THESE SECURITIES MAY NOT BE SOLD OR OFFERS TO BUY THE SAME BE ACCEPTED UNTIL A PERMIT TO OFFER TO SELL SECURITIES HAS BEEN ISSUED BY THE SECURITIES AND EXCHANGE COMMISSION. THIS PRELIMINARY PROSPECTUS IS SUBJECT TO CHANGE/COMPLETION AND SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION OF AN OFFER TO BUY.

DoubleDragon CORPORATION

PRELIMINARY PROSPECTUS
Shelf Registration of
₱10,000,000,000.00
Debt Securities Program
to be Offered in One or Several Tranches

First Tranche:
Up to ₱3 Billion Fixed Rate Bonds due [2028] with an Oversubscription Option of up to ₱3 Billion
[•]% p.a.

Purchase Price: 100% of Face Value

To be listed and traded on the Philippine Dealing & Exchange Corp.

Joint Issue Managers, Joint Lead Underwriters, and Bookrunners

Development Bank of the Philippines	RCBC Capital Corporation	Unicapital, Inc.

Trustee

RCBC Trust Corporation

This Preliminary Prospectus is dated 7 June 2024.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, BUT HAS NOT YET BECOME EFFECTIVE. THESE SECURITIES MAY NOT BE SOLD NOR OFFERS TO BUY THEM BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT IS RENDERED EFFECTIVE. THIS PRELIMINARY PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION TO BUY.

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PRELIMINARY PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

DoubleDragon Corporation
10th Floor, Tower 1
DoubleDragon Plaza, DD Meridian Park
Macapagal Ave. cor. EDSA Ext. Bay Area
Pasay City, Philippines
Telephone number (+632) 8856-7111

This Preliminary Prospectus relates to the proposed shelf registration and continuous offer of DoubleDragon Corporation ("**DoubleDragon",** the "**Issuer"** or the "**Company**") through a sale in the Philippines of fixed-rate bonds in the principal amount of up to [Ten Billion Pesos] (₱[10,000,000,000.00]) under a shelf-registered debt securities program (the "**Bonds**"), to be issued in one or more tranches at such times and on such terms as may be determined by the management of the Issuer (the "**Debt Securities Program**").

For the first tranche of the Bonds to be issued out of the Debt Securities Program, the Issuer is offering a principal amount of up to Three Billion Pesos (₱3,000,000,000.00) (the "**Base Offer**"), with an oversubscription option of up to Three Billion Pesos (₱3,000,000,000.00) (the "**Oversubscription Option**", together with the Base Offer, the "**Offer**", and the Bonds subject of the Offer, the "**First Tranche Bonds**") to be issued on [16 July 2024] or the immediately succeeding Business Day if such date is not a Business Day or such other date as may be agreed upon by the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners ("**Issue Date**"). The First Tranche Bonds shall have a term of [3.5 years] from Issue Date, with a fixed interest rate of [●]% per annum. Interest on the First Tranche Bonds shall be calculated on a European 30/360-day count basis and shall be paid quarterly in arrear. Interest on the First Tranche Bonds shall be payable quarterly in arrear on [16 July], [16 October], [16 January], and [16 April] of each year commencing on [16 October 2024], until and including the Maturity Date (each, an "**Interest Payment Date"**), or the next Banking Day if such dates fall on a non-Banking Day, without any adjustment to the amount due, provided that if the Issue Date is set at a date other than [16 July 2024], then the Interest Payment Dates will be automatically adjusted to the numerically corresponding dates at every quarter following the actual Issue Date. The last Interest Payment Date shall fall on the Maturity Date. Subject to the consequences of default as contained in the Trust Agreement dated [●] executed by and between the Issuer and RCBC Trust Corporation (the "**Trustee**") and [unless otherwise redeemed prior to the Maturity Date], the First Tranche Bonds shall be redeemed at par (or 100% of face value) on the Maturity Date (see *"Description of the Offer" – "Interest*" on page [●] of this Preliminary Prospectus).

A registration statement covering the Debt Securities Program and the Offer was filed by the Issuer with the Philippine Securities and Exchange Commission (the "**SEC**") in accordance with the provisions of the Securities Regulation Code of the Philippines (Republic Act No. 8799) on [●] and an application for the listing of the First Tranche Bonds will be filed with the Philippine Dealing & Exchange Corp (the "**PDEx**") on or about [•]. The Offer was authorized by a resolution of the Board of Directors dated [●]. Development Bank of the Philippines ("**DBP**"), RCBC Capital Corporation ("**RCBC Capital**"), and Unicapital, Inc. ("**Unicapital**") were mandated as the joint lead underwriters and joint bookrunners of the Offer (the "**Joint Issue Managers, Joint Lead Underwriters, and Bookrunners**").

After the close of the Offer and within three (3) years following the date on which the Debt Securities Program is rendered effective, the Company may, at its sole discretion, offer any or all of the remaining balance of the aggregate principal amount of Bonds covered by the Debt Securities Program, in one or more subsequent tranches under Rule 8.1.2 of the Implementing Rules and Regulations of the SRC.

The payment obligations of the Issuer under the First Tranche Bonds shall constitute direct, senior, unconditional, unsubordinated and unsecured obligations of the Issuer, and shall at all times rank *pari passu* and without preference among themselves. The payment obligations of the Issuer under the First Tranche Bonds shall at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, than (i) obligations preferred by the law and (ii) any obligation incurred by the Issuer pursuant to Section [●] of the Trust Agreement or as may be allowed by the Trust Agreement. The First Tranche Bonds shall effectively be subordinated in right of payment to, among others, all of Issuer's secured debts, and all of its debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code (see "*Description of the Offer" – "Ranking"* on page [●] of this Preliminary Prospectus).

Each tranche of the Bonds will be rated by Philippine Rating Services Corporation ("PhilRatings"). The First Tranche Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings on 7 June 2024.

DoubleDragon is currently rated Aaa by PhilRatings. PRS Aaa is the highest rating assigned by PhilRatings. Obligations rated PRS Aaa are of the highest quality with minimal credit risk. A Stable Outlook means that the rating is likely to be maintained or to remain unchanged in the next twelve months.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization.

The First Tranche Bonds will be offered to the public at face value through the Joint Lead Underwriters and Bookrunners named below with the Philippine Depository & Trust Corp. ("**PDTC**") as the Registrar of the Bonds. The First Tranche Bonds shall be issued in minimum denominations of ₱50,000.00 each, and in integral multiples of ₱10,000.00 thereafter. The First Tranche Bonds shall be traded in denominations of ₱10,000.00 in the secondary market.

DoubleDragon intends to list the First Tranche Bonds on a securities exchange licensed with the SEC and has initiated discussions with the Philippine Dealing & Exchange Corporation ("**PDEx**") for this purpose. However, there is no assurance that such a listing will actually be achieved either before or after the Issue Date or whether such a listing will materially affect the liquidity of the First Tranche Bonds on the secondary market. Such listing would be subject to the Company's execution of a listing agreement with PDEx that may require the Company to make certain disclosures, undertakings and payments on an ongoing basis.

DoubleDragon expects to raise gross proceeds of up to [Three Billion Pesos] (₱3,000,000,000.00) from the Base Offer and up to [Six Billion Pesos] (₱6,000,000,000.00) assuming full exercise of the Oversubscription Option. The net proceeds from the Offer are estimated to be ₱[●], after deducting fees, commissions, and expenses relating to the issuance. Proceeds of the Offer shall be used (a) to refinance certain existing debt obligations, and (b) for general corporate purposes, which are discussed further in the section entitled *"Use of Proceeds"* on page [●] of this Preliminary Prospectus. The Joint Issue Managers, Joint Lead Underwriters, and Bookrunners shall receive an aggregate fee of up to 1.0% [inclusive/exclusive] of gross receipts tax ("**GRT**") on the final aggregate nominal principal amount of the First Tranche Bonds issued, which is [inclusive of underwriting fees and selling commissions to be paid, if any] (see *"Plan of Distribution"* on page [●] of this Preliminary Prospectus).

The Offer is being conducted exclusively in the Philippines and is pursuant to requirements under Philippine laws, rules and regulations that may be different from those of other countries and jurisdictions. No action has been or will be taken by the Issuer or any person on behalf of the Issuer to permit an offering of the First Tranche Bonds in any jurisdiction other than the Philippines, where action for that purpose is required. Accordingly, the First Tranche Bonds may not be offered or sold, directly or indirectly, nor may any offering material relating to the First Tranche Bonds be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws, rules and regulations of any such country or jurisdiction. Any reproduction or distribution of this Preliminary Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the First Tranche Bonds is prohibited. Each investor in the First Tranche Bonds must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase or subsequent offer and sale of the First Tranche Bonds under the laws and regulations in force in any jurisdiction to which it is subject. None of the Company or the Joint Lead Underwriters and Bookrunners will have any responsibility therefor.

To the best of the Company's knowledge, the Company confirms that, as of the date of this Preliminary Prospectus, the information contained herein relating to the Company and its operations, which are in the context of the Offer (including all material information required by the applicable laws of the Republic of the Philippines), is true and that there is no material misstatement or omission of facts which would make any statement in this Preliminary Prospectus misleading in any material respect and that the Company hereby accepts full and sole responsibility for the accuracy of the information contained in this Preliminary Prospectus with respect to the same. The Company confirms that it has made all reasonable inquiries in respect of the information, data and analysis provided to it by its advisors and consultants or which is otherwise publicly available for inclusion into this Preliminary Prospectus. The Company, however, has not independently verified any such publicly available information, data or analysis.

The Joint Lead Underwriters and Bookrunners have exercised the required due diligence in ascertaining that all material representations contained in this Preliminary Prospectus, and any amendment or supplement thereto, are true and correct as of the date hereof and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading in any material respect. Further, the Company confirms that, to the best of its knowledge and belief after having taken reasonable care to ensure that such is the case, as of the date of this Preliminary Prospectus, the information contained in this Preliminary Prospectus relating to the Company and its operations is true and there is no material misstatement or omission of fact which would make any statement in this Preliminary Prospectus misleading in any material respect. The Company hereby accepts full and sole responsibility for the accuracy of the information contained in this Preliminary Prospectus.

Unless otherwise indicated, all information in this Preliminary Prospectus is as at [31 December 2023]. Neither the delivery of this Preliminary Prospectus nor any sale made hereunder shall, under any circumstance, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date. Market data and certain industry data used throughout this Preliminary Prospectus were obtained from market research, publicly available information and industry publications. Industry publications generally state that the information contained therein have been obtained from sources believed to be reliable, but that the accuracy and completeness of such information are not guaranteed. Similarly, industry forecasts and market research, while believed to be reliable, have not been independently verified, and neither the Issuer nor any of the Joint Lead Underwriters and Bookrunners makes any representation or warranty, express or implied, as to the accuracy or completeness of such information. The Joint Lead Underwriters and Bookrunners assume no liability for any information supplied by the Company in relation to this Preliminary Prospectus. Each person contemplating an investment in the First Tranche Bonds should make his own investigation and analysis of the creditworthiness of the Issuer and his own determination of the suitability of any such investment. The risk disclosure herein does not purport to disclose all the risks and other significant aspects of investing in the First Tranche Bonds. A person contemplating an investment in the First Tranche Bonds should seek professional advice if he or she is uncertain of or has not understood any aspect of the securities to invest in or the nature of risks involved in trading of securities, especially high-risk securities. For a discussion of certain factors to be considered in respect of an investment in the First Tranche Bonds, see the section entitled *"Risk Factors"* beginning on page [●].

The contents of this Preliminary Prospectus are not investment, legal, or tax advice. In making any investment decision regarding the First Tranche Bonds, prospective investors must rely on their own examination of the Company and the terms of the Offer, including, without limitation, the merits and risks involved, such prospective investors own determination of the suitability of any such investment with particular reference to their own investment objectives and experience, and any other factors relevant to such investment. Neither the Company nor any of the Joint Lead Underwriters and Bookrunners makes any representation to any prospective investor regarding the legality of participating in the Offer under any law or regulation. Each prospective investor should be aware that it may be required to bear the financial risks of any participation in the Offer for an indefinite period of time. Prospective investors should consult their own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the First Tranche Bonds, among others. Investing in the First Tranche Bonds involves certain risks. For a discussion of certain factors to be considered in respect of an investment in the First Tranche Bonds, see the section on "*Risk Factors"* beginning on page [●].

THE FIRST TRANCHE BONDS ARE BEING OFFERED ON THE BASIS OF THIS PRELIMINARY PROSPECTUS ONLY. ANY DECISION TO PURCHASE THE FIRST TRANCHE BONDS MUST BE BASED ONLY ON THE INFORMATION CONTAINED HEREIN.

No dealer, salesman or other person has been authorized by the Company or by the Joint Lead Underwriters and Bookrunners to issue any advertisement or to give any information or make any representation in connection with the Company, its associates, or the Offer other than those contained in this Preliminary Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorized by the Company or the Joint Lead Underwriters and Bookrunners or any of their respective associates.

COMPANY INFORMATION

The Company is a Philippine corporation with its business address at 10th Floor, Tower 1 DoubleDragon Plaza, DD Meridian Park Macapagal Ave. cor. EDSA Ext. Bay Area Pasay City, Philippines. The Company's telephone number is (+632) 8856-7111 and its corporate website is https://www.doubledragon.com.ph. The information on the Company's website is not incorporated by reference into, and does not constitute part of, this Preliminary Prospectus.

[ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CURRENT].

DOUBLEDRAGON CORPORATION

By:

Ferdinand J. Sia
President

REPUBLIC OF THE PHILIPPINES)
CITY OF) S.S.

Before me, a notary public for and in the city named above, personally appeared the affiant, known to me and to me known to be the same person who presented the foregoing instrument and signed the instrument in my presence, who took an oath before me as to such instrument, and who presented to me his evidence of identity, as follows: Passport No. ________ issued on _________ and issued by _________.

Witness my hand and seal this _________________ at _________City.
Doc. No. ;
Page No. ;
Book No. ;
Series of 2024.

FORWARD-LOOKING STATEMENTS

This Preliminary Prospectus contains certain forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

All statements other than statements of historical facts contained in this Preliminary Prospectus constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms, such as "anticipate", "target", "believe", "can", "would", "could", "estimate", "endeavor", "expect", "aim", "intend", "may", "might", "plan", "will", "foresee", "seek", "would", "shall", "should", "is/are likely to", or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, revenue and profitability, planned projects and other matters as they relate to the Issuer and the Company discussed in this Preliminary Prospectus regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Preliminary Prospectus (whether made by the Issuer, the Company or by any third party) involve known and unknown risks, including those disclosed under the section "*Risk Factors*", assumptions, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements speak only as of the date of this Preliminary Prospectus. Each of the Company, the Joint Lead Underwriters and Bookrunners, the Trustee and the Selling Agents, if any, expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's or the Company's expectations with regard thereto or any change of events, conditions or circumstances, on which any such statement was based.

The factors that could cause actual results, performance and achievements of to be materially different include, among others:

- the Company's ability to anticipate and respond to market trends;
- the Company's ability to successfully implement its current and future strategies;
- the Company's ability to successfully manage its growth;
- the Company's ability to begin construction of its projects without delays due to regulatory or other causes;
- the Company's ability to successfully manage its future business, financial condition, results of operations and cash flow;
- the Company's management's expectations and estimates concerning its future financial performance;
- the Company's capital expenditure program and other liquidity and capital resources requirements;
- the Company's level of indebtedness;
- Increasing competition in the industry and in the areas in which the Company, its Subsidiaries and its Affiliates operate;
- general political, social and economic conditions in the Philippines;
- any future political instability in the Philippines;
- the condition of and changes in the Philippine, Asian or global economies;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. dollar and other currencies;
- changes to the laws, including tax laws, regulations, policies and licenses applicable to or affecting the Company;
- competition in the Philippine commercial real estate and hospitality industries;
- legal or regulatory proceedings in which the Company is or may become involved;
- uncontrollable events, such as war, civil unrest or acts of international or domestic terrorism, the outbreak of contagious diseases, accidents and natural disasters; and
- those other risks identified in the "*Risk Factors*" section of this Preliminary Prospectus as well as other factors beyond the Company's control.

None of the Issuer, the Company, the Joint Lead Underwriters and Bookrunners, the Trustee or the Selling Agents, if any, or any of their respective affiliates, directors, employees, agents or advisers assumes any obligation to update or revise publicly any of the opinions or forward-looking statements expressed in this Preliminary Prospectus as a result of any new information, future events or otherwise, subject to compliance with all applicable laws.

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DEFINITION OF TERMS

Affiliate	With respect to any Person, any other Person directly or indirectly Controlled, or is under common Control by such Person
Anti-Money Laundering Laws of the Philippines	RA No. 9160, as amended by RA No. 9194, RA No. 10167, and RA No. 11521, and BSP Circular Nos. 251, 253, 279, 527, 564, 608, 612, and 706, and all other amendatory and implementing law, regulation, jurisprudence, notice, or order of any Government Authority body relating thereto
Applicable Law	Any statute, law, regulation, ordinance, rule, judgment, order, decree, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing by, any Government Authority
Applicant	A Person who shall duly accomplish the Application as defined herein and who shall deliver the same to the Joint Underwriters and Bookrunners in accordance with the Underwriting Agreement
Application or Application to Purchase	The form actually accomplished and submitted by the Applicant for the purchase of the First Tranche Bonds
Articles of Incorporation and By-Laws	Document filed with the SEC by all Corporations organized under the laws of the Philippines which contains the name of the Corporation, its specific purpose, its principal place of business, its corporate term, details of incorporators and directors and the amounts of its authorized capital stock, amount of subscribed capital and paid-up capital stock
Associate	Refers to an entity over which DoubleDragon has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but does not have control or joint control over those policies
Banking Day	Any day other than Saturday, Sunday and public holidays, on which commercial banks in [Pasay City and Makati City] and the Philippine Clearing House Corporation are generally open for the transaction of business; provided, that all other days otherwise specified herein shall mean calendar days which shall be construed as successive periods of twenty-four (24) hours each
Base Offer	Principal amount of up to ₱3,000,000,000.00
BIR	Bureau of Internal Revenue
bn	Billion
Board	The Board of Directors of DoubleDragon, unless context clearly provides otherwise
Bondholder	A Person whose name appears, at the relevant time, in the Register of Bondholders as the registered owner of the Bonds
Bonds	The unsecured fixed-rate Peso-denominated bonds of up to [Ten Billion Pesos] (₱10,000,000,000.00) under a shelf-registered debt program, to be issued in one or more tranches at such times and on such terms as may be determined by management (the "**Debt Securities Program**").

BSP	*Bangko Sentral ng Pilipinas*
CHCI	CentralHub Industrial Centers Inc.
CityMall	CityMall Commercial Centers Inc.
Company	DoubleDragon Corporation
Control	The possession, directly, or indirectly, by a Person of the power to direct or cause the direction of the management and policies of another Person whether through the ownership of voting securities or otherwise; provided, however, that the direct or indirect ownership of over fifty percent (50.0%) of the voting capital stock, registered capital or other equity interest of a Person is deemed to constitute control of that Person, and "Controlling" and "Controlled" have corresponding meanings
COVID-19	Novel coronavirus disease 2019
Corporation	As defined in the Revised Corporation Code, an artificial being created by operation of law, having the right of succession and the powers, attributes and properties expressly authorized by law or incident to its existence
CORTT	Certificate of Tax Residence for Tax Treaty Relief
CUSA	Common Usage Service Area
DBP	Development Bank of the Philippines
DD Majority Shareholders	Honeystar and III
DDHH	DD HappyHomes Residential Centers Inc.
DDMTC	DD Meridian Tower Corp.
DDPMC	DoubleDragon Property Management Corp.
DDMPR	DDMP REIT, Inc.
DDMP REIT Fund Managers	DDMP REIT Fund Managers, Inc.
DDMP REIT Property Managers	DDMP REIT Property Managers, Inc.
DDSC	DoubleDragon Sales Corp.
DDWPL	DDPC Worldwide Pte. Ltd.
Debt Securities Program or the Program	The Shelf Registration of DoubleDragon Corporation in the principal amount of [Ten Billion Pesos] (₱10,000,000,000.00) under a shelf-registered debt program (the "**Bonds**"), to be issued in one or more tranches at such times and on such terms as may be determined by management

DHSUD	the Department of Human Settlements and Urban Development
DoubleDragon	DoubleDragon Corporation
Government	The Government of the Republic of the Philippines
Government Authority	The Republic of the Philippines, or any political subdivision or agency thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to the Government, and any national agency or body vested with jurisdiction or authority over any Person
GOCC	Government-owned or controlled corporations
HOA	Hotel of Asia, Inc.
HUDCC	the Department of Human Settlements and Urban Development
Honeystar	Honeystar Holdings Corporation
Hotel101 Global	Hotel101 Global Pte. Ltd.
IGFTC	Iloilo-Guimaras Ferry Terminal Corp.
III	Injap Investments, Inc.
IPO	Initial Public Offering
Issue Date	[16 July 2024], or the immediately succeeding Banking Day if such Issue Date is not a Banking Day, or such later date as may be mutually determined by the Issuer and the Joint Lead Underwriters and Bookrunners for the issuance of the First Tranche Bonds. In the event that the original Issue Date is moved to the succeeding Banking Day, the interest accruing for the first Interest Period shall accrue from (and including) such adjusted Issue Date, without adjustment to the Interest Payment Date
Issue Price	At par, which is equal to the face value of the First Tranche Bonds
Issuer	DoubleDragon
JFC	Jollibee Food Corporation
Joint Issue Managers, Joint Lead Underwriters, and Bookrunners	DBP, RCBC Capital, and Unicapital.
LEED	Leadership in Energy & Environmental Design
LGC	RA No. 7160, otherwise known as the Local Government Code, as may be amended from time to time, and including the rules and regulations issued thereunder
LGU	Local Government Unit
Lien	With respect to any Person, any lien, pledge, mortgage, charge, hypothecation, encumbrance or other security or preferential

	arrangement on or with respect to any asset or revenue of such Person
Master Certificate of Indebtedness	Refers to the certificates representing the First Tranche Bonds sold in the Offer issued to and registered in the name of the Trustee, on behalf of the Bondholders
MSME	Micro, Small and Medium Enterprises
Offer Period	Shall refer to the period commencing at 9:00 a.m. on [27 June 2024] and ending at 5:00 p.m. on [9 July 2024] or on such other dates as the Issuer and the Joint Issue Managers, Joint Lead Underwriters, and Joint Bookrunners may agree upon in relation to the offer of the First Tranche Bonds.
Oversubscription Option	The oversubscription option for the First Tranche Bonds exercisable by the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners with the consent of the Issuer to increase the Base Offer by up to ₱3,000,000,000.00
PCLI	Piccadilly Circus Landing Inc.
PDEx	Philippine Dealing & Exchange Corp.
PDEx Rules	PDEx Rules for the Fixed Income Securities Market, as amended, and as the same may be revised from time to time, as well as all other related rules, guidelines, and procedures that may be issued by PDEx
Person	An Individual, corporation, partnership, association, joint stock Company, trust, any unincorporated organization, or a government or political subdivision thereof
PFRS	Philippine Financial Reporting Standards
Philippine Pesos or ₱	The lawful currency of the Philippines
PhilRatings	Philippine Ratings Services Corporation
POGO	Philippine Offshore Gaming Operator
PSE	The Philippine Stock Exchange, Inc.
Public Offering	Refers to the random or indiscriminate offering of securities in general to anyone who will buy, whether solicited or unsolicited as per the SRC IRR
RA	Republic Act
RCBC Capital	RCBC Capital Corporation
Revised Corporation Code or RCC	RA No. 11232, otherwise known as the Revised Corporation Code of the Philippines, amending Batas Pambansa Blg. 68 (or the Corporation Code of the Philippines), and as may be further amended from time to time, and including the rules and regulations issued thereunder
Record Date	The cut-off date in determining Bondholders entitled to receive interest or principal amount due, as used with respect to any Payment Date shall mean the day which is two (2) Banking Days prior to the relevant

	Interest Payment Date; provided that if such day falls on a non-Banking Day, the Record Date shall be the Banking Day immediately preceding said date
Register of Bondholders	The electronic register which shows the legal title to the First Tranche Bonds, maintained by the Registrar, pursuant to and under the terms of the Registry and Paying Agency Agreement
Registrar and Paying Agent or the Registrar	Philippine Depository & Trust Corp.
Registration Statement	The application for the registration of securities filed with the SEC on [●] as required under the SRC
Registry and Paying Agency Agreement	Agreement dated [●] entered into between the Company and the Registrar and Paying Agent in relation to the First Tranche Bonds
REIT	real estate investment trust
Robinsons Land or RLC	Robinsons Land Corp.
RPT	Real Property Tax
RTC	Regional Trial Court
SC	Supreme Court
SEC	The Securities and Exchange Commission of the Philippines
Selling Agents	Institutions who are authorized under Philippine law to act as such and whose role is to help facilitate the sale and distribution of the First Tranche Bonds. The Selling Agents for this Offer are each of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners, [●].
Shelf Period	A period of three years from the date of effectivity of the Registration Statement, subject to any extension as may be granted by the SEC, within which securities under the Debt Securities Program may be offered
SRC	RA No. 8799, otherwise known as the Securities Regulation Code of the Philippines, as amended and may be amended from time to time, including the rules and regulations issued thereunder
SRC IRR	2015 Implementing Rules and Regulations of the SRC
Tax Code	Presidential Decree No. 1158, otherwise known as the National Internal Revenue Code, as amended and may be further amended from time to time, including the rules and regulations issued thereunder
Trust Agreement	Trust Agreement dated [●] entered into between the Company and the Trustee in relation to the First Tranche Bonds
Trustee	RCBC Trust Corporation (RCBC Trust)
Unicapital	Unicapital, Inc.
US$ or USD or U.S. dollar	The lawful currency of the United States of America

VAT	Value Added Tax
ZFC	Zenith Foods Corporation, a wholly owned subsidiary of JFC

EXECUTIVE SUMMARY

OVERVIEW

DoubleDragon Corporation is an investment holding company in the Philippines, principally engaged in the ownership and operation of a portfolio of leasable properties in its four principal business segments: retail leasing, office leasing, hospitality and industrial leasing. Tony Tan Caktiong and Edgar Injap Sia II, the two entrepreneurs of DoubleDragon, believe that by providing the flexibility for DoubleDragon Corporation to transform into an investment holding company, DoubleDragon will be in a in a position to capitalise on its strong balance sheet to add worthwhile investments outside of the property sector that would further drive its growth.

The Company's two principal shareholders are Injap Investments Inc., controlled by the Sia family, and Honeystar Holdings Corp. controlled by the Tan and Ang families, who also control Jollibee Foods Corporation ("**JFC**"), the largest fast food company in the Philippines. Edgar Injap Sia II of the Sia family and Tony Tan Caktiong of the Tan and Ang family have similar entrepreneurial background and have started and grown multiple ventures into household brands in the Philippines.

In 2021, the Company further strengthened its balance sheet with the public offering of shares and listing of DDMP REIT, Inc. (formerly DD Meridian Park Development Corp. ("**DDMPDC**")) ("**DDMPR**") and the equity infusion by JFC and its subsidiary into CentralHub Industrial Centers, Inc. ("**CHICI**"), DoubleDragon's industrial leasing subsidiary. As of 31 December 2023, the Company's total equity was P94.67 billion and its gross Debt-to-Equity was 0.67x, which is below the Company's cap of 2.33x.

Having met its target of 1.2 million sq.m. of completed gross floor area ("**GFA**") for its leaseable portfolio, the Company intends to pursue a strategy of revenue optimisation for its retail leasing, office leasing, hospitality and industrial leasing operations, with the goal of maximising recurring revenue. As of 31 December 2021, the Company's completed portfolio encompassed 1.205 million sq.m. of GFA. Further, by 2030 the Company targets to increase its portfolio to 2.4 million sq.m. of GFA spread across its four core business segments: 30% in retail, 15% in office, 20% in hospitality, and 35% in industrial leasing.

As of 31 December 2023, through its subsidiary, CityMall Commercial Centers Inc. ("**CMCCI**"), the Company owns and operates 43 CityMalls, primarily located in key strategic locations in Luzon, Visayas and Mindanao. The Company also has seven CityMalls under construction, with an additional land bank for 14 CityMalls. CMCCI is 66% owned by the Company and 34% owned by SM Investments Corp. ("**SMIC**"), the holding company for one of the largest conglomerates in the Philippines. In addition to the 43 CityMalls that were operational as of 31 December 2023, the Company has three other operational malls, namely: Dragon8 Mall in Divisoria Manila City, DoubleDragon Plaza Retail in DD Meridian Park, Pasay City and Umbria Commercial Center in Biñan, Laguna.

The Company's office leasing segment primarily consists of two key projects, DD Meridian Park and Jollibee Tower. DD Meridian Park, a 4.8 hectare project located in the Manila Bay area of Pasay City, and which is 46.67%-owned by the Company, consists of approximately 244,240 sq.m. of leasable space that is primarily used for BPO, outsourcing and support service offices, and corporate offices. The development is expected to feature seven office towers and luxury services residences, with construction in four phases. The first phase of DD Meridian Park comprises Towers 1 to 4 of DoubleDragon Plaza and was completed in 2018. The second phase comprises DoubleDragon Center East and DoubleDragon Center West and was completed in 2019. The fourth phase comprises DoubleDragon Tower and was substantially completed in 2021, while the third phase comprises luxury serviced residences, namely Ascott-DD Meridian Park, and is currently under construction with completion expected in 2024. Jollibee Tower is a Grade A 42-storey commercial and office tower with approximately 60,394.67 sq.m. of leasable space and is situated in the heart of the Ortigas central business district in Metro Manila. The project, which was completed in 2019, is a joint venture between the Company and JFC, who also serves as the building's anchor tenant. In addition to DD Meridian Park and Jollibee Tower, the Company also owns The SkySuites Tower, comprising two towers, including an office tower that is currently being leased to tenants.

The Company's hospitality segment is operated through its subsidiary, Hotel of Asia, Inc. ("**HOA**"), which is 70%-owned by the Company. As of 31 December 2023, the Company's hospitality operations comprise 6 opertional hotels with 1,482 hotel rooms, including the Company's own hotel brand, "Hotel 101", which currently has two operating hotels, Hotel101- Manila and Hotel101-Fort. In addition to the 1,482 hotel rooms, with seven hotels under construction and expected to add another 3,463 rooms, and an additional ten hotels under planning and development stages. CSI Hotels, Inc., a 50%-owned subsidiary of HOA, is the Philippines' master franchisee of the "Jinjiang Inn" brand, with three hotels in operation in Ortigas and Makati, Metro Manila and Boracay as of 31 December 2023. Hotel 101 Management Corporation, a wholly owned subsidiary of HOA, operates all of HOA's operational hotels including Hotel 101-Manila, Jinjiang Inn-Ortigas, Jinjiang Inn-Makati, Jinjiang Inn-Station 1 Boracay and Injap Tower, a 21-storey condotel located in Iloilo City. As of 31 December 2023, the Company had four hotels under construction and nine more hotels in the planning and development stage.

On 30 September 2022, the Company, through its subsidiaries, fully paid for the acquisition of a prime 9,000 sq.m. parcel of land in Hokkaido Prefecture, Japan. The Company expects to develop its first international Hotel 101 development, named Hotel 101-Niseko, on such acquired land.

On 31 October 2023, through its subsidiary, the company received all the pertinent executed land purchase documents and has made the full complete payment for the purchase of the 6,593 sq.m of prime commercial land in Madrid Spain. The development, named Hotel101-Madrid eyes the high real estate investment demand in Madrid driven by the Spanish Golden Visa.

The Company operates its industrial leasing segment through its 60.90%-owned subsidiary, CHICI. As of 31 March 2024, the Company owns 10 CentralHub sites across the Philippines, with a total of 60.57 hectares of prime industrial land. Five of the Company's CentralHub sites, namely CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig, are currently operational. CentralHub-Sta Barbara Iloilo, CentralHub-Davao, CentralHub-Cebu and CentralHub-Negros are under construction while CentralHub-Surigao is currently in the development stages. As of 31 March 2024, Phases 1 and 2 of CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were all fully leased out.

The Company, through CHICI, acquired a 6.2 hectare parcel of land in Luisita Industrial Park, Tarlac for its first industrial hub. CentralHub-Tarlac was built over four phases, the first of which was completed in 2018 and leased out to Zenith Foods Corporation (Red Ribbon) as a commissary. The second phase was completed in 2021 and leased out to MerryMart Consumer Corp. as its distribution hub. The third and fourth phases of CentralHub-Tarlac were completed in 2021 and January 2022, respectively. As of 31 December 2023, the third and fourth phases of CentralHub-Tarlac is ongoing tenant turnovers. The Company also acquired a 3.9 hectare parcel of land in Iloilo for its second CentralHub complex, CentralHub-Sta Barbara Iloilo, which is strategically located along a national highway approximately five kilometres from Iloilo International Airport and ten kilometres from the centre of Iloilo City. The Company also acquired a 5.2 hectare parcel of land in Danao, Cebu, which will be its third CentralHub complex. The Company acquired the site of its fourth CentralHub complex in 2019, covering an 8.2 hectare parcel of land along the Daan Maharlika Highway in Davao City. In 2022, the Company acquired two other sites, a 10.06 hectare property in Silay Negros for CentralHub- Negros and a 6.40 hectare property in Surigao for CentralHub-Surigao. CentralHub-Sta Barbara Iloilo and CentralHub-Cebu are under construction while CentralHub-Davao, CentralHub- Negros and CentralHub-Surigao are currently in the development stages.

In August 2021, JFC and its wholly owned subsidiary Zenith Foods Corporation ("**ZFC**") entered into definitive agreements to subscribe to an aggregate of 38.71% of CHICI's total outstanding shares (post-subscription) in consideration for a cash payment of ₱1.9 billion. JFC acquired common shares of CentralHub and infused its 16.4 hectares of industrial properties in Santolan, Pasig and Carmelray, Laguna, which are currently utilised as commissaries (including the largest operating commissary of JFC). As of 31 March 2024, the equity and asset swap between CentralHub and JFC was completed and the transfer of title for the two CentralHub- Laguna and CentralHub-Pasig were completed. The Company and JFC intend to prepare CHICI for the Philippines' first industrial REIT IPO.

The Company intends to acquire additional sites that are strategically located across Luzon, Visayas and Mindanao. The industrial centers will contain standardised, multi-use, and industrial quality warehouses suited for commissaries, cold storage and logistics centers to be leased to locators operating nationwide in the Philippines.

The Company reports Net Income figures for the year-ended 2023 has reached ₱15.9 Billion, an increase of 23.3% compared to Net Income of ₱12.9 Billion in 2022. Total Assets of the Company rose 15.6% year-on-year to ₱181.2 Billion in 2023 compared to only ₱156.8 Billion in 2023. Total Equity likewise increased by 15.9% to ₱13.0 Billion in 2023 as compared to only ₱81.6 Billion in the prior year equating to a Gross Debt-to- Equity ratio of 0.67x.

Because of the significant growth of the Company's equity, total equity has now exceeded total debt displaying solid financial strength.

RECENT DEVELOPMENTS

Release of quarterly reports for the first quarter of 2024

On 16 May 2024, the Company released its unaudited consolidated financial statements for the three-months ended 31 March 2024, accessible at [•].

HOTEL101 Global signed Definitive Merger Agreement with JVSPAC Acquisition Corporation to Publicly List on the NASDAQ

On 8 April 2024, the Singapore-headquartered subsidiary of DoubleDragon, Hotel101 Global Pte. Ltd. and affiliates ("**HOTEL101**" or "**HBNB**") and JVSPAC Acquisition Corporation (Nasdaq: JVSA) ("**JVSPAC**") announced that they have entered into a definitive merger agreement. Hotel101 is a hotel prop-tech operator pioneering a globally standardized, asset-light "condotel" business model. Upon completion of the proposed business combination transaction, the combined entity is expected to be publicly listed on the NASDAQ under the ticker symbol "HBNB", and to become a majority-owned subsidiary of DoubleDragon Group, and the fresh equity to increase its capital base, and to further strengthen the balance sheet of DoubleDragon.

Hotel101 is expected to have an equity value of over US$2.3 billion following completion of the transaction, which is expected to close during the second half of 2024 subject to regulatory and shareholder approvals and other customary closing conditions.

DoubleDragon positions Hotel101 Global to very soon become the first ever Filipino company whose majority-owned subsidiary to list via special purpose acquisition company ("SPAC") in the US Nasdaq Stock Exchange, and seen to become a major brand, concept and business model export of the Philippines, given its Asset-Light business model could become one of the major source of US Dollar inflow to the Philippines.

HOTEL101-Madrid broke ground

On 13 March 2024, the 680-room Hotel101-Madrid has progressed with two milestone activities on the same day as it conducted its ground-breaking ceremony and signed the construction contract with Ferrovial Construction at Valdebebas, Madrid, Spain.

Additional Subsidiaries Incorporated in 2024

In 2024, the Group has incorporated the following subsidiaries in relation to the international expansion of the Group's Hotel101 business:

Date	Subsidiary	Jurisdiction	Ownership
18 January 2024	Hotel101 Spain Management S.L.U.	Spain	100% owned through Hotel101 EU SARL

26 February 2024	Hotel101 Sales Pte. Ltd.	Singapore	100% owned through Hotel101 Global Pte Ltd
13 March 2024	Hotel101 Global Holdings Corp.	Cayman Islands	100% owned by the Company
13 March 2024	HGHC 1 Corp.	Cayman Islands	100% owned through Hotel101 Global Holdings Corp.
13 March 2024	HGHC 2 Corp.	Cayman Islands	100% owned through Hotel101 Global Holdings Corp.
13 March 2024	HGHC 2 Corp.	British Virgin Islands	100% owned through Hotel101 Global Holdings Corp.
4 April 2024	HGHC 4 Pte. Ltd.	Singapore	100% owned through Hotel101 Global Holdings Corp.

COMPETITIVE STRENGTHS

The Company's business is characterised by the following competitive strengths:

- diversified Philippine property group with four recurring income growth pillars;
- well-defined execution capability with a proven track record;
- first mover advantage as the leading community mall operator outside of Tier 1 cities;
- well-positioned to benefit from positive macroeconomic fundamentals in the Philippines;
- supported by strategic partnerships with credible local and international business groups; and
- experienced board and management team with strong corporate governance.

BUSINESS STRATEGIES

The key elements of the Company's business strategy are:

- a nationwide expansion plan to grow recurring income stream across four property pillars: retail, office, industrial and hospitality;
- identifying shifts and capitalising on real estate segments where it can be a leading player;
- focus on building recurring revenue based on a foundation of appreciating assets and operate a capital efficient business model; and
- maintain a strong balance sheet, prudent risk and capital management and good governance.

RISKS OF INVESTING

Before making an investment decision, investors should carefully consider the risks associated with an investment in the Company's Offer for the **First Tranche** Bonds. These risks include:

Risks relating to the Company's Business

Risks relating to the Philippines

Risks relating to the Bonds

Risks relating to statements in this Preliminary Prospectus

A detailed discussion on the above-enumerated risks appears on the "*Risk Factors*" section on page [●] of this Preliminary Prospectus

SUMMARY CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA

*The summary historical consolidated balance sheets data as of 31 December 2023 and 2022 and summary historical consolidated statement of comprehensive income and cash flow data for the years ended 31 December 2023, 2022, and 2021 set forth below have been derived from, and should be read in conjunction with, the audited consolidated financial statements and the notes thereto, included elsewhere in this Preliminary Prospectus. R.G. Manabat & Co. ("**RGM**"), a member firm of KPMG International, has audited the consolidated financial statements in accordance with Philippine Standards on Auditing.*

Potential investors should read the following data together with the more detailed information contained in "Management's Discussion and Analysis of Results of Operations" and the consolidated financial statements and related notes included elsewhere in this Preliminary Prospectus. The following data is qualified in its entirety by reference to all of that information.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	2023	2022	2021
INCOME			
Rent income	**₱3,069,901,899**	₱3,237,808,132	₱3,420,413,009
Real estate sales	**1,353,923,660**	1,536,286,229	778,084,021
Hotel revenues	**671,672,070**	478,865,495	577,925,107
Unrealized gains from changes in fair values of investment property	**16,482,580,156**	7,484,825,891	9,667,665,180
Income from forfeitures	**60,784,006**	4,572,248	21,659,710
Interest income	**195,515,998**	63,101,706	94,473,724
Others - net	**2,907,502,128**	1,324,847,077	1,365,615,357
	24,741,879,917	14,130,306,778	15,925,836,108
COSTS AND EXPENSES			
Cost of real estate sales	**644,771,282**	860,600,043	434,024,370
Cost of hotel operations	**493,929,215**	335,339,091	326,289,350
Selling expenses	**116,339,563**	164,529,147	127,401,011
General and administrative expenses	**3,066,755,839**	2,613,855,837	2,281,984,861
Interest expense	**2,265,309,234**	1,944,141,097	1,720,301,746
	6,587,105,133	5,918,465,215	4,890,001,338
INCOME BEFORE INCOME TAX	**18,154,774,784**	8,211,841,563	11,035,834,770
INCOME TAX EXPENSE			
Current	**74,442,187**	205,502,967	33,269,891
Deferred	**2,152,973,094**	(4,916,386,677)	(277,908,750)
	2,227,415,281	(4,710,883,710)	(244,638,859)
NET INCOME	**15,927,359,503**	12,922,725,273	11,280,473,629
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that can be reclassified to profit or loss			
Net gain (loss) on cash flow hedges	**-**	(124,900,600)	128,048,157
Loss on exchange differences on translation of foreign operations	**(423,298,190)**	(77,904,258)	(11,070,749)
	(423,298,190)	(202,804,858)	116,977,408
Item that will never be reclassified to profit or loss			
Remeasurement gain (loss) on defined benefit liability	**(9,780,974)**	7,629,282	7,234,766
Deferred tax effect on remeasurement on defined benefit liability	**2,445,245**	(1,907,321)	(2,160,579)
	(7,335,729)	5,721,961	5,074,187
	(430,633,919)	(197,082,897)	122,051,595
TOTAL COMPREHENSIVE INCOME	**₱15,496,725,584**	₱12,725,642,376	₱11,402,525,224

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	2023	2022	2021
ASSETS			
Current Assets			
Cash and cash equivalents	**₱2,918,467,996**	₱5,547,000,190	₱7,763,034,480
Receivables - net	**14,295,415,072**	11,802,956,253	8,215,798,308
Inventories	**4,522,224,068**	2,857,589,016	2,391,400,824
Due from related parties	**49,356,220**	52,146,970	55,150,000
Prepaid expenses and other current assets - net	**6,248,446,537**	5,721,899,025	4,878,316,568
Total Current Assets	**28,033,909,893**	25,981,591,454	23,303,700,180
Noncurrent Assets			
Receivables - net of current portion	**298,601,611**	156,587,874	318,545,851
Property and equipment - net	**1,201,682,700**	709,212,832	845,853,666
Goodwill and other intangible assets	**1,091,535,467**	1,110,495,457	1,147,931,606
Investment property	**147,937,015,015**	126,150,988,095	112,391,162,203
Right-of-use assets	**15,331,566**	-	-
Deferred tax assets	**145,948,729**	161,343,987	298,778,364
Other noncurrent assets	**2,515,921,894**	2,530,300,751	3,350,232,010
Total Noncurrent Assets	**153,206,036,982**	130,818,928,996	118,352,503,700
	₱181,239,946,875	₱156,800,520,450	₱141,656,203,880
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities	**₱8,420,812,394**	₱6,648,971,202	₱3,867,205,235
Short-term loans payable and current maturities of long-term notes payable, net of debt issue costs	**15,283,212,952**	12,533,818,782	14,618,971,659
Customers' deposits	**685,020,347**	153,723,291	119,867,995
Due to related parties	**560,812,383**	567,878,460	727,613,383
Dividends payable	**486,308,726**	456,645,828	147,771,638
Income tax payable	**18,038,820**	31,146,770	14,470,655
Total Current Liabilities	**25,454,205,622**	20,392,184,333	19,495,900,565
Noncurrent Liabilities			
Long-term notes payable - net of current maturities and debt issue costs	**29,425,257,668**	28,588,393,178	21,525,798,815
Bonds payable - net of bond issue costs	**18,553,351,918**	14,925,384,467	14,897,619,317
Deferred tax liabilities	**10,695,557,305**	8,560,424,714	13,612,338,447
Lease liabilities - noncurrent portion	**1,219,162,429**	1,043,542,515	1,282,638,534
Retirement benefits liability	**45,795,658**	30,036,573	30,547,752
Customers' deposits - net of current portion	**-**	104,403,289	367,412,148
Other noncurrent liabilities	**1,278,244,992**	1,550,576,852	1,135,495,249
Total Noncurrent Liabilities	**61,217,369,970**	54,802,761,588	52,851,850,082
Total Liabilities	**86,671,575,592**	75,194,945,921	72,347,750,647
Equity Attributable to Equity Holders of the Parent Company			
Capital stock	**₱10,237,310,060**	₱10,237,310,060	₱10,237,310,060
Additional paid-in capital	**5,540,589,852**	5,540,589,852	5,540,589,852
Retained earnings	**37,357,785,252**	29,610,178,785	25,251,421,362
Treasury stock	**(391,673,305)**	(391,673,305)	(167,160,000)
Reserves	**(510,591,641)**	(79,957,722)	117,125,176
	52,233,420,218	44,916,447,670	40,979,286,450
Non-controlling Interests	**42,334,951,065**	36,689,126,859	28,329,166,783
Total Equity	**94,568,371,283**	81,605,574,529	69,308,453,233
	₱181,239,946,875	₱156,800,520,450	₱141,656,203,880

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱18,154,774,784**	₱8,211,841,563	₱11,035,834,770
Adjustments for:			
Unrealized gains from changes in fair values of investment property	**(16,482,580,156)**	(7,484,825,891)	(9,667,665,180)
Interest expense	**2,265,309,234**	1,944,141,097	1,720,301,746
Impairment loss on receivables	**796,078,002**	373,719,876	387,344,960
Interest income	**(195,515,998)**	(63,101,706)	(94,473,724)
Depreciation and amortization	**175,576,873**	234,551,431	162,557,861
Retirement costs	**5,978,110**	7,118,103	8,153,966
Operating income before working capital changes	**4,719,620,849**	3,223,444,473	3,552,054,399
Decrease (increase) in:			
Receivables	**(3,318,627,267)**	(4,874,407,833)	(2,277,039,532)
Inventories	**(1,664,635,052)**	(466,188,192)	(79,589,030)
Due from related parties	**2,790,750**	3,003,030	-
Prepaid expenses and other current assets	**(526,547,512)**	(843,582,457)	(370,716,322)
Increase (decrease) in:			
Accounts payable and other current liabilities	**2,163,307,321**	2,036,643,074	(1,715,848,315)
Customers' deposits	**407,849,613**	(229,153,563)	(31,550,899)
Due to related parties	**(7,066,077)**	(159,734,923)	(263,918,719)
Cash generated from (used for) operations	**1,776,692,625**	(1,309,976,391)	(1,186,608,418)
Interest received	**83,592,707**	49,800,710	43,761,462
Interest paid	**(4,330,991,493)**	(3,059,285,556)	(3,724,803,512)
Income tax paid	**(511,918,103)**	(188,826,852)	(87,961,967)
Net cash used in operating activities	**(2,982,624,264)**	(4,508,288,089)	(4,955,612,435)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in non-controlling interest	**-**	2,095,107,907	3,845,764,073
Net proceeds from secondary offering of shares of a subsidiary	**-**	-	8,983,606,572
Additions to:			
Investment property	**(3,205,752,900)**	(3,184,053,596)	(2,201,858,120)
Property and equipment	**(641,834,328)**	(55,020,547)	(126,244,369)
Other intangible assets	**(4,698,846)**	(5,453,901)	(9,990,001)
Additional investment in a subsidiary	**-**	-	(1,922,882,036)
Additions to investments in associates	**-**	-	(382,884,451)
Decrease (increase) in other noncurrent assets	**14,378,858**	695,030,659	(415,306,505)
Net cash provided by (used in) investing activities	**(3,837,907,216)**	(454,389,478)	7,770,205,163

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Availment of notes, net of debt issue costs	**₱7,584,232,549**	₱14,625,829,353	₱12,700,273,271
Availment of bonds	**3,615,000,000**	-	-
Payment of:			
Notes and loans, net of debt issue costs	**(4,002,749,880)**	(9,706,053,453)	(9,290,628,455)

Dividends	**(2,504,265,932)**	(1,990,241,492)	(2,064,740,813)
Lease liability	**(227,885,591)**	(242,819,780)	(12,413,264)
Redemption of common shares	**-**	(224,513,305)	-
Increase (decrease) in other noncurrent liabilities	**(272,331,860)**	284,441,954	(360,399,259)
Net cash provided by financing activities	**4,191,999,286**	2,746,643,277	972,091,480
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,628,532,194)**	(2,216,034,290)	3,786,684,208
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**5,547,000,190**	7,763,034,480	3,976,350,272
CASH AND CASH EQUIVALENTS AT END OF YEAR	**₱2,918,467,996**	₱5,547,000,190	₱7,763,034,480

OTHER FINANCIAL DATA AND RATIOS

	December 31, 2023	December 31, 2022	December 31, 2021
Current Ratio	1.10	1.27	1.20
Asset to Equity	1.92	1.92	2.04
Debt to Equity Ratios			
On Gross Basis	0.67x	0.69x	0.74x
On Net Basis	0.64x	0.62x	0.62x
Return on Equity	19.05%	12.93%	19.79%
Net Income to Revenue	37.39%	39.29%	46.49%
Revenue Growth	75.10%	-11.27%	11.66%
Net Income Growth	66.64%	14.56%	87.22%
EBITDA	₱20.50 Billion	₱10.39 Billion	₱12.92 Billions
Acid Test Ratio	0.68	0.85	0.82
Solvency Ratio	0.18	0.17	0.16
Interest Coverage Ratio	5.11	3.32	3.92

OVERVIEW OF THE DEBT SECURITIES PROGRAM

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Preliminary Prospectus and, in relation to the terms and conditions of any particular tranche and their applicable terms and conditions.

