 74.8% occupancy in 2017. DoubleDragon envisions being one of the leading hotel players in the country and is looking to increase its hotel roombase to 5,000 hotel rooms by 2020 through the rollout of its homegrown brand Hotel101 and Jinjiang Inn.

The Company's most recent foray into the industrial warehousing business has also seen substantial traction now having secured two of the eight CentralHub sites it intends to initially develop by 2020. CentralHub Tarlac and CentralHub Iloilo both strategically located in main industrial areas have a combined capacity of 54,000 sqm of warehouse space once fully built. The Company will be developing these CentralHub sites in phases and is looking to have at least 100,000 sqm of leasable warehouse space contributing to its portfolio by 2020. CentralHub will lease out standardized multi-use warehouses suited for commissaries, cold storage, manufacturing, logistic and distribution centers. CentralHub sites will be conveniently located in industrial areas across the Philippines providing enhanced accessibility. DoubleDragon believes the demand for industrial warehouses will grow tremendously in the near term and there is still an opportunity for DoubleDragon to become a dominant player in this industry as the available supply is currently traditional and fragmented.

"I am personally glad for the progress we have made in the past 3 years as it has been essential in putting together the solid building blocks that will serve as the bedrock of a company designed and built to stand the test of time." said DoubleDragon Chairman, Edgar "Injap" Sia II.

"With over 33 hectares of leasable space already built to date, we will very soon start to see substantial contribution from recurring revenue flowing into our financials. By the end of this year, we aim to have at least 60 hectares or 50% of our intended 2020 portfolio completed, which should be contributing on a full year basis by 2019. This will replace our temporary non-recurring revenues as we shift into becoming a recurring revenue focused company." added DoubleDragon Chief Investment Officer, Hannah Yulo.

DoubleDragon's four pillars of growth continues to strengthen in provincial retail leasing, office leasing, industrial leasing and hospitality which will provide the Company with a diversified source of recurring revenues backed by a string of appreciating hard assets.

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