*DoubleDragon is offering a Debt Securities Program comprised of fixed rate bonds (the "Bonds") in the aggregate principal amount of Ten Billion Pesos (₱10,000,000,000.00) to be issued in one or more tranches at such times and on such terms as may be determined by the management of the Issuer (the "**Debt Securities Program**" or the "**Program**"). The following sections outline the description of the Program.*

Issuer	:	DoubleDragon Corporation
Facility	:	₱10,000,000,000.00 Debt Securities Program
Purpose	:	The intended use of proceeds for each tranche shall be set in the relevant prospectus and/or offer supplement under the "Use of Proceeds" section
Availability	:	The Program will be continuously available until the expiration of the Shelf Period in one or more tranches at such times and on such terms as may be determined by the management of the Issuer
Issue Price	:	100% of face value
Interest	:	Interest on the Bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually or quarterly in arrear.
Method of Issue	:	The Bonds will be issued on a continuous basis in tranches (each a "Tranche") on different issue dates. The specific terms of each Tranche (which, save in respect of the issue date, issue price, interest commencement date, principal amount, and other terms of the Tranche specifically identified in the final prospectus or the relevant offer supplement, will be identical to the terms of other Tranches of the same Bonds) will be set forth in the final prospectus or corresponding offer supplement.
Form and Denomination	:	The First Tranche Bonds shall be issued in scripless form in minimum denominations of ₱[50,000.00] each, and in multiples of ₱[10,000.00] thereafter.
Optional Redemption	:	The applicable final terms will indicate either that the relevant Bonds cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an event of default) or that such Bonds will be redeemable at the option of the Issuer upon giving notice to the bondholders on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant underwriters.
Redemption for Taxation Reasons	:	The Issuer may redeem the First Tranche Bonds in whole, but not in part, on any Interest Payment Date (having given not more than sixty (60) nor less than thirty (30) days' notice to the Trustee) at par plus accrued interest, subject to the requirements of Applicable Law, if payments under the Bonds become subject to additional or increased taxes other than the

		taxes and rates of such taxes prevailing on Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer. For avoidance of doubt, the Issuer shall not be liable for the payment of the additional or increased taxes on the income of the Bondholders, which shall be for the account of the Bondholders.
Redemption Due to Change in Law	:	The Company may also redeem the Bonds, in whole (not in part), at any time having given not less than 30 nor more than 60 days' written notice prior to the intended date of redemption, such notice to be deemed irrevocable upon issuance thereof, if any Change in Law (as defined below) will materially and adversely affect the ability of the Issuer to comply with its obligations under the Bonds or the Trust Agreement or the financial position or operations of the Issuer. For a detailed discussion, please refer to terms of the Tranche specifically identified in the final prospectus or the relevant offer supplement.
Negative Pledge	:	The Bonds shall have the benefit of a negative pledge on all existing and future assets of the Issuer and its Subsidiaries, subject to certain permitted liens, as provided under the relevant trust agreement.
Status of the Bonds		The Bonds constitute direct, unconditional, unsecured, and unsubordinated Peso denominated obligations of the Issuer and shall rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, other than (i) obligations preferred by the law and (ii) any obligation incurred by the Issuer pursuant to the relevant trust agreement or as may be allowed by the trust agreement. The First Tranche Bonds shall effectively be subordinated in right of payment to, among others, all of Issuer's secured debts, and all of its debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code.
Governing Law	:	Laws of the Republic of the Philippines.
Registry and Paying Agent	:	Philippine Depository & Trust Corp.
Listing	:	Philippine Dealing & Exchange Corp. ("**PDEx**")

SUMMARY OF THE OFFERING

The following is a summary of the terms of the offering of the First Tranche Bonds and is qualified in its entirety by the remainder of this Preliminary Prospectus. For a more complete description of the Terms and Conditions of the First Tranche Bonds, see "Terms and Conditions of the Bonds." Some of the terms described below are subject to important limitations and exceptions.

Prospective Bondholders are enjoined to perform their own independent investigation and analysis of the Company and the offer of First Tranche Bonds. Each prospective bondholder must rely on its own appraisal of the Company and the Offer and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Offer and must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective bondholder's independent evaluation and analysis

Issuer	:	DoubleDragon Corporation
Issue	:	SEC–registered fixed-rate, Philippine Peso-denominated Bond constituting the direct, unconditional, unsecured and unsubordinated obligations of the Issuer.
Base Offer	:	Up to [Three Billion Pesos] (₱3,000,000,000.00) Fixed- rate Bonds
Oversubscription Option	:	Up to [Three Billion Pesos] (₱3,000,000,000.00) Fixed- rate Bonds
Issue Price	:	100% of face value
Interest Rate	:	Fixed interest rate of [●]% per annum
Tenor	:	[3.5] years
Bond Rating	:	The First Tranche Bonds have been rated PRS Aaa by the Philippine Rating Services Corporation on 7 June 2024. The rating is subject to regular annual reviews, or as the market dictates, while the First Tranche Bonds are outstanding. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization.
Use of Proceeds	:	Proceeds of the Offer shall be used by the Company (a) to refinance certain existing debt obligations, and (b) for general corporate purposes]. For a detailed discussion on the Use of Proceeds please refer to the section on "*Use of Proceeds.*"
Offer Period	:	The Offer shall commence at 9:00 a.m. on [27 June 2024] and end at 5:00 p.m. on [9 July 2024] or on such other date as the Issuer and the Joint Lead Underwriters and Bookrunners may agree upon.
Issue Date		[16 July 2024], or the immediately succeeding Banking Day if such Issue Date is not a Banking Day, or such later date as may be mutually determined by the Issuer and the Joint Lead Underwriters and Bookrunners. In the event that the original Issue Date is moved to the succeeding Banking Day, the interest accruing for the first Interest Period shall accrue from

		(and including) such adjusted Issue Date, without adjustment to the Interest Payment Date.
Maturity Date or Redemption Date	:	[3.5] years from the Issue Date, provided that, in the event that such Maturity Date falls on a day that is not a Business Day, the Maturity Date shall be the immediately succeeding Business Day, without adjustment to the amount of interest and principal to be paid.
Interest Payment Date	:	The Interest shall be paid quarterly in arrear on [16 July], [16 October], [16 January], and [16 April] of each year commencing on [16 July 2024], until and including the Maturity Date (each, an "**Interest Payment Date**"), or the next Banking Day if such dates fall on a non-Banking Day without any adjustment in the amount of interest as originally computed. The last Interest Payment Date shall fall on the Maturity Date. Interest on the First Tranche Bonds shall be calculated on a 30/360-day basis. If the Issue Date is set at a date other than [16 July 2024], then the Interest Payment Dates will be automatically adjusted to the numerically corresponding dates at every three (3) months following the actual Issue Date (or if there is no day so numerically corresponding, such date shall pertain to the last day of such calendar month). The last Interest Payment Date shall fall on the relevant Maturity Date.
Form and Denomination	:	The First Tranche Bonds shall be issued in scripless form in minimum denominations of ₱50,000.00 each, and in multiples of ₱10,000.00 thereafter.
Final Redemption	:	Unless previously purchased and cancelled, the First Tranche Bonds will be redeemed at par or 100% face value on the relevant Maturity Date. However, if the Maturity Date is not a Business Day, payment of all amounts due on such date will be made by the Issuer through the Paying Agent, without adjustment in computation as to the amount of interest payable and principal amount, on the succeeding Business Day.
Optional Redemption	:	The Issuer shall have the option, but not the obligation, to redeem in whole (and not in part), the outstanding First Tranche Bonds on the dates specified below. The amount payable to the Bondholders upon the exercise of the Early Redemption Option by the Issuer shall be calculated, based on the principal amount of First Tranche Bonds being redeemed, as the sum of: (i) accrued interest computed from the last Interest Payment Date up to the Early Redemption Option Date; and (ii) the product of the principal amount of the First Tranche Bonds being redeemed and the Early Redemption Price in accordance with the schedule below:

Early Redemption Option Dates	Early Redemption Price
On the 9th Interest Payment Date	102.0%
On the 12th Interest Payment Date	101.0%

The Issuer shall give not less than thirty (30) nor more than sixty (60) days prior written notice to the Bondholders through the Trustee of its intention to redeem the First Tranche Bonds,

		which notice shall be irrevocable and binding upon the Issuer to effect such early redemption of the First Tranche Bonds on the Early Redemption Option Date stated in such notice. Upon receipt by the Trustee of such notice fully complying with these. For the avoidance of doubt, notice to the Trustee shall be considered notice to the Bondholders.
Redemption for Taxation Reasons	:	The Issuer may redeem the First Tranche Bonds in whole, but not in part, on any Interest Payment Date (having given not more than sixty (60) nor less than thirty (30) days' notice to the Trustee) at par plus accrued interest, subject to the requirements of Applicable Law, if payments under the First Tranche Bonds become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer. For avoidance of doubt, the Issuer shall not be liable for the payment of the additional or increased taxes on the income of the Bondholders, which shall be for the account of the Bondholders.
Redemption Due to Change in Law	:	The Company may also redeem the First Tranche Bonds, in whole (not in part), at any time having given not less than 30 nor more than 60 days' written notice prior to the intended date of redemption, such notice to be deemed irrevocable upon issuance thereof, if any Change in Law (as defined below) will materially and adversely affect the ability of the Issuer to comply with its obligations under the First Tranche Bonds or the Trust Agreement or the financial position or operations of the Issuer. For a detailed discussion, please refer to "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption due to Change in Law*" on page [●] of this Preliminary Prospectus.
Negative Pledge	:	The First Tranche Bonds shall have the benefit of a negative pledge on all existing and future assets of the Issuer and its Subsidiaries, subject to certain permitted liens, as provided under Section [●] of the Trust Agreement.
Purchase and Cancellation	:	The Issuer may purchase the First Tranche Bonds at any time in the open market or by tender or by contract at the best available price under prevailing market conditions, in accordance with PDEX Rules and/or the SRC, as may be amended from time to time, without any obligation to make pro rata purchases from all Bondholders. First Tranche Bonds so purchased shall be redeemed and cancelled and may not be re-issued. Upon listing of the First Tranche Bonds in the PDEx, the Issuer shall disclose any such transaction in accordance with the applicable disclosure rules of the PDEx.
Transfer of Ownership		Trading of the First Tranche Bonds shall be coursed through a PDEx Trading Participant, subject to the applicable PDEx Rules and conventions. Upon any assignment of the First Tranche Bonds, title shall pass by recording the transfer from the transferor to the transferee in the electronic Register of Bondholders to be maintained by the Registrar.

Status of the Bonds		The First Tranche Bonds constitute direct, unconditional, unsecured, and unsubordinated Peso denominated obligations of the Issuer and shall rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, other than (i) obligations preferred by the law and (ii) any obligation incurred by the Issuer pursuant to Section [●] of the Trust Agreement or as may be allowed by the Trust Agreement. The First Tranche Bonds shall effectively be subordinated in right of payment to, among others, all of Issuer's secured debts, and all of its debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code.
Listing	:	The Issuer intends to list the First Tranche Bonds in the PDEx on Issue Date.
Non-Reliance	:	Each Bondholder also represents and warrants to the Trustee that it has independently and, without reliance on the Trustee, made its own credit investigation and appraisal of the financial condition and affairs of the Issuer on the basis of such documents and information as it has deemed appropriate and that it has subscribed to the Issue on the basis of such independent appraisal, and each Bondholder represents and warrants that it shall continue to make its own credit appraisal without reliance on the Trustee. The Bondholders agree to indemnify and hold the Trustee harmless from and against any and all liabilities, damages, penalties, judgments, suits, expenses and other costs of any kind or nature against the Trustee in respect of its obligations hereunder, except for its gross negligence or willful misconduct.
Own Risk	:	Bondholders understand and acknowledge that investment in the First Tranche Bonds is not covered by the Philippine Deposit Insurance Corporation ("**PDIC**") and that any loss or depreciation in the value of the assets of the Bondholders, resulting from the investments or reinvestment in the First Tranche Bonds and the regular conduct of the Trustee's trust business shall be for the account of the Bondholder.
Governing Law	:	The First Tranche Bonds will be issued pursuant to the laws of the Republic of the Philippines.
Joint Issue Managers, Joint Lead Underwriters, and Bookrunners	:	Development Bank of the Philippines RCBC Capital Corporation Unicapital, Inc.
Registry and Paying Agent	:	Philippine Depository & Trust Corp. Address: 37th Floor Enterprise Centre Tower 1 Ayala Avenue, Makati City, Metro Manila Telephone No.: (632) 8884-4425 Fax No.: (632) 8757-6025 E-mail: [●] Attention: [●]
Trustee	:	RCBC Trust Corporation Attention: [●] Subject: [DoubleDragon Bonds due [●]] Address: [●] Contact No.: [●] E-mail: [●]

Indicative Timeline	:	Receipt of Pre-Effective Clearance………. [20 June 2024] Receipt of Permit to Sell…………………… [26 June 2024] Listing Date………………………………….. [16 July 2024]

RISK FACTORS

Investing in the First Tranche Bonds involves a number of risks. The price of securities can and does fluctuate, and any individual security is likely to experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profits made as a result of buying and selling securities. Past performance is not indicative of future performance and results, and there may be a large difference between the buying price and the selling price of the First Tranche Bonds.

The Company believes that the following factors may affect its ability to fulfil its obligations under the First Tranche Bonds. Most of these factors are contingencies which may or may not occur and the Company is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the First Tranche Bonds are described below.

The Company believes that the factors described below represent the principal risks inherent in investing in the First Tranche Bonds, but the inability of the Company to pay interest, principal or other amounts on or in connection with the First Tranche Bonds may occur for other reasons which may not be considered significant risks by the Company based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Preliminary Prospectus, including the audited financial statements of the Company and notes relating thereto, and reach their own views prior to making any investment decision.

The section below does not purport to be a comprehensive disclosure of all of the risks and other significant aspects of participating in the Offer but is intended to give a prospective bondholder of the scope of risks involved in participating in the First Tranche Bonds. The occurrence of any of the events discussed below and any additional risks and uncertainties not currently known to the Company or that are currently considered immaterial could have a material adverse effect on the business, results of operations, financial condition and prospects of the Company and prospective investors may lose all or part of their investment. Prospective bondholders should seek professional advice if they are uncertain of, or have not understood any aspect of the Issuer or the nature of risks involved in purchasing and holding the First Tranche Bonds. Each potential bondholder should consult its own counsel, accountant and other advisors regarding legal, tax, business, financial and related aspects of participation in the First Tranche Bonds. DoubleDragon and the Joint Lead Underwriters and Bookrunners do not make any warranty of representation on the marketability of participation in the Offer.

The risk factors discussed in this section are of equal importance, and are presented in no particular order.

RISKS RELATING TO THE COMPANY'S BUSINESS

The Company may not be able to successfully manage and implement its growth or expansion strategies.

Having met its leaseable portfolio target of 1.2 million sq.m. of completed gross floor area ("**GFA**"), comprising primarily of its chain of CityMalls nationwide, from its Metro Manila office projects DD Meridian Park, DD Meridian Tower, Jollibee Tower, and Robinsons DoubleDragon Square from planned hotel rooms of Hotel 101 and Jinjiang Inn Philippines, and from its various CentralHub industrial warehouse complexes, the Company intends to continue to pursue a strategy of revenue optimisation for its retail leasing, office leasing, hospitality, and industrial leasing operations, with the goal of maximising recurring revenue. As of 31 March 2024, the Company had 46 operational malls and seven CityMalls under construction, with an additional land bank for 14 CityMalls. As of 31 March 2024, the Company also had six operational hotels with 1,482 rooms, with seven hotels under construction and expected to add another 3,463 rooms, and an additional ten hotels under planning and development stages. The Company also completed the construction of Jollibee Tower and phases 1, 2 and 4 of DD Meridian Park, comprising DoubleDragon Plaza, DoubleDragon Center East, DoubleDragon Plaza West and DoubleDragon Tower. As of 31 March 2024, Ascott-DD Meridian Park, the third phase of DD Meridian Park, was 82% completed. As of 31 March 2024, the Company owns 10 CentralHub sites across the Philippines, with a total of 60.57 hectares of prime industrial land. Five of the Company's CentralHub sites, namely CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig, are currently operational. CentralHub-Sta Barbara Iloilo, CentralHub-Davao, CentralHub-Cebu and CentralHub-Negros are under construction while CentralHub-Surigao is currently in the development stages. As of 31 March 2024, Phases 1 and 2 of CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were all fully leased out. Phases 3 and 4 of CentralHub- Tarlac are pending tenant turnover. Further, on 30 September 2022, the Company, through its subsidiaries, fully paid for the acquisition of a prime 9,000 sq.m. parcel of land in Hokkaido Prefecture, Japan. The Company expects to develop its first international Hotel 101 development, named Hotel 101-Niseko, on such acquired land. The Company aims to acquire two additional Hotel 101 properties outside the Philippines, and is in the process of identifying suitable land for these developments in Europe and the United States.

While, the Company believes that it has the ability and resources to create a market leading business model by leveraging on its end-to-end capabilities as a real estate developer and owner, encompassing site identification, master planning, development, marketing, leasing, business events, and client relationship management, there can be no assurance that, in the course of implementing its growth strategy, the Company will not experience capital constraints, delays in obtaining relevant licences and permits, construction delays, operational difficulties at new operational locations or difficulties in operating existing businesses and training personnel to manage and operate the expanded business.

The Company also does not have a track record of developing real estate outside the Philippines, and may face unexpected costs, unique challenges and difficulties in other jurisdictions, such as Japan as well as the jurisdictions of additional Hotel 101 sites. There is also no assurance that the Company's ventures outside the Philippines will be successful. For example, although the Company aims to develop its international hospitality projects where Filipinos have historically visited to leverage its brand equity, there may be fewer than expected local and international tourist arrivals in these jurisdictions.

The Company may also experience delays resulting from independent contractors who are not able to complete projects on time due to various factors, including a lack of available manpower. See "– *Independent contractors may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or to complete projects on time and within budget.*" Any inability or failure to adapt effectively to growth or to become a predominantly recurring income company, including constrains on management and logistics, could result in losses or development costs that are not recovered as quickly as anticipated, if at all. Further, there is no assurance that the Company will be able to generate enough cash flows to service, or otherwise not default on, any of its existing loan payables or any of its future debt obligations. Any such default may lead to trigger cross defaults and/or subject the Company to litigation and other proceedings filed by its lenders. These could have a material adverse effect on the Company's reputation and on its business, financial condition and results of operations.

The expansion of the Company's businesses will also require the Company to manage additional relationships with third parties such as potential retailers, suppliers and contractors, including international contractors for its international hospitality projects. The Company has also recently commenced operations of certain industrial leasing sites and may encounter issues. For example, the Company may have insufficient experience in dealing with topics associated with the new business, such as applicable laws relating to the environment as well as different construction, operational and marketing requirements. There can be no assurance that the Company's continued expansion into industrial leasing will be successful. There can also be no assurance that there will be a market for the Company's industrial leasing business. As a result, the Company's decision to pursue such expansion could have a material adverse effect on the Company's reputation and its business.

Further, there can be no assurance that the Company's plan to pivot to an investment holding company will result in its continued growth or that it will be able to successfully invest in other opportunities outside the property sector, if at all. There can also be no assurance that the Company will be able to successfully implement its expansion plans with respect to its Hotel 101 brand outside the Philippines. See "*Business Strategies*" for more information.

Although the Company plans to increase the percentage of its recurring income through

the continued expansion of its leasing portfolio, historically the Company's revenues have been driven primarily by real estate sales and growth in fair value of its investment property. Therefore, its historical results may not be indicative of its future performance.

The Company is in the process of transitioning to a recurring revenue model, with the intention of earning a significant majority of its income from its leasing portfolio. In the past three years, the Company has been steadily building its leasing portfolio and acquisition of suitable sites for its retail leasing, office leasing, industrial leasing and hospitality operations. The Company chooses the locations of its projects based on specific criteria depending on the type of leasing activity. For example, the Company plans for all CityMall sites to be in prime locations along main roads to increase visibility and maximise exposure and accessibility to its target market. Another example is DD Meridian Park, which is strategically located in the corner of EDSA, Roxas Boulevard and Macapagal Avenue, all of which are main thoroughfares in Metro Manila close to the Entertainment City and the SM Mall of Asia complex. The Company's recurring revenue, consisting of its rent income and income from hotel operations, was 25.1%, 26.3% and 15.1% of its total revenues for the years ended 31 December 2021, 2022 and 2023, respectively.

However, historically a substantial portion of the Company's revenue was from real estate sales and unrealised gains from changes in fair values of investment property. For the years ended 31 December 2021, 2022 and 2023, these sources of revenue accounted for, in the aggregate, 65.6%, 63.8% and 72.1% of the Company's total revenue, respectively. These revenues are primarily from (i) the sale of units in the Company's interim residential projects and Hotel 101 units and (ii) the annual increase in the fair value of DD Meridian Park and Jollibee Tower. (See "*Management's Discussion and Analysis of Financial Condition and Results of Operation – Valuation of investment properties*" for more information.) In addition, as property values in the area surrounding DD Meridian Park stabilise and several of the Company's properties approach completion, the Company may not be able to realise increases in fair value in amounts or at levels that the Company has recognised in the past, or at all. Further, the Company may also incur losses in the fair value of its investment property in the future due to various factors, including but not limited to deterioration of the assets, or decline in property values, in the area where such investment property is located. In addition, the Company's debt covenants may depend on its asset valuations or its ability to crystalise the appraised values in case of any disposals.

The previous results of the Company reflect its interim projects and the increase in fair value of its projects under construction, and are not reflective the Company's plans to significantly increase its retail leasing, office leasing, industrial leasing and hospitality operations. As such, the Company's historical results may not be indicative of its future performance or operations, and there is no assurance that the Company will be able to successfully implement its strategy of increasing its recurring revenue through its leasing portfolio. Investors should not rely on the Company's historical results as an indicator of the Company's future financial performance.

The Company's business may be materially and adversely affected by the coronavirus pandemic and other adverse public health developments.

The outbreak, or threatened outbreak, of any severe communicable disease, such as the ongoing COVID-19 pandemic, could have a material adverse effect on the Company's business, financial condition and results of operations. Further, the continuing impacts of the COVID-19 pandemic are highly unpredictable and uncertain and have caused and will continue to cause disruptions in the Philippines and global economy and financial markets. See "*Business – Recent Developments*" for more information.

Governments and health authorities around the world have imposed sweeping measures designed to contain the pandemic, including, among others, travel restrictions, border closures, curfews, quarantines, cancellations of gatherings and events and closures of universities, schools, restaurants, stores and other business. The economic repercussions of the pandemic and the efforts around the world to contain it have been severe, and include reduced global trade, lower industrial production, broad reductions in general consumption and economic activity and major disruptions to international travel and global air traffic.

In 2020, and in response to the increasing number of COVID-19 cases in the Philippines, President Rodrigo Duterte declared the entire Luzon island under total lockdown on 16 March 2020, which restricted the movement of the population with certain exceptions. Among the lockdown measures implemented were the suspension of work or alternative working arrangements in the private sector except in establishments providing basic necessities, suspension of mass transport facilities, and travel restrictions. The Philippines remained under various forms of COVID-19 driven lockdown measures for most of 2021. Beginning on 1 February 2022, Metro Manila was placed under Alert Level 2, which ended on 28 February 2022. On 4 June 2022, the IATF reduced the alert level for most areas in the Philippines to Alert Level 1. Restrictions on various activities have gradually eased. On 13 September 2022, the Philippine Department of Health issued updated guidelines on minimum public health standards for the continued safe reopening of institutions. On 28 October 2022, Executive Order No. 07 was issued, which removed the requirement to wear face masks in indoor spaces, with the exception of healthcare facilities, medical transport vehicles and public transportation. On 1 July 2023, President Ferdinand Marcos, Jr. issued Proclamation No. 297 lifting the Public Health Emergency throughout the Philippines due to COVID-19, with all orders, memoranda, and issuances effective during a State of Public Health Emergency deemed no longer in effect. There can be no assurance that further variants of COVID-19 or other infectious diseases will not trigger a return to restrictive quarantine or lockdown measures that may affect the Company or its subsidiaries in the future.

The Philippine economy showed significant improvements since the outbreak of the COVID-19 but the economic recovery cannot be predicted with complete certainty. On 9 May 2024, the Philippine Government reported that the Gross Domestic Product ("**GDP**") grew by 5.7% in the first quarter of 2024, and 7.6% for the full year 2023. On 2 January 2023, the National Economic Development Authority adjusted its growth targets for 2023 to range from 6% to 7%, while growth targets for 2024 to 2028 were at 6.5% to 8.0%. However, the long-term impact of COVID-19 on the Philippine economy and the speed and certainty of any economic recovery cannot be predicted for certain, and any new surge in infections may result in stricter quarantine or lockdown measures across provinces, cities and municipalities may lead to further contraction of the Philippine economy, closure of businesses, and rise in unemployment rates.

The Philippines has also experienced other public health epidemics or outbreaks of diseases, such as avian influenza or bird flu, African Swine Fever, dengue and polio, among others, which have adversely affected the local economy. For example, in 2019, the Department of Health declared a national dengue outbreak with 437,089 cases recorded for the year with 2,620 deaths. Furthermore, in September 2019, the Department of Health declared a polio epidemic after a case of the disease was recorded in Lanao del Sur after 19 years recording no cases in the country.

The outbreak of the COVID-19 and other adverse public health developments, such as the outbreak of avian influenza, monkey pox, severe acute respiratory syndrome, or SARS, Zika virus and Ebola virus could materially and adversely affect the Company's business, financial condition and results of operations. These may include, temporary closures of the Company's CityMalls, office buildings, industrial leasing sites or hotels, or cause the hospitalisation or quarantine of the Company's employees, delay or suspension of supplies from the Company's suppliers, disruptions or suspension of the Company's operational activities, and labour shortage due to restrictions on the Company's employees' ability to travel. The severe impact of COVID-19 on the tourism and travel industries has, in the past, affected the Company's hospitality operations and hotel revenues. Apart from additional health and safety-related expenses incurred in the past, lockdowns during the COVID-19 pandemic also prevented the Company from proceeding with its property construction and development plan as scheduled, resulting in the extension of the Company's goal to complete 1.2 million sq.m. of GFA to 2022, which has since been met. See "*Business – Recent Developments*".

The interests of the Company's joint venture partners may differ from those of the Company and such partners may take actions that adversely affect the Company or its subsidiaries.

Several of the Company's subsidiaries have entered into joint venture agreements with unaffiliated third parties as part of the Company's diversification strategy. For example, several of the Company's CityMalls, office buildings and hotels of the Company are under joint venture agreements with landowners or other entities. A joint venture involves special risks where the joint venture partner may have economic or business interests or goals that are inconsistent with or different from those of the Company. The joint venture partner may also take actions contrary to the Company's instructions or requests, take actions in direct opposition to the Company's policies or objectives with respect to the underlying business or dispute the distribution of its joint venture share. The joint venture partner may also fail to perform its obligations under the joint venture arrangement. Disputes between the Company and its joint venture partners may arise after significant capital investments in a project have been made, which could result in the loss of some or all of the Company's investment in such project. The Company's reliance on its joint venture arrangements could therefore have a material adverse effect on the Company's business, financial condition and results of operations.

The Company is exposed to risks associated with offering deferred payment schemes, including the risk of customer default.

The Company provides deferred payment schemes to purchasers of units in its Hotel 101 projects and the projects of its affordable residential housing arm DD HappyHomes Residential Centers Inc. in Mandurriao, Iloilo and Tanauan Leyte, typically during the construction period, offering of up to 36 months of amortisation. As a result, and particularly during periods when the unemployment rate rises or when the overall level of overseas remittances decline, the Company faces the risk that a greater number of customers who utilise the Company's in-house financing facilities will default on their payment obligations, which would require the Company to incur expenses such as those relating to sales cancellations and eviction of occupants, additional expenses caused by delinquent accounts, a disruption in cash inflows, risk of holding additional inventory in its balance sheets and reduced finance income.

Deferred payment schemes are typically offered during the construction period and buyers are given a grace period and are given appropriate notices to update their payments in accordance with the law. Nonetheless, the inability of the Company to collect the lump sum balance of the sales contract upon turnover, or any payment when it falls due, could have a material adverse effect on the Company's business, financial condition and results of operations.

Increased inflation, fluctuations in interest rates, changes in Government borrowing patterns and Government regulations could have a material adverse effect on the Company's and its customers' ability to obtain financing.

The Company obtains long-term financing with fixed interest rates to cover the capital expenditures needed to develop its projects. There is no assurance that the Company can continue to raise the additional financing needed to execute its future plans at the current terms.

Interest rates, foreign exchange rates, and other factors that affect interest rates, such as the Government's fiscal policy, could have a material adverse effect on the Company and on demand for its products. For example:

- Higher interest rates make it more expensive for the Company to borrow funds to finance ongoing projects or to obtain financing for new projects and will affect the levered return margins of the Company.

- Because the Company believes that a substantial portion of its customers procure financing to fund their purchases of condotels or residential units in the Company's interim projects, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential projects.

- If the Government significantly increases its borrowing levels in the domestic currency market, this could increase the interest rates charged by banks and other financial institutions and also effectively reduce the amount of bank financing available to both prospective property purchasers and real estate developers, including the Company.

- The Company's access to capital and its cost of financing are also affected by restrictions, such as single borrower limits, imposed by the BSP on bank lending. If the Company were to reach the single borrower limit with respect to their current or preferred bank or banks, the Company may have difficulty obtaining financing on the same or similar commercial terms from other banks.

- Increased inflation in the Philippines could result in an increase in raw materials costs, which the Company may not be able to pass on to its customers as increased prices or to its contractors by having the Company's contractors absorb raw material cost increases.

The occurrence of any of the foregoing events, or any combination of them, or of any similar events could have a material adverse effect on the Company's business, financial condition and results of operations.

On 18 August 2022, the Monetary Board increased the interest rate on RRP to 3.75%, overnight deposit to 3.25%, and lending rates to 4.25%, effective 19 August 2022. On 22 September 2022, the Monetary Board decided to raise the interest rate on the BSP's overnight reverse repurchase facility by 50 basis points to 4.25%, effective on 23 September 2022. Accordingly, the interest rates on the overnight deposit and lending facilities were raised to 3.75% and 4.75%, respectively. The Monetary Board on 17 November 2022 again raised interest rates on the BSP's overnight reverse repurchase facility by 75 basis points to 5.0%, effective 18 November 2022. Accordingly, the interest rates on the overnight deposit and lending facilities will be set to 4.5% and 5.5%, respectively. On December 2022, the Monetary Board set another increase on interest rates to combat inflation. On 16 February 2023, the interest rate of the BSP's overnight reverse repurchase facility was raised by 50 basis points to 6.0%, effective 17 February 2023. Thus, interest rates on the overnight deposit and lending facilities will be set to 5.5% and 6.5%, respectively, to temper inflation. There is no assurance that interest rates in the Philippines will not further increase in the future, including in response to inflationary pressures resulting from higher food, energy and other commodity prices, economic growth, tax reforms and global developments.

The Company's rollout of CityMalls may not be successful, and the Company's existing malls may not be able to continue to benefit from a favorable retail environment.

A significant part of the Company's expansion strategy entails the opening of new CityMalls in suitable locations in various provincial areas of the Philippines, including in areas where the Company does not currently have a presence. There can be no assurance that the Company will be able to identify and procure suitable sites for its new CityMalls. There is also no assurance that such new CityMalls will be successful or profitable.

The success of the Company's CityMalls depends on the shift of consumer preference in the provinces from traditional retailers and local neighborhood stores to a store in a modern retail format. The Company positions its CityMalls as the modern alternative to traditional retailers (i.e., local neighborhood store or provincial-branded store with a regional footprint) in first class municipalities and second and third class cities in the Philippines, and are meant to provide a venue for modern retail concepts in the provinces. Further, the Company intends to continue implementing what it believes to be an effective strategy for the selection of sites, and rollout, of CityMalls. For example, the Company positions its CityMall sites in prime locations along main roads to increase visibility and maximise exposure and accessibility to its target market.

Further, expansion into new geographical areas will also expose the Company to additional operational, logistical and other risks. The Company may find it difficult to obtain regulatory or local government approvals for its new CityMalls in these areas due to differences in local requirements and processes. The Company may also experience difficulty in building the "CityMall" brand in these new areas or maintaining its typical tenant mix or store offerings for each CityMall. For example, certain of the Company's CityMalls may not have a "FoodWorld" or a grocery store due to the location thereof. The Company's proposed expansion will also place increased demands on its managerial, operational, financial and administrative resources. Any difficulties the Company experiences with respect to developing its business operations in new geographical areas may materially and adversely affect the Company's business, financial condition and results of operations.

In addition, there can be no assurance that the Company's existing CityMalls will be able to operate on a profitable basis if the current retail environment becomes less favorable to the Company and/or its tenants. The surrounding environment of the Company's existing CityMalls may also change in terms of consumer demographics, or in terms of store mix, as different businesses move in or out of the surrounding areas. Pandemics such as COVID-19, or quarantine measures implemented in relation thereto, have resulted and may result in limited foot traffic in the Company's existing CityMalls, which will adversely affect the Company's tenants. If the Company fails to predict and respond to changes in the retail environment, the Company's business, financial condition and results of operation may be materially and adversely affected.

As of March 31, 2024, the Company owns and operates 43 CityMalls, primarily located in key strategic locations in Luzon, Visayas and Mindanao. The Company also has seven CityMalls under construction, with an additional land bank for 14 CityMalls.

The Company's rollout of CentralHub industrial centers may not be successful, and the Company's existing industrial centers may not be able to continue to benefit from a favorable business environment.

As part of the four pillars of the Company's recurring revenue strategy, the Company plans to manage and develop CentralHub industrial centers in each of the provinces in the Philippines. As of 31 March 2024, the Company owns 10 CentralHub sites across the Philippines, with a total of 60.57 hectares of prime industrial land. Five of the Company's CentralHub sites, namely CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig, are currently operational. CentralHub-Sta Barbara Iloilo, CentralHub-Davao, CentralHub-Cebu and CentralHub-Negros are under construction while CentralHub-Surigao is currently in the development stages. As of 31 March 2024, Phases 1 and 2 of CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were all fully leased out. Phases 3 and 4 of CentralHub-Tarlac are pending tenant turnover..

The Company also acquired a 3.9 hectare parcel of land in Iloilo for its second CentralHub complex, to be named CentralHub-Sta Barbara Iloilo, which is strategically located along a national highway approximately five kilometres from Iloilo International. Moreover, the Company acquired a 5.2 hectare parcel of land in Danao, Cebu which will have a capacity of 27,212 sq.m. of industrial warehouse space and an 8.2 hectare parcel of land along the Daan Maharlika Highway in Davao City with an estimated capacity of 40,392 sq.m. of leasable industrial warehouse space. In 2022, the Company acquired two other sites, a 10.06 hectare property in Silay Negros for CentralHub-Negros, and a 6.40 hectare property in Surigao for CentralHub-Surigao. CentralHub-Sta Barbara Iloilo and CentralHub-Cebu are under construction while CentralHub-Davao, CentralHub-Negros and CentralHub-Surigao are currently in the development stages.

There can be no assurance that the Company will be able to identify and procure suitable sites for its new CentralHub sites, and there is no assurance that the Company's operating industrial centers or future industrial centers will be successful or profitable.

The success of the Company's CentralHub industrial centers depends on the take up of concessionaires and other distributors in provincial areas. Further, expansion into new geographical areas will also expose the Company to additional operational, logistical and other risks. The Company may find it difficult to obtain regulatory or local government approvals for its new CentralHub industrial centers in these areas due to differences in local requirements and processes. The Company may also experience difficulty in building the CentralHub brand in these new areas or attracting creditworthy tenants.

The Company's proposed expansion will also place increased demands on its managerial, operational, financial and administrative resources. Any difficulties the Company experiences with respect to developing its business operations in new geographical areas may materially and adversely affect the Company's business, financial condition and results of operations.

In addition, there can be no assurance that the Company's CentralHub industrial centers will be able to operate on a profitable basis if the current business environment becomes less favorable to the Company or its tenants. The surrounding environment the Company's existing and future CentralHub sites may also change in terms of consumer demographics, or in terms of concessionaires, as different businesses move in or out of the surrounding areas. If the Company fails to predict and respond to changes in the business environment where its CentralHubs are located, the Company's business, financial condition and results of operation will be materially and adversely affected.

Competition for the acquisition of land for new projects and risks relating to the management of its land bank, including fluctuations in demand and prices, may adversely affect the Company's business.

The Company's future growth and development are dependent, in part, on its ability to acquire additional tracts of land suitable for the Company's future real estate projects. There is a high level of scarcity covering prime commercial property in the Philippines and the Company will require additional prime properties across the Philippines to continue expanding its retail leasing, office leasing, industrial leasing and hospitality businesses. The Company will also need to identify land internationally to develop its international hospitality projects. Notwithstanding these challenges, the Company believes that the execution of its previous projects has given it direct access to land bank opportunities, and familiarity with first class municipalities and second and third class cities resulting in the ability to transact more effectively, and an adaptable approach to site acquisition by entering into joint ventures or strategic alliances with landowners, which contribute land to the joint venture while the Company provides its development expertise.

When the Company attempts to locate sites for development, it may experience difficulty locating parcels of land of suitable size in locations and at prices acceptable to the Company, particularly parcels of land located in urban areas (including first class municipalities and second and third class cities) throughout the Philippines. Furthermore, land acquired by the Company may have pre-existing tenants or obligations that prevent immediate commencement of new developments. In the event the Company is unable to acquire suitable land at prices and in locations that are attractive to the Company, or at all, its growth prospects could be limited and its business and results of operations could be adversely affected.

In addition, the risks inherent in purchasing and developing land increase as demand for commercial real estate decreases. The market value of land can fluctuate significantly because of changing market conditions. There can be no assurance that the measures the Company employs to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Company may be forced to sell land or lease its properties at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Company to defer the commencement of its projects. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

The Company is exposed to risks relating to the leasing business.

As part of the Company's retail, office and industrial leasing businesses, the Company has leased and will lease space to various third parties and affiliates, including business process outsourcing ("**BPOs**"), Philippine offshore gaming operators ("**POGOs**"), boutiques, operators of food kiosks and food stalls. There are certain factors concerning the Company's current and future tenants could affect the Company's financial condition, including:

- untimely expiration of leases and vacancies of tenants;
- delays in the payment of rent due to a tenant's declining sales or slow turnover;
- tenants seeking the protection of bankruptcy laws that could result in delays in the Company's receipt of rental payments;
- the Company's inability to collect rental payments or the early termination of a tenant's lease;
- tenants that do not comply with the general terms of the lease;
- changes in laws and government regulations relating to real estate, including those governing usage, zoning, taxes and government charges that could lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance; and
- changes in the relationship between China and the Philippines, regulatory environment or adverse tax rulings or policies which could reduce the attractiveness of the Philippines as an investment destination for certain sectors such as BPOs and POGOs.

Further, the occurrence of events with widespread macroeconomic impact such as COVID-19 may significantly impact or accelerate changes in the demand for office space, such as reducing demand for co-working spaces and increasing work-from-home arrangements which would in turn dampen demand for large office spaces.

Any unfavorable developments with respect to the Company's tenants could have an adverse effect on the Company's business, financial condition and results of operations. The Company's leasing policies however include screening applicants carefully and securing appropriate mix of tenants with respect to its retail spaces, both in terms of the nature of their business and their size.

The Philippine property market is cyclical.

The Company expects to derive a substantial portion of its revenue from its current and future portfolio of retail, office, hospitality and industrial development projects. Accordingly, the Company is dependent on the state of the Philippine property market. The Philippine property market has in the past been cyclical and property values have been affected by the supply of and demand for comparable properties, the rate of economic growth in the Philippines and political and social developments.

Historically low interest rates, expansion in overall liquidity, extensive construction of housing units and other factors could lead to the risk of formation of asset bubbles in real estate.

Prior to mid-2022, the central banks around the world, including the BSP, have kept overall interest rates at historically low levels for several years. This has occurred in conjunction with recent high levels of liquidity in the Philippines owing to strong and growing remittances from Overseas Filipino Workers ("**OFWs**"), the expansion of consumer credit provided by banks, the expiry of the BSP's requirement for banks to maintain special deposit accounts and strong inflows of foreign investments, among other factors. In addition, the pace of real estate construction, particularly for housing in and surrounding Metro Manila and other urban areas, has likewise been strong by historical standards. All these have increased the risk that rising prices may not be sustainable, particularly in the real estate sector. If rising prices are not sustained, the result could have a material adverse effect on the Company's business, financial condition and results of operations.

The real estate market is highly competitive, and any inability to effectively compete could limit the Company's ability to maintain or increase its market share and profitability.

The Company is subject to significant competition in each of its principal businesses but it believes that it has the ability and resources to create a market leading business model.

Commercial and Retail

With respect to its office rental properties, the Company competes for tenants primarily based on quality and location, reputation of the building's owner, quality of support services provided by the property manager, and rental and other charges.

The Company's CityMalls, Dragon8 Mall and other retail centers may face increased competition from other newly built shopping malls. As the Philippine economy grows, the Company and its competitors are increasing the total amount of leasable retail space in both urban and provincial areas of the Philippines. Improved capabilities, diversified product offerings and quality of products from competitors may make newer shopping malls more attractive to tenants and customers.

If tenants of the Company's shopping malls or office rental properties relocate to these newer or other less expensive spaces and do not renew their leases with the Company, the Company may struggle to find replacement tenants and be compelled to reduce rental rates or leave spaces vacant. Should any of these happen, the Company may face a decline in its recurring income from these investment properties.

Furthermore, attracting and retaining tenants often involves additional expenditures on the Company's part, including expenditures related to renovations and marketing. These expenditures may not result in new or retained tenants, which may have a negative effect on the Company's results of operations.

Hotels

Ongoing completion of new hotels and renovations of older competing hotels are increasing the number of hotel rooms available in the Philippines. In addition, competition from non-traditional hospitality providers, such as Airbnb, presents a new form of competition for hotel operators in the country. This increased competition could lead to a decrease in room rates and overall revenue, thus affecting the Company's results of operations. Moreover, with the reduced numbers in international tourists as a result of the COVID-19 outbreak, several hotels and other hospitality operators have been offering discounted rates and packages to increase occupancy rates.

Industrial

The industrial property market may be affected by oversupply, limited industrial expansion and declining foreign investment. There is no assurance that the Company's industrial leasing operations will earn attractive rental yields or be profitable.

The Company's cash ratio is less than 1.0, which exposes the Company to liquidity risk.

The Company recorded current liabilities of ₱21,049.93 million as of 31 March 2024. The current liabilities were primarily attributable to short-term notes payable and current maturities of long-term notes payable, net of debt issue costs which amounted to ₱10,060.57 million as of 31 March 2024. The Company recorded cash and cash equivalents of ₱2,546.93 million as of 31 March 2024. As of 31 March 2024, the Company's cash ratio (i.e., cash and cash equivalents divided by current liabilities) was 0.12 and the ratio of the Company's cash and cash equivalents to short-term notes payable and current maturities of long-term notes payable, net of debt issue costs, amounted to 0.25. The Company's cash ratio and cash-to-short-term-borrowings ratio exposes it to liquidity risk. Payment of accounts payable and other liabilities, repayment of short-term borrowings as when they become due, and the Company's capital expenditure plans will primarily depend on the Company's ability to maintain adequate cash generated from operating activities and adequate external financing. In addition, if the Company encounters any liquidity issues in the future, it may curtail or defer its business expansion plans based on the availability of sufficient funds or the Company may opt to dispose a portion of its portfolio of investment properties (which amounted to ₱148,923.41 million as of 31 March 2024), in order to meet its short-term notes payable and current maturities of long-term notes payable, net of debt issue costs which amounted to ₱10,060.57 million as of 31 March 2024. As of 31 March 2024, the Company's short-term notes payable and current maturities of long-term notes payable, net of debt issue costs were 6.8% of the fair market value of the Company's investment properties. A cash ratio of less than one may limit the Company's working capital for operations or limit the Company's business expansion plans, and the Company's business, financial position and results of operations could be materially and adversely affected. In addition, the rising interest rate environment globally and in the Philippines and global economic uncertainty may make it more challenging for all companies globally, including the Company, to refinance existing debt obligations in the future, or obtain additional financing, whether at acceptable interest rates or at all, to address any potential and future funding requirements.

The Company faces risks relating to project cost and completion, including its ability to generate sufficient cash flow to support its operations and service its debt. Further, the real estate industry in the Philippines is capital intensive, and the Company may be unable to readily raise necessary amounts of funding to acquire new land or complete existing projects.

Construction of property projects may take as long as a year or longer before generating positive net cash flow through sale, leasing or management fees. As a result, the Company's cash flows and results of operations may be significantly affected by its project development schedules and any changes to those schedules. Any delay in the Company's project development schedules, or any inability of any the Company's projects to generate its expected level of cash flows, may adversely affect the Company's business, financial condition and results of operations and its ability to repay or refinance its outstanding indebtedness.

Further, some of the Company's projects are currently under construction and the Company has relied on external sources to finance its expansion for the past three fiscal years. For the year ended 31 December 2023, the Company used net cash of P 2,982.62 million in operating activities while the net cash used in investment activities amounted to of P 3,837.91 million. In the event of any delay in the Company's project development schedules, or in the event any of the Company's projects do not generate the expected level of cash flows, the Company's business, financial condition and results of operations, and its ability to repay or refinance its outstanding indebtedness, may be adversely affected. The Company however looks to long-term funding, and its weighted average debt maturity as of 30 September 2022 is 2.11 years.

Other factors that could adversely affect the time and the costs involved in completing the development and construction of the Company's projects include:

- natural catastrophes and adverse weather conditions;
- changes in market conditions, economic downturns, unemployment rate, and decreases in business and consumer sentiment in general;
- delays in obtaining government approvals and permits;
- delays in completion of its prior projects, which would create shortages of contractors and skilled labour due to the Company's regular use of a limited number of contractors (see "*Risk Factors – Independent contractors may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or to complete projects on time and within budget.*");
- changes in laws or in Government priorities;
- timing of commencement of the projects;
- relocation of existing residents and/or demolition of existing constructions;
- shortages of materials and equipment;
- labour disputes with contractors and subcontractors;
- construction accidents;
- errors in judgement on the selection and acquisition criteria for potential sites; and
- other unforeseen problems or circumstances.

Any of these factors could result in project delays and cost overruns, which may harm the Company's reputation as a property developer or lead to cost overruns or loss of or delay in recognising revenues and lower margins. This may also result in sales and resulting profits from a particular development not being recognised in the year in which it was originally expected to be recognised, which could adversely affect the Company's results of operations for that year. Furthermore, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. The Company cannot provide any assurance that it will not experience any significant delays in completion or delivery of its projects in the future or that it will not be subject to any liabilities for any such delays. The Company however believes it has well-defined execution capability with a proven track record of delivering growth.

Further, the real estate industry in the Philippines is also capital intensive, and market players are required to incur significant expenditures to acquire land for development, complete existing projects and commence construction on new developments. For the year ended 31 December 2022 and 2023, the Company spent ₱3,184.1 million and ₱3,205.8 million, respectively, for capital expenditures for its investment properties.

Historically, the Company has funded a significant portion of its capital expenditure requirements as well as steady growth from external sources of financing. There can be no assurance that, in order to complete its planned projects or satisfy its other liquidity and capital resources requirements, the Company will be able to obtain sufficient funds at acceptable rates to fund its capital expenditure requirements, or that it will be able to obtain sufficient funds at all. Failure to obtain the requisite funds could delay or prevent the acquisition of land, completion of existing projects or commencement of new projects and materially and adversely affect the Company's business, financial condition and results of operations.

The Company has multiple related-party transactions with affiliated companies, and transactions with certain affiliates constitute a substantial percentage of the Company's revenues.

The companies controlled by the DD Majority Shareholders have multiple commercial transactions with the Company, which primarily consist of advances and reimbursements of expenses. The transactions referred to above are described in the section titled "*Related Party Transactions*" and the notes to the Company's consolidated financial statements appearing elsewhere in this Preliminary Prospectus. The Company expects that it will continue to enter into transactions with companies directly or indirectly controlled by or associated with the DD Majority Shareholders. These transactions may involve potential conflicts of interest which could be detrimental to the Company and/or its stakeholders. Conflicts of interest may also arise between the Company and the DD Majority Shareholders in a number of other areas relating to its businesses, including:

- Major business combinations involving the Company and/or its subsidiaries;
- Plans to develop the respective businesses of the Company and/or its subsidiaries; and
- Business opportunities that may be attractive to the DD Majority Shareholders and the Company.

The Company cannot provide assurance that its related-party transactions will not have a material adverse effect on its business or results of operations. The Company however believes that its strong shareholders and partnerships with Philippines' leading business groups validate its vision and business model.

Also, CityMall Commercial Centers Inc., a Subsidiary of the Company, is 34%-owned by SM Investments Corporation ("**SMIC**") and 66%-owned by the Company. SMIC holds direct and indirect ownership in the following brands and businesses, which are also tenants in various projects of the Company: SaveMore Market, Ace Hardware, China Bank Savings, Simply Shoes, BDO Unibank, Watsons, and SM Appliance Center.

Further, the Tan and Ang families, through Honeystar Holdings Corporation, owns 35% of the Company. The Tan and Ang families also has significant direct and indirect ownership in Jollibee Foods Corporation ("**JFC**") which owns and operates several fast food concepts which are also tenants in various investment projects in which the Company derives rental income. These fast food concepts include Jollibee, Mang Inasal, Greenwich, Chowking, Highlands Coffee, and Red Ribbon. JFC is also expected to be the anchor tenant of Jollibee Tower and to lease a majority of the leasable space allotted to the Company. CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were infused into CHICI by JFC pursuant to the definitive agreements executed between the Company and JFC on 19 August 2021 implementing the P4.0 billion investment of JFC in CHICI. JFC acquired common shares of CentralHub and infused its 16.4 hectares of industrial properties in Santolan, Pasig and Carmelray, Laguna, which are currently utilised as commissaries (including the largest operating commissary of JFC). As of 31 March 2024, the equity and asset swap between CentralHub and JFC has been completed and the transfer of title for the two CentralHub-Laguna and CentralHub-Pasig were completed The Company and JFC intend to prepare CHICI for the Philippines' first industrial REIT IPO in 2025.

The abovementioned retail brands, businesses and fast-food concepts are a significant source of rental revenues of the Company and occupy a majority of the leasable area in the Company's operational CityMalls. Given the current concentration of such tenants in the Company's operational CityMalls and the Company's dependence on rental revenue from such tenants, any change in the relationship between the Company and SMIC or JFC may adversely affect the Company's cash flows, and its financial condition and results of operation. There is also no assurance that SMIC's or JFC's commercial interests (through such tenancy relationships or otherwise) will be aligned with the Company's minority shareholders.

Further, the interests of the Company's related parties which own such brands, businesses and concepts may differ from the interests of the Company, and there may also be a perceived risk that such related parties may receive favorable terms from the Company or its subsidiaries. Although the Company endeavours to enter into arm's length transactions with lessees that are owned either directly or indirectly by parties related to the Company or its subsidiaries and although the Company's Chairman, Mr. Edgar "Injap" Sia II, does not hold any interest in either SMIC or JFC, there is no assurance that such related-party transactions will not have a material adverse effect on its business, financial condition and results of operations.

Titles over land owned by the Company may be contested by third parties.

The Philippines has adopted a system of land registration that issues certificates of title evidencing land ownership that are binding on all persons (including the Government). Under this system, any transfer or encumbrance of land must be registered in the system in order to bind third persons. Nevertheless, it is not uncommon for third parties to claim ownership of land that has already been registered and over which a title has been issued. There have also been cases where third parties have produced false or forged title certificates over land. The Company may have to defend itself against third parties who claim to be the rightful owners of land that has been either titled in the name of the persons selling the land to the Company or that has already been titled in the name of the Company. The Company generally conducts diligence and assesses risks prior to purchasing land. In the event a greater number of third-party claims are brought against the Company or any such claims involves land that is material to the Company's projects, the Company's management may be required to devote significant time and incur significant costs in defending the Company against such claims. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material in the context of the Company's projects. Any of the foregoing circumstances could have a material adverse effect on the Company's business, financial condition and results of operations, as well as on its business reputation.

Further, the Company has projects located on Government-reclaimed land. Government-reclaimed land forms part of the land of the public domain and is subject to the following restrictions: (1) reclaimed lands of the public domain cannot be disposed by the state to any private person until such reclaimed lands are (a) reclassified as disposable or alienable, and (b) declared to be no longer needed for public service, by law or presidential proclamation; (2) alienable public lands cannot be disposed of by the state to private persons by sale or lease without public bidding; and (3) alienable lands of the public domain cannot be disposed to private corporations, except by lease, in accordance with the constitutional ban on private corporations acquiring lands of the public domain. Section 3 of Article XII of the Philippine Constitution provides that private corporations or associations may not hold alienable lands of the public domain except by lease, for a period not exceeding 25 years, renewable for not more than 25 years, and not to exceed 1,000 hectares in area. Citizens, on the other hand, may lease not more than 500 hectares, or acquire not more than 12 hectares by purchase, homestead or grant. Although the Company believes that the Government-reclaimed land where certain of its projects are located was acquired from valid individual title holders, there is no assurance that no third party will contest any of the Company's titles over the said land, which may require the Company to defend itself and incur additional costs to defend against, settle such claims or surrender all or a portion of its holdings of such land.

Certain of the Company's projects may be located in areas covered by the Indigenous Peoples' Rights Act which may adversely affect its rights over such projects

The islands of Palawan and Boracay in the Philippines have portions of land that have been designated as areas covered by the Indigenous Peoples' Rights Act (Republic Act No. 8371 or the "IPRA") Hotel 101's projects on these islands, H101 Palawan and Jinjiang Inn-Station 1 Boracay, may be located on such designated areas. The IPRA grants rights to indigenous cultural communities and indigenous peoples in the Philippines on such areas. The applicability of IPRA rights on these sites has not been conclusively confirmed with relevant government authority. These rights, if applicable, may limit the ability of Hotel 101 to continue to own or operate such projects without consent or compensation to the relevant indigenous communities of that area.

Some of the Hotel101's projects are located on parcels of land that are leased on a short-term basis, which exposes it to certain risks such as its ability to obtain the best lease terms

Jinjiang Inn – Station 1 Boracay is situated on a parcel of land owned by a third party, Milflores De Boracay Corporation ("**Milflores**"). The lease agreement between Hotel 101 Management Corporation ("**H101 Management**"), a wholly owned subsidiary of HOA, and Milflores is usually renewed annually, with the latest extension extending the lease term to September 28, 2024. As per the terms of the agreement, renewal of the lease contract requires mutual agreement in writing between the parties. Additionally, either party may terminate the lease agreement by providing a notice period of at least 90 days prior to the effective date of termination. Upon the cancellation of the leases, the lessee must immediately vacate the leased premises and deliver to the owner full and vacant possession of the same.

Jinjiang Inn Makati is situated on a parcel of land owned Contemporain Development Corporation ("Contemporain"), an affiliate of Hotel101 Global Holdings Corp. ("Hotel101 Holdings"). The lease agreement between H101 Management and Contemporain is usually renewed annually with the latest extension extending the lease term to October 1, 2024. The lease contract may only be renewed upon mutual agreement of the parties in writing. Upon the cancellation of the leases, the lessee must immediately vacate the leased premises and deliver to the owner full and vacant possession of the same.

Injap Tower is situated on a parcel of land owned by Injap Investments, Inc.

Since the foregoing projects are located on properties that are typically leased on an annual basis, the Company may be unable to negotiate renewals on the most favorable terms. This could include possible increases in rent or changes to other lease provisions, potentially increasing operating costs and reducing profitability. If lease renewals are not attainable, the Company may be required to relocate its projects, which could disrupt operations and incur significant costs, including construction, downtime, and potential customer loss. The availability of suitable land for projects in desirable locations may also be limited.

Disruptions in the financial markets could adversely affect the Company's ability to refinance existing obligations or raise additional financing, including equity financing.

Disruptions in the global financial markets in 2008 and 2009 resulted in a tightening of credit markets worldwide, including in the Asia Pacific region. Liquidity in the global and regional credit markets severely contracted due to these market disruptions, making it difficult and costly to refinance existing obligations or raise additional financing, including equity financing. While liquidity has increased and credit markets have improved since then, there can be no assurance that such conditions will not reoccur. If such conditions were to reoccur, it may be difficult for the Company to obtain additional financing on acceptable terms or at all, which may prevent the Company from completing its existing projects and future development projects and have an adverse effect on the Company's results of operations and business plans. For example, the recent Evergrande Group debt crisis which has resulted in the Evergrande Group failing to pay interest payments to international investors has dampened sentiment on debt issuances of real estate players across Southeast Asia. If, due to general economic conditions, the Company is unable to obtain sufficient funding to complete its projects in a feasible manner, or if management decides to abandon certain projects, all or a portion of the Company's investments to date on its existing projects could be lost, which could have a material adverse effect on the Company's business, financial condition and results of operations.

A substantial percentage of the Company's projects are also currently under construction, and the Company has relied on external sources to finance its operations for the past three fiscal years. Any inability of the Company to procure short-term or long-term indebtedness to fund its operations or the development of its projects, or any delay in the Company's project schedules or any failure of its projects to generate expected cash flows may adversely affect the Company's financial condition and results of operation, including its ability to repay or refinance its existing indebtedness. See "– *The Company faces risks relating to project cost and completion, including its ability to generate sufficient cash flow to support its operations and service its debt.*"

Historically, besides the domestic bond market, the Company has also tapped into diversified sources of funding which include Preferred Shares and bank funding, highlighting its diversified capital base, comprising of retail and institutional investors. The Company also plans to manage its debt maturity profile, reduce cost of funding, and diversify its sources of funding.

The incurrence of additional debt to finance the Company's planned development projects could also impair the Company's business, financial condition and results of operations. The Company may need to incur additional debt to finance its expansion projects and future development projects. This indebtedness could have important consequences for the Company. For example, it could:

- make it more difficult for the Company to satisfy its debt obligations as they become due;
- increase the Company's vulnerability to general adverse economic and industry conditions;
- impair the Company's ability to obtain additional financing in the future for working capital needs, capital expenditures, development projects, acquisitions or general corporate purposes;
- require the Company to dedicate a significant portion of its cash flow from operations to the payment of principal and interest on its debt, which would reduce the funds available for the Company's working capital needs, capital expenditures or dividend payments;
- limit the Company's flexibility in planning for, or reacting to, changes in the business and the industry in which the Company operates;
- require the Company to comply with financial and other covenants that could impose significant restrictions on the Company's existing and future businesses and operations;
- place the Company at a competitive disadvantage compared to competitors that have less debt; and
- subject the Company to higher interest expense in the event of increases in interest rates as a significant portion of the Company's debt is and may continue to be at variable rates of interest.

Any of the above could have a material adverse effect on the Company's business, financial condition and results of operations.

There is no assurance that the Company will be able to refinance its existing indebtedness when these come due on maturity.

As of 31 December 2023, the Company has total outstanding indebtedness of P63.26 billion, and total long-term outstanding indebtedness of P47.98 billion. As of 31 December 2023, the Company's interest coverage ratio was 5.11, compared to 3.32 as 31 December 2022. The Company's gross Debt-to-Equity ("**D/E**") ratio was at 0.67, which is below the 2.33x maximum gross D/E ratio the Company is required to maintain under its debt covenants. Further, the Company's current ratio improved to 1.10 as of 31 December 2023, and the Company's acid test ratio 0.68 as of 31 December 2022. Nonetheless, the additional debt from the First Tranche Bonds will affect these ratios, and there is no assurance that the Company will be able to refinance its existing indebtedness (including the First Tranche Bonds) when these come due on maturity.

Environmental laws applicable to the Company's projects and enforcement by Philippine regulators of environmental regulations and policies could have a material adverse effect on its business, financial condition and results of operations.

The Company is subject to various environmental laws and regulations relating to the protection of the environment, health and human safety. These include laws and regulations governing air emissions, water and wastewater discharges, odour emissions, and the management and disposal of, and exposure to, hazardous materials. Generally, developers of real estate projects are required to submit project descriptions to regional offices of the Philippine Department of Environment and Natural Resources ("**DENR**"). For environmentally-sensitive projects or in other cases at the discretion of the regional office of the DENR, a detailed environmental impact assessment may be required and the developer will be required to obtain an Environmental Compliance Certificate ("**ECC**") to certify that the project will not have an unacceptable environmental impact. There can be no assurance that current or future environmental laws and regulations applicable to the Company will not increase the costs of conducting its business above currently projected levels or require future capital expenditures. In addition, if a violation of an ECC occurs or if environmental hazards on land where the Company's projects are located cause damage or injury to buyers or any third party, the Company may be required to pay a fine, to incur costs in order to cure the violation and/or to compensate its buyers and any affected third parties.

The Company cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. For example, in February 2018, the DENR ordered the closure of more than 50 establishments in Boracay for alleged continuous violations of environmental laws. President Duterte ordered the closure of Boracay for six months until November 2018 to address the alleged violations. Although Boracay has reopened, there can also be no assurance that there will be no new orders for closures of the island or other tourist destinations in the Philippines, including sites where the Company's projects are or will be located. Any such closure or rehabilitation will materially and adversely affect the Company's operations in such locations.

The introduction or inconsistent application of, or changes in, laws and regulations applicable to the Company's business could have a material adverse effect on its business, financial condition and results of operations. However, the Company intends to adhere to all environmental regulations and is committed to sustainability efforts of the communities where its businesses operate.

The Company's reputation will be adversely affected if projects are not completed on time or if projects do not meet customers' requirements and may be adversely affected by other factors over which the Company does not have control.

If any of the Company's projects experience construction or infrastructure failures, design flaws, significant project delays, or quality control issues, this could have a negative effect on the Company's reputation and make it more difficult to attract new customers to its new and existing projects. The Company intends to engage contractors and partners that are reputable and have proven track records. The Company believes that it has also developed a well-defined execution capability with proven track record of delivering projects. Any negative effect on the Company's reputation or its brands could also affect the Company's ability to sell or lease its projects. This would impair the Company's ability to reduce its inventory and working capital requirements. For example, delays in the roll out plan of CityMalls may affect the Company's cash flows and expected profitability, and adversely affect the Company's ability to raise external financing. The Company cannot provide any assurance that such events will not occur in a manner that would adversely affect its business, financial condition and results of operations.

Further, the Company's hotels may be subject to random acts of terrorism, violence or other mishaps involving its guests or third parties which may adversely affect the Company's reputation and brand name. Further, any deterioration to the "Jinjiang" brand outside the Philippines may impact the Company's Jinjiang Inns in the Philippines and adversely affect its business and operations.

Also, the Company's CityMalls are located in provincial areas in the Philippines, including some areas where there historically have been communist rebels, separatists or acts of terrorism. Any violence or terrorist attack in these areas, including on the Company's property, may adversely affect the operations of the Company's CityMall in such areas, and may also adversely affect the Company's reputation and "CityMall" brand.

Independent contractors may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or to complete projects on time and within budget.

The Company relies on independent contractors to provide various services, including land clearing, infrastructure development and various construction projects including building and property fitting-out. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Company's budget and schedule (including as a result of a lack of manpower due to a shortage of available and qualified workers), which could result in cost increases or project delays.

Furthermore, there can be no assurance that the services rendered by any of its independent contractors will always be satisfactory or match the Company's requirements for quality and timing. The Company's personnel however actively supervise the work of such independent contractors. Contractors may also experience financial or other difficulties up to insolvency, and shortages or increases in the price of construction materials or labour may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

Construction defects and other building-related claims may be asserted against the Company, and the Company may be subject to liability for such claims.

Philippine law provides that property developers, such as the Company, warrant the structural integrity of houses or units that were designed or built by them for a period of 15 years from the date of completion of the house or unit. The Company may also be held responsible for hidden (i.e., latent or non-observable) defects in a house or unit sold by it when such hidden defects render the house or unit unfit for the use for which it was intended or when its fitness for such use is diminished to the extent that the buyer would not have acquired it or would have paid a lower price had the buyer been aware of the hidden defect. This warranty may be enforced within six months from the delivery of the house to the buyer. In addition, Republic Act No. 6541, as amended, otherwise known as the National Building Code of the Philippines (the "**Building Code**"), governs, among others, the design and construction of buildings and sets certain requirements and standards that must be complied with by the Company. The Company or its officials may be held liable for administrative fines or criminal penalties in case of any violation of the Building Code.

There can be no assurance that the Company will not be held liable for damages, the cost of repairs, and/or the expense of litigation surrounding possible claims or that claims will not arise out of uninsurable events, such as landslides or earthquakes, or circumstances not covered by the Company's insurance and not subject to effective indemnification agreements with the Company's contractors. The Company intends to engage contractors and partners that are reputable and with proven track records. Further, as a result of repeated transactions with the local contractors, the Company is able to establish direct interaction with workers who have better on-the-ground experience in sourcing labour and local materials. Neither can there be any assurance that the contractors hired by the Company will be able to either correct any such defects or indemnify the Company for costs incurred by the Company to correct such defects. In the event a substantial number of claims arising from structural or construction defects arise, this could have a material adverse effect on the Company's reputation and on its business, financial condition and results of operations.

Damage to, or other potential losses involving, the Company's assets may not be covered by insurance.

Design, construction or other latent property or equipment defects or deficiencies in the Company's properties may require additional capital expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties that may not be covered by insurance. In addition, certain types of losses such as terrorist acts, the outbreak of infectious disease or any resulting losses, may be uninsurable or the required insurance premiums may be too expensive to justify obtaining insurance. In addition, in the event of a substantial loss, the insurance coverage the Company carries may not be sufficient to pay the full market value or replacement cost of the Company's lost investment or that of the Company's tenants or in some cases could result in certain losses being uninsured. Accordingly, the Company could lose some or all of the capital it has invested in a property, as well as the anticipated future revenue from that property, and the Company could remain obligated for guarantees, debt, or other financial obligations related to such property. The Company maintains comprehensive property and liability insurance policies with coverage features and insured limits that the Company believes are consistent with market practice in the commercial and retail leasing industries in the Philippines.

Moreover, the scope of insurance coverage that the Company can obtain or the Company's ability to obtain such coverage at reasonable rates may be limited and the Company's insurance policies and terms of coverage will be subject to renewals and negotiations on a periodic basis and there is no assurance that adequate insurance coverage will be available on commercially reasonable terms in the future. Any material increase in insurance rates, decrease in available coverage or any failure to maintain adequate insurance in the future could adversely affect the Company's business, financial condition and results of operations.

The Company may not be successful in protecting its brand image or its interests in certain trademarks and domain names.

Maintaining the reputation of the Company's brand names and trademarks is critical to its success. The Company relies on the strength of these brand names and trademarks to, among other things, attract tenants to its properties, increase retail footfall, and attract third parties to partner with. Substantial erosion in the value of these brand names and trademarks due to construction delays or defects, customer complaints, adverse publicity, legal action or other factors may have an adverse effect on the Company's business, financial condition and results of operations. The Company's trademarks have been registered in the Philippines, however, the Company cannot be certain that any steps that have been taken to secure these trademarks or other intellectual property will be sufficient or that third parties will not infringe or challenge such rights. If the Company is unable to protect its intellectual property rights from infringement, the Company's business, financial conditions and result of operations may be adversely affected.

The Company is controlled by the DD Majority Shareholders, whose interests may not be the same as those of other shareholders.

The Company is bound by reportorial and corporate governance requirements that are more stringent that than those applicable to private companies. Further, the Company has also adopted governance policies and mechanisms to serve as its foundation and guiding principle for good governance. The Company also continues to adopt policies and mechanisms in accordance with established rules and best practices. As of 31 March 2024, the DD Majority Shareholders beneficially own a total of 1,649,993,998 common shares in the Company, representing 70.36% of the Company's total issued and outstanding common shares. With such effective interest, the DD Majority Shareholders will continue to be able to elect members of the Board and pass shareholder resolutions (including special resolutions), both of which under the By-laws generally require a majority vote by its shareholders (or a two-thirds majority in the case of special resolutions). Accordingly, the DD Majority Shareholders exercises control over major policy decisions of the Company, including its overall strategic and investment decisions, dividend plans, issuance of securities, adjustments to its capital structure, mergers, liquidation or other reorganisation and amendments to its Articles of Incorporation and By-laws. If the interests of the DD Majority Shareholders conflict with the interests of other shareholders of the Company, there can be no assurance that the DD Majority Shareholders will not cause the Company to take action in a manner which might differ from the interests of other shareholders.

The Company's business and operations are dependent upon key executives.

The Company's key executives and members of management have greatly contributed to the Company's success with their experience, knowledge, business relationships and expertise, although it believes its success is driven by its entire work force as a whole. Further, the Company's senior management team has a proven track record in developing, investing in, managing, and enhancing commercial real estate, possessing, in the aggregate, decades of experience in the Philippine real estate and commercial sectors. The team covers the entire value chain of the business, including asset development and enhancement, asset management, and commercial operations. If the Company is unable to fill any vacant key executive or management positions with qualified candidates, the Company's business, operating efficiency and financial performance may be adversely affected.

Any deterioration in the Company's employee relations could materially and adversely affect the Company's operations.

The Company's success depends partially on the ability of the Company, its contractors and its third-party marketing agents to maintain productive workforces. Any strikes, work stoppages, work slowdowns, grievances, complaints or claims of unfair practices or other deterioration in the Company's or its contractors' or tenants' employee relations could have a material and adverse effect on the Company's financial condition and results of operations. However, the Company has not experienced any disruptive labour disputes, strikes or threats of strikes, and management believes that the Company's relationship with its employee in general is satisfactory. Further, in addition to complying with the minimum compensation standards mandated by law, the Company has historically made available to qualified personnel supplemental benefits such as health insurance, car plans and bonuses.

In addition, the Company is subject to a variety of national and local laws and regulations, including those relating to labour. Any actions that may be taken by labour unions or federations having the Company's employees as members could adversely affect the Company's operations, costs, or both. Any changes in labour laws and regulations could result in the Company having to incur substantial additional costs to comply with increased minimum wage and other labour laws. The occurrence of any of these events could be disruptive to the Company's operations and materially and adversely affect the Company's business, financial condition and results of operations.

The Company may, from time to time, be involved in legal and other proceedings arising out of its operations.

The Company believes that it has had and intends to continue to maintain its good working relationships with counterparties such as its contractors and suppliers. The Company may, from time to time, be involved in disputes with various parties involved in the construction and operation of its properties, including contractual disputes with contractors, suppliers, construction workers or property damage or personal liability claims. Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs, delays in the Company's development schedule, and the diversion of resources and management's attention. The Company may also have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavorable decisions that result in penalties or delay the development of its projects. In such cases, the Company's business, financial condition and results of operations could be materially and adversely affected.

There can be no assurance that the Company will not suffer from substantial sales cancellations.

From time to time, the Company has had buyers who have indicated their intent to cancel their previous purchases of the Company's interim residential projects.

The Company is subject to Republic Act No. 6552 (the "**Maceda Law**"), which applies to all transactions or contracts involving the sale or financing of real estate through instalment payments, including residential condominium units and horizontal residential units. Under the Maceda Law, buyers who have paid at least two years of instalments are granted a grace period of one month for every year of paid instalments to cure any payment default. If the contract is cancelled by the Company, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of instalments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two years of instalments and who default on instalment payments are given a 60-day grace period to pay all unpaid instalments before the sale can be cancelled, but without right of refund.

While the Company historically has not experienced a material number of cancellations to which the Maceda Law has applied, there can be no assurance that it will not experience a material number of cancellations in the future, particularly during slowdowns or downturns in the Philippine economy. In the event the Company does experience a material number of cancellations, it may not have enough funds on hand to pay the necessary cash refunds to buyers or it may have to incur indebtedness in order to pay such cash refunds. The Company may also experience losses relating to these cancellations. In addition, particularly during an economic slowdown or downturn, there can be no assurance that the Company would be able to re-sell the same property or re-sell it at an acceptable price. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

Furthermore, in the event the Company experiences a material number of sales cancellations, the Company's historical revenues would have been overstated because such historical revenue would not have accurately reflected subsequent customer defaults or sales cancellations. There is no assurance that the Company will not incur losses and there is no assurance that the Company's historical income statements will be accurate indicators of the Company's future revenue or profits.

The Company, historically however, has booked a net gain/income from sale cancellations as the forfeited payments. Further, from a traditional model with real estate sales the Company is transitioning to a leasing business that will be supported by a diversified recurring income platform from four property pillars across retail, office, hospitality and industrial segments.

Electronic commerce platforms may challenge the viability of the retail tenants of the Company.

The Company expects to derive a substantial portion of its revenue from its current and future portfolio of retail, office, and industrial leasing space. The Company's retail tenants may be negatively affected by the growth and popularity of online purchasing, and demand for leasing space in the Company's properties may be negatively affected by shifts in marketing strategies by existing and new retailers in response to changing market conditions or challenges from and opportunities provided by electronic commerce platforms. For example, the COVID-19 outbreak resulted in a rise in online shopping and on-demand delivery services due to the work-from-home and stay-at-home protocols implemented by the Government and corporates.

There is no assurance that the growth of e-commerce would not have a material adverse effect on the Company's business, financial condition and results of operations. The Company however expects that its retail properties will complement electronic commerce platforms by enabling retailers to provide a physical outlet for online purchasers to receive their items, and that its industrial properties will enable logistics providers to consolidate and optimise their operations to cope with the growth of electronic commerce platforms.

There is no assurance that new electronic commerce platforms will be developed to cater to basic necessities or that internet and mobile technology will not penetrate the mass market or that consumer preferences will change in the future.

Adoption of the deferred provisions on revenue recognition on real estate and IFRIC agenda decision on over time transfer of constructed goods may result in a restatement of the Company's financial statements for prior fiscal years which could be materially different from the audited consolidated financial statements of the Company included in this Preliminary Prospectus.

The consolidated financial statements of the Company as of 31 December 2021, 2022, and 2023 have been prepared in compliance with PFRS. PFRS includes Philippine Financial Reporting Standards, Philippine Accounting Standards and Interpretations issued by the Philippine Interpretations Committee ("**PIC**").

The audited consolidated financial statements and the unaudited interim condensed consolidated financial statements attached to this Preliminary Prospectus include the following availment of reliefs granted by the Philippine SEC until 31 December 2023.

(1) Under Philippine SEC Memorandum Circular Nos. 14-2018 and 3-2019 for the following interpretations of PFRS 15, Revenue from Contracts with Customers, affecting the real estate industry.

    (a) Accounting for significant financing component discussed in PIC Q&A No. 2018-12-D; and

    (b) Adoption of PIC Q&A No. 2018-14: PFRS 15 – Accounting for Cancellation of Real Estate Sales.

    The implementation of the above interpretations is expected to impact the revenue recognition, accounting for significant financing components of customer contracts and recording of repossessed inventories in the consolidated financial statements.

(2) IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (IAS 23, Borrowing Cost) for the Real Estate Industry.

(3) Under Philippine SEC Memorandum Circular Nos. 34-2020, SEC further extended the deferral of application of the provisions of PIC Q&A No. 2018-12 for the accounting for the significant financing component and the exclusion of land in the calculation of the percentage of completion and IFRIC Agenda Decision on Overtime Transfers of Constructed Goods under PAS 23 – Borrowing Cost, for another three years or until 2023.

Effective 1 January 2024, the Company will be required to adopt the above implementation guidance and interpretations.

The Company availed of the deferral option provided by Philippine SEC. The IFRIC agenda decision would change the Company's current practice of capitalising borrowing costs on real estate projects with pre-selling activities. This would have resulted in a decrease in inventories and retained earnings as of 1 January 2019.

The Company may be affected by the Comprehensive Tax Reform Program and other tax regulations

The Real Property Valuation and Assessment Reform Act ("**RPVARA**"), the third package of the Comprehensive Tax Reform Program ("**CTRP**") of the Duterte administration, has been submitted to President Marcos for signature. RPVARA seeks the adoption of aa Schedule of Market Values ("**SMVs**"). The SMV shall be the single real property valuation base for the assessment of real property-related taxes in the country.

The Bureau of the Local Government Finance ("**BLGF**") of the Department of Finance ("**DOF**") shall develop and implement the Philippine Valuation Standards ("**PVS**") to be used by the local government units, and other persons and entities that conduct valuation of lands, buildings, machineries and other real properties for taxation and other purposes. Local assessors shall prepare the SMV for different classes of real properties within their respective jurisdictions based on the PVS and other rules issued by the DOF.

The BLGF shall likewise develop and maintain an up-to-date electronic database of:

(1) the sale, exchange, lease, mortgage, donation, transfer and all other real property transactions and declarations in the country;

(2) cost of construction or renovation of buildings and other structure; and

(3) prices of plant, machinery and equipment.

The RPVARA further mandates the following:

(1) The Register of Deeds shall submit to the local assessor copies of all contracts selling, transferring, leasing or mortgaging registered real properties every end of the month.

(2) The Bureau of Internal Revenue, notaries public, officials issuing building permits, and the geodetic engineers conducting surveys within a locality shall electronically transmit to the BLGF relevant real property transactions data every quarter.

Additionally, certain tax measures proposed under, and are currently referred to as, the Passive Income and Financial Intermediary Taxation Act ("**PIFITA**") are pending in the Philippine legislature. The PIFITA measures are currently part of the measure approved by the Philippine House of Representatives known as House Bill No. 4339. House Bill No. 4339 was passed by the Philippine House of Representative under and is currently being heard by the Ways and Means Committee of the Philippine Senate. As consultations between the Ways and Means Committee's technical working group and key industry players continue, the bill is currently targeted to be sponsored in May 2024.

In its current form, PIFITA proposes to lower the rate of transaction taxes on land, including DST, transfer tax and registration fees. While PIFITA aims to lower the rate of transaction taxes on land, the centralize and rationalize valuation of properties, increase valuation of properties closer to market prices, review and adjustment property valuations contemplated by RPVARA may lead to an increase in valuation of real property, which could in turn lead to an increase in the taxes to be paid by DoubleDragon.

No assurance can be given that the PIFITA will be adopted by the Senate without amendment, or that the PIFITA or RPVARA approved by the President without veto, and become law in its current form, or if other tax measures may affect DoubleDragon or its payments of the First Tranche Bonds, or when such changes would come into effect.

RISKS RELATING TO THE PHILIPPINES

A significant portion of the Company's business activities are conducted in the Philippines and a significant portion of its assets are located in the Philippines, which exposes the Company to risks associated with the Philippines, including the performance of the Philippine economy.

Historically, the Company has derived most of its revenues and operating profits from the Philippines and its business is dependent on the state of the Philippine economy. Demand for the Company's goods and services are directly related to the strength of the Philippine economy (including overall growth and income levels) and the overall levels of business activity in the Philippines. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of its currency and the imposition of exchange controls. Other factors that may adversely affect the Philippine economy include:

- reduced business, industrial, manufacturing or financial activity in the Philippines or elsewhere in Southeast Asia;
- scarcity of credit or other financing available to the Government, corporations or individuals in the Philippines;
- fluctuations in currency exchange rates and interest rates or prolonged periods of inflation or deflation;
- levels of employment, consumer confidence and income; Government budget deficits;
- public health epidemics or outbreaks of diseases, such as outbreak of COVID-19, , a re-emergence of polio, SARS, bird flu, or H1N1, or the emergence of other similar diseases in the Philippines or in other countries in Southeast Asia;
- significant changes to the Government's economic, social or tax policies; natural disasters, including tsunamis, typhoons, earthquakes, fires, floods and similar events;
- political instability, terrorism or military conflict in the Philippines, other countries in the region or globally;
- geopolitical tensions between the Philippines and other claimant countries concerning disputed territories in the West Philippine Sea;
- delays in obtaining government approvals and permits;
- a downgrade in the long-term foreign and local currency sovereign credit ratings of the Philippines or the related outlook for such ratings; and
- other regulatory, political or economic developments in or affecting the Philippines.

Any deterioration in economic conditions in the Philippines as a result of these or other factors could materially and adversely affect the Company or its consumers, customers and contractual counterparties. This, in turn, could materially and adversely affect the Company's business, financial condition and results of operations and its ability to implement its business strategy.

Volatility in the value of the Peso against the U.S. dollar and other currencies as well as in the global financial and capital markets could adversely affect the Company's businesses.

The Philippine economy has experienced volatility in the value of the Peso and also limitations to the availability of foreign exchange.

The value of the Peso has depreciated in recent periods. Philippine eso may be adversely affected by certain global events and circumstances such as the strengthening of the U.S. economy, the rise of the interest rates in the U.S., the prolonged conflict in Ukraine and continuing sanctions on Russia, and other events affecting the global markets or the Philippines, causing investors to move their investment portfolios from the riskier emerging markets such as the Philippines. Consequently, an outflow of funds and capital from the Philippines may occur and may result in increasing volatility in the value of the Philippine Peso against the U.S. Dollar and other currencies. As of December 31, 2022, according to the BSP reference exchange rate bulletin, the Philippine Peso was at ₱56.12 per U.S.$1.00 from ₱50.77 per U.S.$1.00 as of December 31, 2021. As of June 4, 2024, the Philippine Peso was at ₱ 58.53 against the U.S. dollar.

The credit ratings of the Philippines may restrict the access to capital of Philippine companies, including the Company.

Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. In 2019, the Philippines' long-term foreign currency-denominated debt was upgraded by S&P Global ("**S&P**") to BBB+ with stable outlook, while Fitch Ratings ("**Fitch**") and Moody's Investors Service ("**Moody's**") affirmed the Philippines' long-term foreign currency-denominated debt to the investment-grade rating of BBB and Baa2, respectively, with a stable outlook. In February 2020, Fitch revised its rating of Philippines long-term foreign currency-denominated debt to BBB, with a positive outlook, following its expectation that sound macroeconomic management will continue to support high growth rates with stable inflation while ongoing tax reforms were expected to improve fiscal finances. In May 2020, Fitch affirmed its rating of Philippines long-term foreign currency-denominated debt to BBB, but revised the outlook to stable, to reflect the deterioration in the Philippines' near-term macroeconomic and fiscal outlook as a result of the impact of the COVID-19 pandemic and domestic lockdown to contain the spread of the virus. In May 2020, S&P and Moody's affirmed their ratings of BBB+ and Baa2, with stable outlook, respectively, for the Philippines' long-term foreign currency-denominated debt. In November 2023, Fitch and S&S affirmed their ratings of BBB and BBB+, with stable outlook, respectively, for the Philippines' long-term foreign currency-denominated debt. In March 2024, Moody's affirmed its rating of Baa2, with stable outlook, for the Philippines' long-term foreign currency-denominated debt.

The Government's credit ratings directly affect companies domiciled in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. No assurance can be given that Fitch, Moody's, S&P, or any other international credit rating agency will not downgrade the credit ratings of the Government in the future and, therefore, Philippine companies. Any such downgrade could have a material adverse impact on the liquidity in the Philippine financial markets, the ability of the Government and Philippine companies, including us, to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

A significant portion of the Company's operations and assets are based in the Philippines and, therefore, a slowdown in economic growth in the Philippines could materially and adversely affect the Company's business, financial position and results of operations.

A significant portion of the Company's business operations and assets are based in the Philippines. As a result, the Company's income, results of operations and the quality and growth of its assets depend, to a large extent, on the performance of the Philippine economy. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the Philippine currency and the imposition of exchange controls.

Factors that may adversely affect the Philippine economy include:

- decreases in business, industrial, manufacturing or financial activities in the Philippines, the Southeast Asian region or globally;
- scarcity of credit or other financing, resulting in lower demand for products and services

provided by companies in the Philippines, the Southeast Asian region or globally;

- exchange rate fluctuations and foreign exchange controls;
- rising inflation or increases in interest rates;
- levels of employment, consumer confidence and income;
- changes in the Government's fiscal and regulatory policies and regulations, including tax laws and regulations that impact or may impact inflation and consumer demand such as the Train Law or any subsequent legislation;
- the Government's budget deficits;
- adverse trends in the current accounts and balance of payments of the Philippine economy;
- public health epidemics or outbreaks of diseases, such as re-emergence of Middle East Respiratory Syndrome-Corona virus (MERS-CoV), SARS, avian influenza (commonly known as bird flu), or H1N1, COVID-19 or the emergence of another similar disease (such as Zika or Monkeypox) in the Philippines or in other countries in Southeast Asia;
- natural disasters, including but not limited to tsunamis, typhoons, earthquakes, fires, floods and similar events;
- supply chain disruptions in the Philippines, the region or globally;
- political instability, terrorism or military conflict in the Philippines, other countries in the region or globally; and
- other regulatory, social, political or economic developments in or affecting the Philippines.

Any future deterioration in economic conditions in the Philippines could materially and adversely affect the Company's financial position and results of operations, including the Company's ability to grow its real estate portfolio, to grow the businesses of its subsidiaries, and to implement its business strategy. Changes in the conditions of the Philippine economy could materially and adversely affect the Company's business, financial condition or results of operations.

Political instability may have a negative effect on the business, financial position or results of operations of the Company.

The Philippines has, from time to time, experienced political and military instability, including acts of political violence. In the last decade, there has been political instability in the Philippines, including extra-judicial killings, alleged electoral fraud, impeachment proceedings against two former presidents and a chief justice of the Supreme Court of the Philippines, the nullification of the appointment of another chief justice of the Supreme Court of the Philippines, and public and military protests arising from alleged misconduct by the previous and current administrations. In addition, a number of officials of the Philippine Government are currently under investigation or have been indicted on corruption charges stemming from allegations of misuse of public funds, extortion, bribery or usurpation of authority.

In June 2020, journalist Maria Ressa was convicted by the Regional Trial Court for violations of anti-dummy law and cyber libel. Her conviction elicited concern from the international community and has been criticised by various groups as an attempt by the government to silence critical press coverage against President Rodrigo Duterte and his administration. In December 2018, Senator Antonio Trillanes III was ordered arrested in connection with a libel case filed by presidential son Paolo Duterte. In February 2017, Senator Leila de Lima was arrested after charges were filed in court accusing her of orchestrating a drug-trafficking ring during her term as Secretary of the Department of Justice ("**DOJ**") from 2010 to 2015. Senator Trillanes and Senator de Lima are outspoken critics of the Duterte administration. In May 2018, the Supreme Court of the Philippines ousted Chief Justice Maria Lourdes Sereno by ruling in a quowarranto proceeding that her appointment was invalid. The removal of Chief Justice Sereno became controversial because it was not coursed through the constitutionally mandated process of impeachment. On June 2018, former President Benigno Aquino III was indicted for usurpation of legislative powers concerning the Disbursement Acceleration Program during his term. Moreover, several individuals who were high-ranking officers under the administration of President Aquino have also been indicted for graft and corruption charges and drug trafficking, among other offences. During the Duterte administration, more than 1,000 alleged drug dealers and users have been killed in police operations, and more than 1,300 drug dealers and drug users have been killed by supposed vigilantes. In addition, the Philippine legislature recently passed the Anti-Terrorism Act of 2020, which has drawn criticism from, and sparked protests by, various sectors because of its controversial provisions on warrantless arrests and its broad definition of terrorist acts, which they believe may be used to target government critics. The said law was approved by President Rodrigo Duterte in June 2020.

The Philippine general elections for national and local officials took place on 9 May 2022 with Ferdinand Marcos, Jr. being proclaimed president and Sara Duterte being proclaimed vice-president. The mid-term national and local election, in which 12 senators, representatives of the House of Representatives and local officials will be elected, is set on 12 May 2025. There can be no assurance that the current administration will continue the policies or platforms of the former administration or adopt economic policies conducive to sustainable economic growth, or that the future political environment in the Philippines will be stable. An unstable political or social environment in the Philippines could negatively affect the general economic conditions and business environment in the Philippines which, in turn, could have a materially and adverse impact on the Company's business, financial position and financial performance.

Acts of terrorism and violent crimes could destabilise the country and could have a material adverse effect on the Company's business, financial position and results of operations.

The Philippines has also been subject to a number of terrorist attacks and the Armed Forces of the Philippines has been in conflict with groups which have been identified as being responsible for kidnapping and terrorist activities in the Philippines. In addition, bombings have taken place in the Philippines, mainly in cities in the southern part of the country. For example, in January 2019, bombs were detonated in the Jolo Cathedral in the Municipality of Jolo, Sulu and a Mosque in Zamboanga City, Zamboanga del Sur. In May 2017, the city of Marawi in Lanao del Sur, Mindanao, was assaulted by the Maute Group, terrorists who were inspired by pledged allegiance to the Islamic State of Iraq and Syria ("**ISIS**"). Due to the clash between the Government forces and the terrorists and the risk of the armed conflict spilling over to other parts of Mindanao, martial law was declared in the entire island of Mindanao, Philippines. In October 2017, the city was declared liberated from the terrorists. Despite this, the Philippine Congress extended the imposition of martial law in Mindanao until the end of 2019, citing persistent threats of terrorism and rebellion and to ensure the total eradication of ISIS-inspired terrorists in the country. Martial law in Mindanao was lifted on 1 January 2020, however certain areas in Mindanao remain under a state of emergency and law enforcement groups are in heightened security as a measure against potential terror threats.

On 3 July 2020, Republic Act No. 11479, otherwise known as the Anti-Terrorism Act of 2020, was signed into law to replace Republic Act No. 9372, otherwise known as the Human Security Act of 2007. The constitutionality of the law was challenged in the Supreme Court by multiple groups. On 9 December 2021, the Supreme Court upheld the validity of the law except for the following provisions: (a) the qualifier portion of Section 4 which states "which are not intended to cause death or serious physical harm to a person, to endanger a person's life, or to create a serious risk to public safety" and (b) a portion of paragraph 2 of Section 25 which allows "request for designations by other jurisdictions or supranational jurisdictions may be adopted by the ATC after determination that the proposed designee meets the criteria for designation of UNSCR No. 1373."

An increase in the frequency, severity or geographic reach of these terrorist acts, violent crimes, bombings and similar events could have a material adverse effect on investment and confidence in, and the performance of, the Philippine economy. Any such destabilisation could cause interruption to the Company's business and materially and adversely affect the Company's financial conditions, results of operations and prospects. Continued conflicts between the Government and separatist groups could lead to further injuries or deaths by civilians and members of the Armed Forces of the Philippines, which could destabilise parts of the Philippines and adversely affect the Philippine economy. There can be no assurance that the Philippines will not be subject to further acts of terrorism or violent crimes in the future, which could have a material adverse effect on the

Company's business, financial condition, and results of operations.

Natural or other catastrophes, including severe weather conditions, may adversely affect the Company's business, materially disrupt the Company's operations and result in losses not covered by its insurance.

The Philippines, which is located along the Pacific Ring of Fire and a typhoon belt, has experienced a number of major natural catastrophes over the past years, including typhoons, volcanic eruptions, earthquakes, tsunamis, mudslides, fires, droughts and floods related to El Niño and La Niña weather events.

In January 2020, the Taal Volcano entered into a period of intense unrest beginning with phreatic or steam-driven activity in several points inside the Main Crater that progressed into magmatic eruption. The Philippine Institute of Volcanology and Seismology ("**PHIVOLCS**") raised the alert level to Alert Level 4 on 12 January 2020. This means that hazardous explosive eruption is possible with hours to days. Pursuant to such events, PHIVOLCS ordered the total evacuation of the Volcano Island and high-risk areas within a 14-kilometre radius from the Taal Main Crater. Although PHIVOLCS has since lowered the Alert Level covering Taal to Level 1, there can be no assurance that the Taal Volcano will not increase seismic activity or erupt in the future.

In November 2020, two typhoons, Super Typhoon Rolly/Goni and Typhoon Ulysses/Vamco, and in December 2021 and September 2022, Super Typhoon Odette/Rai and Super Typhoon Karding/Noru, respectively, brought strong winds and rain to the Philippines. On 27 July 2022, a magnitude 7.0 earthquake struck Abra province in Northern Luzon, causing multiple casualties, cutting off power and fresh water in some areas and causing damage estimated at about ₱316 million. In October 2022, Tropical Storm Paeng brought strong winds and heavy rains in Mindanao which caused flooding and landslides. In 2023, super typhoons Egay and Goring caused deaths and damages worth billions of Pesos.

Natural catastrophes, such as any renewed eruption of the Taal Volcano, may cause damage to the terminals and materially disrupt and adversely affect the business, operations, and financial condition of the Company. There is no assurance that the insurance coverage the Company maintains for these risks will adequately compensate it for all damages and economic losses resulting from natural catastrophes. Any material uninsured loss could materially and adversely affect the Company's business, financial condition and results of operations.

Territorial disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.

The Philippines, China and several Southeast Asian nations have been engaged in a series of long-standing territorial disputes arising from competing and overlapping claims over certain islands and features in the West Philippine Sea. China claims historic rights to nearly all of the West Philippine Sea based on its so-called "nine-dash line" and in recent years dramatically expanded its military presence in the sea which has raised tension in the region among the claimant countries. In 2013, the Philippines became the first claimant country to file a case before the Permanent Court of Arbitration, the internal arbitration tribunal based at the Hague, Netherlands to legally challenge claims of China in the West Philippine Sea and to resolve the dispute under the principles of international law as provided for under the United Nations Convention on the Law of the Sea. In July 2016, the Permanent Court of Arbitration rendered a unanimous decision stating, among others, that the Philippines has exclusive sovereign rights over the West Philippine Sea (in the South China Sea) and that the "nine-dash line" claim of China is invalid. However, China did not participate in these proceedings and does not recognize the ruling. With no formal enforcement mechanism in place, the territorial dispute in the West Philippine Sea remains contentious and unresolved.

The Philippine Government, under the Duterte administration, has taken action to de-escalate tensions concerning the territorial dispute with China. On 9 June 2019, a fishing boat manned by Filipino fishermen was rammed by a Chinese vessel at Recto Bank, an underwater feature being claimed by both the Philippines and China in the portion of the South China Sea portion that Manila calls the West Philippine Sea. The Filipino fishermen were abandoned in open sea and were eventually rescued by a Vietnamese vessel. This incident increased tensions between China and the Philippines. The owners of the Chinese vessel have since apologised to the Filipino fishermen and remuneration is being arranged for the fishermen.

In March 2021, more than 180 Chinese military vessels were spotted on Julian Felipe Reef in the West Philippine Sea. The presence of the vessels defied a diplomatic protest and demand for the vessels to leave the area, issued by Philippine Defense Secretary Delfin Lorenzana.

In February 2023, a Chinese Coast Guard ship purportedly harassed a Philippine Coast Guard vessel in the Ayungin Shoal in the West Philippine Sea. In September 2023, the Philippine Coast Guard reported that the Chinese Coast Guard has installed a floating barrier near the Bajo de Masinloc (Scarborough Shoal) in the West Philippine Sea in an attempt to prevent Filipino fishermen from entering the Scarborough Shoal. In a special operation conducted thereafter, the floating barrier was eventually removed by the Philippine Coast Guard.

In March 2023, more than 40 Chinese vessels, including vessels of the People's Liberation Army (PLA) of China and suspected Chinese maritime militia were spotted anchored off Thitu Island (locally known as Pag-asa) in the Kalayaan Island Group. President Ferdinand Marcos, Jr. summoned China's envoy to Manila to protest the continued occupation in the area.

U.S. President Joe Biden has manifested that the United States would not be easing up its military operations in the West Philippine Sea. In February 2023, the Philippine and United States governments announced the designation of four new sites in connection with the implementation of the Enhanced Defense Cooperation Agreement (EDCA). This expansion is viewed to make the alliance between the Philippines and the United States stronger and more resilient. South Asian nations and claimants involved in the West Philippine Sea dispute also continue to enforce their sovereign rights against China as well as other South Asian nations.

In recent months, there have been numerous run-ins in areas of the West Philippine Sea. In August 2023, China Coast Guard vessels used a water cannon against a Philippine resupply mission, preventing one of the boats from delivering its cargo. On September 24, 2023, the Philippine Coast Guard reported that the Chinese Coast Guard had installed a floating barrier near the Bajo de Masinloc (Scarborough Shoal) in the West Philippine Sea in an attempt to prevent Filipino fishermen from entering the Scarborough Shoal. In a special operation conducted the following day, the Philippine Coast Guard confirmed that it removed and cut the floating barrier. In October 2023, the Philippines has lodged a diplomatic protest with China in response to maneuvers by Chinese vessels that led to collisions with Philippine ships on a resupply mission to the BRP Sierra Madre on Ayungin Shoal (international name: Second Thomas Shoal). In March 2024, at least two Chinese Coast Guard ships used water cannons against a smaller military-contracted vessel during a resupply mission to Ayungin Shoal in the West Philippine Sea. Four Filipinos on board the vessel sustained minor injuries during this incident. On April 30, 2024, while Philippine government vessels were distributing fuel and food to the fisherfolk in the Scarborough Shoal, China coast guard vessels attacked them using high-pressure water cannons, causing damage to the vessels. This caused the Philippine government to file another diplomatic protest against China. The Philippines has filed total of 153 diplomatic protests against China during President Marcos' tenure, with 20 of these protests occurring exclusively in 2024.

In May 2024, the Department of Justice announced that the Philippines may be filing an environmental damage case against China for its island-building activities that damaged coral reefs in the West Philippine Sea.

There is no guarantee that the territorial dispute between the Philippine and other countries, including China, will end or that any existing tension will not escalate further, as China has taken steps to exercise control over the disputed territory. Should these territorial disputes continue or escalate further, the Philippines and its economy may be disrupted and the Company's operations could be adversely affected as a result. In particular, further disputes between the Philippines and China may lead both countries to impose trade restrictions on the other's imports. Any such impact from these disputes could adversely affect the Philippine economy, and materially and adversely affect the Company's business, financial position and financial performance.

Developments outside of the Philippines, including U.S. policies related to global trade and

tariffs could adversely affect our business, financial condition and results of operations

The current international political environment, including existing and potential changes to U.S. policies related to global trade and tariffs, have resulted in uncertainty surrounding the future state of the global economy.

Since 2018, the U.S. began to increase or impose tariffs on many products, particularly from China, including, but not limited to, solar panels, steel and aluminum products, consumer electronics, medical goods, clean tech goods, and industrial chemicals. In response, the European Union, China and other affected jurisdictions have introduced tariffs on U.S. goods. An escalating trade war may have material adverse effects on the power industry and our business may be impacted by these tariffs. Any further expansion in the types or levels of tariffs implemented has the potential to negatively impact our business, financial condition and results of operations. Additionally, there is a risk that the U.S. tariffs on imports are met with tariffs on U.S. produced exports and that a broader trade conflict could ensue, which has the potential to significantly impact global trade and economic conditions. Potential costs and any attendant impact on pricing arising from these tariffs and any further expansion in the types or levels of tariffs implemented could adversely affect our business, financial condition and results of operations. While there are ongoing discussions between the U.S. and China to reduce tariffs in phases, there is no certainty as to the timing and scale of the reduction in tariffs, and overall impact on global markets.

On 21 February 2022, Russian president Vladimir Putin announced that Russia recognizes the independence of two (2) pro-Russian breakaway regions in eastern Ukraine. On 22 February 2022, the Russian Federation Council unanimously authorized the use of military force, and the entry of Russian soldiers into both territories. On 24 February 2022, places across Ukraine, including Kyiv, the national capital, were struck with missiles. The Ukrainian Border Guard reported attacks on posts bordering Russia and Belarus. Shortly afterwards, Russian Ground Forces entered Ukraine prompting Ukrainian President Volodymyr Zelenskyy to enact martial law and general mobilization (the "**Russo-Ukrainian War**"). While the Company does not expect any material impact from the ongoing Russo-Ukrainian War on its current and future businesses, the war may affect oil and commodity prices in the near to medium term.

On 7 October 2023, Hamas launched a surprise attack on Israel in connection with the historical conflict over the Gaza Strip (the "**Israel-Hamas Conflict**"). In response to the Hamas attack, Israel Defense Forces ("**IDF**") launched aerial campaigns and ground operations within the Gaza Strip. In May 2024, the IDF renewed strikes on the southern city of Rafah, where over one million Palestinians were sheltering. As of May 2024, the death toll in the ongoing Israel-Hamas Conflict has reached 37,000 casualties. As of 31 May 2024, Israel and Hamas have not agreed upon a ceasefire.

While the Company does not have any direct dealings with Russia, Ukraine, Israel and Palestine, and does not expect any material impact from the ongoing Russo-Ukranian War and Israel-Hamas Conflict on its current and future businesses, the conflicts may affect oil and commodity prices in the near to medium term.

Economic disruption in other countries, even in countries in which we do not currently conduct business or have operations, could also adversely affect our businesses and results. Adverse market and economic conditions continue to create a challenging operating environment for financial services companies. In particular, the impact of interest and currency exchange rates, the risk of geopolitical events, fluctuations in commodity prices and concerns about European stagnation as well as diverging monetary policies among the major economies have affected financial markets and the economy.

In addition to the macroeconomic factors discussed above, other events beyond our control, including terrorist attacks, cyber attacks, military conflicts, economic or political sanctions, disease pandemics, political unrest or natural disasters could have a material adverse effect on economic and market conditions, market volatility and financial activity, with a potential related effect on our businesses and results.

There can be no assurance that the uncertainties affecting global markets will not negatively impact credit markets in Asia, including in the Philippines. These developments may adversely affect trade volumes with potentially negative effects on the Philippines.

RISKS RELATING TO THE BONDS

The First Tranche Bonds are unsecured obligations.

The First Tranche Bonds are unsecured obligations of the Company. The repayment of the First Tranche Bonds may be adversely affected if:

- the Company enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Company's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Company's indebtedness.

If any of these events were to occur, the Company's assets may not be sufficient to pay amounts due on the First Tranche Bonds.

The Company is a holding company with limited assets and will depend on payments from its subsidiaries to provide it with funds to meet its obligations under the First Tranche Bonds.

The Company is the holding company and has limited business operations. Accordingly, the Company will be primarily dependent upon payments from its subsidiaries and affiliates to make payments due on the First Tranche Bonds.

Substantial leverage and debt service obligations could adversely affect the Company's businesses and prevent the Company from fulfilling its obligations under the First Tranche Bonds.

Subject to limitations under the Trust Agreement, the Company will be permitted to incur additional indebtedness in the future. For a summary of the Company's existing indebtedness as of the date of this offering, see "*Description of Material Indebtedness*". The degree to which the Company will be leveraged in the future, on a consolidated basis, could have important consequences for the Bondholders, including, but not limited to:

- making it more difficult for the Company to satisfy its obligations with respect to the First Tranche Bonds;
- increasing vulnerability to, and reducing the Company's flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of cash flow from operations to the payment of principal of, and interest on, the Company's consolidated indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, acquisitions, joint ventures or other general corporate purposes;
- limiting flexibility in planning for, or reacting to, changes in the Company's businesses, the competitive environment and the industry in which the Company operates;
- placing Bondholders at a competitive disadvantage compared to the Company's competitors that are not as highly leveraged; and
- limiting the Company's ability to borrow additional funds and increasing the cost of any such borrowing.

Any of these or other consequences or events could materially and adversely affect the Company's ability to satisfy debt obligations, including the First Tranche Bonds.

The ability of the Company to make scheduled principal or interest payments on the First Tranche Bonds (see "*Description of Material Indebtedness*"), and to fund its ongoing operations, will depend on the Company's future performance and ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in this "*Risk Factors*" section, many of which are beyond the Company's control. If the Company's future cash flows from operations and other capital resources are insufficient to pay the Company's debt obligations, the Company's contractual obligations, or to fund the Company's other liquidity needs, the Company may be forced to sell assets or attempt to restructure or refinance the Company's existing indebtedness. No assurance can be given that the Company would be able to accomplish any of these measures on a timely basis or on satisfactory terms or at all.

Payments under the First Tranche Bonds will be structurally subordinated to liabilities and obligations of certain of the Company's subsidiaries, associates and joint ventures, and the First Tranche Bonds are not secured.

The Company is primarily a holding company and its ability to make payments in respect of the First Tranche Bonds depends largely upon the receipt of dividends, distributions, interest payments, management fees or advances from its subsidiaries, associated companies and joint ventures. The ability of such companies to pay dividends and other amounts to the Company may be subject to their profitability and to applicable laws and restrictions on the payment of dividends and other amounts contained in relevant financing and other arrangements. Further, as the Company only has a shareholder's claim on the assets of its subsidiaries, associated companies and joint ventures, payments under the First Tranche Bonds are effectively subordinated to all existing and future liabilities and obligations of each of such entities. Claims of creditors of such companies will have priority as to the assets of such companies over the Company and their respective creditors, including holders of the First Tranche Bonds.

The Bondholders will only be creditors of the Company and not of the Company's other subsidiaries. In addition, the Bondholders will not have the benefit of any security interest over the shares of any of the Company's other subsidiaries or any security interest over the assets of any of the Company's other subsidiaries. As a result, liabilities of any of the Company's other subsidiaries will be effectively senior to the First Tranche Bonds. Any of these other subsidiaries may in the future have other liabilities, including contingent liabilities, which may be significant.

The Company is subject to certain covenants pursuant to the Trust Agreement that may limit the Company's ability to finance the Company's future operations and capital needs and to pursue business opportunities and activities.

The Trust Agreement will, among other things, restrict the ability of the Issuer, the Company and, in some cases, certain of the Company's subsidiaries to:

- incur or guarantee additional indebtedness;
- sell or dispose of assets;
- create or incur certain liens;
- sell or issue capital stock;
- engage in a business that is not a Permitted Business;
- create or permit to exist any restrictions on the payment of dividends to the Company by certain of the Company's subsidiaries; and
- consolidate or merge with other entities.

In addition, certain of the Company's other financing agreements provide for restrictions and limitations on the Company's ability to pay dividends or make other distributions on the occurrence of certain events. All of these limitations are subject to significant exceptions and qualifications. See "*Description of the Bonds*". These covenants and other restrictions and limitations may limit the Company's ability to finance its future operations and capital needs and its ability to pursue business opportunities and activities that may be in the Company's interest.

Bonds have no preference under Article 2244(14) of the Civil Code.

Under Philippine law, in the event of liquidation of a company, unsecured obligations which are evidenced by a public instrument as provided in Article 2244(14) of the Civil Code of the Philippines will rank ahead of unsecured debt obligations which are not so evidenced, such as the First Tranche Bonds. Under Philippine law, a debt becomes evidenced by a public instrument when it has been acknowledged before a notary or any person authorised to administer oaths in the Philippines. Although the position is not clear under Philippine law, it is possible that a jurat (which is a statement of the circumstances in which an affidavit is made) may be sufficient to constitute a debt evidenced by a public instrument.

The Issuer may raise other capital which affects the price of the First Tranche Bonds.

The Issuer may from time to time and without prior consultation of the holders of the First Tranche Bonds create and issue further First Tranche Bonds. Furthermore, the Issuer may raise additional capital through the issue of other bonds or other means. Under the terms of the First Tranche Bonds, there is no restriction, contractual or otherwise, on the amount of First Rate Bonds which the Issuer may further issue or notes or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the First Tranche Bonds. The issue of any further First Tranche Bonds or such bonds or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of the First Tranche Bonds on a final and effective order or resolution for the bankruptcy, winding up, liquidation, receivership, insolvency or similar proceedings in respect of the Issuer, as the case may be (a "**Winding-Up**"), and may also have an adverse impact on the trading price of the First Tranche Bonds and/or the ability of holders to sell them.

The liquidity and price of the First Tranche Bonds following this offering may be volatile.

The price and trading volume of the First Tranche Bonds may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Company and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies, any adverse change in results of operations could cause the price of the First Tranche Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the First Tranche Bonds will trade. There can be no assurance that these developments will not occur in the future.

Credit Rating and Label Retention Risk

There is no assurance that the First Tranche Bonds will maintain the credit rating throughout the life of the First Tranche Bonds. The credit rating is not a recommendation to buy, sell, or hold securities and may be subject to revision, suspension, or withdrawal at any time by the assigning rating organization.

[The First Tranche Bonds may be redeemed at the Issuer's option upon the occurrence of certain events.

The First Tranche Bonds are redeemable at the option of the Issuer, in whole or in part, on or after [●] at the redemption prices set out in "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption at the Option of the Issuer*," together with all accrued and unpaid interest, on the First Tranche Bonds redeemed, to, but excluding, the applicable date of redemption. Further, the Issuer has the right to redeem the First Tranche Bonds at any time at 100% of the principal amount of the First Tranche Bonds plus any accrued but unpaid interest upon the occurrence of certain changes in Philippine tax law requiring the payment of Additional Amounts (as defined in the *Conditions*).

The date on which the Issuer elects to redeem the First Tranche Bonds may not accord with the preference of individual Bondholders. This may be disadvantageous to the Bondholders in light of market conditions or the individual circumstances of the holder of the First Tranche Bonds. In addition, an investor may not be able to reinvest the redemption proceeds in comparable Bonds at an effective interest rate at the same level as that of the First Tranche Bonds.]

[Modifications and waivers may be made in respect of the Conditions and the Trust Agreement by the Trustee or less than all of the holders of the First Tranche Bonds.

The Conditions provide that the Trustee may (but is not obliged to), without the consent of Bondholders, agree to any modification of the First Tranche Bonds and the Trust Agreement (with certain exceptions) which in the opinion of the Trustee will not be materially prejudicial to the interests of Bondholders and to any modification of the First Tranche Bonds and the Trust Agreement (with certain exceptions) which in the opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may (but is not obliged to), without the consent of the Bondholders, authorise or waive any proposed breach or breach of the First Tranche Bonds and the Trust Agreement (with certain exceptions) if, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby.]

[There are limited remedies for default under the First Tranche Bonds.

There are limited remedies for default under the First Tranche Bonds. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute Winding-Up proceedings is limited to circumstances where payment has become due and the Issuer fails to make the payment when due. The only remedy against the Issuer available to the Trustee or (where the Trustee has failed to proceed against the Issuer, as provided in the Terms and Conditions) any Bondholder for recovery of amounts in respect of the First Tranche Bonds following the occurrence of a payment default after any sum becomes due in respect of the First Tranche Bonds will be instituting Winding-Up proceedings and/or proving and/or claiming in Winding-Up in respect of any of the Issuer's payment obligations arising from the First Tranche Bonds and the Trust Agreement.]

RISKS RELATING TO STATEMENTS IN THIS PRELIMINARY PROSPECTUS

This Preliminary Prospectus contains certain statistical and industry information which have not been independently verified by the Company.

Certain statistical or industry information in this Preliminary Prospectus relating to the Philippines and other jurisdictions, the industries and markets in which the Company operates, and other data used in this Preliminary Prospectus were obtained or derived from internal surveys, market research, governmental data, publicly available information and/or industry publications. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable. However, there is no assurance that such information is accurate nor complete. Similarly, internal surveys, industry forecasts and market research have not been independently verified by the Company and may not be accurate, complete, up-to-date, balanced or consistent with other information compiled within or outside the Philippines.

There may be possible deviations in the Use of Proceeds.

The intended use of proceeds from the Offer is set out under "*Use of Proceeds*" on page [●] of this Preliminary Prospectus. It is the Company's current intention to apply the net proceeds from the Offer in the manner as described in that section. However, as new business opportunities arise, or as unforeseen events occur, the Company may opt to reallocate a portion or all of the net proceeds to other business plans or new projects or to other uses or hold such funds in bank accounts or short-term securities, if such action is considered to be in the best interests of the Company. As a consequence, the actual application of the proceeds from the Offer may deviate from the intended use as described in this document. Any such material deviation, however, will be disclosed in accordance with the relevant rules of the SEC and/or PDEx. In addition, the business plans of the Company as described herein are based on assumptions of future events, which by their nature, are subject to uncertainty. As such, while the Company exerts reasonable efforts in planning, there is no assurance that the plans of the Company will materialize as intended.

Certain information contained herein is derived from unofficial publications.

Certain information in this Preliminary Prospectus relating to the Philippines and jurisdictions, the industries in which the Company's businesses compete and the markets in which the Company develops its projects, including statistics relating to market size, are derived from various government and private publications.

TERMS AND CONDITIONS OF THE FIRST TRANCHE BONDS

The following are the terms and conditions of the First Tranche Bonds. This description of the terms and conditions of the First Tranche Bonds set forth herein does not purport to be complete and is qualified in its entirety by reference to the agreements relating to the First Tranche Bonds, copies of which are available for inspection at the offices of the Trustee. The terms and conditions set out in this section will, subject to amendment, be set out in the Trust Agreement between the Issuer and the Trustee.

A registration statement was filed by the Issuer covering the securities on [●] and an application for the listing of the First Tranche Bonds will be filed with the PDEx on or about [●]. Pursuant to the confirmation and certificate of permit to offer securities for sale to be issued by the SEC, the Company will issue [•]% per annum fixed-rate bonds with a tenor of [3.5] years in aggregate principal amount of up to [Ten Billion Pesos] (₱10,000,000,000.00) fixed-rate bonds due [2028] (the "**Bonds**") under a shelf-registered debt program, to be issued in one or more tranches at such times and on such terms as may be determined by management, for public offer and sale in the Philippines under the Prospectus dated [•] (the "**Prospectus**"). For the first tranche of the Bonds to be issued out of the Shelf Registration, the Issuer is offering a principal amount of up to Three Billion Pesos (₱3,000,000,000.00) (the "**Base Offer**"), with an oversubscription option of up to Three Billion Pesos (₱3,000,000,000.00) (the "**Oversubscription Option**", together with the Base Offer, the "**Offer**", and the Bonds subject of the Offer, the "**First Tranche Bonds**") to be issued on [16 July 2024] or the immediately succeeding Business Day if such date is not a Business Day or such other date as may be agreed upon by the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners ("**Issue Date**").

The First Tranche Bonds are constituted by a Trust Agreement executed on [•] (the "**Trust Agreement**") between the Issuer and RCBC Trust Corporation (the "**Trustee**", which term shall, wherever the context permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Agreement). The description of the terms and conditions of the First Tranche Bonds set out below ("**Terms and Conditions**") includes summaries of, and is subject to, the detailed provisions of the Trust Agreement and the Registry and Paying Agency Agreement executed on [•] (the "**Registry and Paying Agency Agreement**") between the Issuer, and the Registrar and Paying Agent.

The First Tranche Bonds shall be offered and sold through a general public offering in the Philippines, and issued and transferable in minimum principal amounts of ₱50,000.00 and in multiples of ₱10,000.00 thereafter, and traded in denominations of ₱10,000.00 in the secondary market.

The First Tranche Bonds shall mature on [3.5] years from the Issue Date, unless earlier redeemed by the Issuer pursuant to the terms thereof and subject to the provisions on redemption and payment below.

PDTC has no interest in or relation to DoubleDragon which may conflict with its roles as Registrar and as Paying Agent for the Offer. [Trustee] has no interest in or relation to DoubleDragon which may conflict with its role as Trustee for the Offer.

Copies of the Trust Agreement and the Registry and Paying Agency Agreement are available for inspection during normal business hours at the specified offices of the Trustee and the Registrar. The holders of the Bonds (the "**Bondholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Agreement and are deemed to have notice of those provisions of the Registry and Paying Agency Agreement applicable to them

Form and Denomination

The First Tranche Bonds are in scripless form, and shall be issued in denominations of ₱50,000.00 each as a minimum and in multiples of ₱10,000.00 thereafter and traded in denominations of ₱10,000.00 in the secondary market.

Title

Legal title to the First Tranche Bonds shall be shown in the Registry Book maintained by the Registrar. A notice confirming the principal amount of the First Tranche Bonds purchased by each applicant in the Offering shall be issued by the Registrar to all Bondholders following the Issue Date. Upon any assignment, title to the First Tranche Bonds shall pass by recording of the transfer from the transferor to the transferee in the electronic Registry Book maintained by the Registrar. Settlement in respect of such transfer or change of title to the First Tranche Bonds, including the settlement of any cost arising from such transfers, including, but not limited to, documentary stamps taxes, if any, arising from subsequent transfers, shall be for the account of the relevant Bondholder.

Bond Rating

Philippine Rating Services Corporation ("PhilRatings") assigned an Issue Credit Rating of [PRS Aaa] to the First Tranche Bonds.

Obligations rated [PRS Aaa] are of high quality and are subject to very low credit risk. The obligor's capacity to meet its financial commitment on the obligation is extremely strong. PRS Aaa is the highest rating category on PhilRatings' existing credit rating scale. A Stable Outlook means that the rating is likely to be maintained or to remain unchanged in the next twelve months

PhilRatings' ratings are based on available information and projections at the time that the rating process was on-going. PhilRatings shall continuously monitor developments relating to DoubleDragon and may change the rating at any time, should circumstances warrant a change.

Transfer of Bonds

Registry Book

The Issuer shall cause the Registry to be kept by the Registrar, in electronic form. The names and addresses of the Bondholders and the particulars of the First Tranche Bonds held by them and of all transfers of First Tranche Bonds shall be entered into the Registry Book.

As required by Circular No. 428-04 issued by the Bangko Sentral ng Pilipinas, the Registrar shall send each Bondholder, in the mode elected by such Bondholder in the Application to Purchase or the Registration Form, a written statement of registry holdings at least quarterly (at the cost of the Issuer) and a written advice confirming every receipt or transfer of the First Tranche Bonds that is effected in the Registrar's system (at the cost of the relevant Bondholder). Such statement of registry holdings shall serve as the confirmation of ownership of the relevant Bondholder as of the date thereof. Any requests of Bondholders for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Bondholder. No transfers of the First Tranche Bonds may be made during the period commencing on a Record Date as defined in the section on "*Interest Payment Date*" or page [●] of this Preliminary Prospectus.

Transfers; Tax Status

Transfers across tax categories shall not be allowed except on Interest Payment Dates that fall on a Business Day. Restricted transfers include, but are not limited to, transfers between taxable and non-taxable entities, between taxable entities of different tax categories (where tax-withheld entities with different final withholding tax rates (e.g. 20%, 25) are considered as belonging to different tax categories), or between parties who claim the benefit of a tax treaty; provided, however, that transfers from a tax-exempt category to a taxable tax category on a non-Interest Payment Date shall be allowed using the applicable tax-withheld series name to ensure that the computation is based on the final withholding tax rate of the taxable party to the trade. For such transactions, the tax-exempt entity shall be treated as belonging to the same tax category as its taxable counterpart for the interest period within which such transfer occurred.

A Bondholder claiming tax-exempt status is required to submit a written notification of the sale or purchase to the Trustee and the Registrar, including the tax status of the transferor or transferee, as appropriate, together with the supporting documents specified under "Payment of Additional Amounts; Taxation" herein set forth, upon submission of the Account Opening Documents to the Registry.

Transfers taking place in the Register of Bondholders after the Bonds are listed on PDEx shall be allowed between tax-exempt and non-tax exempt entities without restriction and observing the tax exemption of tax-exempt entities, if and/or when so allowed and in accordance with the relevant rules, conventions, and guidelines of PDEx and PDTC.

Secondary Trading of the Bonds

The Issuer intends to list the First Tranche Bonds at PDEx for secondary market trading or such other securities exchange as may be licensed as such by the SEC on which the trading of debt securities occurs.

Secondary market trading in PDEx shall follow the applicable PDEx rules, conventions, and guidelines, including, among others, the rules and conventions on trading and settlement between bondholders of different tax status and shall be subject to the relevant fees of PDEx and PDTC. Upon listing of the First Tranche Bonds with PDEx, investors shall course their secondary market trades through PDEx Brokering Participants for execution in the PDEx Trading Platform in accordance with PDEx Trading Rules, Conventions, and Guidelines, and shall settle such trades on a Delivery versus Payment (DvP) basis in accordance with PDEx.

Settlement Rules and Guidelines. The PDEx rules and conventions are available in the PDS website (www.pds.com.ph). An Investor Frequently Asked Questions (FAQ) discussion on the secondary market trading, settlement, documentation and estimated fees are also available in the PDS website.

Ranking

The First Tranche Bonds constitute direct, unconditional, unsecured, and unsubordinated Peso denominated obligations of the Issuer and shall rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, other than (i) obligations preferred by the law and (ii) any obligation incurred by the Issuer pursuant to Section [●] of the Trust Agreement or as may be allowed by the Trust Agreement. The First Tranche Bonds shall effectively be subordinated in right of payment to, among others, all of Issuer's secured debts, and all of its debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code.

Interest

Interest Payment Dates

The First Tranche Bonds bear interest on its principal amount from and including Issue Date at the rate of [●]% p.a., payable quarterly in arrear on [16 July], [16 October], [16 January], and [16 April] of each year commencing on [16 October 2024], until and including the Maturity Date (each, an "**Interest Payment Date**") or the next Business Day if such dates fall on a non-Banking Day, without any adjustment in the amount of interest as originally computed. If the Issue Date is set at a date other than [16 July 2024], then the Interest Payment Dates will be automatically adjusted to the numerically corresponding dates at every three (3) months following the actual Issue Date (or if there is no day so numerically corresponding, such date shall pertain to the last day of such calendar month). The last Interest Payment Date shall fall on the Maturity Date.

The cut-off date in determining the existing Bondholders entitled to receive interest or principal amount due shall be the day two (2) Business Days prior to the relevant Interest Payment Date (the "**Record Date**"), which shall be the reckoning day in determining the Bondholders entitled to receive interest, principal or any other amount due under the First Tranche Bonds. No transfers of the First Tranche Bonds may be made during this period intervening between and commencing on the Record Date and the relevant Interest Payment Date.

The following was used as basis for determining the Interest Rate: Using the PDST-R2 closing rate as a benchmark rate is a standard and customary method of pricing bond instruments. Applying the 3-day simple average is a means to address market volatility, which can abnormally affect the pricing of the final interest rate. The margins are included to account for the credit risk profile of the Issuer and the general market environment at the time of bookbuilding. The final interest rate is determined based on a combination of the following factors: (1) General movements of the financial markets; (2) Results of the bookbuilding exercise; and (3) Issuer's commercial considerations.

Interest Accrual

Each Bond shall cease to bear interest from and including the Maturity Date, as defined in the discussion on "*Final Redemption*" on page [●] of this Preliminary Prospectus, unless, upon due presentation, payment of the principal in respect of the Bond then outstanding is not made, is improperly withheld or refused, in which case the Penalty Interest (see "*Penalty Interest*" on page [●] of this Preliminary Prospectus) shall apply.

Determination of Interest Amount

The interest shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days.

Redemption and Purchase

Final Redemption

Unless previously purchased and cancelled, the First Tranche Bonds shall be redeemed at par or 100% of face value on the relevant Maturity Date. However, if the Maturity Date is not a Business Day, payment of all amounts due on such date may be made by the Issuer through the Paying Agent, without adjustment in computation as to the amount of interest payable and principal amount, on the succeeding Business Day.

Optional Redemption

The Issuer shall have the option, but not the obligation, to redeem in whole (and not in part), the outstanding First Tranche Bonds on the dates specified below. The amount payable to the Bondholders upon the exercise of the Early Redemption Option by the Issuer shall be calculated, based on the principal amount of First Tranche Bonds being redeemed, as the sum of: (i) accrued interest computed from the last Interest Payment Date up to the Early Redemption Option Date; and (ii) the product of the principal amount of the First Tranche Bonds being redeemed and the Early Redemption Price in accordance with the schedule below:

Early Redemption Option Date	**Early Redemption Price**
On the 9th Interest Payment Date	102.0%
On the 12th Interest Payment Date	101.0%

The Issuer shall give not less than thirty (30) nor more than sixty (60) days prior written notice to the Bondholders through the Trustee of its intention to redeem the First Tranche Bonds, which notice shall be irrevocable and binding upon the Issuer to effect such early redemption of the First Tranche Bonds on the Early Redemption Option Date stated in such notice. Upon receipt by the Trustee of such notice fully complying with these. For the avoidance of doubt, notice to the Trustee shall be considered notice to the Bondholders.

Redemption for Tax Reasons

If payments under the First Tranche Bonds become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on the Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem the First Tranche Bonds in whole, but not in part, on any Interest Payment Date (having given not more than 60 nor less than 30 days' notice) at par plus accrued interest, subject to the requirements of Applicable Law. For avoidance of doubt, the Issuer shall not be liable for the payment of the additional or increased taxes, which shall be for the account of the Bondholders.

Redemption due to Change in Law

The Company may also redeem the First Tranche Bonds, in whole (not in part), at any time having given not less than 30 nor more than 60 days' written notice prior to the intended date of redemption, such notice to be deemed irrevocable upon issuance thereof, if any Change in Law (as defined below) will materially and adversely affect the ability of the Issuer to comply with its obligations under the First Tranche Bonds or the Trust Agreement or the financial position or operations of the Issuer.

A change in law or circumstances ("**Change in Law**") as it refers to the obligation of the Issuer and to the rights and interests of the Bondholders and the First Tranche Bonds shall occur if:

(a) Any government and/or non-government consent, license, authorization, registration or approval now or hereafter necessary to enable the Issuer to comply with its obligations under the Trust Agreement or the First Tranche Bonds shall be modified, withdrawn or withheld in a manner which shall materially and adversely affect the ability of the Issuer to comply with such obligations.

(b) Any provision of the Trust Agreement or any of the related documents is or shall become, for any reason, invalid, illegal or unenforceable to the extent that it shall become for any reason unlawful for the Issuer to give effect to its rights or obligations thereunder, or to enforce any provisions of the Trust Agreement or any of the related documents in whole or in part; or any law shall be introduced to prevent or restrain the performance by the parties of their obligations under the Trust Agreement or any other related documents.

Purchase and Cancellation

The Issuer may purchase the First Tranche Bonds at any time in the open market or by tender or by contract at the best available price under prevailing market conditions, in accordance with PDEX Rules and/or the SRC, as may be amended from time to time, without any obligation to make pro rata purchases from all Bondholders. First Tranche Bonds so purchased shall be redeemed and cancelled and may not be re-issued.

Upon listing of the First Tranche Bonds in the PDEx, the Issuer shall disclose any such transaction in accordance with the applicable disclosure rules of the PDEx.

Payments

The principal of, interest on, and all other amounts payable on the First Tranche Bonds shall be paid to the Bondholders by crediting of the settlement accounts designated by each of the Bondholders. The principal of, and interest on, the First Tranche Bonds shall be payable in Philippine Pesos, net of final taxes and fees (if any). DD shall ensure that so long as any of the First Tranche Bonds remains outstanding, there shall at all times be a Paying Agent for the purposes of the First Tranche Bonds. DD may terminate the appointment of the Paying Agent, as provided in the Registry and Paying Agency Agreement. In the event the appointed office of any institution shall be unable or unwilling to continue to act as the Paying Agent, DD shall appoint the Makati City office of such other leading institution in the Philippines authorized to act in its place. The Paying Agent may not resign its duties or be removed without a successor having been appointed.

Payment of Additional Amounts - Taxation

Interest income on the First Tranche Bonds is subject to a final withholding tax at rates of between twenty percent (20.0%) and twenty-five percent (25.0%) depending on the tax status of the relevant Bondholder under relevant law, regulation or tax treaty. Except for such final withholding tax and as otherwise provided, all payments of principal and interest are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of Republic of the Philippines, including, but not limited to, issue, registration or any similar tax or other taxes and duties, including interest and penalties, if any. If such taxes or duties are imposed, the same shall be for the account of the Issuer; provided however that, the Issuer shall not be liable for the following:

(a) The applicable final withholding tax applicable on interest earned on the First Tranche Bonds prescribed under the Tax Code, as amended and its implementing rules and regulations as maybe in effect from time to time. An investor who is exempt from the aforesaid withholding tax, or is subject to a preferential withholding tax rate shall be required to submit the following requirements to the Registrar, subject to acceptance by the Issuer as being sufficient in form and substance: (i) certified true copy of the current, valid, and subsisting tax exemption certificate, ruling or opinion issued by the BIR confirming the exemption or preferential rate; (ii) a duly notarized undertaking, in the prescribed form, declaring and warranting its tax exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer of any suspension or revocation of the tax exemption certificates or preferential rate entitlement, and agreeing to indemnify and hold the Issuer and the Registrar free and harmless against any tax assessments, claims, actions, suits, and liabilities resulting from the non-withholding of the required tax; and (iii) such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities which for purposes of claiming tax treaty withholding rate benefits, shall include evidence of the applicability of a tax treaty, such as proof of filing of a tax treaty relief application with the BIR ITAD prior to the first taxable event, and consularized proof of the Bondholder’s legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar, as are acceptable to the Issuer;

(b) Gross Receipts Tax under Section 121 of the Tax Code;

(c) Taxes on the overall income of any securities dealer or Bondholder, whether or not subject to withholding; and

(d) Value Added Tax ("VAT") under Sections 106 to 108 of the Tax Code, and as amended by RA No. 9337. Documentary stamp tax for the primary issue of the First Tranche Bonds and the execution of the Bond Agreements, if any, shall be for the Issuer's account.

Financial Ratios

The Issuer shall maintain at all times a Debt-to-Equity Ratio of not more than 70:30 and Debt Service Coverage Ratio of not less than 1:1. Compliance with these financial ratios shall be tested on annual basis, pursuant to the procedure set forth in the Trust Agreement. Other than these financial ratios, the Issuer is not required to maintain any financial ratio.

Negative Pledge

So long as any Bond or coupon remains outstanding (as defined in the Trust Agreement) the Issuer will not:

(a) directly or indirectly, incur or suffer to exist, or permit any Subsidiary to directly or indirectly incur or suffer to exist, any Lien upon any assets and revenues, present and future, of the Issuer or any of its Subsidiaries, as the case may be, or

(b) enter into, or permit any Subsidiary to enter into, any loan facility agreement secured by or to be secured by a Lien upon any assets and revenues, present and future, whether registered or unregistered, of the Issuer or any Subsidiary, as the case may be, unless the Issuer or a Subsidiary has made or will make effective provisions, satisfactory to the Bondholders in its absolute discretion, whereby the Lien thereby created will secure, on an equal first ranking and ratable basis, any and all the obligations of the Issuer hereunder and such other Debt which such Lien purports to secure; provided, that the foregoing restriction shall not apply to the following (the **"Permitted Liens"**):

    (i) Liens created pursuant to any Indebtedness disclosed to the Lender in writing prior to the date of the Trust Agreement;

    (ii) Liens for taxes, assessments or governmental charges or levies not yet delinquent or which are being contested in good faith and in appropriate proceedings;

    (iii) other Liens incidental to the ordinary conduct of the business of the Issuer or the Subsidiary, as the case may be, the ownership of the properties and assets of the Issuer or the Subsidiary, as the case may be; provided, that: (1) such Liens are not incurred or granted in connection with incurring or maintaining Debt of any Person; and (2) such Liens do not, individually or in the aggregate, materially detract from the value of such properties or assets or materially impair the use thereof in the operation of the business of the Issuer or the Subsidiary, as the case may be, or materially interfere with the sale or other disposition of such properties or assets; and (3) such Liens shall in no event secure obligations or liabilities incurred by the Issuer or the Subsidiary, as the case may be, in the ordinary course of any real property development business;

    (iv) Liens arising by operation of law (other than any preference or priority under Article 2244, paragraph 14(a) of the Civil Code of the Philippines) on any property or asset of the Issuer, including, without limitation, amounts owing to a landlord, carrier, warehouseman, mechanic or material man; and

    (v) Liens created with the prior written consent of the Bondholders.

Events of Default

Each of the following events constitutes an Event of Default.

(a) ***Payment Default***. The Company fails to pay any of the principal, interest and fees or any other sum payable by the Company under the First Tranche Bonds, as and when due and payable at the place and in the currency in which it is expressed to be payable, except that the late payment of principal, interest and fees, or any other sum payable by the Company under the First Tranche Bonds arising solely due to a technical reason not attributable to the fault or negligence of the Company affecting the transfer of funds despite timely instruction having given by the Company shall not result in an Event of Default, provided that such non-payment or late payment due to technical reason shall be remedied within three (3) Banking Days;

(b) ***Representation Default***. Any representation or warranty made or repeated by the Company in the Trust Agreement is incorrect or misleading in any material respect when made or deemed to have been made or repeated, and the same is not cured within a period of thirty (30) days (or such longer period as the Majority Bondholders shall approve) after written notice of such failure given by the Trustee is received by Issuer.

(c) ***Financial Covenant Default.*** The Company fails to maintain Debt-to-Equity Ratio and the Debt Service Coverage Ratio; provided that with respect to the Debt Service Coverage Ratio, such breach is not remedied by the Company, through the infusion of additional equity or extension of shareholder advances, in amounts sufficient to maintain the Debt Service Coverage Ratio at 1:1, within two (2) months from the date of the breach. For avoidance of doubt, any breach of the Debt-to-Equity Ratio is not remediable.

(d) ***Other Provisions Default***. The Company fails to perform or comply with any term, obligation or covenant contained in the Trust Agreement, or in any other document issued pursuant thereto or otherwise in connection therewith, and such failure is not remediable or, if remediable (in the reasonable opinion of the Trustee), shall continue unremedied during the applicable grace period or, in the absence of such grace period, within a period of thirty (30) days after written notice of such failure given by the Trustee is received by the Company, provided, however, that no additional grace period shall apply to the Events of Default specified in (a), (f), and (g).

(e) ***Cross-Default.*** The Company violates any material term or condition of any contract executed by the Company with any bank, financial institution, or other person, corporation or entity for the payment of borrowed money which constitutes an event of default under said contract, or in general, violation of any, law or regulation which violation, if remediable, is not remedied by the Company within thirty (30) Business Days from receipt of notice by the Trustee provided that, no event of default shall occur under this paragraph unless the aggregate amount of indebtedness in respect of which one or more of the events above mentioned has/have occurred equals or exceeds ₱500,000,000.

(f) ***Insolvency Default***. The Company becomes insolvent or is unable to pay its Indebtedness when due or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against the Company, in any bankruptcy, insolvency, administration, suspension of payment, rehabilitation, reorganization (other than a labor or management reorganization), winding-up, dissolution, moratorium or liquidation proceeding of the Company, or any other proceeding analogous in purpose and effect, unless for petition filed against the Company, it is contested in good faith by the Company in appropriate proceedings or otherwise dismissed by the relevant court within 60 days from the filing of such petition; (ii) the making of a general assignment by the Company for the benefit of the creditors; (iii) the admission in writing by the Company, through its President, Chief Executive Officer, Chief Operating Officer, Chief Finance Officer, of its general inability to pay its Indebtedness; (iv) the entry of any order of judgment of any competent court, tribunal or administrative agency or body confirming liquidation of the Company, unless withdrawn or revoked by the appropriate court, tribunal or lawful appointment of a receiver or trustee to take possession of a substantial portion of the properties of the Company, unless contested in good faith by the Company to authorize any of the foregoing, unless withdrawn or rescinded within sixty (60) calendar days from the taking of such action.

(g) ***Closure Default.*** The Company voluntarily suspends or ceases operations of a substantial portion of its business for a continuous period of thirty (30) calendar days except when due to fortuitous events or force majeure.

(h) ***Expropriation Default***. Any act or deed or judicial or administrative proceedings in the nature of an expropriation, confiscation, nationalization, acquisition, seizure, sequestration or condemnation of or with respect to all or at least seventy (70%) of the value of the Company's Total Consolidated Assets] as shown in the latest Audited Consolidated Financial Statements shall be undertaken or instituted by any Government Authority, and such act, deed or proceeding shall continue undismissed or unstayed for a period of more than sixty (60) calendar days.

(i) ***Judgment Default***. A final and executory judgment, decree or order for the payment of money, damages, fine or penalty or its equivalent shall be rendered against the Issuer which, together with all other judgments against the Company then outstanding and unsatisfied, exceeds ₱500,000,000.00, and which may in the reasonable opinion of the Trustee materially and adversely affect the ability of the Borrower to comply with its obligations under the Offer Documents, and the Trustee has failed to demonstrate to the reasonable satisfaction of the Trustee within thirty (30) days of the judgment, decree or order being entered that the judgment, decree or order will be satisfied, discharged or stayed within thirty (30) days of the judgment, decree or order being entered, or (ii) is not paid, discharged, stayed or fully bonded within thirty (30) days after the date when payment of such judgment, decree or order is due.

(j) ***Writ and Similar Process Default***. An attachment or garnishment of or levy upon any of the properties of the Company which might have a Material Adverse Effect is made and is not discharged or stayed within thirty (30) days of having been so imposed.

(k) ***Closure Default.*** Any Government Approval now or hereafter necessary to enable the Issuer to comply with its obligations under the Trust Agreement or required for the conduct of its business and operations shall be modified, withdrawn, withheld, revoked, cancelled or otherwise terminated in a manner which, in the reasonable opinion of the Trustee, would have a Material Adverse Effect on the Company and the same remains for a continuous period of thirty (30) calendar days except when due to fortuitous events or force majeure.

Consequences of Default

Declaration

(a) If any one or more of the Events of Default shall occur and be continuing, either the Trustee, upon the written direction of the Majority Bondholders, by notice in writing delivered to the Issuer, or the Majority Bondholders, by notice in writing delivered to the Issuer and the Trustee, may declare the principal of the First Tranche Bonds then outstanding, including all interest accrued and unpaid thereon and all amounts due thereunder, to be due and payable immediately, anything contained in the Trust Agreement or in the First Tranche Bonds to the contrary notwithstanding.

(b) The provision in (a) above, however, is subject to the condition that the Majority Bondholders, by written notice to the Issuer and to the Trustee, may rescind and annul such declaration made by the Trustee pursuant to a consequence of default and its consequences, upon such terms, conditions and agreements, if any, as they may determine including, in connection with a Cross Default, the fact that the non-payment of the obligation is contested in good faith by the Issuer; provided, that, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereto. Any such waiver shall be conclusive and binding upon all the Bondholders and upon all future holders and owners of such First Tranche Bonds, or of any Bond issued in lieu thereof or in exchange therefor, irrespective of whether or not notation of such waiver is made upon the First Tranche Bonds.

(c) At any time after an Event of Default shall have occurred, the Trustee may:

   (i) by notice in writing to the Issuer, the Paying Agent and the Registrar, require the Paying Agent and Registrar to:

   - act thereafter as agents of the Bondholders represented by the Trustee on the terms provided in the Registry and Paying Agency Agreement (with consequential amendments as necessary and save that the Trustee's liability under the provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Paying Agent and the Registrar shall be limited to amounts for the time being held by the Trustee pursuant to the Trust Agreement in relation to the First Tranche Bonds and available to the Trustee for such purpose) and thereafter to hold all sums, documents and records held by them in respect of the First Tranche Bonds on behalf of the Trustee; and/or

- deliver all evidence of the First Tranche Bonds and all sums, documents and records held by them in respect of the First Tranche Bonds to the Trustee or as the Trustee shall direct in such notice; provided, that, such notice shall be deemed not to apply to any document or record which the Paying Agent or Registrar is not obliged to release by any law or regulation; and

(ii) by notice in writing to the Issuer, require the Issuer to make all subsequent payments in respect of the First Tranche Bonds to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn.

Notice of Default

The Trustee shall, within five (5) days after the occurrence of an Event of Default give to the Bondholders written notice of any such Event of Default known to it unless the same shall have been cured before the giving of such notice; provided, that, in the case of a Payment Default under paragraph (a) of Events of Default, the Trustee shall immediately notify the Bondholders upon the occurrence of such Payment Default. The existence of a written notice required to be given to the Bondholders under this Section shall be published in two (2) newspapers of general circulation in Metro Manila, Philippines for two (2) consecutive days, indicating in the published notice that the Bondholders or their duly authorized representatives may obtain an important notice regarding the First Tranche Bonds at the principal office of the Trustee as indicated in the Trust Agreement upon presentation of sufficient and acceptable identification to the Trustee.

Penalty Interest

In case any amount payable by the Issuer under the First Tranche Bonds, whether for principal, interest, fees due to the Trustee, Registrar or Paying Agent or otherwise, is not paid on due date, the Issuer shall, without prejudice to its obligations to pay the said principal, interest and other amounts, pay penalty fee on the defaulted amount(s) at the rate of two percent (2.0%) per annum (the “Penalty Interest”) from the time the amount fell due until it is fully paid.

Payments in the Event of Default

The Issuer covenants that upon the occurrence of any Event of Default, the Issuer will pay to the Bondholders, through the Paying Agent, the whole amount which shall then have become due and payable on all such outstanding First Tranche Bonds with interest at the rate borne by the First Tranche Bonds on the overdue principal and with Penalty Interest, where applicable, and in addition thereto the Issuer will pay to the Trustee such further amounts as shall be determined by the Trustee to be sufficient to cover the cost and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, and any reasonable expenses or liabilities incurred without negligence or bad faith by the Trustee hereunder.

Upon the occurrence of an Event of Default and in accordance with the requirements of the Trust Agreement, the Bondholders shall have the right, but not the obligation, to require the Issuer to redeem the First Tranche Bonds in full, by payment of the amounts stated above, plus the principal amount, by delivery of the relevant evidence of the First Tranche Bonds to the Trustee.

Application of Payments

Any money collected by the Trustee in case of any Event of Default and any other funds held by it, subject to any other provision of the Trust Agreement relating to the disposition of such money and funds, shall be applied by the Trustee in the order of preference as follows:

<u>First</u>: To the payment of the costs, expenses, fees and other charges of collection, including reasonable compensation to the Trustee, Paying Agent, Registrar, and each such person’s agents, attorneys and counsel, and all reasonable expenses and liabilities incurred or disbursement made by the Trustee, Paying Agent and Registrar without negligence or bad faith.

<u>Second</u>: To the payment of Penalty Interest.

<u>Third</u>: To the payment of the interest, in the order of the maturity of such interest.

Fourth: To the payment of the principal amount of the outstanding First Tranche Bonds due and payable.

Fifth: The remainder, if any, shall be paid to the Issuer, its successors or assigns, or to whosoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. Except for any interest and principal payments, all disbursements of the Paying Agent in relation to the First Tranche Bonds shall require the conformity of the Trustee.

Remedies

All remedies conferred by the Trust Agreement to the Trustee and the Bondholders shall be cumulative and not exclusive and shall not be so construed as to deprive the Trustee or the Bondholders of any legal remedy by judicial or extrajudicial proceedings appropriate to enforce the conditions and covenants of in the Trust Agreement.

No delay or omission by the Trustee or by any Bondholder to exercise any right or power arising from or on account of any default hereunder shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence thereto, and every power and remedy given in the Trust Agreement to the Trustee or to the Bondholder may be exercised from time to time and as often as may be necessary or expedient.

Ability to File Suit

No Bondholder shall have any right by virtue or by availing of any provision of the Trust Agreement to institute any suit, action or proceeding for the collection of any sum due from the Issuer hereunder on account of principal or interest, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless (1) such holder previously shall have given to the Trustee written notice of default and of the continuance thereof and the related request for the Trustee to convene a meeting of the Bondholders to take up matters related to their rights and interests under the First Tranche Bonds, and (2) the Majority Bondholders shall have decided and made a written request upon the Trustee to institute such suit, action or proceeding in its own name, and (3) the Trustee for sixty (60) days after receipt of such notice and request shall have neglected or refused to institute any such suit, action or proceeding, and (4) no directions inconsistent with such written request or waiver of default by the Bondholders pursuant to the succeeding section shall have been made, it being understood and intended, and being expressly covenanted by every Bondholder with every other Bondholder and the Trustee, that no one or more Bondholder shall have any right in any manner whatsoever by virtue of or by availing of any provision of the Trust Agreement to affect, disturb or prejudice the rights of the holders of any other such First Tranche Bonds or to obtain or seek to obtain priority over or preference to any other such holder or to enforce any right under the Trust Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all Bondholders. For the protection and enforcement of the provisions of this Section, each and every Bondholder and the Trustee shall be entitled to such relief as can be given under the law.

Waiver of Default by Bondholders

The Majority Bondholders may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee, or the Majority Bondholders may decide for and in behalf of the Bondholders to waive any past default except the Payment Default, Representation Default, Insolvency Default, Closure Default, Judgment Default, and Writ and Similar Process Default, and its consequences. In case of any such waiver, the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereto. Any such waiver by the Majority Bondholders shall be conclusive and binding upon all Bondholders and upon all future holders and owners thereof, irrespective of whether or not any notation of such waiver is made upon the certificate representing the First Tranche Bonds.

Meetings of Bondholders

Meetings

A meeting of Bondholders may be called at any time and from time to time pursuant to the provisions of this Section for the purpose of taking any action authorized to be taken by or on behalf of the holders of any specified aggregate principal amount of First Tranche Bonds under any other provisions of the Trust Agreement or under applicable law and such other matters related to the rights and interests of the

Bondholders under the First Tranche Bonds.

Notice of Meetings

The Trustee may at any time call a meeting of the Bondholders, or the holders of at least twenty-five percent (25%) of the aggregate outstanding principal amount of First Tranche Bonds may direct the Trustee to call a meeting of the Bondholders, to take any action specified in herein, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of Bondholders, setting forth the time and the place of such meeting and the purpose of such meeting in reasonable detail, shall be sent by the Trustee to the Issuer and to each of the registered Bondholders and published in two (2) newspapers of general circulation in Metro Manila, Philippines not earlier than forty-five (45) days nor later than fifteen (15) days prior to the date fixed for the meeting. All reasonable costs and expenses incurred by the Trustee for the proper dissemination of the notices for the requested meeting shall be reimbursed by the Issuer within ten (10) days from receipt of the duly supported statement of account.

Failure of Trustee to Call a Meeting

In case at any time the Issuer, pursuant to a resolution of its board of directors, or the holders of at least twenty-five percent (25%) of the aggregate outstanding principal amount of the First Tranche Bonds shall have requested the Trustee to call a meeting of the Bondholders by written request setting forth in reasonable detail the purpose of the meeting, and the Trustee shall not have mailed and published, the notice of such meeting within twenty (20) days after receipt of such request, then the Issuer or the holders of Bonds in the amount above specified may determine the time and place for such meeting and may call such meeting by mailing and publishing notice thereof, and the costs thereof shall be chargeable to the Trustee.

Quorum

The presence of the Majority Bondholders personally or by proxy shall be necessary to constitute a quorum to do business at any meeting of the Bondholders.

Procedure for Meetings

The Trustee shall preside at all the meetings of the Bondholders unless the meeting shall have been called by the Issuer or by the Bondholders, in which case the Issuer or the Bondholders calling the meeting, as the case may be, shall move for the election of the chairman and secretary of the meeting from among the Bondholders then present or represented during the meeting.

Any meeting of the Bondholders duly called pursuant to the provisions of this Section may be adjourned from time to time for a period or periods not to exceed in the aggregate one (1) year from the date for which the meeting shall originally have been called, and the meeting so adjourned may be held on another date without further notice. Any such adjournment may be ordered by persons representing a majority of the aggregate principal amount of the First Tranche Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present at the meeting.

Voting Rights

To be entitled to vote at any meeting of the Bondholders, a person shall be a registered holder of the First Tranche Bonds or a person appointed by an instrument in writing as proxy by any such holder as of the date of such meeting. The only persons who shall be entitled to be present or to speak at any meeting of the Bondholders shall be the persons entitled to vote at such meeting and any representative of the Issuer and its legal counsel.

Voting Requirement

All matters presented for resolution by the Bondholders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the majority of the Bondholders present or represented in a meeting at which there is a quorum, except as otherwise provided in the Trust Agreement.

Any resolution of the Bondholders which has been duly approved with the required number of votes of the Bondholders as herein provided shall be binding upon all the Bondholders and the Trustee as if the votes were unanimous.

Role of the Trustee in Meetings of Bondholders

Notwithstanding any other provisions of the Trust Agreement, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of the Bondholders, in regard to proof of ownership of First Tranche Bonds, the appointment of proxies by registered holders of First Tranche Bonds, the election of the chairman and the secretary, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidences of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem fit.

Evidence Supporting Bondholders' Action

Wherever in the Trust Agreement it is provided that the holders of a specified percentage of the aggregate outstanding principal amount of First Tranche Bonds may take any action (including the making of any demand or request, the giving of any notice or consent, or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by: (i) any instrument executed by the Bondholders in person or by the agent or proxy appointed in writing; (ii) the duly authenticated record of voting in favor thereof at the meeting of the Bondholders duly called and held in accordance herewith; or (iii) a combination of such instruments and any such record of meeting of the Bondholders.

Duties and Responsibilities of the Trustee

The Trustee shall act as trustee for and in behalf of the Bondholders and as such shall, in accordance with the terms and conditions of the Trust Agreement, monitor the compliance or non-compliance by the Issuer with all its representations and warranties, and the Issuer's observance of all its covenants and performance of all its obligations, under and pursuant to the Trust Agreement. The Trustee shall observe due diligence in the performance of its duties and obligations under the Trust Agreement. For the avoidance of doubt, notwithstanding any actions that the Trustee may take, the Trustee shall remain to be the party responsible to the Bondholders, and to whom the Bondholders shall communicate with in respect to any matters to be taken up with the Issuer.

The Trustee shall have custody of and hold in its name, for and in behalf of the Bondholders, the Master Certificates of Indebtedness for the total issuance of the First Tranche Bonds.

The Trustee shall promptly and faithfully carry out the instructions or decisions of the Majority Bondholders issued or reached in accordance with the Trust Agreement.

The Trustee shall, from time to time, request the Issuer to submit such certification of its officers, reports of its external auditors, and other documents relating to the Issuer's ability to comply with its obligations under the First Tranche Bonds and the Trust Agreement, as well as to examine such records of the Issuer as may be related to the Issuer's obligations under the First Tranche Bonds and the Trust Agreement.

The request shall be reasonable, made not less than seventy-hours (72) hours prior to the intended date of examination and shall be in writing to the Issuer which shall include, in reasonable detail, the purpose for such request and the intended use of the requested documents or information. The Issuer may require the Trustee, its directors, officers, employees, representatives, agents, partners, consultants and advisors to hold in confidence such documents and information furnished to the Trustee pursuant to said request or to limit the use thereof for the purpose intended as stated in the request, provided such limitation shall not apply if in conflict with the duties and responsibilities of the Trustee under any provision of the Trust Agreement.

The Trustee shall, prior to the occurrence of an Event of Default or after the curing of all such defaults which may have occurred, perform only such duties as are specifically set forth in the Trust Agreement. In case of default, the Trustee shall exercise such rights and powers vested in it by the Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs under similar circumstances.

The Trustee shall inform the Bondholders of any event which has a Material Adverse Effect on the ability of the Issuer to comply with its obligations to the Bondholders, breach of representations and warranties, and Events of Default within a reasonable period from the time that the Trustee learns of such events.

The Trustee shall perform such other powers and functions as provided for elsewhere under the Trust Agreement.

Formal Amendments

The Issuer and the Trustee may amend or waive any provisions of the Trust Agreement if such amendment or waiver is of a formal, minor, or technical nature or to correct a manifest error or inconsistency, without prior notice to or the consent of the Bondholders or other parties, provided in all cases that such amendment or waiver does not adversely affect the interests of the Bondholders and provided further that all Bondholders are notified of such amendment or waiver.

Supplemental Agreements

With the consent of the Majority Bondholders, the Issuer, when authorized by a resolution of its board of directors, and the Trustee may, from time to time and at any time, enter into an agreement or agreements supplemental hereto for the purpose of adding any provision to or changing in any manner or eliminating any of the provisions of the Trust Agreement; provided, however, that no such supplemental agreement shall -

(a) Without the consent of each Bondholder affected thereby:

 (i) extend the fixed maturity of the First Tranche Bonds, or

 (ii) reduce the principal amount of the First Tranche Bonds, or

 (iii) reduce the rate or extend the time of payment of interest and principal thereon;

(b) Affect the rights of some of the Bondholders without similarly affecting the rights of all the Bondholders; or

(c) Reduce the percentage required to be obtained of the Bondholders to consent to or approve any supplemental agreement or any waiver provided for in the Trust Agreement without the consent of all the Bondholders.

It shall not be necessary to obtain the consent of the Bondholders under this Section for the purpose of approving the particular form of any proposed supplemental agreement but such consent shall be necessary for the purpose of approving the substance thereof.

Any consent given pursuant to this Section shall be conclusive and binding upon all Bondholders and upon all future holders and owners thereof or of any First Tranche Bonds issued in lieu thereof or in exchange therefor, irrespective of whether or not any notation of such consent is made upon the First Tranche Bonds.

Promptly after the execution by the Issuer and the Trustee of any supplemental agreement pursuant to the provisions of this Section, the Issuer shall send a notice to the Bondholders setting forth in general terms the substance of such supplemental agreement. Any failure of the Issuer to send such notice or any defect therein shall not, however, in any way impair or affect the validity of any supplemental agreement.

Miscellaneous

Notice

Any notice or demand authorized by the Trust Agreement to be given to the Issuer and the Trustee shall be sufficiently given for all purposes hereof, if delivered or mailed at their respective addresses mentioned herein or at such address designated by them subsequently in writing.

Notices to the Bondholders shall be sent to their mailing address as set forth in the Registry Book. Except where a specific mode of notification is provided for herein, notices to Bondholders shall be sufficient when made in writing and transmitted in any of the following modes: (i) registered mail; (ii) surface mail; (iii) electronic mail to the email address designated by the Bondholder in the Application to Purchase (iv) by one-time publication in a newspaper of general circulation in the Philippines; or (iv) personal delivery to the address of record in the Registry Book. The Trustee shall rely on the Registry Book provided by the Registrar, in determining the Bondholders entitled to notice.

All notices shall be deemed to have been received (i) ten (10) days from posting if transmitted by registered mail; (ii) fifteen (15) days from mailing, if transmitted by surface mail; (iii) on the date of publication, or (iv) on the date of delivery, for personal delivery or electronic mail, as the case may be.

Binding and Conclusive Nature

All notifications, opinion, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained by the Trustee for the purposes of the provisions of the Trust Agreement, shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, and all Bondholders and (in the absence of willful default, bad faith or manifest error) no liability to the Issuer, the Registrar, the Paying Agent or the Bondholders shall attach to the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions under the Trust Agreement.

Dispute Settlement

In case any dispute shall arise between the Issuer, the Trustee or any of the Bondholders in respect of the Trust Agreement, or other related agreements or arrangements, the Issuer, the Trustee or any of the Bondholders shall attempt to resolve the same amicably by agreement which shall be in writing. However, if no such agreement is concluded within thirty (30) Banking Days from the time the dispute arose, or such period as may be reasonable under the circumstances, the parties may have recourse to the usual judicial action obtaining under the circumstances.

No Right to Set-Off

The Trustee shall have no right to apply funds or money of the Issuer on deposit with or in the custody of the Trustee or any of its branches, subsidiaries, or affiliates on reduction of amounts past due under the Trust Agreement.

Governing Law

The First Tranche Bonds issued hereunder shall be governed by, and construed and interpreted in accordance with, the laws of the Republic of the Philippines.

PLAN OF DISTRIBUTION

The First Tranche Bonds is offered by the Company as the first tranche of the Bonds under the Company's ₱10,000,000,000.00 Debt Securities Program. The Company shall issue the First Tranche Bonds to institutional and retail investors in the Philippines through a public offering to be conducted through the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners. The First Tranche Bonds do not include an international offering. The First Tranche Bonds will be issued with an aggregate principal amount of up to [Three Billion Pesos] (₱3,000,000,000.00) with an oversubscription option of up to Three Billion Pesos (₱3,000,000,000.00). In case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period, the First Tranche Bonds under Oversubscription Option that will not be taken up or exercised during the Offer Period will remain under Debt Securities Program and may be issued in tranches within the Shelf Period.

Shelf Registration of Securities Not Covered by the Offer

After the close of the Offer and within the Shelf Period, the Company may, at its sole discretion, offer any or all of the remaining balance of the aggregate principal amount of the Bonds in subsequent tranches, including any amount remaining if the Oversubscription Option is partly exercised or not exercised at all. Any such subsequent offering requires the submission by the Company of the relevant updates and amendments to the Registration Statement and the issuance of the corresponding permit to sell by the SEC. As a listed company, the Company regularly disseminates such updates and information in its disclosures to the SEC, PDEx, and PSE.

However, there can be no assurance in respect of: (i) whether the Company would issue such Bonds at all; (ii) the size or timing of any individual issuance or the total issuance of such Bonds; or (iii) the specific terms and conditions of such issuance. Any decision by the Company to offer such debt securities will depend on a number of factors at the relevant time, many of which are not within the Company's control, including but not limited to: prevailing interest rates, the financing requirements of the Company's business and prospects, market liquidity and the state of the domestic capital market, and the Philippine, regional and global economies in general.

Issue Manager

DBP, RCBC Capital, and Unicapital will act as Issue Managers of the Offer.

Underwriters of the Offer

DBP, RCBC Capital and Unicapital as the Joint Lead Underwriters and Bookrunners for the Offer, have agreed to distribute and sell the First Tranche Bonds, pursuant to the Underwriting Agreement. Subject to the fulfillment of the conditions provided in the Underwriting Agreement, each Joint Issue Manager, Joint Lead Underwriter, and Bookrunnerhas committed to underwrite the following amounts on a firm basis:

Joint Lead Underwriters and Bookrunners	Underwriting Commitment
DBP	₱500,000,000.00
RCBC Capital	₱1,500,000,000.00
Unicapital	₱1,000,000,000.00
Total	**₱3,000,000,000.00**

There is no allocation of the Oversubscription Option among the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners. The Issuer and Joint Issue Managers, Joint Lead Underwriters, and Bookrunners have the right but not the obligation to exercise the Oversubscription Option. The Oversubscription Option, once exercised during the Offer Period, shall be deemed firmly underwritten by the Joint Lead Underwriters and Bookrunners, in addition to the amounts above. Any Bonds issued under the Oversubscription Option will be allocated subject to the discretion of the Joint Lead Underwriters and Bookrunners, with the consent of the Issuer.

The Underwriting Agreement may be terminated in certain circumstances prior to payment being made to DoubleDragon of the net proceeds of the First Tranche Bonds.

The underwriting fees to be paid by the Company in relation to the Offer shall be equivalent to1% of the final aggregate principal amount of the First Tranche Bonds issued. This shall be inclusive of any commissions to be paid to the selling agents, if any.

[For the purpose of complying with their respective commitments under the Underwriting Agreement, each of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners may, under such terms and conditions not inconsistent with the provisions of the Underwriting Agreement, particularly the underwriting commitment of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners, appoint selling agents for the sale and distribution to the public of the First Tranche Bonds; provided, that the Joint Issue Managers, Joint Lead Underwriters and Bookrunners shall remain solely responsible to the Company in respect of their obligations under the Underwriting Agreement entered into by them with the Company, and except as otherwise provided in the Underwriting Agreement, the Company shall not be bound by any of the terms and conditions of any agreements entered into by the Underwriters with the selling agents (if any).]

The Joint Issue Managers, sJoint Lead Underwriters and Bookrunners are licensed by the SEC to engage in the underwriting or distribution of the First Tranche Bonds. The Joint Lead Underwriters and Bookrunners may, from time to time, engage in transactions with and perform services in the ordinary course of its business, for DoubleDragon or any of its subsidiaries.

DBP is a 100% Government-owned financial institution with a mandate to provide medium and long term credit facilities for the development and expansion of the agricultural and industrial sectors, as well as public utilities. The Bank plays an integral role in Philippine national development by lending to key areas of the Philippine economy, including infrastructure, transportation, telecommunications, power and energy, education, healthcare, housing and environmental management, and by lending to micro, small and medium enterprises (“**MSMEs**”). The Bank fulfills its mandate in part through on-lending of ODA funds provided by international development agencies, and also by providing commercial loans to corporate, MSMEs and Local Government Units (“**LGUs**”). The bank on-lends ODA funds on a “wholesale” basis, through accredited participating financial institutions (“**PFIs**”), and on a “retail” basis, directly to the end users of the funds.

RCBC Capital is a licensed investment house providing a complete range of capital raising and financial advisory services. Established in 1974, RCBC Capital has over 49 years of experience in the underwriting of equity, quasiequity and debt securities, as well as in managing and arranging the syndication of loans, and in financial advisory. RCBC Capital is a wholly-owned subsidiary of the Rizal Commercial Banking Corporation and a part of the Yuchengco Group of Companies, one of the country’s largest fully integrated financial services conglomerates.

Unicapital is a full-service independent investment house incorporated in the Philippines on June 29, 1994. It was duly licensed by the Philippine SEC in 1994 to operate as an investment house and, as such, to engage in underwriting or distribution of securities to the public. Unicapital, Inc. provides a wide array of finance and investment-banking related products and services, from debt and equity underwriting, to strategic and financial advisory on corporate restructuring, project finance, and mergers, acquisitions, and divestitures.
None of the Joint Lead Underwriters and Bookrunners have any direct or indirect relations with DoubleDragon in terms of material ownership by their respective major stockholder(s).

The Joint Issue Managers, Joint Lead Underwriters and Bookrunners have undertaken the requisite due diligence over the Issuer as Joint Lead Underwriters and Bookrunners of the Offer.

DBP and RCBC Capital’s respective parent companies are banking institutions regulated by the BSP that have relationships with the Company and/or its Subsidiaries. These relationships are independent of the engagement of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners and are entered into on an arm’s length basis in the ordinary course of its banking business. These banking institutions are engaged in transactions with, and have performed various commercial banking and other services for the Company and/or its affiliates in the past and are expected to do so for the Company and/or its affiliates from time to time in the future including, insofar as such bank have affiliates that offer such services, investment banking and underwriting services.] However, all services provided by each of the Joint Lead Underwriters and Bookrunners, including in connection with the Offer, have been provided as an independent contractor and not as a fiduciary to the Company.

The Joint Issue Managers, Joint Lead Underwriters and Bookrunners do not have a contract or other arrangement with the Company under which any of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners may return to the Company any unsold securities of the Offer. The Joint Issue Managers, Joint Lead Underwriters and Bookrunners do not have any direct or indirect interests in the Company or in any securities thereof including options, warrants or rights thereto. None of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners have any right to designate or nominate any member of the Company's Board.

Sale and Distribution

The distribution and sale of the First Tranche Bonds shall be undertaken by the Joint Issue Managers, Joint Lead Underwriters and Bookrunners who shall sell and distribute the First Tranche Bonds to third party buyers/investors. Nothing herein shall limit the right of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners to purchase the First Tranche Bonds for their own respective accounts.

The First Tranche Bonds shall be offered to the public in the Philippines.

The obligations of each of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners will be jointly, and not solidary, and nothing in the Underwriting Agreement shall be deemed to create a partnership or joint venture between and among any of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners. Unless otherwise expressly provided in the Underwriting Agreement, the failure or success by a Joint Issue Managers, Joint Lead Underwriters and Bookrunners to carry out its obligations thereunder shall neither relieve the other Joint Lead Underwriters and Bookrunners of their obligations under the same Underwriting Agreement, nor shall any of the Joint Issue Managers, Joint Lead Underwriters and Bookrunners be responsible for the obligation of another Joint Lead Underwriter and Bookrunner.

There are no finder's fees, discounts or commissions shall be paid to any broker dealers in the distribution of the First Tranche Bonds.

Offer Period

The Offer Period shall commence on [27 June 2024] and end at 5:00 p.m. on [9 July 2024] or such earlier or later date as may be mutually agreed between the Company and the Joint Issue Managers, Joint Lead Underwriters and Bookrunners.

Application to Purchase

The procedure set out in this section and the succeeding sections should be read together with the more detailed procedure and other conditions set out in the Application to Purchase.

Applicants may purchase the First Tranche Bonds during the Offer Period by submitting to the Joint Lead Underwriters and Bookrunners properly completed Applications to Purchase, whether originally signed or electronically submitted (through the e-Securities Issue Portal or "**e-SIP**"), together with two (2) signature cards, identification document, and the full payment of the Purchase Price of the First Tranche Bonds in the manner provided in the said Application to Purchase.

Corporate and institutional Applicants must also submit, in addition to the foregoing:

(a) An original notarized certificate of the corporate secretary (or the managing director in case of a partnership) or an equivalent officer of the Applicant setting forth resolutions of the board of directors, partners or equivalent body (i) authorizing the purchase of the First Tranche Bonds indicated in the Application to Purchase and (ii) designating the signatories, with their specimen signatures, for the said purposes;

(b) copies of its Articles of Incorporation and By-Laws (or the Articles of Partnership in case of a partnership) and latest amendments thereof, together with the Certificate of Incorporation issued by the SEC or other organizational documents issued by an equivalent government institution, stamped and signed as certified true copies by the SEC or the equivalent government institution, or by the corporate secretary, or by an equivalent officer(s) of the Applicant who is/are authorized signatory(ies);

(c) two (2) duly accomplished signature cards containing the specimen signatures of the authorized signatories of the Applicant, validated by its corporate secretary or by an equivalent officer(s) who is/are authorized signatory(ies) (whose authority(ies) and specimen signatures will be submitted to the Registrar);

(d) BIR Certificate of Registration showing the Applicant's Tax Identification Number;

(e) identification document(s) of the authorized signatories of the Applicant, as specified in item (a) of the immediately succeeding paragraph below; and

(f) such other documents as may be reasonably required by any of the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners, selling agents (if any) or the Registrar in the implementation of its internal policies regarding “know your customer” and compliance with anti-money laundering laws.

Individual applicants must also submit, in addition to accomplished Applications to Purchase and its required attachments:

(a) identification document (“**ID**”) of the Applicant which shall consist of any one of the following valid identification documents bearing a recent photo, and which is not expired: Philippine Identification Card, Passport, Driver’s License, Professional Regulation Commission ID, National Bureau of Investigation Clearance, Police Clearance, Postal ID, Maritime Industry Authority ID, Voter’s ID, Barangay Certification, Government Service Insurance System e-Card, Social Security System Card, Senior Citizen Card, Overseas Workers Welfare Administration ID, OFW ID, Seaman’s Book, Alien Certification of Registration/Immigrant Certificate of Registration, Government Office and government-owned and controlled corporation ID, e.g., Armed Forces of the Philippines, Home Development Mutual Fund, Certification from the National Council for the Welfare of Disabled Persons, Department of Social Welfare and Development Certification, Integrated Bar of the Philippines ID, company IDs issued by private entities or institutions registered with or supervised or regulated either by the BSP, SEC or the Insurance Commission, or school ID duly signed by the principal or head of the school (for students who are beneficiaries of remittances/fund transfers who are not yet of voting age);

(b) two (2) duly accomplished signature cards containing the specimen signature of the Applicant;

(c) validly issued tax identification number issued by the BIR; and

(d) such other documents as may be reasonably required by the Underwriters, selling agents (if any) or the Registrar and Paying Agent in the implementation of their respective internal policies regarding “know your customer” and compliance with anti-money laundering laws.

An Applicant who is claiming exemption from any applicable tax, or entitlement to preferential tax rates shall, in addition to the requirements set forth above, be required to submit the following requirements to the relevant Underwriter or selling agent (if any) (together with their respective Applications to Purchase), subject to acceptance by the Issuer as being sufficient in form and substance:

(i) a current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR and addressed to the relevant applicant or Bondholder, confirming its exemption or preferential rate, as required under BIR Revenue Memorandum Circular No. 8-2014 including any clarification, supplement or amendment thereto, and certified by the corporate secretary of the Bondholder that: (a) the exemption certificate is a true copy of the original; (b) the original is in the possession of the corporate secretary as the duly authorized custodian of the same; and (c) the corporate secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change, or any circumstance affecting said certification’s validity, or a copy of the law of the country of domicile allowing a deemed paid tax credit in an amount to the 15% spared or waived by the Philippines duly authenticated by the Philippine embassy or, for countries that are members to the Apostille Convention, an apostilled copy of the law of the country of domicile which apostilled or authenticated copy shall be valid for one year from the date of issuance;

(ii) with respect to tax treaty relief:

    (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under BIR RMO No. 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder’s owners or beneficiaries, in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claimed tax exemption or preferential tax rate, in a form acceptable to the Issuer, and (iv) three (3) originals of the duly notarized, consularized or apostilled (as the case may be), if executed outside of the Philippines, special power of attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing business in the Philippines to support the applicability of a tax treaty relief, and (v) such other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, including but not limited to the documentary requirements enumerated in BIR RMO No. 14-2021 in relation to BIR RMC Nos. 77-2021 and 20-2022, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the first (1st) day of the month when such initial interest payment shall fall due and, if applicable, including any clarification, supplement, or amendment thereto;

For the avoidance of doubt, the Issuer shall retain sole discretion in determining whether the non -resident Bondholder is entitled to the preferential tax treaty rate based on the documents submitted by the non-resident Bondholder, provided that all the conditions for the availment thereof, other than residency, have been satisfied;

(b) prior to the payment of subsequent interests due, (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has already lapsed; and (iii) such other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, including but not limited to the documentary requirements enumerated in BIR RMO No. 14-2021 in relation to BIR RMC Nos. 77-2021 and 20-2022, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the first (1st) day of the month when such subsequent interest payments shall fall due and, if applicable, including any clarification, supplement, or amendment thereto;

(c) in the event that the Issuer determines that the non-resident Bondholder is not entitled to the preferential tax treaty rate based on the documents submitted in item (i) above and determines that all conditions for the availment thereof have not been satisfied, the Issuer shall apply the regular tax rates;

(d) the non-resident Bondholder may apply for tax treaty relief with the BIR in accordance with BIR RMO No. 14-2021;

(e) the Issuer shall not apply for any confirmatory application of preferential tax rates with the BIR;

(f) should the BIR grant the application for tax treaty relief, it is the obligation of the non-resident Bondholder to apply for refund with the BIR. The Issuer shall not refund the non-resident Bondholder any amount as a result of the application of the higher tax rate;

(g) the non-resident Bondholder must update its COE annually, if applicable, as described in BIR RMO No. 14-2021, as further clarified by BIR RMC Nos. 77-2021 and 20-2022. Expired COEs will not be accepted by the Issuer; and

(h) aside from the updated COE (if applicable), the non-resident Bondholder shall submit its TRC annually to the Issuer as continuing proof of its entitlement to the preferential tax treaty rate. Absent such updated TRC and COE (if applicable), the Issuer shall apply the regular tax rate;

(iii) a duly notarized undertaking executed by (i) the corporate secretary or any authorized representative of such Applicant or Bondholder who has personal knowledge of the exemption or preferential rate treatment based on his official functions, if the Applicant purchases, or the Bondholder holds, the First Tranche Bonds for its account, or (ii) the trust officer, if the applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the First Tranche Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax-exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer, the Registrar and the Paying Agent (1) of any suspension, revocation, amendment or invalidation (in whole or in part) of the tax exemption certificate, ruling or opinion issued by the BIR, executed using the prescribed form under the Registry and Paying Agency Agreement;

(2) if there are any material changes in the factual circumstances of the Bondholder including but not limited to its character, nature, and method of operation, which are inconsistent with the basis for its income tax exemption; or (3) if there are any change of circumstance, relevant treaty, law or regulation or any supervening event that may or would result in the interest income of the First Tranche Bonds being ineligible for exemption or preferential rate, with a declaration and warranty of its tax exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or incorrect withholding of the required tax, provided, that in case of corporate, partnership or trust account investors, such Bondholder shall also submit an original certification from the corporate secretary or an equivalent officer of the investor, setting forth the resolutions of its board of directors or equivalent body authorizing the execution of the undertaking and designating the signatories, with their specimen signatures, for the said purpose; and

(iv) such other documentary requirements as may be required by the Issuer and the Registrar or the Paying Agent under the applicable regulations of the relevant taxing or other authorities which for purposes of claiming tax treaty withholding rate benefits, shall include evidence of the applicability of a tax treaty and consularized or apostilled (as the case may be) proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided, that the Issuer shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder; provided, further, that all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties, assessments or government charges, subject to the submission by the Bondholder claiming the benefit of any exemption of the required documents and of additional reasonable evidence of such tax-exempt status to the Registrar.

Unless otherwise indicated above, the foregoing requirements shall be submitted, (i) in respect of issuance of the First Tranche Bonds, upon submission of the Application to Purchase to the Joint Lead Underwriters and Bookrunners or Selling Agents (if any) who shall then forward the same to the Registrar; or (ii) in respect of a transfer from a Bondholder to a purchaser, to the Registrar upon submission of the account opening documents.

Failure on the part of the Bondholder to submit the aforementioned document/s within the time prescribed shall result in the application of the regular tax rates.

The Purchase Price for each Bond is payable in full upon submission of the duly executed Application to Purchase. Payments of the Purchase Price shall be made either in checks or appropriate debit instructions or payment instructions made out to the order of the relevant Joint Lead Underwriter and Joint Bookrunner or selling agent (if any). All payments must be made or delivered to the relevant Joint Issue Managers, Joint Lead Underwriters, and Bookrunners, or the selling agent (if any) to whom the Application to Purchase is submitted.

Completed Applications to Purchase and corresponding payments must reach the Joint Lead Underwriter and Joint Bookrunner, or the selling agent (if any) prior to the end of the Offer Period, or such earlier date as may be specified by the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners. Acceptance by the Joint Issue Managers, Joint Lead Underwriters, and Bookrunners, or the selling agent (if any) of the completed Application to Purchase shall be subject to the availability of the First Tranche Bonds and the acceptance by Maynilad. In the event that any check payment is returned by the drawee bank for any reason whatsoever or the nominated bank account to be debited is invalid, the Application to Purchase shall be automatically canceled and any prior acceptance of the Application to Purchase shall be deemed revoked.

Minimum Purchase

A minimum purchase of ₱[●] shall be considered for acceptance. Purchases in excess of the minimum shall be in multiples of ₱[●].

Allotment of the First Tranche Bonds

If the First Tranche Bonds are insufficient to satisfy all Applications to Purchase, the available First Tranche Bonds shall be allotted at the discretion of the Joint Lead Underwriters and Bookrunners, in consultation with the Issuer and subject to the Issuer's right of rejection.

Acceptance of Applications

The Company and the Joint Lead Underwriters and Bookrunners reserve the right to accept or reject Applications to Purchase the First Tranche Bonds and in case of oversubscription allocate the First Tranche Bonds available to the Applicants in a manner they deem appropriate.

Rejection of Applications

The Joint Lead Underwriters and Bookrunners shall accept, reduce or reject Applications to Purchase on behalf of the Issuer in accordance with the following provisions and the allocation plan. Reasons for rejection or reduction may include the following:

(a) Applications may be rejected if: (i) the Purchase Price is unpaid; (ii) payments are insufficient or where checks, as applicable, are dishonored upon first presentment; (iii) the Application to Purchase is not received by the Joint Lead Underwriters and Bookrunners or the selling agent (if any) on or before the end of the Offer Period; (iv) the number of the First Tranche Bonds subscribed is less than the minimum amount of subscription; (v) the Applications to Purchase do not comply with the terms of the Offer; or (vi) the Applications to Purchase do not have sufficient information or are not supported by the required documents.

(b) Applications may be reduced if the Offer is oversubscribed, in which case the number of the First Tranche Bonds covered by such Applications to Purchase shall be reduced pro rata or in accordance with such other methodology adopted by the Joint Lead Underwriters and Bookrunners.

In the event an Application to Purchase is rejected or the amount of the First Tranche Bonds applied for is scaled down for a particular Applicant, the relevant Joint Issue Manager, Joint Lead Underwriter, and Bookrunneror the selling agent (if any) shall notify the Applicant concerned that his/her application has been rejected or that the amount of the First Tranche Bonds applied for has been scaled down.

Refunds

If any application is rejected or accepted in part only, payments made by the Applicant or the appropriate portion thereof shall be returned without interest to such Applicant through the relevant Joint Issue Manager, Joint Lead Underwriter, and Bookrunneror the selling agent (if any) with whom such Application to Purchase was coursed through.

The manner of refunds shall be made, at the option of each Joint Issue Manager, Joint Lead Underwriter, and Bookrunnerand or the selling agent (if any), either (i) through the issuance of check(s) payable to the order of the relevant Applicant and crossed “Payees’ Account Only” and mailed or delivered, at the risk of the Applicant, to the address specified in the Application to Purchase, or (ii) through the issuance of instructions for automatic credit payments to the accounts of the relevant Applicants, as indicated in their respective Applications to Purchase.

Payments

The Paying Agent shall open and maintain a bank account for the First Tranche Bonds, which shall be operated solely and exclusively by the said Paying Agent in accordance with the Registry and Paying Agency Agreement (the “Payment Account”), provided that beneficial ownership of the Payment Account shall always remain with the Bondholders. The Payment Account shall be used exclusively for the payment of the principal, interest and other payments due on then First Tranche Bonds on the relevant Payment Date.

The Paying Agent shall maintain the Payment Account while theFirst Tranche Bonds are outstanding, and until six (6) months past the relevant Maturity Date. Upon closure of the Payment Account, any balance remaining in the Payment Account shall be returned to the Issuer and shall be held by the Issuer in trust and for the irrevocable benefit of the Bondholders with unclaimed interest and principal payments and such other payments that are due on the First Tranche Bonds.

Unclaimed Payments

Any payment of interest on, or the principal of the First Tranche Bonds which remain unclaimed after the same shall have become due and payable, shall be held in trust by the Paying Agent for the Bondholders at the latter’s risk and shall be dealt with in accordance with the relevant provisions of the Registry and Paying Agency Agreement.

Purchase and Cancellation

The Issuer may purchase the First Tranche Bonds at any time in the open market or by tender or by contract, in accordance with PDEx Rules, as may be amended from time to time, without any obligation to make pro rata purchases from all Bondholders. Any First Tranche Bonds so purchased shall be deemed fully redeemed and cancelled and may not be re-issued.

Upon listing of the First Tranche Bonds on PDEx, the Issuer shall disclose any such transactions in accordance with the applicable PDEx disclosure rules.

Secondary Market

The Company intends to list the First Tranche Bonds in the PDEx. The Company may purchase the First Tranche Bonds at any time in the PDEx trading system without any obligation to make pro-rata purchases of First Tranche Bonds from all Bondholders. The First Tranche Bonds shall be traded in denominations of ₱10,000.00 in the secondary market.

For a more detailed discussion, please refer to the section "*Terms and Conditions of the Bonds*".

Register of Bondholders

The First Tranche Bonds shall be issued in scripless form and shall be registered in the Register of Bondholders to be maintained by the Registrar. A Master Certificate of Indebtedness representing the First Tranche Bonds sold in the Offer shall be issued in the name of the Trustee for the benefit of the Bondholders.

Legal title to the First Tranche Bonds shall be shown in the Register of Bondholders to be maintained by the Registrar. Initial placement of the First Tranche Bonds and subsequent transfers of interests in the First Tranche Bonds shall be subject to applicable prevailing Philippine selling restrictions. The names and addresses of the Bondholders and the particulars of the First Tranche Bonds held by them and all transfers of the First Tranche Bonds shall be entered into the Register of Bondholders. Transfers of ownership of the First Tranche Bonds shall be effected through book-entry transfers in the Register of Bondholders.

For a more detailed discussion, please refer to the section *"Terms and Conditions of the Bonds."*

USE OF PROCEEDS

The Issue Price shall be at par, which is equal to the face value of the First Tranche Bonds. The Issuer expects that the net proceeds of the First Tranche Bonds shall amount to approximately ₱[●] for a ₱[●] issue size or ₱[●] for an issue size of ₱[●], and after deducting fees, commissions, and expenses.

Based on an Issue Size of ₱3,000,000,000.00

Particulars	Total (₱)
Estimated Gross Proceeds	₱3,000,000,000.00
Fees to be paid to the Joint Lead Underwriters and Bookrunners:	
Underwriting and Selling Fees[(A)]	30,000,000.00
Documentary Stamp Taxes	37,500,000.00
PDEX Listing and Processing Fees	150,000.00
SEC Registration Fee and Legal Research Fee	2,083,155.00
Credit Rating Fee	1,800,000.00
Other Expenses [(B)]	7,400,000.00
Less: Total Estimated Expenses	78,933,155.00
Estimated Net Proceeds	2,821,066,845]

[(A)] 1% of the Gross Proceeds for underwriting and selling fees plus gross receipt taxes will be paid to the Joint Lead Underwriters and Bookrunners.
[(B)] "Other Expenses" shall refer to the expenses with the creation of this Preliminary Prospectus, legal fees of the Issuer's legal counsel, fees of the Auditor, Second-Party Opinion Provider, Trustee, Registrar and Paying Agent, and miscellaneous related expenses such as printing, out-of-pocket expenses for the Offer.

Particulars	Total (₱)
Other Expenses	
Legal Counsel of the Issuer	2,000,000.00
Auditor Fees	5,000,000.00
Trustee Fees	150,000.00
Registry and Paying Agency Fees	200,000.00
Miscellaneous Expenses	50,000.00
Total Other Expenses	7,400,000.00

Based on an Issue Size of ₱6,000,000,000.00

Particulars	Total (₱)
Estimated Gross Proceeds	₱6,000,000,000.00
Fees to be paid to the Joint Lead Underwriters and Bookrunners:	
Underwriting and Selling Fees[(A)]	60,000,000.00
Documentary Stamp Taxes	75,000,000.00
PDEX Listing and Processing Fees	150,000
SEC Registration Fee and Legal Research Fee	2,083,155.00
Credit Rating Fee	2,160,000
Other Expenses [(B)]	7,400,000.00
Less: Total Estimated Expenses	146,793,155.00
Estimated Net Proceeds	5,853,206,845.00

[(A)] 1% of the Gross Proceeds for underwriting and selling fees plus gross receipt taxes will be paid to the Joint Lead Underwriters and Bookrunners.
[(B)] "Other Expenses" shall refer to the expenses with the creation of this Preliminary Prospectus, legal fees of the Issuer's legal counsel, fees of the Auditor, Second-Party Opinion Provider, Trustee, Registrar and Paying Agent, and miscellaneous related expenses such as printing, out-of-pocket expenses for the Offer.

Particulars	Total (₱)
Other Expenses	
Legal Counsel of the Issuer	2,000,000.00

Auditor Fees	5,000,000.00
Trustee Fees	150,000.00
Registry and Paying Agency Fees	200,000.00
Miscellaneous Expenses	50,000.00
Total Other Expenses	7,400,000.00

In addition to these one-time costs, the Company expects to also incur annual expenses related to the First Tranche Bonds as follows:

- The Issuer shall pay an annual maintenance fee of 1/200 of 1% of the face value or maximum of ₱[150,000.00] charged by PDEx for the continued listing in the Exchange.
- The Issuer shall pay an annual retainer fee to the Trustee amounting to ₱[●] per annum.
- The issuer shall incur Paying Agency fees amounting to 5 basis points of the amount to be paid with a minimum of ₱[10,000.00] and a maximum of ₱[100,000.00] payable each Interest Payment Date. The Registrar will charge based on the face value of the First Tranche Bonds and the number of Bondholders.
- The Issuer shall incur annual monitoring fees of ₱[●] for its credit rating with PhilRatings. It should be noted, however, that this fee is paid in relation to all of the bonds that the Company has or will issue.

The net proceeds of the First Tranche Bonds will be used (a) to refinance certain existing debt obligations, and (b) for general corporate purposes.]

The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Company's current plans and anticipated expenditures. In the event that there is any change in the Company's development plan, including force majeure, market conditions and other circumstances, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments or other uses, and/or hold such funds in investments, whichever is better for the Company's and its shareholders' interest taken as a whole. The Company's cost estimates may also change as these plans are developed further, and actual costs may be different from budgeted costs. For these reasons, timing and actual use of the net proceeds may vary from the foregoing discussion and the Company's management may find it necessary or advisable to alter its plans. In the event of substantial deviation, adjustment or reallocation in the planned use of proceeds, the Company shall inform the SEC, the stockholders, and PDEx in writing at least thirty (30) days before such deviation, adjustment or reallocation is implemented.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth, in accordance with PFRS, the Company's capitalization as of 31 December 2023 and as adjusted to give effect to the issuance of the First Tranche Bonds. This table should be read in conjunction with the Company's consolidated financial statements and the notes thereto, included elsewhere in this Preliminary Prospectus.

	As of 31-Dec-23	Notes to be issued	Adjusted for maximum Offer of ₱10 Billion upon issuance of the First Tranche Bonds
Debt			
Short-term borrowings	15,283,212,952		15,283,212,952
Long-term borrowings Long-term notes and bonds	47,978,609,586		47,978,609,586
Notes to be issued	-	3000,000,000	6,000,000,000
Lease liabilities .	1,219,162,429		1,219,162,429
Total Indebtedness	64,480,984,967	3,000,000,000	70,480,984,967
Equity			
Capital Stock	237,310,060		237,310,060
Preferred Shares	10,000,000,000		10,000,000,000
Additional paid-in capital	5,540,589,852		5,540,589,852
Retained earnings	37,357,785,252		37,357,785,252
Remeasurement income (loss) on defined benefit liability – net of tax .	- 510,591,641		- 510,591,641
Treasury stock	- 391,673,305		- 391,673,305
Non-controlling interests	42,334,951,065		42,334,951,065
Total equity	94,568,371,283	-	94,568,371,283
Total capitalisation	159,049,356,250	6,000,000,000	169,049,356,250
Debt	**63,261,822,538**		**73,261,822,538**
Total Debt to Equity Ratio	**0.67**		**0.77**

DETERMINATION OF OFFER PRICE

The First Tranche Bonds shall be issued on a fully-paid basis and at an issue price that is at par.

The final Interest Rate of First Tranche Bonds was computed based on the sum of (a) [•]% p.a. as the interpolated [3.5]-year PHP BVAL reference rate, as published on the relevant webpage of the Philippine Dealing System Group (or its successor) for the [3] consecutive Business Days immediately preceding and inclusive of [•] 2024; and (b) the spread of [150-200] basis points per annum.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

The following discussion of the Company's financial results should be read in conjunction with the independent auditors' reports and the Company's audited and reviewed consolidated financial statements and notes thereto contained in this Preliminary Prospectus and the section entitled "Summary Consolidated Financial Information and Other Data."

This discussion contains forward-looking statements and reflects the current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section entitled "Risk Factors" and elsewhere in this Preliminary Prospectus.

Year ended 31 December 2023 compared to the year ended 31 December 2022

	DECEMBER 2023	DECEMBER 2022	Horizontal Analysis		Vertical Analysis	
	(Audited)	*(Audited)*	Increase (Decrease)		2023	2022
INCOME						
Rent income	3,069,901,899	3,237,808,132	(167,906,233)	-5.2%	12.4%	22.9%
Real estate sales	1,353,923,660	1,536,286,229	(182,362,569)	-11.9%	5.5%	10.9%
Hotel revenues	671,672,070	478,865,495	192,806,575	40.3%	2.7%	3.4%
Unrealized gains from changes in fair values of investment property	16,482,580,156	7,484,825,891	8,997,754,265	120.2%	66.6%	53.0%
Interest income	195,515,998	63,101,706	132,414,292	209.8%	0.8%	0.4%
Income from forfeitures	60,784,006	4,572,248	56,211,758	1229.4%	0.2%	0.0%
Others	2,907,502,128	1,324,847,077	1,582,655,051	119.5%	11.8%	9.4%
	24,741,879,917	**14,130,306,778**	**10,611,573,139**	**75.1%**	**100.0%**	**100.0%**
COST AND EXPENSES						
Cost of real estate sales	644,771,282	860,600,043	(215,828,761)	-25.1%	2.6%	6.1%
Cost of hotel operations	493,929,215	335,339,091	158,590,124	47.3%	2.0%	2.4%
General and administrative expenses	3,066,755,839	2,613,855,837	452,900,002	17.3%	12.4%	18.5%
Selling and marketing expenses	116,339,563	164,529,147	(48,189,584)	-29.3%	0.5%	1.2%
Interest expense	2,265,309,234	1,944,141,097	321,168,137	16.5%	9.2%	13.8%
	6,587,105,133	**5,918,465,215**	**668,639,918**	**11.3%**	**26.6%**	**41.9%**
Income Before Income Tax	**18,154,774,784**	**8,211,841,563**	**9,942,933,221**	**121.1%**	**73.4%**	**58.1%**
Income Tax Expense						
Current	74,442,187	205,502,967	(131,060,780)	-63.8%	0.3%	1.5%
Deferred	2,152,973,094	(4,916,386,677)	7,069,359,771	-143.8%	8.7%	-34.8%
	2,227,415,281	**(4,710,883,710)**	**6,938,298,991**	**-147.3%**	**9.0%**	**-33.3%**
NET INCOME	**15,927,359,503**	**12,922,725,273**	**3,004,634,230**	**23.3%**	**64.4%**	**91.5%**
Attributable to:						
Equity holders of the Parent Company	9,251,261,972	5,551,522,068	3,699,739,904	66.6%	37.4%	39.3%
Non-controlling interest	6,676,097,531	7,371,203,205	(695,105,674)	-9.4%	27.0%	52.2%
	15,927,359,503	**12,922,725,273**	**3,004,634,230**	**23.3%**	**64.4%**	**91.5%**

Revenues

Consolidated revenues increased by ₱10.6 billion, or 75.1%, to ₱24.7 billion for the year ended 31 December 2023 compared to ₱14.1 billion for the year ended 31 December 2022. The increase is due to the increase in total revenues generated from various segments of the Company and increase in fair value of investment properties.

The Company's rental income decreased by ₱167.9 million, or -5.2%, to ₱3.1 billion for the year ended 31 December 2023compared to ₱3.2 billion for the year ended 31 December 2023 due to rental concessions and rental discounts granted.

The Company's real estate sales decreased by ₱182.4 million, or -11.9%, to ₱1.4 billion for the year ended 31 December 2023compared to ₱1.5 billion for the year ended 31 December 2023due to slower pace of revenue recognition from percentage of completion of projects under construction as most projects are near construction completion.

The Company's hotel revenues increased by ₱192.8 million or 40.3% to ₱671.7 million for the year ended 31 December 2023, compared to ₱478.9 million for the year ended 31 December 2022 due to higher hotel occupancy and opening of new hotel, Hotel101-Fort.

Unrealized gain from change in fair value of investment property is reported at ₱16.5 billion for the year ended 31 December 2023, an increase of ₱16.5 billion or 120.2% compared to ₱7.5 billion for the year ended 31 December 2022 due to the increase in fair value of investment properties.

The Company's interest income for the year ended 31 December 2023 increased by ₱132.4 million or, 209.8%, to ₱195.5 million, compared to ₱63.1 million in 2022, as a result of the increase in the Company's deposit placements with financial institutions.

Income from forfeitures for the year ended 31 December 2023 increased to ₱60.8 million, a ₱56.2 or 1,229.4% increase as compared to ₱4.6 million in the same period of 2022 due to forfeited deposits and advance payments.

Other income increased by ₱1.6 billion, or 119.5%, to ₱2.9 billion for the year ended 31 December 2023 compared to ₱1.3 billion in 2022 due to increase in interest charges and other charges to tenants.

Costs and Expenses

The Company's consolidated costs and expenses increased by ₱668.6 million, or 11.3%, to ₱6.6 billion for the year ended 31 December 2023, compared to ₱5.9 billion in 2022.

The Company booked cost of real estate sales of ₱644.8 million for the year ended 31 December 2023, a decrease of ₱215.8 million or -25.1% compared to ₱860.6 million for the year ended December 2022. The decrease is due to lower percentage of completion of projects under construction as most projects are near construction completion.

The Company booked cost of hotel operations of ₱493.9 million for the year ended 31 December 2023, an increase of ₱158.6 million or 47.3% compared to ₱335.3 million for the year ended December 2022. The increase is due to increase in costs of pre-operating expenses for additional new hotel opened in 2023 (Hotel101-Fort) and increase in cost of operations such as utilities and outsourced services.

The Company's general and administrative expenses increased by ₱452.9 million, or 17.3%, to ₱3.1 billion for the year ended 31 December 2023 compared to ₱2.6 billion in 2022. The increase is due to higher mall operating costs mainly from utilities, outsourced services and hotel operation expenses due to higher hotel occupancy.

The Company's selling and marketing expenses decreased by ₱48.2 million, or -29.3%, to ₱116.3 million for the year ended 31 December 2023 compared to ₱164.5 million in 2022, due to lower marketing expense and representation expenses during the year.

Interest expense is reported at ₱2.3 billion for the year ended 31 December 2023, a 16.5% or ₱321.2 million increase compared to ₱1.9 billion in 31 December 2022 due to lower capitalization rate for borrowing cost and generally higher interest rates.

Income Tax Expense

The Company's income tax expense for the year ended 31 December 2023 is at ₱2.2 billion, the increase is due to a one-time deferred tax benefit adjustment in 2022.

Net Income

As a result of the foregoing, the Company's consolidated net income for the year ended 31 December 2023 is at ₱15.9 billion, an increase of ₱3.0 billion, or 23.3%, from its consolidated net income of ₱12.9 billion recorded for the year ended 31 December 2022.

	DECEMBER 2023	DECEMBER 2022	Horizontal Analysis		Vertical Analysis	
	(Audited)	*(Audited)*	Increase (Decrease)		2023	2022
ASSETS						
Current Assets						
Cash and Cash Equivalents	2,918,467,996	5,547,000,190	(2,628,532,194)	-47.4%	1.6%	3.5%
Receivables - net	14,295,415,072	11,802,956,253	2,492,458,819	21.1%	7.9%	7.5%
Inventories	4,522,224,068	2,857,589,016	1,664,635,052	58.3%	2.5%	1.8%
Due from related parties	49,356,220	52,146,970	(2,790,750)	-5.4%	0.0%	0.0%
Prepaid expenses and other current assets-net	6,248,446,537	5,721,899,025	526,547,512	9.2%	3.4%	3.6%
Total Current Assets	**28,033,909,893**	**25,981,591,454**	**2,052,318,439**	**7.9%**	**15.5%**	**16.6%**
Non Current Assets						
Receivables - net of current portion	298,601,611	156,587,874	142,013,737	90.7%	0.2%	0.1%
Property and equimpment - net	1,201,682,700	709,212,832	492,469,868	69.4%	0.7%	0.5%
Goodwill and intangible assets	1,091,535,467	1,110,495,457	(18,959,990)	-1.7%	0.6%	0.7%
Investment property	147,937,015,015	126,150,988,095	21,786,026,920	17.3%	81.6%	80.5%
Right-of-use Assets - net	15,331,566	-	15,331,566	0.0%	0.0%	0.0%
Deferred tax assets	145,948,730	161,343,987	(15,395,257)	-9.5%	0.1%	0.1%
Other noncurrent assets	2,515,921,893	2,530,300,751	(14,378,858)	-0.6%	1.4%	1.6%
Total Noncurrent Assets	**153,206,036,982**	**130,818,928,996**	**22,387,107,986**	**17.1%**	**84.5%**	**83.4%**
Total Assets	**181,239,946,875**	**156,800,520,450**	**24,439,426,425**	**15.6%**	**100.0%**	**100.0%**
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts Payable and other current liabilities	8,420,812,394	6,648,971,202	1,771,841,192	26.6%	4.6%	4.2%
Short term loans payable and current maturities of long-term notes payable, net of debt issue costs	15,283,212,952	12,533,818,782	2,749,394,170	21.9%	8.4%	8.0%
Due to related parties	560,812,383	567,878,460	(7,066,077)	-1.2%	0.3%	0.4%

Customer's deposits	685,020,347	153,723,291	531,297,056	345.6%	0.4%	0.1%
Dividends payable	486,308,726	456,645,828	29,662,898	6.5%	0.3%	0.3%
Income Tax Payable	18,038,820	31,146,770	(13,107,950)	-42.1%	0.0%	0.0%
Total Current Liabilities	**25,454,205,622**	**20,392,184,333**	**5,062,021,289**	**24.8%**	**14.0%**	**13.0%**
Noncurrent Liabilities						
Long term notes payable - net of current maturities and debt issue costs	29,425,257,668	28,588,393,178	836,864,490	2.9%	16.2%	18.2%
Bonds payable - net of bond issue cost	18,553,351,918	14,925,384,467	3,627,967,451	24.3%	10.2%	9.5%
Lease Liabilities	1,219,162,429	1,043,542,515	175,619,914	16.8%	0.7%	0.7%
Deferred tax liabilities	10,695,557,305	8,560,424,714	2,135,132,591	24.9%	5.9%	5.5%
Retirement benefits liabilty	45,795,658	30,036,573	15,759,085	52.5%	0.0%	0.0%
Customers' deposits - net of current portion	-	104,403,289	(104,403,289)	-100.0%	0.0%	0.1%
Other non current liabilities	1,278,244,992	1,550,576,852	(272,331,860)	-17.6%	0.7%	1.0%
Total Noncurrent Liabilities	**61,217,369,970**	**54,802,761,588**	**6,414,608,382**	**11.7%**	**33.8%**	**35.0%**
Total Liabilities	**86,671,575,592**	**75,194,945,921**	**11,476,629,671**	**15.3%**	**47.8%**	**48.0%**
Equity **Equity Attributable to Equity Holders of the Parent Company**						
Capital stock	237,310,060	237,310,060	-	0.0%	0.1%	0.2%
Preferred shares	10,000,000,000	10,000,000,000	-	0.0%	5.5%	6.4%
Additional paid-in capital	5,540,589,852	5,540,589,852	-	0.0%	3.1%	3.5%
Retained earnings	37,357,785,252	29,610,178,785	7,747,606,467	26.2%	20.6%	18.9%
Retirement benefits liability	(510,591,641)	(79,957,722)	(430,633,919)	538.6%	-0.3%	-0.1%
Less: Treasury stock	(391,673,305)	(391,673,305)	-	0.0%	-0.2%	-0.2%
	52,233,420,218	44,916,447,670	7,316,972,548	16.3%	28.8%	28.6%
Non-controlling interests	42,334,951,065	36,689,126,859	5,645,824,206	15.4%	23.4%	23.4%
Total Equity	**94,568,371,283**	**81,605,574,529**	**12,962,796,754**	**15.9%**	**52.2%**	**52.0%**
Total Liabilities and Equity	**181,239,946,875**	**156,800,520,450**	**24,439,426,425**	**15.6%**	**100.0%**	**100.0%**

Assets

Consolidated assets as of 31 December 2023 is at ₱181.2 billion, an increase of ₱24.4 billion, or 15.6%, from its consolidated assets of ₱156.8 billion recorded as of 31 December 2022.

Cash and cash equivalents

The Company's consolidated cash and cash equivalents is at ₱2.9 billion as of 31 December 2023, a decrease of ₱2.6 billion, or -47.4%, from consolidated cash and cash equivalents of ₱5.5 billion as of 31 December 2022, due to the capital expenditures of the Group and payment of dividends.

Receivables – net

The Company's consolidated net receivables were ₱14.3 billion as of 31 December 2023, a ₱2.5 billion, or 21.1% increase from consolidated net receivables of ₱11.8 billion as of 31 December 2022, due to the increase rent receivable.

Real estate inventories

The Company's consolidated real estate inventories were ₱4.5 billion as of 31 December 2023, a ₱1.7 billion or 58.3% increase from consolidated real estate inventories of ₱4.5 billion as of 31 December 2022 due to additional capital expenditures for Hotel101 projects and residential projects.

Due from related parties

The Company's consolidated due from related parties decreased by -5.4% or ₱3.0 million at ₱49.4 million as of 31 December 2023 as compared to ₱52.1 million in 31 December 2022 due to collection of advances.

Prepaid expenses and other current assets - net

The Company's consolidated prepaid expenses and other current assets (net) were ₱6.2 billion as of 31 December 2023, a ₱526.5 million, or 9.2% increase from consolidated prepaid expenses and other current assets (net) of ₱5.7 billion as of 31 December 2022. The increase is due to increase in advances to contractors and suppliers, prepaid taxes and creditable withholding taxes.

Receivables – net of current portion

The Company's consolidated noncurrent receivables were ₱298.6 million as of 31 December 2023, a ₱142.0 million increase from consolidated noncurrent receivables of 31 December 2022 at ₱156.6 million, the increase is due to turnover receivable from buyers due upon completion of the project.

Property and equipment - net

The Company's consolidated property and equipment were ₱1.2 billion as of 31 December 2023, an increase of ₱492.5 million or 69.4% from ₱709.2 million as of 31 December 2022, due to additions during the year, net of depreciation recorded in 2023.

Goodwill and intangible assets

The Company's consolidated computer software licenses and goodwill (net) were ₱1.1 billion as of 31 December 2023, a ₱19.0 million, or -1.7% decrease from consolidated computer software licenses and goodwill (net) of ₱1.1 billion as of 31 December 2022, due to amortizations in intangible assets made in 2023.

Investment properties

The Company's consolidated investment properties were ₱147.9 billion as of 31 December 2023, a ₱21.8 billion, or 17.3% increase from consolidated investment properties of ₱126.1 billion as of 31 December 2022, the increase is due to the appreciation of investment properties owned by the Company and additions during the year.

Right-of-use assets

The Company's right-of-use assets were ₱15.3 million as of 31 December 2023. This pertains to the lease of Hotel101 Global's showroom in Singapore starting 2023.

Deferred tax assets

The Company's consolidated deferred tax assets were ₱145.9 million as of 31 December 2023, a ₱15.4 million, or -9.5% decrease, from consolidated deferred tax assets of ₱161.3 million as of 31 December

2022. This decrease was mainly due to decrease in deferred tax component for unearned interest income on installment contracts receivable and accrued expenses.

Other noncurrent assets

The Company's consolidated other noncurrent assets were ₱2.5 billion as of 31 December 2023, a ₱14.4 million, or -0.6% decrease from consolidated other noncurrent assets of ₱2.5 billion as of 31 December 2022, due to reclassification to current portion of advances to contractors and suppliers.

LIABILITIES

Accounts payable and other current liabilities

The Company's consolidated accounts payable and other current liabilities was ₱8.4 billion as of 31 December 2023, a ₱1.8 billion, or 26.6% increase from consolidated accounts payable and other current liabilities of ₱6.6 billion as of 31 December 2022. The increase is primarily due to the increase in trade payable and accrued project costs of the Group.

Short-term notes payable

The Company's consolidated short-term notes payable was ₱15.3 billion as of 31 December 2023, a ₱2.7 billion, or 21.9% increase from consolidated short-term notes payable of ₱12.5 billion as of 31 December 2022, due to availment of short-term loans during the year.

Due to related parties

The Company's consolidated due to related parties was at ₱560.8 million as of 31 December 2023, a decrease of ₱7.1 million, or -1.2% decrease from consolidated due to related parties of ₱567.9 million as of 31 December 2022.

Customer's deposits

The Company's consolidated deposits from customers were ₱685.0 million as of 31 December 2023, a ₱531.3 million, or 345.6% increase from consolidated deposits from customers of ₱153.7 million as of 31 December 2022, due to higher collection from real estate and Hotel101 buyers compared to revenue recognized based on percentage of completion.

Dividends payable

The Company's dividends payable increased to ₱486.3 million as of 31 December 2023, a ₱29.7 million, or 6.5% increase from ₱456.6 million as of 31 December 2022 due to dividends payable from third quarter earnings of DDMPR.

Income tax payable

The Company's income tax payable was ₱18.0 million as of 31 December 2023, a ₱13.1 million decrease, or -42.1% increase compared to ₱31.1 million as of 31 December 2022.

Long-term notes payable – net of debt issue costs

The Company's consolidated long-term notes payable was ₱29.4 billion as of 31 December 2023, a ₱836.9 million, or 2.9% increase from consolidated long-term notes payable of ₱28.6 billion as of 31 December 2022. The increase is due to availment of addition long term notes.

Bonds payable – net of bond issuance cost

The Company's consolidated bonds payable is at ₱18.6 billion as of 31 December 2023, an increase of

₱3.6 billion or 24.3% increase compared to ₱14.9 billion for the period ended 31 December 2022. The increase is due to the availment of additional bonds in 2023.

Lease Liability – net of current portion

The Company's consolidated lease liability was ₱1.2 billion as of 31 December 2023, a ₱175.6 million increase, or 16.8% from consolidated lease liability of ₱1.0 billion as of 31 December 2022 due to new leases during the year.

Deferred tax liability

The Company's consolidated deferred tax liability was ₱10.7 billion as of 31 December 2023, a ₱2.1 billion, 24.9% increase from consolidated deferred tax liability of ₱8.6 billion as of 31 December 2022. This increase was mainly due to the deferred tax component of Unrealized gains on fair value changes of investment properties.

Retirement benefits liability

The Company's retirement benefits liability was ₱45.8 million as of 31 December 2023, a ₱15.8 million increase, or 52.5% decrease from retirement benefits liability of ₱30.0 million as of 31 December 2022.

Customers' deposits – net of current portion

The Company's customers' deposit noncurrent portion is nil as of 31 December 2023 mainly due to reclassification to current portion.

Other noncurrent liabilities

The Company's consolidated other noncurrent liabilities were ₱1.3 billion as of 31 December 2023, a ₱272.3 million decrease, or -17.6% decrease from consolidated other noncurrent liabilities of ₱1.6 billion as of 31 December 2022. This decrease was due to the decrease in deferred output VAT.

EQUITY

Consolidated equity for the year ended 31 December 2023 is at ₱94.6 billion, an increase of ₱13.0 billion, or 15.9%, from its consolidated equity of ₱81.6 billion recorded for the year ended 31 December 2022.

Equity Attributable to Holders of the Parent Company

Equity attributable to the holders of the Parent Company increased by ₱7.3 billion (16.3%) from ₱44.9 billion on 31 December 2022 to ₱52.2 billion as of 31 December 2023. The increase is due to the net income attributable to parent for the period.

Equity of Non-controlling Interest

Non-controlling interest ("**NCI**") increased by ₱5.6 billion (15.4%) to ₱42.6 billion from ₱36.7 billion on 31 December 2022. The increase was due to NCI's share in the earnings recognized during the year.

KEY PERFORMANCE INDICATORS

The following are the major financial ratios of the Company for the years ended 31 December 2023 and 2022:

	31 December 2023	31 December 2022
Current Ratio	1.10	1.27

Asset to Equity	1.92	1.92
Debt to Equity Ratios		
On gross basis	0.67x	0.69x
On net basis	0.64x	0.62x
Return on Equity	19.05%	12.93%
Net Income to Revenue	37.39%	39.29%
Revenue Growth	75.10%	-11.27%
Net Income Growth	66.64%	14.56%
EBITDA	₱20.50 Billion	₱10.39 Billion
Acid Test Ratio	0.68	0.85
Solvency Ratio	0.18	0.17
Interest Coverage Ratio	5.11	3.32

The formulae by which the Company calculates the foregoing performance indicators are as follows:

1. Current Ratio: $\frac{\text{Current Assets}}{\text{Current Liabilities}}$

2. Asset to Equity Ratio: $\frac{\text{Total Assets}}{\text{Total Stockholders' Equity}}$

3. Debt to Equity Ratio (Gross Basis): $\frac{\text{Total Interest Bearing Short-Term and Long-Term Debt}}{\text{Total Equity}}$

4. Debt to Equity Ratio (Net Basis): $\frac{\text{Total Interest Bearing Short-Term and Long-Term Debt less Cash and Cash Equivalent}}{\text{Total Equity}}$

5. Return on Equity: $\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Average Equity Attributable to the Owners of the Parent}}$

6. Net Income to Revenue (Net Profit Margin): $\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Total Revenue}}$

7. Revenue Growth: $\frac{\text{Total Revenue (Current Period) - Total Revenue (Prior Period)}}{\text{Total Revenue (Prior Period)}}$

8. EBITDA: Income from Operations + Depreciation and Amortization + Interest Expense

9. Solvency Ratio: $\frac{\text{Net Income + Depreciation}}{\text{Total Liabilities}}$

10. Net Income Growth: $\frac{\text{Net Income (Current Period) - Net Income (Prior Period)}}{\text{Net Income (Prior Period)}}$

11. Acid Test Ratio: $\frac{\text{Cash + Accounts Receivable + Marketable Securities}}{\text{Current Liabilities}}$

12. Interest Coverage Ratio: $\frac{\text{Earnings before interest and taxes}}{\text{Interest Paid}}$

Year ended 31 December 2022 compared to the year ended 31 December 2021

DOUBLEDRAGON CORPORATION AND SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the year ended December 31, 2022 & 2021

	December, 2022 (Audited)	December, 2021 (Audited)	Horizontal Analysis Increase (Decrease)		Vertical Analysis 2022	Vertical Analysis 2021
REVENUES						
Rental income	3,237,808,132	3,420,413,009	(182,604,877)	-5.3%	22.9%	21.5%
Real estate sales	1,536,286,229	778,084,021	758,202,208	97.4%	10.9%	4.9%
Hotel revenues	478,865,495	577,925,107	(99,059,612)	-17.1%	3.4%	3.6%
Unrealized gain from change in fair values	7,484,825,891	9,667,665,180	(2,182,839,289)	-22.6%	53.0%	60.7%
Interest income	63,101,706	94,473,724	(31,372,018)	-33.2%	0.4%	0.6%
Others - net	1,329,419,325	1,387,275,067	(57,855,742)	-4.2%	9.4%	8.7%
	14,130,306,778	15,925,836,108	(1,795,529,330)	-11.3%	100.0%	100.0%
COST AND EXPENSES						
Cost of real estate sales	860,600,043	434,024,370	426,575,673	98.3%	6.1%	2.7%
Cost of hotel operations	335,339,091	326,289,350	9,049,741	2.8%	2.4%	2.0%
Selling expenses	164,529,147	127,401,011	37,128,136	29.1%	1.2%	0.8%
General and administrative expenses	2,613,855,837	2,281,984,861	331,870,976	14.5%	18.5%	14.3%
Interest expense	1,944,141,097	1,720,301,746	223,839,351	13.0%	13.8%	10.8%
	5,918,465,215	4,890,001,338	1,028,463,877	21.0%	41.9%	30.7%
INCOME BEFORE INCOME TAX	8,211,841,563	11,035,834,770	(2,823,993,207)	-25.6%	58.1%	69.3%
INCOME TAX BENEFIT (EXPENSE)	4,710,883,710	244,638,859	4,466,244,851	1825.6%	33.3%	1.5%
NET INCOME	12,922,725,273	11,280,473,629	1,642,251,644	14.6%	91.5%	70.8%
Attributable to:						
Equity holders of the Parent Company	5,551,522,068	7,404,361,935	(1,852,839,867)	-25.0%	39.3%	46.5%
Non-controlling interest	7,371,203,205	3,876,111,694	3,495,091,511	90.2%	52.2%	24.3%
	12,922,725,273	11,280,473,629	1,642,251,644	14.6%	91.5%	70.8%
Core Net Income*	7,683,347,149	1,811,598,449	5,871,748,700	324.1%	54.4%	11.4%
Core EBITDA	7,255,116,878	3,201,514,425	4,053,602,453	126.6%	51.3%	20.1%

Revenues

Consolidated revenues decreased by ₱1.8 billion, or -11.3%, to ₱14.1 billion for the year ended 31 December 2022 compared to ₱15.9 billion for the year ended 31 December 2021. The decrease in total revenues is due to lower rental income, hotel revenues, unrealized gains from changes in fair values of investment property for 2022, interest income and other income compared to 2021.

The Company's rental income decreased by ₱182.6 million, or -5.3%, to ₱3.2illion for the year ended 31 December 2022 compared to ₱3.4 billion for the year ended 31 December 2021 due to rental concessions to select tenants.

The Company's real estate sales increased by ₱758.2 million, or 97.4%, to ₱1.5 billion for the year ended 31 December 2022 compared to ₱778 million for the year ended 31 December 2021 due to higher sales booked based on percentage of completion due to the resumption of construction activities after the lifting of the community quarantine and additional sales in 2022.

The Company's hotel revenues decreased by ₱99.1 million or -17.1% to ₱478.9 million for the year ended 31 December 2022, compared to ₱577.9 million for the year ended 31 December 2021 due to lower occupancy as a result of the transition out of quarantine requirements with tourism still starting to pick up..

Unrealized gain from change in fair value of investment property is reported at ₱7.5 billion for the year ended 31 December 2022, a decrease of ₱2.2 billion or -22.6% compared to ₱9.7 billion for the year ended 31 December 2021 due to higher changes in fair value of investment property in 2021 from the completion of major projects.

The Company's interest income for the year ended 31 December 2022 decreased by ₱31.4 million or, -33.2%, to ₱63.1 million, compared to ₱94.5 million in 2021, as a result of the decrease in the Company's deposit placements with financial institutions.

Other income decreased by ₱57.9 million, or -4.2%, to ₱1.3 billion for the year ended 31 December 2022 compared to ₱1.4 billion in 2021 due to decrease in interest charges and other charges to tenants.

COST AND EXPENSES

The Company's consolidated costs and expenses increased by ₱1.0 billion, or 21.0%, to ₱5.9 billion for the year ended 31 December 2022, compared to ₱4.9 billion in 2021.

The Company booked cost of real estate sales of ₱860.6 million for the year ended 31 December 2022, an increase of ₱426.6 million or 98.3% compared to ₱434.0 million for the year ended December 2021. The increase is due to higher booked percentage of completion due to resumption of construction activities and additional sales in 2022.

The Company booked cost of hotel operations of ₱335.3 million for the year ended 31 December 2022, an increase of ₱9.0 million or 2.8% compared to ₱326.3 million for the year ended December 2021. The increase is due to increase in rental, utilities and outsourced services.

The Company's general and administrative expenses increased by ₱331.9 million, or 14.5%, to ₱2.6 billion for the year ended 31 December 2022 compared to ₱2.3 billion in 2021. The increase is due to higher mall operating costs mainly from utilities and outsourced services.

The Company's selling and marketing expenses also increased by ₱37.1 million, or 29.1%, to ₱164.5 million for the year ended 31 December 2022 compared to ₱127.4 million in 2021, due to higher commissions, advertising and marketing expense during the year.

Interest expense is reported at ₱1.9 billion for the year ended 31 December 2022, a 13.0% or ₱223.8 million increase compared to ₱1.7 billion in 31 December 2021 lower capitalization rate for borrowing cost and higher interest paid.

INCOME TAX BENEFIT

The Company's income tax benefit for the year ended 31 December 2022 is at ₱4.7 billion, an increase of ₱4.5 billion, or 1,825.6%, from its income tax benefit of ₱244.6 million recorded for the year ended 31 December 2021. The increase is mainly due to the reversal of the deferred tax liability of DDMPR.

NET INCOME

As a result of the foregoing, the Company's consolidated net income for the year ended 31 December 2022 is at ₱12.9 billion, an increase of ₱1.6 billion, or 14.6%, from its consolidated net income of ₱11.3 billion recorded for the year ended 31 December 2021.

DOUBLEDRAGON CORPORATION AND SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
For the year ended December 31, 2022 & 2021

	December 31, 2022 (Audited)	December 31, 2021 (Audited)	Horizontal Analysis Increase (Decrease)		Vertical Analysis 2022	2021
ASSETS						
Current Assets						
Cash and cash equivalents	**5,547,000,190**	7,763,034,480	(2,216,034,290)	-28.5%	3.5%	5.5%
Receivables - net	**11,802,956,253**	8,215,798,308	3,587,157,945	43.7%	7.5%	5.8%
Inventories	**2,857,589,016**	2,391,400,824	466,188,192	19.5%	1.8%	1.7%
Due from related parties	**52,146,970**	55,150,000	(3,003,030)	-5.4%	0.0%	0.0%
Prepaid expenses and other current assets - net	**5,721,899,025**	4,878,316,568	843,582,457	17.3%	3.6%	3.4%
Total Current Assets	**25,981,591,454**	23,303,700,180	2,677,891,274	11.5%	16.6%	16.5%
Noncurrent Assets						
Receivables - net of current portion	**156,587,874**	318,545,851	(161,957,977)	-50.8%	0.1%	0.2%
Property and equipment - net	**709,212,832**	845,853,666	(136,640,834)	-16.2%	0.5%	0.6%
Goodwill and intangible assets	**1,110,495,457**	1,147,931,606	(37,436,149)	-3.3%	0.7%	0.8%
Investment property	**126,150,988,095**	112,391,162,203	13,759,825,892	12.2%	80.5%	79.3%
Deferred tax assets	**161,343,987**	298,778,364	(137,434,377)	-46.0%	0.1%	0.2%
Other noncurrent assets	**2,530,300,751**	3,350,232,010	(819,931,259)	-24.5%	1.6%	2.4%
Total Noncurrent Assets	**130,818,928,996**	118,352,503,700	12,466,425,296	10.5%	83.4%	83.5%
Total Assets	**156,800,520,450**	141,656,203,880	15,144,316,570	10.7%	100.0%	100.0%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and other current liabilities	**6,648,971,202**	3,867,205,235	2,781,765,967	71.9%	4.2%	2.7%
Short-term notes payable and current maturities	**12,533,818,782**	14,618,971,659	(2,085,152,877)	-14.3%	8.0%	10.3%
Customers' deposits	**153,723,291**	119,867,995	33,855,296	28.2%	0.1%	0.1%
Due to related parties	**567,878,460**	727,613,383	(159,734,923)	-22.0%	0.4%	0.5%
Dividends payable	**456,645,828**	147,771,638	308,874,190	209.0%	0.3%	0.1%
Income tax payable	**31,146,770**	14,470,655	16,676,115	115.2%	0.0%	0.0%
Total Current Liabilities	**20,392,184,333**	19,495,900,565	896,283,768	4.6%	13.0%	13.8%

Noncurrent Liabilities						
Long-term notes payable - net of current maturities and debt issue costs	**28,588,393,178**	21,525,798,815	7,062,594,363	32.8%	18.2%	15.2%
Bonds payable - net of bond issue costs	**14,925,384,467**	14,897,619,137	27,765,330	0.2%	9.5%	10.5%
Lease liabilities - net of current portion	**1,043,542,515**	1,282,638,534	(239,096,019)	-18.6%	0.7%	0.9%
Deferred tax liabilities	**8,560,424,714**	13,612,338,447	(5,051,913,733)	-37.1%	5.5%	9.6%
Customers' deposits - net of current portion	**104,403,289**	367,412,148	(263,008,859)	-71.6%	0.1%	0.3%
Retirement benefits liability	**30,036,573**	30,547,752	(511,179)	-1.7%	0.0%	0.0%
Other noncurrent liabilities	**1,550,576,852**	1,135,495,249	415,081,603	36.6%	1.0%	0.8%
Total Noncurrent Liabilities	**54,802,761,588**	52,851,850,082	1,950,911,506	3.7%	35.0%	37.3%
Total Liabilities	**75,194,945,921**	72,347,750,647	2,847,195,274	3.9%	48.0%	51.1%
Equity						
Equity Attributable to Equity Holders of the Parent Company						
Capital stock	**237,310,060**	237,310,060	-	0.0%	0.2%	0.2%
Preferred shares	**10,000,000,000**	10,000,000,000	-	0.0%	6.4%	7.1%
Additional paid-in capital	**5,540,589,852**	5,540,589,852	-	0.0%	3.5%	3.9%
Retained earnings	**29,610,178,785**	25,251,421,362	4,358,757,423	17.3%	18.9%	17.8%
Treasury stock	**(391,673,305)**	(167,160,000)	(224,513,305)	134.3%	-0.2%	-0.1%
Retirement benefits liability	**(79,957,722)**	117,125,176	(197,082,898)	-168.3%	-0.1%	0.1%
	44,916,447,670	40,979,286,450	3,937,161,220	9.6%	28.6%	28.9%
Non-controlling interest	**36,689,126,859**	28,329,166,783	8,359,960,076	29.5%	23.4%	20.0%
Total Equity	**81,605,574,529**	69,308,453,233	12,297,121,296	17.7%	52.0%	48.9%
Total Liabilities and Equity	**156,800,520,450**	141,656,203,880	15,144,316,570	10.7%	100.0%	100.0%

ASSETS

Consolidated assets as of 31 December 2022 is at ₱156.8 billion, an increase of ₱15.1 billion, or 10.7%, from its consolidated assets of ₱141.7 billion recorded as of 31 December 2021.

Cash and cash equivalents

The Company's consolidated cash and cash equivalents is at ₱5.5 billion as of 31 December 2022, an decrease of ₱2.2 billion, or -28.5%, from consolidated cash and cash equivalents of ₱7.8 billion as of 31 December 2021, due to the capital expenditures of the Group and payment of dividends.

Receivables – net

The Company's consolidated net receivables were ₱11.8 billion as of 31 December 2022, a ₱3.6 billion, or 43.7% increase from consolidated net receivables of ₱8.2 billion as of 31 December 2021, due to the increase in accrued rent receivables arising from the excess of rent income over rental collections made by lessees in accordance with straight-line rental recognition as mandated by PFRS 16, and increase in installment contract and rent receivable.

Real estate inventories

The Company's consolidated real estate inventories were ₱2.9 billion as of 31 December 2022, a ₱466.2 million or 19.5% increase from consolidated real estate inventories of ₱2.4 billion as of 31 December 2021 due to higher booked project completion caused by resumption of construction activities in 2022.

Due from related parties

The Company's consolidated due from related parties decreased by -5.4% or ₱3.0 million at ₱52.1

million as of 31 December 2022 as compared to ₱55.2 million in 31 December 2021 due to collection of advances.

Prepaid expenses and other current assets - net

The Company's consolidated prepaid expenses and other current assets (net) were ₱5.7 billion as of 31 December 2022, a ₱843.6 million, or 17.3% increase from consolidated prepaid expenses and other current assets (net) of ₱4.9 billion as of 31 December 2021. The increase is due to increase in Input VAT and advances to contractors and suppliers.

Receivables – net of current portion

The Company's consolidated noncurrent receivables were ₱156.6 million as of 31 December 2022, a ₱162.0 million decrease from consolidated noncurrent receivables of 31 December 2021 at ₱318.5 million, the decrease is due to the reclassification of receivable from noncurrent to current portion as a result of the restructuring of some receivables.

Property and equipment - net

The Company's consolidated property and equipment were ₱709.2 million as of 31 December 2022, a decrease of ₱136.6 million or -16.2% from ₱845.9 million as of 31 December 2021, due to additions during the year, net of depreciation recorded in 2022.

Goodwill and intangible assets

The Company's consolidated computer software licenses and goodwill (net) were ₱1.1 billion as of 31 December 2022, a ₱37.1 million, or -3.3% decrease from consolidated computer software licenses and goodwill (net) of ₱1.1 billion as of 31 December 2021, due to amortizations in intangible assets made in 2022.

Investment properties

The Company's consolidated investment properties were ₱126.2 billion as of 31 December 2022, a ₱13.8 billion, or 12.2% increase from consolidated investment properties of ₱112.4 billion as of 31 December 2021, the increase is due to the appreciation of investment properties owned by the Company and additions during the year.

Deferred tax assets

The Company's consolidated deferred tax assets were ₱161.3 million as of 31 December 2022, a ₱137.4 million, or -46.0% decrease, from consolidated deferred tax assets of ₱298.8 million as of 31 December 2021. This decrease was mainly due to decrease in the unearned rental income deferred tax component.

Other noncurrent assets

The Company's consolidated other noncurrent assets were ₱2.5 billion as of 31 December 2022, a ₱819.9 million, or -24.5% decrease from consolidated other noncurrent assets of ₱3.4 billion as of 31 December 2021, due to decrease in the noncurrent portion of advances to contractors and suppliers.

LIABILITIES

Accounts payable and other current liabilities

The Company's consolidated accounts payable and other current liabilities was ₱6.6 billion as of 31 December 2022, a ₱2.8 billion, or 71.9% increase from consolidated accounts payable and other current liabilities of ₱3.9 billion as of 31 December 2021. The increase is primarily due to the increase in trade payable and accrued expenses of the Group.

Short-term notes payable

The Company's consolidated short-term notes payable was ₱12.5 billion as of 31 December 2022, a ₱2.1 billion, or -14.3% decrease from consolidated short-term notes payable of ₱14.6 billion as of 31 December 2021, due to repayments of short-term loans during the year.

Due to related parties

The Company's consolidated due to related parties was at ₱567.9 million as of 31 December 2022, a decrease of ₱159.7 million, or -22.0% decrease from consolidated due to related parties of ₱727.6 million as of 31 December 2021.

Customer's deposits

The Company's consolidated deposits from customers were ₱153.7 million as of 31 December 2022, a ₱33.9 million, or 28.2% increase from consolidated deposits from customers of ₱119.9 million as of 31 December 2021, due to higher collection from real estate buyers compared to revenue recognized based on percentage of completion.

Dividends payable

The Company's dividends payable increased to ₱456.6 million as of 31 December 2022, a ₱308.9 million, or 209.0% increase from ₱147.8 million as of 31 December 2021 due to DDMPR dividends.

Income tax payable

The Company's income tax payable was ₱31.1 million as of 31 December 2022, a ₱16.7 million increase, or 115.2% increase compared to ₱14.5 million as of 31 December 2021.

Long-term notes payable – net of debt issue costs

The Company's consolidated long-term notes payable was ₱28.6 billion as of 31 December 2022, a ₱7.1 billion, or 32.8% increase from consolidated long-term notes payable of ₱21.5 billion as of 31 December 2021. The increase is due to availment of addition long term notes.

Bonds payable – net of bond issuance cost

The Company's consolidated bonds payable remains at ₱14.9 billion as of 31 December 2022 and 31 December 2021.

Lease Liability – net of current portion

The Company's consolidated lease liability was ₱1.0 billion as of 31 December 2022, an ₱239.1 million decrease, or -18.6% from consolidated lease liability of ₱1.3 billion as of 31 December 2021 due to lease payments and reclassification to current.

Deferred tax liability

The Company's consolidated deferred tax liability was ₱8.6 billion as of 31 December 2022, a ₱5.1 billion decrease from consolidated deferred tax liability of ₱13.6 billion as of 31 December 2021. This decrease was primarily due to the reversal of DDMPR deferred tax liability.

Customers' deposits – net of current portion

The Company's customers' deposit were ₱104.4 million as of 31 December 2022, a ₱263.0 million decrease from ₱367.4 million as of 31 December 2021. This decrease was mainly due to reclassification to current portion.

Retirement benefits liability

The Company's retirement benefits liability was ₱30.0 million as of 31 December 2022, a ₱0.5 million decrease, or -1.7% decrease from retirement benefits liability of ₱30.5 million as of 31 December 2021.

Other noncurrent liabilities

The Company's consolidated other noncurrent liabilities were ₱1.6 billion as of 31 December 2022, a ₱415.1 million increase, or 36.6% increase from consolidated other noncurrent liabilities of ₱1.1 billion as of 31 December 2021. This increase was due to the increase in deferred output VAT.

EQUITY

Consolidated equity for the year ended 31 December 2022 is at ₱81.6billion, an increase of ₱12.3 billion, or 17.7%, from its consolidated equity of ₱69.3 billion recorded for the year ended 31 December 2021.

Equity Attributable to Holders of the Parent Company

Equity attributable to the holders of the Parent Company increased by ₱7.1 billion (21.0%) from ₱41.0 billion on 31 December 2021 to ₱41.0 billion as of 31 December 2022. The increase is due to the net income attributable to parent for the period.

Equity of Non-controlling Interest

Non-controlling interest (NCI) increased by ₱8.4 billion (29.5%) to ₱36.7 billion from ₱28.3 billion on 31 December 2021. The increase was due to NCI's share in the earnings recognized during the year.

KEY PERFORMANCE INDICATORS

The following are the major financial ratios of the Company for the years ended 31 December 2022 and 2021:

	31 December 2022	31 December 2021
Current Ratio	1.27	1.20
Asset to Equity	1.92	2.04
Debt to Equity Ratios		
On gross basis	0.69x	0.74x
On net basis	0.62x	0.62x
Return on Equity	12.93%	19.79%
Net Income to Revenue	39.29%	46.49%
Revenue Growth	-11.27%	11.66%
Net Income Growth	14.56%	87.22%
EBITDA	₱10.39 Billion	₱12.92 Billion
Acid Test Ratio	0.85	0.82
Solvency Ratio	0.17	0.16
Interest Coverage Ratio	3.32	3.92

The formulae by which the Company calculates the foregoing performance indicators are as follows:

1. Current Ratio	$\dfrac{\text{Current Assets}}{\text{Current Liabilities}}$
2. Asset to Equity Ratio	$\dfrac{\text{Total Assets}}{\text{Total Stockholders' Equity}}$
3. Debt to Equity Ratio (Gross Basis)	$\dfrac{\text{Total Interest Bearing Short-Term and Long-Term Debt}}{\text{Total Equity}}$
4. Debt to Equity Ratio (Net Basis)	$\dfrac{\text{Total Interest Bearing Short-Term and Long-Term Debt less Cash and Cash Equivalent}}{\text{Total Equity}}$
5. Return on Equity	$\dfrac{\text{Net Income Attributable to Owners of the Parent}}{\text{Average Equity Attributable to the Owners of the Parent}}$
6. Net Income to Revenue (Net Profit Margin)	$\dfrac{\text{Net Income Attributable to Owners of the Parent}}{\text{Total Revenue}}$
7. Revenue Growth	$\dfrac{\text{Total Revenue (Current Period) - Total Revenue (Prior Period)}}{\text{Total Revenue (Prior Period)}}$
8. EBITDA	Income from Operations + Depreciation and Amortization + Interest Expense
9. Solvency Ratio	$\dfrac{\text{Net Income + Depreciation}}{\text{Total Liabilities}}$
10. Net Income Growth	$\dfrac{\text{Net Income (Current Period) - Net Income (Prior Period)}}{\text{Net Income (Prior Period)}}$
11. Acid Test Ratio	$\dfrac{\text{Cash + Accounts Receivable + Marketable Securities}}{\text{Current Liabilities}}$
12. Interest Coverage Ratio	$\dfrac{\text{Earnings before interest and taxes}}{\text{Interest Paid}}$

BUSINESS

OVERVIEW

DoubleDragon Corporation is an investment holding company in the Philippines, principally engaged in the ownership and operation of a portfolio of leasable properties in its four principal business segments: retail leasing, office leasing, hospitality and industrial leasing. Tony Tan Caktiong and Edgar Injap Sia II, the two entrepreneurs of DoubleDragon, believe that by providing the flexibility for DoubleDragon Corporation to transform into an investment holding company, DoubleDragon will be in a in a position to capitalise on its strong balance sheet to add worthwhile investments outside of the property sector that would further drive its growth.

The Company's two principal shareholders are Injap Investments Inc., controlled by the Sia family, and Honeystar Holdings Corp. controlled by the Tan and Ang families, who also control Jollibee Foods Corporation ("**JFC**"), the largest fast food company in the Philippines. Edgar Injap Sia II of the Sia family and Tony Tan Caktiong of the Tan and Ang family have similar entrepreneurial background and have started and grown multiple ventures into household brands in the Philippines.

In 2021, the Company further strengthened its balance sheet with the public offering of shares and listing of DDMP REIT, Inc. (formerly DD Meridian Park Development Corp. ("**DDMPDC**")) ("**DDMPR**") and the equity infusion by JFC and its subsidiary into CentralHub Industrial Centers, Inc. ("**CHICI**"), DoubleDragon's industrial leasing subsidiary. As of 31 March 2024, the Company's total equity was P94.57 billion and its gross Debt-to-Equity was 0.67x, which is below the Company's cap of 2.33x.

Having met its target of 1.2 million sq.m. of completed gross floor area ("**GFA**") for its leaseable portfolio, the Company intends to pursue a strategy of revenue optimisation for its retail leasing, office leasing, hospitality and industrial leasing operations, with the goal of maximising recurring revenue. As of 31 December 2021, the Company's completed portfolio encompassed 1.205 million sq.m. of GFA. Further, by 2030 the Company targets to increase its portfolio to 2.4 million sq.m. of GFA spread across its four core business segments: 30% in retail, 15% in office, 20% in hospitality, and 35% in industrial leasing.

As of 31 March 2024, through its subsidiary, CityMall Commercial Centers Inc. ("**CMCCI**"), the Company owns and operates 43 CityMalls, primarily located in key strategic locations in Luzon, Visayas and Mindanao. The Company also has seven CityMalls under construction, with an additional land bank for 14 CityMalls. CMCCI is 66% owned by the Company and 34% owned by SM Investments Corp. ("**SMIC**"), the holding company for one of the largest conglomerates in the Philippines. In addition to the 43 CityMalls that were operational as of 31 March 2024, the Company has three other operational malls, namely: Dragon8 Mall in Divisoria Manila City, DoubleDragon Plaza Retail in DD Meridian Park, Pasay City and Umbria Commercial Center in Biñan, Laguna.

The Company's office leasing segment primarily consists of two key projects, DD Meridian Park and Jollibee Tower. DD Meridian Park, a 4.8 hectare project located in the Manila Bay area of Pasay City, and which is 46.67%-owned by the Company, consists of approximately 244,240 sq.m. of leasable space that is primarily used for BPO, outsourcing and support service offices, and corporate offices. The development is expected to feature seven office towers and luxury services residences, with construction in four phases. The first phase of DD Meridian Park comprises Towers 1 to 4 of DoubleDragon Plaza and was completed in 2018. The second phase comprises DoubleDragon Center East and DoubleDragon Center West and was completed in 2019. The fourth phase comprises DoubleDragon Tower and was substantially completed in 2021, while the third phase comprises luxury serviced residences, namely Ascott-DD Meridian Park, and is currently under construction with completion expected in 2024. Jollibee Tower is a Grade A 42-storey commercial and office tower with approximately 60,394.67 sq.m. of leasable space and is situated in the heart of the Ortigas central business district in Metro Manila. The project, which was completed in 2019, is a joint venture between the Company and JFC, who also serves as the building's anchor tenant. In addition to DD Meridian Park and Jollibee Tower, the Company also owns The SkySuites Tower, comprising two towers, including an office tower that is currently being leased to tenants.

The Company's hospitality segment is operated through its subsidiary, Hotel of Asia, Inc. ("**HOA**"), which is 70%-owned by the Company. As of 31 March 2024, the Company's hospitality operations comprise 6 operational hotels with 1,482 hotel rooms, including the Company's own hotel brand, "Hotel 101", which currently has two operating hotels, Hotel101- Manila and Hotel101-Fort. In addition to the 1,482 hotel rooms, the Company has seven hotels under construction and expected to add another 3,463 rooms, and an additional ten hotels under planning and development stages... CSI Hotels, Inc., a 50%-owned subsidiary of HOA, is the Philippines' master franchisee of the "Jinjiang Inn" brand, with three hotels in operation in Ortigas and Makati, Metro Manila and Boracay as of 31 March 2024. Hotel 101 Management Corporation, a wholly owned subsidiary of HOA, operates all of HOA's operational hotels including Hotel 101-Manila, Jinjiang Inn-Ortigas, Jinjiang Inn-Makati, Jinjiang Inn-Station 1 Boracay and Injap Tower, a 21-storey condotel located in Iloilo City. As of 31 March 2024, the Company had seven hotels under construction and ten more hotels in the planning and development stage.

On 30 September 2022, the Company, through its subsidiaries, fully paid for the acquisition of a prime 9,000 sq.m. parcel of land in Hokkaido Prefecture, Japan. The Company expects to develop its first international Hotel 101 development, named Hotel 101-Niseko, on such acquired land.

On 31 October 2023, through its subsidiary, the company received all the pertinent executed land purchase documents and has made the full complete payment for the purchase of the 6,593 sq.m of prime commercial land in Madrid Spain. The development, named Hotel101-Madrid eyes the high real estate investment demand in Madrid driven by the Spanish Golden Visa.

The Company operates its industrial leasing segment through its 60.90%-owned subsidiary, CHICI. As of 31 March 2024, the Company, through CHICI, owns 10 CentralHub sites across the Philippines, with a total of 60.57 hectares of prime industrial land. Five of the Company's CentralHub sites, namely CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig, are currently operational. CentralHub-Sta Barbara Iloilo, CentralHub-Davao, CentralHub-Cebu and CentralHub-Negros are under construction while CentralHub-Surigao is currently in the development stages.

The Company, through CHICI, acquired a 6.2 hectare parcel of land in Luisita Industrial Park, Tarlac for its first industrial hub. CentralHub-Tarlac was built over four phases, the first of which was completed in 2018 and leased out to Zenith Foods Corporation (Red Ribbon) as a commissary. The second phase was completed in 2021 and leased out to MerryMart Consumer Corp. as its distribution hub. The third and fourth phases of CentralHub-Tarlac were completed in 2021 and January 2022, respectively. As of 31 December 2023, the third and fourth phases of CentralHub-Tarlac is ongoing tenant turnovers. The Company also acquired a 3.9 hectare parcel of land in Iloilo for its second CentralHub complex, CentralHub-Sta Barbara Iloilo, which is strategically located along a national highway approximately five kilometres from Iloilo International Airport and ten kilometres from the centre of Iloilo City. The Company also acquired a 5.2 hectare parcel of land in Danao, Cebu, which will be its third CentralHub complex. The Company acquired the site of its fourth CentralHub complex in 2019, covering an 8.2 hectare parcel of land along the Daan Maharlika Highway in Davao City. In 2022, the Company acquired two other sites, a 10.06 hectare property in Silay Negros for CentralHub- Negros and a 6.40 hectare property in Surigao for CentralHub-Surigao. CentralHub-Sta Barbara Iloilo and CentralHub-Cebu are under construction while CentralHub-Davao, CentralHub- Negros and CentralHub-Surigao are currently in the development stages.

In August 2021, JFC and its wholly owned subsidiary Zenith Foods Corporation ("**ZFC**") entered into definitive agreements to subscribe to an aggregate of 38.71% of CHICI's total outstanding shares (post-subscription) in consideration for a cash payment of ₱1.9 billion. JFC acquired common shares of CentralHub and infused its 16.4 hectares of industrial properties in Santolan, Pasig and Carmelray, Laguna, which are currently utilised as commissaries (including the largest operating commissary of JFC). As of 31 March 2024, the equity and asset swap between CentralHub and JFC was completed and the transfer of title for the two CentralHub- Laguna and CentralHub-Pasig were completed. The Company and JFC intend to prepare CHICI for the Philippines' first industrial REIT IPO.

The Company intends to acquire additional sites that are strategically located across Luzon, Visayas and Mindanao. The industrial centers will contain standardised, multi-use, and industrial quality warehouses suited for commissaries, cold storage and logistics centers to be leased to locators operating nationwide in the Philippines.

The Company reports Net Income figures for the year-ended 2023 has reached ₱15.9 Billion, an increase of 23.3% compared to Net Income of ₱12.9 Billion in 2022. Total Assets of the Company rose 15.6% year-on-year to ₱181.2 Billion in 2023 compared to only ₱156.8 Billion in 2023. Total Equity likewise increased by 15.9% to ₱13.0 Billion in 2023 as compared to only ₱81.6 Billion in the prior year equating to a Gross

Debt-to- Equity ratio of 0.67x.

Because of the significant growth of the Company's equity, total equity has now exceeded total debt displaying solid financial strength.

DoubleDragon continues to find ways to further optimize its revenues such as tapping new rental revenue streams from leasing of roof space for solar, advertising spaces in its string of strategic properties around the country, and from roof deck space leasing for common telco towers. The Company has already started leasing out its roof spaces to Solar companies. Both CityMall community malls and CentralHub warehouses are expected to lease out a total of 100 MW of solar space which is expected to translate to Php 100 Million annual rental income from solar roof lease alone, excluding the rental income from advertising and common telco towers. In 2019, solar panels were installed at the rooftop of DoubleDragon Plaza, DD Meridian Park, these solar panels are expected to displace 418 tons of CO2, equaling to over 13,565 trees planted.

DoubleDragon has acquired its basket of prime properties from 2014 to 2016, and the land values started to move up significantly starting in 2017, enabling the company to benefit both from the appreciation as well as gain strong foothold position with its portfolio of prime hard assets.

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

IMPACT OF COVID-19 ON THE COMPANY'S OPERATIONS

The Company surpassed its goal of completing a portfolio comprising 1.2 million sq.m. of GFA, even in the face of construction constraints arising from the COVID-19 outbreak and the community quarantine measures implemented in the Philippines since mid-March of 2020. Apart from adjusting its project completion targets, the Company does not believe that the COVID-19 pandemic has had a material impact on its operations, and has affirmed the relevance of its portfolio:

Provincial retail leasing – The Company's CityMalls, are all located outside of the National Capital Region and continued to provide services to various communities during the imposition of community quarantine measures across the country. Majority of the leasable space within each CityMall are anchor tenants like supermarkets, pharmacies, money remittance shops, medical clinics, food and banks which provide essential goods and services that cater to the general good of the public especially during these periods. The Company believes that its focus on essential retail goods and services have resulted in resilient performance of its CityMalls compared to more destination-focussed malls. The occupancy of the Company's CityMalls as of 31 March 2024 was at 87.0, the Company believes that the occupancy rate will continue to recover as the Philippine economy continues to open up.

The Company has successfully entered into lease renewals with several major tenants on the same terms and conditions, including escalation rates. The Company has observed that the demand for dining out has remained strong and continues to increase.

Office leasing – The Company's office towers spread out across Metro Manila continued to be operational and are covered by fixed rate lease agreements, post-dated cheques, security deposits and advance rentals for the duration of their lease terms. The Company has observed strong leasing momentum from tenants who look to expand their current occupied space to improve safe distancing measures. The Company believes that its tenant mix of corporate offices, government offices, accredited BPOs and POGOs and healthcare and insurance offices. As of March 31, 2024, the Company signed leases covering 79% of leasable space in its latest office building DoubleDragon Tower. The Company's main office asset, DD Meridian Park, had a 77% blended overall occupancy as of 31 March 2024.

Industrial warehouse leasing – The Company's CentralHub sites nationwide are leased to companies involved in fast-moving consumer goods distribution and food production which are priority industries the Government mandated to be fully operational during the imposition of the community quarantine measures for the benefit of the nation and its people. The Company believes that its industrial warehouse leasing business has remained pivotal due to mobility issues and the need for additional and efficient logistics operations across the country throughout the COVID-19 pandemic.

Hospitality – Despite the COVID-19 pandemic significantly affecting the tourism industry since the first half of 2020, the average hotel occupancy of all the Company's hotel properties have remained stable for year ended 31 December 2023 with average occupancy of 90.6% for Hotel 101 Manila and Jinjiang Inn properties. The Company believes this is mainly due to the Company's hotel portfolio not being heavily reliant on foreign tourists with price points of P2,500-P3,500 per room per night being a value 3-star hotel chain, and because of the continued demand from business travellers and designation of certain properties as quarantine hotels.

The Company believes that its four core segments have remained strong despite the COVID 19 pandemic and that the remaining tenants of the Company are companies that have also stood the impact of the pandemic and have demonstrated ability to continue its businesses.

The Company's operations have remained uninterrupted with stringent monitoring in place covering the production of employees with flexible working arrangements. The Company continues to remain vigilant in upholding the health and safety of its employees. The Company closely monitors updates from the Philippine Department of Health and other reliable sources publishing information regarding COVID-19 and shall continue comply with all Government-mandated measures relating to COVID-19.

HISTORY

The Company, formerly named Injap Land Corporation, was incorporated and registered with the SEC on 9 December 2009, and began commercial operations in November 2010 with the primary purpose of engaging in real estate development and real estate related ventures. The Company was originally a wholly owned subsidiary of Injap Investments Inc., the holding company of the Sia family. On 29 June 2012, the Company became a 50-50 joint venture between Injap Investments and Honeystar Holdings Corporation ("**Honeystar**") when Honeystar, headed by Tony Tan Caktiong, Founder and Chairman of JFC, invested in the Company. The Company eventually changed its corporate name to DoubleDragon Properties Corp. on 30 July 2012.

The Company, prior to the entry of Honeystar, was originally the Sia family's initial foray into real estate development. The Company's first venture, People's Condominium project, was the first condominium project in Iloilo City. People's Condominium was completed in November 2011 and was fully sold within a few months from commencing pre-selling activities. Other projects developed by the Company in Iloilo City include Injap Tower, a 21-storey commercial and condotel tower, The Uptown Place, a five-storey premium commercial and residential condominium, as well as horizontal developments FirstHomes and HappyHomes, both located in Mandurriao – Iloilo.

It was after the entry of Honeystar and the renaming of the Company into DoubleDragon Properties Corp. that the Company's Chairman and Co-Chairman, Edgar "Injap" Sia II and Tony Tan Caktiong, both born in the year of the dragon, established a clear vision for the Company's future. They identified a unique opportunity to capitalise on the modernisation of retail in the provinces by building a chain of community malls to become the venue for this transition. The Company targeted second and third class provincial cities for the rollout of their CityMall branded concept. CMCCI was incorporated on 27 December 2013 to serve as the vehicle for this rollout. Seeing the potential of the CityMall concept, SMIC, one of the largest conglomerates in the Philippines with a portfolio of leading retail stores, took a 34% stake in CMCCI in 2014.

To further diversify and attain the goal of operating mostly recurring revenue properties, the Company began to develop commercial office projects in Metro Manila through its flagship commercial office project, DD Meridian Park. The Company's further entry into the office space segment occurred in August 2015 when it entered into joint venture with JFC to build a 42-storey commercial and office tower in the Ortigas central business district that will serve as the corporate centre for JFC, one of the country's leading fast food companies.

The Company's shares debuted on the PSE's Small, Medium, and Emerging Board ("**SME Board**") on 7 April 2014 under the stock symbol "**DD**" through an initial public offering of 26% of its outstanding common shares. On 6 July 2015, the Company's shares transferred from the SME Board to the PSE Main Board. On 30 November 2015, the Company's shares were included in the Morgan Stanley Capital International Small Cap Philippine Index. On 14 March 2016 the Company was included in the property sector index of the PSE. On 14 April 2016, the Company issued

P10,000,000,000 worth of Preferred Shares, which were subsequently listed in the PSE Main Board on 26 July 2016. On 12 September 2016, the Company was included as one of five listed companies in the PSE reserve list.

On 27 July 2020, the Company, through its subsidiary DDPC Worldwide Pte. Ltd. ("**DDWPL**"), issued a US$75.0 million 5-year and Reg S US dollar denominated guaranteed senior Notes with a coupon rate of 7.25%, and payable semi-annually.

On 14 April 2021, the Company's Board of Directors approved the amendment in the articles of incorporation changing its name from "DoubleDragon Properties Corp." to "DoubleDragon Corporation", and amending its primary and secondary purposes to transform it into an investment and holding company, and extending the corporate life of the Company to perpetual existence.

On November 19, 2021, the Company received the Certificate of Amended Articles of Incorporation issued by the Securities and Exchange Commission (SEC) that amended its corporate name and primary purpose into an investment holding company. Effectively, DoubleDragon Properties Corp is now officially DoubleDragon Corporation.

RECENT DEVELOPMENTS

Release of quarterly reports for the first quarter of 2024

On 16 May 2024, the Company released its unaudited consolidated financial statements for the three-months ended 31 March 2024, accessible at [•].

HOTEL101 Global signed Definitive Merger Agreement with JVSPAC Acquisition Corporation to Publicly List on the NASDAQ

On 8 April 2024, the Singapore-headquartered subsidiary of DoubleDragon, Hotel101 Global Pte. Ltd. and affiliates ("HOTEL101" or "HBNB") and JVSPAC Acquisition Corporation (Nasdaq: JVSA) ("JVSPAC") announced that they have entered into a definitive merger agreement. Hotel101 is a hotel prop-tech operator pioneering a globally standardized, asset-light "condotel" business model. Upon completion of the proposed business combination transaction, the combined entity is expected to be publicly listed on the NASDAQ under the ticker symbol "HBNB", and to become a majority-owned subsidiary of DoubleDragon Group, and the fresh equity to increase its capital base, and to further strengthen the balance sheet of DoubleDragon.

Hotel101 is expected to have an equity value of over US$2.3 billion following completion of the transaction, which is expected to close during the second half of 2024 subject to regulatory and shareholder approvals and other customary closing conditions.

DoubleDragon positions Hotel101 Global to very soon become the first ever Filipino company whose majority-owned subsidiary to list via special purpose acquisition company ("SPAC") in the US Nasdaq Stock Exchange, and seen to become a major brand, concept and business model export of the Philippines, given its Asset-Light business model could become one of the major source of US Dollar inflow to the Philippines.

HOTEL101-Madrid broke ground

On 13 March 2024, the 680-room Hotel101-Madrid has progressed with two milestone activities on the same day as it conducted its ground-breaking ceremony and signed the construction contract with Ferrovial Construction at Valdebebas, Madrid, Spain.

Additional Subsidiaries Incorporated in 2024

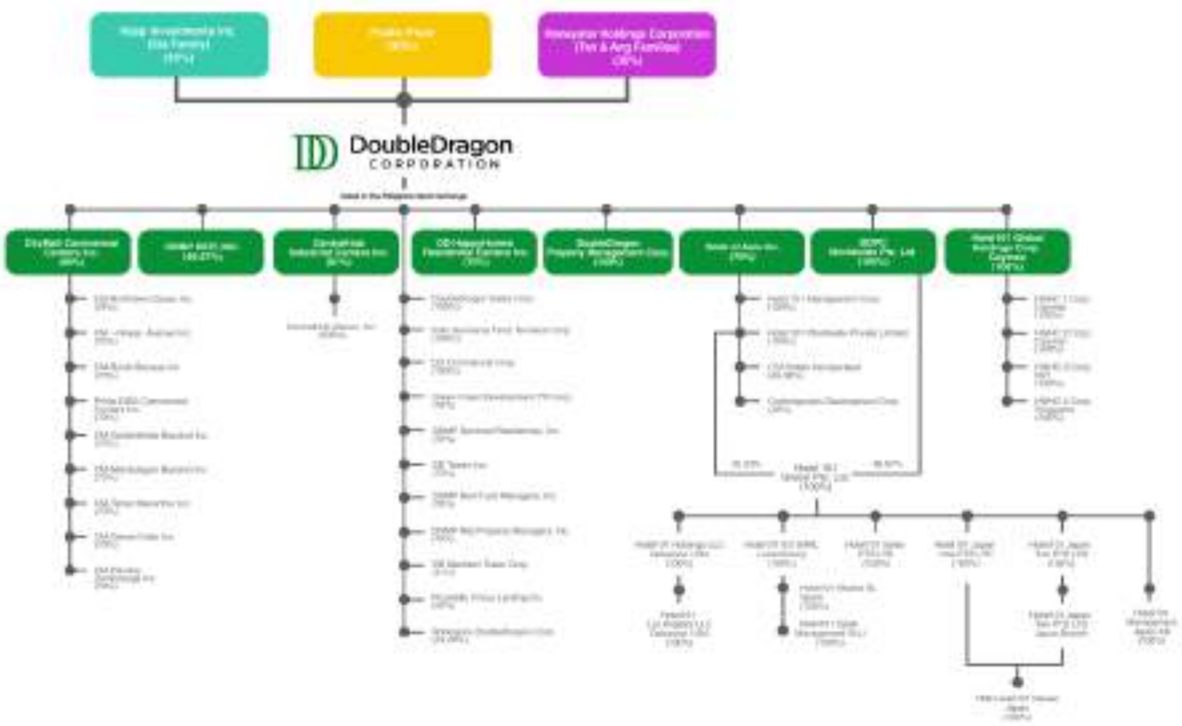
In 2024, the Group has incorporated the following subsidiaries in relation to the international expansion of the Group's Hotel101 business:

Date	Subsidiary	Jurisdiction	Ownership
18 January 2024	Hotel101 Spain Management S.L.U.	Spain	100% owned through Hotel101 EU SARL
26 February 2024	Hotel101 Sales Pte. Ltd.	Singapore	100% owned through Hotel101 Global Pte Ltd
13 March 2024	Hotel101 Global Holdings Corp.	Cayman Islands	100% owned by the Company
13 March 2024	HGHC 1 Corp.	Cayman Islands	100% owned through Hotel101 Global Holdings Corp.
13 March 2024	HGHC 2 Corp.	Cayman Islands	100% owned through Hotel101 Global Holdings Corp.
13 March 2024	HGHC 2 Corp.	British Virgin Islands	100% owned through Hotel101 Global Holdings Corp.
4 April 2024	HGHC 4 Pte. Ltd.	Singapore	100% owned through Hotel101 Global Holdings Corp.

MATERIAL RECLASSIFICATION, MERGER, CONSOLIDATION

CORPORATE STRUCTURE

The Company's corporate structure as of the date of this Preliminary Prospectus is presented in the diagram below:



See "– *Subsidiaries*" for more information on each of the Company's subsidiaries as of 31 March 2024.

COMPETITIVE STRENGTHS

Diversified Philippine property group with four recurring income growth pillars

The Company is predominantly a developer and owner of a portfolio of investment properties with an aggregate value of ₱147.94 billion as of 31 March 2024. The Company continues to ramp up its pace of growth and widen its presence and deepen penetration across the Philippines, with plans to increase its portfolio across the retail, office, hospitality and industrial segments and to maximise recurring revenue. As of 31 March 2024, the Company's completed portfolio encompassed 1.298 million sq.m. of GFA, with 53% in retail, 28% in office, 8% in hospitality and 11% in industrial leasing. The Company is moving towards a business model which is expected to derive a significant majority of its revenues from recurring income streams. For the year ended 30 December 2022 and 2023, 55.9% and 45.3%, respectively, of its total revenue (excluding unrealised gains from change in fair values of investment property) came from rent income and hotel operations.

Retail

As of 31 March 2024, the Company had 46 operational malls with approximately 689,389 sq.m. of GFA and an aggregate occupancy rate of 87.0%. As of 31 March 2024, seven CityMalls were under construction, and the Company had additional land bank for 14 new CityMalls. The Company intends to establish a nationwide presence of CityMalls in prime locations within the natural daily movement of the general population that the Company serves. CityMall sites are secured in areas located along main roads to increase visibility and maximise exposure and accessibility to its target market.

The Company believes that there remains significant organic growth within its CityMalls business model. Tenants on fixed rental agreement are charged fixed annual escalation ranging from 5% to 10%. Moreover, there is potential for further upside with the transition to a turnover rent structure from the base rent structure, as its business scales up and its tenants' retail sales continue to increase.

Office

DD Meridian Park is the Company's flagship project in Metro Manila and is located along the corners of the main roads of Macapagal Avenue, EDSA Extension and Roxas Boulevard in the Bay Area of Metro Manila. DoubleDragon Plaza, comprising four office towers, commenced full operations in 2018. As of 31 March 2024, 70.80% of the leasable space of DoubleDragon Plaza was leased out. DoubleDragon Center East and Double Dragon Center West, comprising phase 2 of DD Meridian Park, were completed in 2019. DoubleDragon Center East, the fifth office tower of DD Meridian Park, was 100% leased out as of 31 March 2024, and DoubleDragon Center West was 94.76% leased out as of 31 March 2024. DoubleDragon Tower has been substantially completed with punch listing works and leasing activities ongoing as of 31 March 2024. As of 31 March 2024, 75.89% of the aggregate operational office and retail leasable space of DD Meridian Park were leased out.

Complementing DD Meridian Park is Jollibee Tower, a premium-grade office building which will be the future headquarters of JFC.

Hospitality

Through the Company's three-star hotel chains – Hotel 101, Jinjiang Inn and Injap Tower – under the Company's Subsidiary, HOA, the Company expects to benefit from the strong growth of the Philippine economy and the expected long-term healthy performance of the Philippines' tourism sector. As of 31 March 2024, the Company's hospitality operations comprise 1,482 hotel rooms, including the Company's own hotel brand, "Hotel 101", which currently has two operating hotels, Hotel101 Manila and Hotel101 Fort. Hotel 101 has received several accolades, including Trip Advisor's Travellers' Choice Award in 2021, Expedia's Top 3-Star Hotel in the Metro Manila category in 2019 and Ctrip 2019 Golden Dolphin Award for Service Excellence. Hotel 101-Manila has 518 rooms and had an average annual occupancy rate of 86.2% in 2023 while Hotel101 Fort started operating in 2023.

CSI Hotels, Inc., a 50% subsidiary of HOA, is the exclusive master franchisee of the Chinese hotel chain Jinjiang Inn in the country – awarded the Best Local Hotel Brand in 2016/2017 by City Traveler. As of 31 March 2024, the Company, through CSI Hotels, Inc. had three Jinjiang Inn hotels: Jinjiang Inn-Ortigas, Jinjiang Inn-Makati, and Jinjiang Inn-Station 1 Boracay.

Hotel 101 Management Corporation, a wholly owned subsidiary of HOA, operates all of HOA's hotel properties including Injap Tower, a 21-storey 194-room condotel located in Iloilo City.

All of the hotels under both brands are strategically located in areas which are in close proximity to one or all of the following: business hubs, shopping malls, and dining options.

Industrial Leasing

In addition, the Company formed its owned subsidiary CentralHub Industrial Centers Inc. ("**CHICI**") as its industrial leasing arm. The Company envisions CHICI to be a branded modern institutional quality logistics platform suited for commissaries, cold storage and logistic centers. As of 31 March 2024, the Company owns 10 CentralHub sites across the Philippines, with a total of 60.57 hectares of prime industrial land. Five of the Company's CentralHub sites, namely CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig, are currently operational. CentralHub-Sta Barbara Iloilo, CentralHub-Davao, CentralHub-Cebu and CentralHub-Negros are under construction while CentralHub-Surigao is currently in the development stages. As of 31 March 2024, ₱hases 1 and 2 of CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were all fully leased out. CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were infused into CHICI by JFC pursuant to the definitive agreements executed between the Company and JFC on 19 August 2021 implementing the P4.0 billion investment of JFC in CHICI. JFC acquired common shares of CentralHub and infused its 16.4 hectares of industrial properties in Santolan, Pasig and Carmelray, Laguna which are currently utilised as commissaries (including the largest operating commissary of JFC). As of 31 March 2024, the equity and asset swap between CentralHub and JFC was completed and the transfer of title for the two CentralHub- Laguna and CentralHub-Pasig were completed . The Company and JFC intend to prepare CHICI for the Philippines' first industrial REIT IPO in 2025.

The Company also acquired a 3.9 hectare parcel of land in Iloilo for its second CentralHub complex, to be named CentralHub-Sta Barbara Iloilo, which is strategically located along a national highway approximately five kilometres from Iloilo International. Moreover, the Company acquired a 5.2 hectare parcel of land in Danao, Cebu which will have a capacity of 27,212 sq.m. of industrial warehouse space and an 8.2 hectare parcel of land along the Daan Maharlika Highway in Davao City with an estimated capacity of 40,392 sq.m. of leasable industrial warehouse space. In 2022, the Company acquired two other sites, a 10.06 hectare property in Silay Negros for CentralHub-Negros, and a 6.40 hectare property in Surigao for CentralHub-Surigao. CentralHub-Sta Barbara Iloilo and CentralHub-Cebu are under construction while CentralHub-Davao, CentralHub-Negros and CentralHub-Surigao are currently in the development stages.

The Company currently has plans for development for CentralHub industrial centers strategically located across Luzon, Visayas and Mindanao. Finally, the Company believes that its recurring income stream is underpinned by a portfolio of quality assets that will likely appreciate in value given their location. The Company believes that these assets, collectively, will generate strong cash flows and a well-capitalised balance sheet.

Well-defined execution capability with proven track record

Leveraging the Company's end-to-end capabilities as a real estate developer and owner, encompassing site identification, master planning, development, marketing, leasing, business events, client relationship management, data analytics, the Company believes that it has the ability and resources to create a market leading business model.

Standard project blueprint enables a highly cost-efficient rapid roll-out strategy across its business segments

The Company remains focused on growing its business segments to achieve economies of scale and drive cost efficiencies. For example, with its aim to be the largest community mall player in first class municipalities and second and third class cities, the rollout of its expansion plans allows the Company to achieve operational efficiencies as it has the optionality to offer multiple CityMall construction projects to the contractors within the same province. As a result of repeated transactions with the local contractors, not only does the Company have direct interaction with workers who have better on-the-ground experience in sourcing labour and local materials, the Company believes that it gains familiarity with the execution process to ensure that its development timelines are met. Similar to CityMalls, the Company plans to scale up significantly to dominate and be the largest player in the Philippines hospitality and industrial segments to benefit from economies of scale. To ensure rapid roll-out to achieve economies of scale, the Company has developed and adopted a standardised approach to the development and marketing of its business segments. For example, the timeline for the start of development to stabilised operations for each of its CityMalls is approximately 18 months (construction permit to opening of 12 months and a further six months to stabilise), which has enabled the Company to deliver new malls to the market in an expedited manner. As of 31 March 2024, 43 CityMalls were operational, with seven CityMalls under construction. Similarly, the Company is adopting a standardised approach in developing its hotels and industrial leasing businesses to shorten the development-to-cash generating cycle.

Proven execution ability in delivery

The Company believes that it has an established execution track record. Since its listing in 2014, the Company has managed to build up an investment property portfolio with a total value of P147.9 billion, as of 31 March 2024.

As of 31 March 2024, the Company has 304.99 hectares of land bank and has secured as of 31 March 2024. The Company's believes that its standardised and scalable operational model enables it to establish a track record of timely delivery of its projects.

Strategic acquisitions to enter into new business segments

The Company has made swift and strategic acquisitions to enter into the hospitality and industrial leasing businesses. In October 2016, the Company acquired 70% of HOA, an existing hotel business. The Company plans to expand HOA to eventually contribute revenues through the operation of 6,835 rooms, which including rooms to be contributed by its pipeline of projects to be developed. For its industrial leasing business, as of 31 March 2024, the Company has acquired ten CentralHub sites, with a total of 60.57 hectares of prime industrial land. See "*Business – Hospitality – Future Hotel Developments*" and "*Business – Industrial Leasing*" for more information.

Proven ability to raise funding

The Company has demonstrated a strong ability to secure funding, raising approximately P81.32 billion in long-term capital in the last eight years to fund the Company's vision. The Company has also been able to diversify sources of funds which include bank borrowings, and issuance of preferred shares and fixed-rate corporate bonds, which enhance the Company's financial flexibility in raising capital. On 15 December 2016, the Company debuted in the local debt market with the listing of its P5.3 billion fixed rate bonds due 2026, as an initial tranche of its up to P15 billion bonds shelf registration. On 13 July 2018, the Company listed an additional 143,370,600 shares via a follow-on equity offering at P30.00 per share, or total gross proceeds of P4.3 billion. On 27 July 2020, the Company, through its subsidiary DDWPL, issued US$75.0 million 7.25% guaranteed senior notes due 2025. On 24 March 2021, the Company completed the listing of DDMPR raising P9.0 billion. The follow-on offering and listing of DDMPR resulted in the increase of the Company's total equity, further strengthening its financial position. On 10 March 2022, DDWPL issued an additional US$55.0 million 7.25% guaranteed senior notes due 2025. On 4 November 2022, the Company's credit rating was upgraded to PRS Triple A by Philippine Rating Services Corp., a Philippine debt watcher. On 25 November 2022, DDWPL issued an additional US$30.0 million 7.25% guaranteed senior notes due 2025. As of 31 December 2023, the Company had a gross Debt-to-Equity ("**D/E**") ratio of 0.67x which is below the 2.33x maximum gross D/E ratio the Company is required to maintain under its debt covenants. The Company believes that this financial headroom enables the Company to react faster to growth and any potential inorganic opportunities that are value accretive for its business.

First mover advantage as the leading community mall operator outside of Tier 1 cities

The Company believes that it is currently the dominant player in the modern format branded community mall segment across Philippines. As of 31 March 2024, the Company has secured 64 CityMall sites.

The Company believes that it is one of the first movers at the forefront of retail modernisation in first class municipalities and second and third class cities, and has created a business model that is positioned to significantly benefit from the transition from traditional retail to modern retail, attributed to high barriers of entry for foreign players and varying strategic focus of local players.

Foreign players face issues including the following: (i) constitutional restrictions, which limit foreign ownership to not more than 40% for companies that own land and retail businesses, among others, and (ii) a lack of local relationships, existing local network and knowledge, preventing them from gaining access to land bank and expanding on a similar scale. Other domestic entrants in the community malls segment include Waltermart Supermarket, Inc., Gaisano Grand Group, Gaisano Capital, Robinsons and Vista Land, but the pace of their expansion and existing network across first class municipalities and second and third class cities has not been as extensive as CityMall's. In addition, most of these companies' business models focus on supermarkets, unlike a typical CityMall which seeks to offer the all-in-one modern shopping retail format (e.g. cinema, shopping, food and beverage, and grocery shopping). Even for the larger local players, the focus remains on Metro Manila and bigger cities.

Well-positioned to benefit from positive macroeconomic fundamentals in the Philippines

The Company believes that the Philippines' macroeconomic fundamentals support the Company's growth trajectory. In 2023, the Philippines' GDP rebounded by growing 5.6% year-on-year. For

2022, according to the Asian Development Bank, the Philippines' GDP is expected to grow by at least 6% as socioeconomic activities normalise.

The Philippine retail market is currently evolving from unorganised retail formats to multi-tenanted malls, with the latter providing a compelling alternative to traditional retail pathways such as wet markets and provision shops and introducing the modern shopping experience to the local communities. The Company believes that the modern retail format is attractive to customers as this provides them a one-stop platform for both discretionary and non-discretionary consumption. In particular, the presence of a clean, air-conditioned indoor one-stop mall in first class municipalities and second and third class cities is expected to be highly attractive to the cities' population. Based on industry research, the Company believes that this is also attractive to tenants given significantly higher footfall and sales per sq.m. achieved compared to unorganised retail, and this format provides quality control with guaranteed infrastructure and logistics that helps to build brand equity. The Company believes this trend is only starting to occur in first class municipalities and second-class and third-class cities, and its entry into these markets is well-timed to take advantage of this shift.

The Company believes that the sustained dynamism of the BPO-led services sector and growth in other key economic sub-sectors such as construction, telecommunications, banking and finance, warehousing and logistics, and manufacturing would sustain the demand for larger and high-quality office space.

The Philippines' favorable macroeconomic dynamics is expected to translate into strong and sustainable demand for logistics facilities underpinned by limited stock of logistics facilities, in particular modern logistics facilities in the Philippines. Strong real GDP growth, private consumption, as well as a large and rapidly growing middle-income population is expected to boost the Philippine consumer market. Notably, most of the Company's current CityMall tenants are heavy users of logistics space. However, the majority of the current stock of logistics warehouses is old generation properties and fragmented, which provide less efficient warehousing conditions. In contrast, modern logistics warehouses carry features such as large floor areas, high ceilings of 14 metres high, high load tolerances, wide column spacing within the warehousing area, modern loading docks and enhanced safety systems which provide greater accessibility and efficiency. The Company believes that demand for logistics facilities and warehousing facilities is expected to grow with the expansion of the modern retailing format in the Philippines and the growth of the manufacturing sector, together with the improved infrastructure in the Philippines as a result of Government-initiated infrastructure projects nationwide.

Supported by strategic partnerships with credible local and international business groups

The ability to attract and establish strategic relationships with the JFC and SM Groups validates its vision, positioning and execution capabilities as the leading owner, operator, and developer of branded community malls across first class municipalities and second and third class cities in the Philippines. The SM Group's "SaveMore" supermarket brand is one of the anchor tenants in CityMalls. JFC food brands anchor the "FoodWorld" section of every CityMall and the Company consider this to be an irreplaceable advantage of the partnership and highly attractive for its consumers. Together, these strategic partnerships are expected to solidify the dominance of CityMalls all over the Philippines.

Its partnerships with other business groups have also provided it with the ability to rapidly and significantly expand into the hospitality and office sectors and gain access to valuable land sites. The Company acquired a 70% stake in HOA, which currently serves as its hospitality arm through 3-star hotels Hotel 101 and Jinjiang Inn located in prime locations across key cities in the Philippines. The Company's strategic partnership with JFC also includes the development of Jollibee Tower, a 42-storey commercial and office tower on a prime commercial lot in Ortigas. DD Meridian Park, a joint venture between DD and the initial landowner, is strategically located at the corner of EDSA Extension, Roxas Boulevard and Macapagal Avenue, main thoroughfares in Metro Manila close to the Entertainment City and the SM Mall of Asia complex.

Experienced board and management team with strong corporate governance

The Company's board of directors is highly experienced, with an average of 32 years of experience in the Philippine real estate and commercial sectors. The board is led at the helm by its Chairman and Chief Executive Officer, Edgar “Injap” Sia, whose experience stems from growing the Mang Inasal chain from one branch in his hometown of Iloilo City in 2003 to over 338 branches nationwide by 2010. Its Co-Chairman Tony Tan Caktiong opened his first ice cream parlour at the age of 22, and since then, Jollibee has grown to become the largest fast food chain in the Philippines. Injap’s and Tony’s foresight in entering the quick service restaurants business ahead of competitors and the knowledge they have obtained from expanding their businesses in first class municipalities and second and third class cities will be instrumental in growing the Company and enabling it to achieve its targets.

Similarly, the Company’s senior management team has a proven track record in developing, investing in, managing, and enhancing commercial real estate, possessing an average of 13 years of experience in the Philippine real estate and commercial sectors. The team covers the entire value chain of the business, including asset development and enhancement, asset management, and commercial operations.

The Company has also adopted governance policies and mechanisms to serve as its foundation and guiding principle for good governance. The Company also continues to adopt policies and mechanisms in accordance with established rules and best practices.

BUSINESS STRATEGIES

A nationwide expansion plan to grow recurring income stream across four property pillars: retail, office, industrial and hospitality

The Company is working towards building a strong base of recurring revenue through the accumulation of completed portfolio nationwide, across the retail, office, industrial and industrial property segments. The Company has established a successful track record of expansion by accumulating an investment property portfolio with a total value of ₱147.9 Billion as of 31 December 2023. The significant pace of execution was achieved through two key success factors:

- Direct access to land bank opportunities, and a high level of familiarity with first class municipalities and second- and third-class cities resulting in the ability to transact quickly; and

- Adaptable approach to site acquisition by entering into joint ventures or strategic alliances with landowners, which contribute land to the joint venture while the Group provides its development expertise.

The Company intends to establish a nationwide footprint through strategically selected projects that are located in prime locations both in Metro Manila and the different provinces in the Philippines. The Company believes that the combination of macroeconomic factors and sector trends across the country is expected to support a robust outlook in the near and medium term period. This would allow the Company to diversify its recurring income source through a balance of stable growth and high growth industries. Specifically, while the Metro Manila office leasing space provides a stable base of income stream, the Company believes that the remaining portfolio is well positioned for upside given exposure to the following trends:

- Transition of traditional retail to modern retail. According to Savills, modern retail is still in its early stages in first class municipalities and second- and third-class cities, which, coupled with the significant GDP and population growth the Philippines, indicates that the Philippine retail market is geared towards significant growth.

- Strong and sustainable demand for logistics facilities underpinned by limited supply, in particular modern logistics facilities in the Philippines. According to Savills, the current supply of quality logistics facilities in the Philippines is fragmented, as there is no one major owner of logistics facilities across the country.

Identifying shifts and capitalizing on real estate segments where it can be a leading player

Prior to entering a segment, the Company put in significant effort to conduct in-depth marke research and analysis to help it identify markets where the Company has the resources and ability to dominate either now, or over a period of time.

One of the transitions that the Company had observed earlier was the evolution of traditional retail into modern retail in first class municipalities and second- and third-class cities – particularly notable in the supermarket segment, which is relevant to the its business model since the supermarket typically occupies one-third of the leasable space of CityMalls. To leverage on this trend, the Company conceptualized CityMalls such that it was able to utilize the growing shift of retailers from traditional to modern formats, offering select retail stores in addition to its anchor hardware, appliance and supermarket stores, among others. The Company continues to reinforce that CityMall is a replacement to traditional retail, tapping its existing demand. Given its success in this segment, one of the focus points is to entrench its market-leading position as the largest and fastest-growing retail developer, owner and operator of community malls in provincial areas of the Philippines.

- The Company's target is to achieve a strong portfolio of CityMalls across first class municipalities and second- and third-class cities. Its key strategy is to continue to develop, own and operate a nationwide retail mall network, funding further expansion by using recurring income from its operating malls as well as profits from the sale of its development properties, supported by additional debt funding if required.

- The Company will continue to innovate, to implement optimal tenant mixes best suited to the Philippine consumer, to introduce new retail experiences adapted to market dynamics, and to adapt best practices and concepts from retail leaders elsewhere in Southeast Asia; and

- The Company will continue to create barriers into the community mall segment, by targeting underserved lower tier areas. The Company chooses such sites based on the following criteria: (i) sites that give the Company a first-mover advantage in areas where there is less operational baggage from costs, but also (ii) sites where the Company are familiar with and (iii) sites with scarce presence of competitors and suitably sized lots within and in surrounding prime city center areas.

The Company continues to believe that the tourist segment will be an important economic sector for the country. As of 31 March 2024, the Company had a total of 1,482 hotel rooms, with seven hotels under construction and expected to add another 3,463 rooms, and an additional ten hotels under planning and development stages.. under its Jinjiang and Hotel101 brands – essentially giving it a market dominating position over other major real estate players.

The Company has also paid attention to the increasing number of outbound tourists from the Philippines, including to popular places such as Japan. As such, the Company has recently acquired a 9,000 sq.m. parcel of land in Hokkaido Prefecture, Japan, where it expects to build its first Hotel 101 venture outside the Philippines, named Hotel 101-Niseko. In 2023, the Company, through its subsidiary also fully acquired a 6,593 sq.m of prime commercial land in Madrid Spain. The development, named Hotel101-Madrid eyes the high real estate investment demand in Madrid driven by the Spanish Golden Visa.

The Company's management team has also continued to assess and adapt to shifts in the demands in the real estate industry. For example, the Company added industrial leasing as its fourth pillar as the Company believes that warehousing in the Philippines is currently fragmented, and there remains favorable local macroeconomic dynamics to translate into strong and sustainable demand for logistics facilities and underpinned by limited stock of existing logistics facilities. Given the significant overlap of tenants in its retail mall business and their corresponding needs for industrial space, the Company believes that it is in a position to not only tap into this existing demand but to also help its tenants achieve operating efficiencies. The current industrial landscape is such that majority of the current stock of logistics warehouse is old generation and fragmented properties that often provide less efficient warehousing conditions – existing warehouses are not suitable for distribution needs as one of the key specifications requires the floor-to-ceiling height to be 14 metres high, while most of the current facilities are only six metres high.

The Company's industrial business model is focused on providing modern logistics warehouses with features to drive greater accessibility and efficiency, and its ability to execute this strategy is underpinned by its shareholders who have experience in food and beverage, commissaries, cold storage logistics – a large part of each industrial centre's leasable space is catered to these specific segments. The Company sees its CentralHub industrial centers as the first branded modern industrial centre chain in the Philippines, and like CityMall and Hotel 101, all industrial centers will look the same and will be located in strategic locations around the country. The Company believes that through this segment, it will be able to provide an additional layer of service to its retail tenants, and increase their level of stickiness to its overall ecosystem.

The Company believes that its overall business model is highly sustainable. The Company believes it is positioned to capitalize on emerging industry trends, and more importantly, its businesses are setup to serve the low to middle income population of the Philippines. The Company intends to leverage its leading market position, economies of scale and its local market knowledge to consolidate and continue to grow its market share over time.

Focus on building recurring revenue based on a foundation of appreciating assets and operate a capital efficient business model

The Company is focused on developing properties that will create a steady stream of cash flows backed by a string of appreciating assets. The Company believes that cash flows sourced from recurring revenue streams are of greater quality than cash flows generated from sale of properties which are non-recurring in nature and are dependent on continued reinvestment.

The Company has met its 2022 leaseable portfolio target of 1.2 million sq.m. of completed GFA, and its envisioned 2.4 million sq.m. of completed GFA by 2030 is expected to generate cash flows and project yields that will organically grow without continuous capital outlay, primarily driven by the embedded escalation rates in its lease contracts with its tenants.

The Company books its assets held for lease as investment property. As the Company has adopted the fair value method, its investment property is generally revalued on an annual basis by a third-party appraiser based on comparable market transactions relative to the location of its properties held for lease. Generally, the Company's investment property has seen substantial gains from revaluation on top of cash flows contributed from leasing operations.

The Company's business model is also geared to be highly capital efficient in deployment of capital once it achieves scale in its CityMalls expansion, coupled with the completion of other developments that are earmarked to provide recurring income. This is mostly driven by CityMall's relatively quick churn rate, with an estimated time to completion of 12 months and a further six months to stabilise, thus ensuring that raised capital is quickly converted into cash-generating hard assets.

For its Hotel 101 business, the Company has adopted a "sale-and-managed" model, where individual condotel units are sold to third-party investors but the Company continues to manage the condotel units post-sale. Sale proceeds are consequentially used to fund the development cost, which reduces its equity requirements for any project. In addition, the Company plans to subfranchise its Jinjiang Inn brand, and under this model, the capital expenditure for any repairs of these subfranchised hotels is to be borne by the subfranchisee. Overall, these streams of income will reduce the equity contribution required from the Company to fund any future capital expenditure plans. The Company also aims to expand its Hotel 101 business globally, and has filed a global patent application for its Hotel 101 condotel concept. The Company aims to become the first Filipino hotel chain to be exported worldwide, and expand its Hotel 101 business via Hotel101 Global Pte. Ltd. through partnerships and joint ventures, first targeting Asia and subsequently, Europe and the United States. The Company also developed a Hotel 101 application and is already available on iOS and Android. As of 2023, the Company through its Global Subsidiary secured its overseas Hotel101 projects in Niseko Hokkaido Japan and Madrid Spain.

Further, similar to its first REIT, DDMP REIT, Inc., focusing on office leasing properties, the Company intends to continue to develop and build its industrial warehouse leasing portfolio to prepare for potentially the Philippines' first industrial property REIT. In 2022, the Company completed its equity partnership with JFC to further grow both the recurring rental revenue portfolio and warehouse *assets of CentralHub.*

Maintain a strong balance sheet, prudent risk and capital management and good governance

By maintaining a strong balance sheet, the Company believes that it is in a position to withstand economic and financial cycles, while allowing it to fund its planned expansion. This will also give it the flexibility to make acquisitions or fund capital expenditures when opportunities arise. In addition, the Company believes that its strong balance sheet is reinforced by its cost efficient business model – rollout of expansion plans for CityMall, Hotel 101 and industrial centers via the same format allows for economies of scale and reduces any cost inefficiencies that could result from unnecessities.

The Company intends to take a disciplined approach to the allocation of capital across its projects, with the strict application of hurdle rates and benchmarks for each investment. Its planned capital expenditure is principally earmarked for the expansion of its mall network. The Company plans to fund its capital expenditure plan through its recurring income, pre-sales, external financing, and its access to diverse sources of funds will increase its financial flexibility. The Company has been a repeat issuer in the domestic bond market, including bonds arranged by BPI Capital Corporation, BDO Capital & Investment Corporation, Maybank ATR Kim Eng Capital Partners Inc., and RCBC Capital Corporation, demonstrating its established relationships across both domestic and international banks. Besides the domestic bond market, the Company has also tapped into diversified sources of funding which include Preferred Shares and bank funding, highlighting its diversified capital base, comprising of retail and institutional investors.

The Company also plans to manage its debt maturity profile, reduce cost of funding and diversify its sources of funding, including potentially accessing the capital markets again. To achieve these objectives, its key areas of focus are as follows:

- Company’s focus on developments with a “for-sale” component, pre-sale proceeds from the sales can be used to partially fund the development costs of the project components;
- Reduce cost of funding by growing a steady stream of recurring rental income while utilizing pre-sales to reduce overall funding needs;
- Continue to diversify funding sources and lower its cost of capital by monitoring the markets for favorable opportunities to build up its capital resources through various financing options such as equity issuances, loans and public debt issuances, among others; and

BUSINESS SEGMENTS

The Group focuses on 4 business segments.

DoubleDragon CORPORATION

RETAIL LEASING

The Company operates its retail leasing segment primarily through its subsidiary, CMCCI. As of 31 March 2024, the Company owns and operates 46 malls, primarily located in the provincial areas of the Philippines. As of 31 March 2024, the Company also had 43 operational CityMalls, and seven CityMalls under construction with an additional land bank for 14 CityMalls. CMCCI is 66% owned by the Company and 34% owned by SMIC, the holding company for one of the largest conglomerates in the Philippines. The Company believes CityMall is the first branded independent community mall chain to focus on the provincial areas in the Philippines.

All CityMalls have a standard color, design, look, feel and approximate size. The Company believes that the standardization of the CityMalls makes the mall design a brand unto itself. The photos below depict the typical look of a CityMall:

CityMall provides prime and strategic locations in the heart of the community that it serves, locating the malls close to national highways in order to amplify visibility and ensure the mall is in the city centre for maximum exposure. CityMall caters to top Philippine fast food brands such as Jollibee, Mang Inasal, Chowking, Greenwich, Red Ribbon and Highlands Coffee, as well as other leading retailers. The Company believes that CityMall provides the platform in which modern retail brands can expand into the provinces because it is the first modern retail format in most of the cities that it is penetrating. The Company's tenants include well-known brands such as Bank of the Philippine Islands, BDO Unibank, Watsons, Burger King, Panda Express, LBC and 7-Eleven.

In December 2016, CMCCI started to roll out cinemas in various CityMall locations. As of 31 March 2024, 12 cinemas are operational. Each cinema is expected to have a seating capacity of 100 to 120 seats.
As part of its commitment to sustainable development, the Company intends to "greenergize" itsCityMalls, deploying rainwater collection systems and/or solar panels when possible.

The Company's tenancies are generally granted for a term of one to five years, with the exception of some of the larger anchor tenants, whose tenancies can last for up to 15 years, and kiosks which are on annual lease terms, with each renewable on an annual basis thereafter. Generally, six months' notice is required for termination of leases for a term of three to five years, and three months' notice is required for annual leases. Further, tenants are generally required to pay a six-month deposit at the commencement of the lease. A majority of the Company's leases are on fixed annual rates, subject to annual escalation clauses. Certain tenants of the Company, such as fast food tenants, pay rent based on a percentage of their revenues. The Company likewise has lease arrangement with tenants covering lease rates that is derived from a percentage of their revenues subject to a Minimum Guaranteed Rent (MGR) amount.

Leasable spaces are delivered bare by the Company to its tenants. The Company's tenants are responsible for the fit-out of their respective leased spaces, and are required to return such spaces to the Company in bare shell at the end of the lease term.

Latest Photos of CityMall

Other Malls

Dragon8 Mall

Dragon8 Mall was a partially constructed project acquired by the Company on 2 May 2014. The project is located on a 5,972 sq. m. prime corner lot at C.M. Recto corner Dagupan Streets, Divisoria in Manila. In line with the area being known as a micro retail destination, Dragon8 Mall offers micro retailers a modern version of the mall stall units currently being offered within the vicinity at similar prices.

The Company sells 16-year leasehold rights on the mall stall units, which gives locators the exclusive right to lease the said units for the duration of the leasehold contract. A portion of the development is also being leased out directly to tenants and form part of the leasable portfolio of the Company. Dragon8 Mall has approximately 9,800 sq. m. of leasable space and houses approximately 300 parking spaces for the convenience of its shoppers.

Umbria Mall

The Company partnered with the Aryana Group, through Piccadilly Circus Landing, Inc., to develop the Umbria Commercial Center in Binan, Laguna. Umbria Commercial Center is a multi-story structure housing specialty shops, casual dining, cafes and deli shops, convenience and drug store, wellness and beauty centers, and a supermarket. A key design feature of the mall is its architecture which is inspired by the umbrella-like structure in L'Umbracle Gardens in Valencia, Spain. Umbria Commercial Center opened on December 2, 2016.

<u>OFFICE LEASING</u>

Office Leasing Properties:

DoubleDragon Plaza (Towers 1-4)	4
DoubleDragon Center East	1
DoubleDragon Center West	1
Jollibee Tower	1
SkySuites Office Tower	1
DoubleDragon Tower	1
Total	**9**

The Company's office leasing segment primarily consists of two key projects currently under development, DD Meridian Park and Jollibee Tower.

DD Meridian Park

DD Meridian Park is a 4.75-hectare project in the Bay Area of Pasay City, located at the corner of Diosdado Macapagal Boulevard and EDSA Extension. The subsidiary that owns the project, DDMP REIT, Inc. formerly DD-Meridian Park Development Corp. ("DDMPDC"), is 70% owned by the Company.

Phase 1 consists of four 11-storey towers with a retail area on the ground floor, parking on the 2nd to 3rd levels, and BPO offices from the 5th to the 11th levels. The ground floor retail area is dedicated to established food concepts, basic services, a supermarket and a themed food hall. In addition, Phase 1 has 2,278 parking spaces (including lifts). Phase 1 office towers is fully operational.

Phase 2 of the project includes two additional office towers, DoubleDragon Center East and DoubleDragon Center West, both of which will be connected to DoubleDragon Plaza by an elevated walkway.

DOUBLEDRAGON CENTER EAST

ROXAS BOULEVARD

EDSA EXTENSION

DOUBLEDRAGON CENTER WEST

DD MERIDIAN ROAD

MACAPAGAL AVENUE

On March 24, 2021, DoubleDragon Plaza, DoubleDragon Center East and DoubleDragon Center West were part of the real estate properties listed under DDMPR under a real estate investment trust.

Phase 3 is expected to have over 300 luxury serviced apartment units. The serviced apartment is expected to carry the Ascott Limited brand. Ascott Limited is a leading international serviced residence owner-operator, with more than 300 properties in over 100 cities across America, Asia-Pacific, Europe and the Middle East. The Company believes the project is an ideal site for a luxury serviced apartment complex, given its close proximity to the Manila airport, Department of Foreign Affairs, Mall of Asia and Entertainment City. Construction of Ascott-branded serviced residences has commenced in 2018. In 2017, the Company, through its subsidiary DDMPR, entered into a Technical Advisory Agreement and Serviced Residence Management Agreement with Scotts Philippines Inc., in relation to the development and management of a five-star luxury serviced apartment as phase 3 of DD-Meridian Park. In 2022, Phase 3 is in full swing.

Phase 4 consists of DoubleDragon Tower, an 11-storey building with views of the Bay Area and Pasay City. The building's eight office floors will be ideal for both startups and established companies. Two floors will be dedicated to commercial establishments suitable for retails shops, restaurants and other entertainment options.

Actual Photos of DoubleDragon Tower

In line with the Company's commitment to sustainable development, the Company has been pre-certified for a silver Leadership in Energy & Environmental Design ("LEED") certification for DoubleDragon Plaza. To receive LEED certification, DoubleDragon Plaza must satisfy prerequisites and earn points to achieve different levels of certification. LEED is a green building certification program that recognizes best-in-class building strategies and practices. LEED certified buildings save money and resources and have a positive impact on the health of occupants, while promoting renewable, clean energy. As of March 31, 2024, the Company signed leases covering 79% of leasable space in its latest office building DoubleDragon Tower. The Company's main office asset, DD Meridian Park, had a 77% blended overall occupancy as of 31 March 2024.

Jollibee Tower

Jollibee Tower is a premium grade 41-storey commercial and office tower with Jollibee Foods Corp. as the building's anchor tenant. Poised to become a prominent landmark in the Ortigas Central Business District, it is situated on a 3,002 square meter prime commercial lot located at the corner of F. Ortigas Jr. Road (formerly Emerald Avenue) and Garnet Road and will complement the thriving business community in the Ortigas Area. Jollibee Tower has a total leasable area of 59,365 square meters and will feature ground floor retail concepts of the Jollibee Group as well as an events center and the second floor. The rest of the floors will be leased as office space and will include 4 basement parking floors and 8 podium parking floors to service its tenant requirements. The tower will also feature green garden decks and a helipad.

The project is a joint venture between the Company and JFC, which serves as the building's anchor tenant. Under the terms of the Company's joint venture agreement with JFC to develop Jollibee Tower, JFC contributed the land for the project in exchange for 15% of the project's leasable floor area, while the Company as sole developer of the project received the remaining 85% of the project's leasable floor area. In addition to the floor area received under the joint venture agreement, as anchor tenant, JFC leases additional office space directly from the Company to accommodate their corporate office requirements.

The Jollibee Tower is pre-certified for a LEED Gold certification in line with the Company's desire to promote sustainable developments through "green" technology.

Actual Photo of Jollibee Tower

DD Meridian Tower

DD Meridian Tower is a landmark office building located on a 3,774 sq. m. commercial property located along the main thoroughfares of Macapagal Ave and EDSA Ext., Bay Area, Pasay City. The 11-storey office building comprises eight floors dedicated to corporate offices and a commercial component in the ground and upper ground levels. Construction is expected to commence in 2020 with completion expected in 2024. DD Meridian Tower will be developed by DD Meridian Tower Corp. which is 51.00% owned by the Company.

Artist Perspective of DD Meridian Tower

The Company's investments in the growing industrial leasing segment are held through its wholly owned subsidiary, CentralHub Industrial Centers Inc. The Company currently has plans for development sites strategically located across Luzon, Visayas and Mindanao. The Company believes that its industrial centers are the first branded modern industrial centers in the Philippines and will contain standardised, multi-use, and industrial quality warehouses suited for commissaries, cold storage and logistics centers to be leased to locators nationwide. The Company believes that industrial leasing presents a significant growth opportunity in the Philippines due to the lack of such industrial support infrastructure in provincial areas. The Company believes that it can leverage the fast food experience of its CEO and significant shareholders, as the fast food industry leases from other parties its warehouses for commissary operations, cold storages and logistics distribution centers. The Company also believes that such industrial centers will be able to support the tenants of its CityMalls located in nearby cities.

As of 31 March 2024, the Company owns 10 CentralHub sites across the Philippines, with a total of 60.57 hectares of prime industrial land. Five of the Company's CentralHub sites, namely CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig, are currently operational. CentralHub-Sta Barbara Iloilo, CentralHub-Davao, CentralHub-Cebu and CentralHub-Negros are under construction while CentralHub-Surigao is currently in the development stages. As of 31 March 2024, Phases 1 and 2 of CentralHub-Tarlac, CentralHub-Capiz, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were all fully leased out. As of 31 March 2024, the weighted average lease expiry of the Company's operational CentralHub warehouses was 43.54 years with most of its lease contracts in a 50 year lease term. The Company has entered a lease contract on 14 November 2022 for the 44,101 sq.m. for CentralHub-Cebu, with the lease term set to start after the turnover of the leased premises.

In 2017, the Company, through CHICI, acquired a 6.2 hectare lot in the Luisita Industrial Park in Tarlac for its first industrial hub covers 32,000 sq.m. of industrial space built over four phases. Phase 1 of the project has been completed and is 100% leased out as of 31 March 2024. Phases 2 and 3 of the project each consists of one structure subdivided into four warehouses and are already completed, with phase 2 being fully leased out as of 31 March 2024. Phase 4 of the project is subdivided into three warehouses and was completed in January 2022. As of 31 March 2024, CentralHub has a blended occupancy of 91%.

Actual CentralHub Sites Across the Philippines

Actual photo of CentralHub-Tarlac

On 14 February 2018, the Company, through CHICI, acquired a 3.9-hectare property in Iloilo, located along Iloilo R3 Road approximately five kilometers from the Iloilo International Airport and ten kilometers from the Iloilo City proper. The site is expected to be the Company's second CentralHub complex in the Philippines, following its Tarlac project which is currently under construction Once developed, CentralHub-Iloilo is expected to have a capacity of 22,134 sq.m. of leasable space. CentralHub-Iloilo commenced construction in 2022.

On 26 October 2018, CHICI acquired its third site, a 5.2-hectare parcel of land in Danao, Cebu for industrial leasing. CentralHub-Cebu will have a capacity of 27,212 sqm. of industrial warehouse space. This will be the second major hub of CentralHub in the Visayas region following the recent acquisition of CentralHub-Iloilo.

On 8 August 2018, CHICI completes its first ever CentralHub prototype which marks the beginning of a string of industrial complexes soon to rise across strategic provinces in the Philippines. On 11 March 2019, the Company has secured its fourth CentralHub industrial complex in Davao City. CentralHub-Davao has an area of 8.2 hectares with a capacity of 40,392 square meters of leasable industrial warehouse space. This will be the first CentralHub in Mindanao and DoubleDragon's fourth CentralHub nationwide.

On 11 March 2019, the Company, through CHICI, secured its fourth CentralHub industrial complex in Davao City. CentralHub-Davao has an area of 8.2 hectares with an expected capacity of 40,392 sq.m. of leasable industrial warehouse. This will be the first CentralHub in Mindanao. CentralHub-Davao is a joint venture by CHICI and Alsons Development & Investments Corp

In 2019, the Company has also developed its fifth CentralHub industrial warehouse complex located in Capiz province. The 4.2-hectare industrial warehouse complex is now completed and 100% leased to tenants such as the area distributors of Prifood and Nestlé.

In August 2021, JFC and its wholly owned subsidiary Zenith Foods Corporation ("**ZFC**") entered into definitive agreements to subscribe to an aggregate of 38.71% of CHICI's total outstanding shares (post-subscription) in consideration for a cash payment of P1.9 billion. On 19 August 2021, CentralHub-Laguna 1, CentralHub-Laguna 2 and CentralHub-Pasig were infused into CHICI by JFC pursuant to the definitive agreements executed between the Company and JFC, implementing the P4.0 billion investment of JFC in CHICI. JFC acquired common shares of CentralHub and infused its 16.4 hectares of industrial properties in Santolan, Pasig and Carmelray, Laguna which are currently utilised as commissaries (including the largest operating commissary of JFC). As of 31 March 2024, the equity and asset swap between CentralHub and JFC was completed and the transfer of title for the two CentralHub- Laguna and

CentralHub-Pasig were completed. The Company and JFC are preparing for the Philippines' first industrial REIT IPO.

CentralHub-Pasig is located in F Pasco Ave, Santolan, Pasig City with area size of 14,327 sq.m., CentralHub-Laguna 1 is located in Unity Avenue and Productivity Drive, Carmelray Industrial Park 1, Canlubang, Calamba, Laguna with area size of 50,000 sq.m. and CentralHub-Laguna 2 is located in Unity and Prosperity Ave, Carmelray Industrial Park 1, Canlubang, Calamba, Laguna with area size of 100,000 sq.m. CentralHub-Pasig, CentralHub-Laguna 1 and CentralHub-Laguna 2 are fully leased out as of 31 March 2024.

In 2022, the Company acquired two other sites, a 10.06 hectare property in Silay Negros for CentralHub-Negros, and a 6.40 hectare property in Surigao for CentralHub-Surigao. Industrial warehouse leasing is one of DoubleDragon's four pillars of growth in line with its vision to be a primarily recurring revenue-focused property company. The Company currently has plans for development for CentralHub industrial centers strategically located across Luzon, Visayas and Mindanao.

Actual photo of CentralHub-Tarlac

LEASING POLICIES

The Company's leasing policies in relation to each of its CityMalls is to screen applicants carefully and to secure an appropriate mix of tenants, both in terms of the nature of their business and their size, which cater to the needs and demands of the community which each such CityMall serves.

The Company's office space tenancies are generally granted for a term of three to ten years. Leases may not be pre-terminated prior to the fifth year of the lease term, and any pre-termination requires 6 months' prior notice. The Company also requires the payment of 6 months of security deposit and advance rent at the commencement of the lease. The Company's leases are on fixed annual rates, subject to annual escalation clauses. Upon expiry of the lease, the rental rates are adjusted to reflect the prevailing market rent.

<u>HOTELS</u>

The Company's hospitality segment is operated through its subsidiary, HOA, which is 70% owned by the Company. HOA's hospitality operations are comprised of 6 operational hotels with 1,482 hotel rooms, including the Company's own hotel brand, "Hotel 101", located in the Manila Bay Area near the Mall of Asia, the Hotel101-Manila and the Hotel101-Fort in Bonifacio Global City, Taguig. CSI Hotels, Inc., a 50%-owned subsidiary of HOA, is the Philippines' master franchisee of the "Jinjiang Inn" brand, one of the largest hotel brands in Asia, with two hotels in operation in Ortigas and Makati, Metro Manila, that primarily target Chinese tourists. HOA also operates Injap Tower, a 21-storey condotel located in Iloilo City. HOA also operates Injap Tower, a 21-storey condotel located in Iloilo City. As of 31 March 2024, the Company has seven hotels under construction which is expected to add another 3,463 rooms, and an additional ten hotels under planning and development stages..

On 30 September 2022, the Company, through DDPC Worldwide Pte. Ltd. and Hotel 101 Worldwide Pte.

Ltd. fully paid for the acquisition of a prime 9,000 sq.m. parcel of land in Hokkaido Prefecture, Japan. The Company expects to develop its first international Hotel 101 development, named Hotel 101-Niseko on such acquired land.

On 31 October 2023, through its subsidiary, the company received all the pertinent executed land purchase documents and has made the full complete payment for the purchase of the 6,593 sq.m of prime commercial land in Madrid Spain. The development, named Hotel101-Madrid eyes the high real estate investment demand in Madrid driven by the Spanish Golden Visa.

As of 31 December 2023, the Company has a portfolio of 7,981 rooms which include both operational and rooms in the pipeline.

The units in Hotel 101 are sold to buyers prior to construction completion and opening. The buyers receive individual condominium titles, and likewise are able to receive income share from the hotel's revenues. The Company continues to manage the hotel, and shares a portion of the gross revenue with the individual unit owners in accordance with respective management agreements. The hotel is managed by Hotel 101 Management Corp, a wholly owned subsidiary of HOA, under a 25-year management contract (with an option to extend for another 25 years).

The Hotel 101 concept allows the Company to generate revenue and income twice from one project, first from the pre-selling of the condotel units and second from the long term-recurring revenue from hotel operations after the project's completion.

The Company's Board of Directors approved the creation of international wholly-owned selling arm subsidiaries in Singapore, Hong Kong, Japan, London, Italy and the USA to focus on the international pre-selling of Hotel 101 projects in the Philippines. The Company plans to organise several more sales teams in preparation for the pre-selling activities of the next Hotel 101 projects in Cebu, Boracay, Bohol, Palawan, Libis and Niseko. On 2 April 2019, the Company incorporated its international wholly owned selling arm, Hotel 101 Worldwide Private Limited, in Singapore.

On 21 June 2019, the Company inaugurated its Hotel 101 sales lounge at the ground floor of DoubleDragon Plaza at DD Meridian Park, Bay Area, Pasay City. The Hotel 101 sales lounge houses a training centre, various meeting and conference rooms, the "Happy Room" model unit, scale models of the upcoming Hotel 101 projects and other discussion areas catering to Hotel 101 buyers and unit owners. HOA leases the sales lounge from DD Meridian Park Development Corp.

The Company's Hotel101 Global Application, on both Apple iOS and Android platforms, is designed to provide efficient services across countries and is already available on iOS and Android. The Hotel101 Global App provides hotel reservation services and promotional programs, including vouchers, points and loyalty perks programs. The application will be the core of the Company's global operations as it will hold the thousands of uniform Hotel 101 units owned mainly by third party unit-owners enrolled exclusively in the Hotel101 Global App.

The Company believes that its foray into the hospitality sector will allow it to benefit from the significant tourism prospects globally, as well as fully optimize the use and value of its string of prime properties in strategic locations throughout the country as well as in its international locations.

Operational Hotels:

	Number of Rooms
Hotel101-Manila	518
Hotel 101- Fort	606
JinJiang Inn-Makati	59
JinJiang Inn-Ortigas	95
Injap Tower	194
JinJiang Inn-Boracay (Station 1)	10
Total	**1,482**

Hotel101-Manila

HOA created the "Hotel101" brand primarily to be an alternative accommodation, with services and facilities that address the needs of a fast-paced leisure and business environment. The first Hotel 101 branded hotel opened in June 8, 2016 and is located in the Manila Bay Area, only a few blocks from the Mall of Asia, the largest mall in the Philippines and one of the largest malls in Asia. The hotel offers 518 uniformly sized rooms, a spacious lobby, where guests can relax, conduct business, or meet with friends as well as a swimming pool, kiddie pool and outdoor Jacuzzi, which opens to the famous Manila Bay sunset. Located on the ground floor is its restaurant Horizon Cafe, which serves breakfast buffet, and offers a la carte lunch and dinner, serving international cuisines.

Hotel 101-Fort

Actual Photo of Hotel 101-Fort

The second Hotel101 branded hotel, located in Fort Bonifacio Global City, opened its door to public in August 2023. The Hotel101-Fort added 606 rooms to HOA's portfolio and feature a three-level podium with commercial areas on the ground and second floor levels reserved for specialty retail shops and residents. The third level of the podium will house amenities such as a gym, spa, infinity pool, conference rooms, all-day dining and lounges.

The units in Hotel101 are sold to buyers prior to construction completion and opening. The buyers receive individual condominium titles, and likewise are able to receive income share from the hotel's revenues. The Company continues to manage the hotel, and shares a portion of the gross revenue with the individual unit owners in accordance with respective management agreements. The hotel is managed by Hotel 101 Management Corp, a wholly owned subsidiary of HOA, under a 25-year management contract (with an option to extend for another 25 years).

Actual photo of Hotel101-Fort lobby

Jinjiang Inn

CSI Hotels, Inc., a 50%-owned subsidiary of HOA, is the master franchisee of the “Jinjiang Inn” brand in the Philippines. Jinjiang is a Chinese-based hotel operator with one of the largest hotel portfolios in Asia. Through the master franchise agreement, CSI Hotels, Inc. receives the right to operate the Jinjiang Inn brand in the Philippines. The first Jinjiang Inn was opened on September 2015 and is located along San Miguel Ave. in Ortigas. The hotel offers 95 rooms including five business suites, with a dimension of 23 sq. m. to 56 sq. m., with known necessities to travelers. All rooms are complete with 46” LCD TV, mini bar, in-room safe, laundry services, and an en-suite bathroom, complete with toiletries and bath robes. Its facilities include three meeting rooms, good for six to 14 persons, and a business kiosk. Its restaurant, Five Spice Asian Bistro, serves Asian Fusion cuisines and services buffet breakfast, a la carte lunch and dinner, and can also accept banquet functions for up to 50 persons.

The second Jinjiang Inn was opened in September 2016 and is located along Pasay Road in Makati. The hotel offers 59 rooms, as well as a spacious and elegant lobby. In addition to other modern conveniences, the hotel also has a business kiosk to help guests with their online needs. All rooms are well-appointed with fixtures and amenities comparable to deluxe class hotels. Located on the ground floor is the hotel’s Choi Garden Seafood Restaurant, which serves authentic Chinese cuisines and uses quality ingredients in its dishes.

The Company intends to expand its Jinjiang Inn hotels from both developments of Company-owned properties and through subfranchising thereof.

Injap Tower

Injap Tower is a 21-storey commercial and condotel tower located along West Diversion Road in Iloilo City. Situated across from SM Iloilo, the tower is Iloilo’s first high-rise building as well as the tallest building in the Western Visayas. Injap Tower features two commercial units on the ground floor, multi- level parking, and 196 fully furnished condotel units. Amenities and facilities of the tower include a swimming pool, 24-hour security, four elevators, several retail shops and the Horizon Café on the top floor.

Injap Tower Hotel is likewise a condotel concept similar to Hotel101, where rooms are sold to third party investors. The hotel is managed by Hotel101 Management Corp, a wholly owned subsidiary of HOA, under a 25-year management contract (with an option to extend for another 25 years).

Injap Tower Hotel opened in June 2014. It has 21 floors with 194 rooms available.

List of Hotels Under Construction

Hotel101 – Davao (Under construction) Hotel101 – Palawan
Hotel101 – Bohol
Hotel101 – Resort-Boracay (New Coast) Hotel101 – Cebu (Under construction) Hotel101 – Libis

(Under construction) Hotel101 – Cagayan De Oro
Hotel101 – Baguio
Hotel101 – Niseko (Under construction) Hotel101 – Madrid
JinJiang Inn - Boracay Newcoast JinJiang Inn – Palawan
The SkySuites Tower (Substantially completed)
Ascott-DD Meridian Park (Under construction)

Hotel 101-Davao

The third Hotel101 branded hotel, located in a prime property at Eco West Drive, Hotel 101-Davao is poised to be the biggest hotel in Mindanao. Designed to accommodate diverse types of guests and travellers, Hotel 101-Davao will feature back to back commercial and retail shops for a more upscale hospitality experience.

Hotel 101-Cebu

The fourth Hotel101 branded hotel, located along the Mactan-Cebu International Airport Road, Hotel 101-Cebu will offer 514 hotel rooms with cosmopolitan type of accommodation with its very own convention center and refined commercial strip. Poised to be the biggest airport hotel in Visayas Region, Hotel 101-Cebu is yet another landmark in the making.

Hotel 101-Libis

The 702 rooms Hotel101-Libis is set to be the largest hotel in Quezon City with its pioneering standardized signature 21sqm HappyRooms. The hotel facilities will include a gym and an outdoor infinity pool, all-day dining, business center and function rooms. Hotel101-Libis sits on a 2,547 square meter prime titled commercial lot which forms part of Bridgetowne District. The property is also across the upcoming RLC's Opus Mall shopping center within the Bridgetowne District.

Hotel 101-Davao

Hotel 101-Libis

Hotel 101-Cebu

Hotel 101- Niseko

On 30 September 2022, the Company, through DDPC Worldwide Pte. Ltd. and Hotel 101 Worldwide Pte. Ltd., fully paid for the acquisition of a prime 9,000 sq.m. parcel of land in Hokkaido Prefecture, Japan. The Company expects to develop its first international Hotel 101 development, named Hotel 101-Niseko, on such acquired land. In February 2023, the Company has signed construction agreement with its contractors in Japan and is in the process of obtaining new building permit for the new development layout to maximise space usage. Hotel 101-Niseko is expected to have approximately 518 rooms, and is expected to generate pre-selling sales revenue as a hybrid condotel project. The project is located in Hokkaido Prefecture, Japan, and targets domestic travelers in Japan, foreign tourists from other countries, including, in particular, Filipino travelers who visit Hokkaido. The Company believes it will generate hybrid condotel pre-sale revenue as well as long term recurring revenue from the hotel operation.

Artist's Perspective, Hotel101-Niseko

Acutal photo of Hotel101-Niseko's ground breaking

Hotel 101- Madrid

On 31 October 2023, DoubleDragon's subsidiary Hotel101 Global has received all the pertinent executed land purchase documents and has made the full complete payment for the purchase of the 6,593 square meters of prime commercial land in Madrid Spain. Located in Avenida Fuerzas Armadas, Valdebebas, Madrid which is surrounded by major landmark buildings and is about 3 minutes walk to the Valdebebas Train Station, 4 minutes walk to IFEMA convention complex, 5 minutes walk to Real Madrid Sports Complex, and around 7 minutes to the new Madrid Barajas International Airport.

Artist's Perspective: Hotel101-Madrid

Other Hotel Developments

On 1 February 2018, the Company announced that HOA entered into a joint venture with Newcoast South Beach, Inc., for the development of Hotel101 Resort-Boracay which will have 1,001 rooms and is expected to become the biggest hotel in the Philippines in terms of room count. The project will support environment-friendly operations, consistent with the sustainability efforts and green initiatives of Boracay Newcoast which include of electric jeepneys, solar-powered streetlamps, flood-free drainage systems, implementation of its own waste segregation program, having its own material recovery facility ("MRF") for waste recycling and having its own sewage treatment plant that converts used water to water for irrigation purposes and fire reserves.

The sites for Hotel 101 Bohol and Hotel 101 Resort-Boracay are subject of two Memorandum of Agreement executed by HOA in 2017. Ownership over the Hotel 101 Bohol site will be transferred upon delivery by HOA of the agreed consideration to the landowner. The land where Hotel 101 Resort-Boracay will be built will be transferred to Newcoast South Beach Inc. ("**NSI**") pursuant to its Contract to Sell with Global-Estate Resorts, Inc. and Oceanfront Properties Inc., and which will eventually be the joint development vehicle that will develop a condominium building in Boracay Newcoast, Boracay Island, Malay, Aklan. Under the agreement with HOA, the shareholders of NSI will contribute the land for the Hotel 101 Resort-Boracay project while HOA shall infuse capital that will allow it to acquire 61.9% interest in the NSI, with current NSI shareholders retaining 38.1%. NSI is in the process of completing the payment for the site which must be completed within six months from the execution of the agreement, or not later than April 10, 2018. In the event that NSI fails to complete the payment with the said period, HOA shall have the option to pay the balance needed for the full payment of the lots and the amount thus paid shall be considered in the computation of its proportionate equity share in the company.

The sites for Jinjiang Inn-Boracay Station 1 and Hotel 101-Cagayan de Oro are covered by Contracts of Lease. HOA leases a 548.7548 square meter space located at Balabag, Boracay Island, Malay, Aklan for Jinjiang Boracay. For Hotel 101 Cagayan De Oro, HOA leases a space from CMCCI located at Brgy. Bulua, Cagayan De Oro City. The contract is for a period of 25 years commencing on January 1, 2021 or opening date, whichever is earlier, and shall terminate on January 1, 2046.

INTERIM PROJECTS

The Company's long term strategy is to earn a significant majority of its revenues through recurring income from its leasing portfolio and hospitality operations. However, the Company has strategically acquired existing projects that have been pre-sold and partially completed by other developers in order to enhance the Company's profitability in the near-term and provide capital to develop its leasing portfolio of properties. While the Company may continue to strategically acquire such additional interim projects in the future on a case by case basis, the Company will continue to shift its primary focus to acquiring, developing and operating leasable properties in the future. The discussion below includes certain details on interim projects undertaken by the Company.

The SkySuites Tower

The Company acquired The SkySuites Tower on September 1, 2014 from Rizal Commercial Banking Corporation, the financial institution that foreclosed on the property from its original developer four years prior to the Company's acquisition. The SkySuites Tower was planned as a 38-storey commercial, office and residential tower sitting on a 2,812 sq. m. prime corner lot at the corner of EDSA and Quezon Avenue, a few meters away from the Mass Rail Transit station.

The SkySuites Tower is divided into two structures with lobbies: the lower structure is dedicated to corporate offices while the residential tower consists of lofts catering to the mid to high-end market. The Company has continued both the construction and sale of the remaining inventory of the residential units and parking, but intends to retain the unsold commercial and office spaces as part of the Company's leasable portfolio.

W.H. Taft Residences

The Company's first project in Metro Manila was the 31-storey W.H. Taft Residences, a condominium development situated beside De La Salle University on Taft Ave. in Manila. W.H. Taft Residences offers 533 low-density studios and one bedroom residential units in a prime location to serve as a base for students from De La Salle University, College of St. Benilde and St. Scholastica's College, all of which are within walking distance from the project. Residents of the project also enjoy a full range of student-inspired features and amenities such as wireless internet connection, a multi-purpose hall convertible into seminar, study, or focus group discussion areas, a swimming pool, multi-level flood free podium parking, and commercial establishments on the ground and second floors to cater to the day-to-day needs of its residents.

The Uptown Place

The Uptown Place is a five-storey premium commercial and residential condominium located along General Luna Street in Iloilo City. The building is across the street from the University of the Philippines Iloilo and consists of 236 residential units, ranging from 21 sq. m. studios to 73 sq. m. three bedroom units. The ground floor consists of commercial units held for lease. The project construction was completed in March 2014.

FirstHomes

FirstHomes subdivision is the Company's first horizontal housing project. Located in Navais, Mandurriao, Iloilo City. FirstHomes is a gated townhouse project consisting of 112 units within a 1.3-hectare property. FirstHomes offers semi-furnished two, three and four bedroom units equipped with modern utilities and features modern minimalist design and a wide range of amenities including swimming pools, community parks, clubhouse and CCTV security systems. The project was completed in October 2012.

HappyHomes

HappyHomes-Mandurriao is a project of DD HappyHomes Residential Centers, Inc., a subsidiary of the Company. HappyHomes is an affordable community space offering 613 lots for development in the fast growing Mandurriao district of Iloilo City. HappyHomes offers four variations of units with varying house and lot packages ranging from ₱1.2 million to ₱3.1 million. Each unit is built upon receipt of a 10% down payment and can be turned over four to six months from start of construction. In 2018, the land development is 100% complete. Construction is on a per-block basis and commences when at least 50% of the block has been sold. The construction period is approximately seven to eight months.

Happy Homes-Tanauan is a new project of DDHH, Inc. that was acquired in 2015. Located in Tanauan, Leyte, the project consists of 1,494 lots available for development. Four variations of units with varying house and lot packages are available, ranging from ₱0.450 million to ₱1.2 million. Land development works for phase 1 began on April 21, 2016. Similar to Happy Homes-Mandurriao, construction is on a per-block basis and commences when at least 50% of the block has been sold and the construction period is approximately seven to eight months.

Buyers of units in Happy Homes-Mandurriao and Happy Homes-Tanauan may avail of financing schemes offered by the Home Development Mutual Fund as well as accredited banks.

OTHER INITIATIVES

The Company also continues to access new rental revenue streams from leasing of roof space for solar, advertising spaces in its string of strategic properties around the country, and from roof deck space leasing for common telecommunications towers. The Company has commenced leasing out its roof spaces to solar companies. Both CityMalls and CentralHub warehouses are expected to lease out a total of 100 MW of solar panel space which is expected to translate to P100 million in annual rent income, excluding the rent income from advertising and common telco towers. In 2019, solar panels were installed at the rooftop of DoubleDragon Plaza, DD Meridian Park. These solar panels are expected to displace 418 tons of CO_2, equalling to over 13,565 trees planted.

CONTRIBUTIONS TO REVENUE

The table below illustrates the amounts of revenue, profitability, and identifiable assets attributable to domestic and foreign operations for the years ended 31 December 2023, 2022, and 2021:

	Dec 2023		Dec 2022		Dec 2021	
	In ₱'000	In %	In ₱'000	In %	In ₱'000	In %
Revenues						
Domestic	24,690,533	99.79%	14,130,307	100.00%	15,925,836	100.00%
Foreign	51,347	0.21%	-	0.00%	-	0.00%
Total	24,741,880	100.00%	14,130,307	100.00%	15,925,836	100.00%
Net income						
Domestic	16,701,791	104.86%	12,947,357	100.19%	11,282,694	100.02%
Foreign	(774,431)	-4.86%	-24,631.75	-0.19%	-2,220	-0.02%
Total	15,927,360	100.00%	12,922,725	100.00%	11,280,474	100.00%
Total Assets						
Domestic	178,396,982	98.43%	155,609,876.33	99.24%	141,571,352	99.94%
Foreign	2,842,965	1.57%	1,190,644.13	0.76%	84,852	0.06%
Total	181,239,947	100.00%	156,800,520.45	100.00%	141,656,204	100.00%

COMPETITION

Since CityMall was conceptualized to be the modern alternative to traditional retailers in the provinces, the Company believes that traditional retailers would primarily be considered as the current competitors of CityMall. However, traditional retailers are often less organized and do not have the branding strength or critical mass that the Company can achieve through the nationwide roll out of its CityMalls. The existing traditional retailers are also more often than not locally owned and specific only to that city or region. Currently, only a fraction of the pricing advantage previously enjoyed by local retailers exists. The Company believes this pricing advantage will continue to be reduced or eliminated in the near term as branded retailers continue to penetrate the provinces. Other community mall developers could potentially be considered competitors to CityMall, although the Company believes that it has the advantage of familiarity, focus and actual business experience in these provincial areas of the Philippines.

For the office segment, the Company will compete with a majority of property players that are also invested in the office segment. The office segment is dependent on the continuous growth of the BPO industry in the Philippines, which make up majority of the end users in this market. Economic downturns could potentially affect this sector, thus, in order to minimize risk, the Company has only developed office projects within the top five prime locations for these types of developments.

For the industrial leasing, the Company competes with other small to large property players with warehouses and logistic hubs around the country. Due to the COVID 19 pandemic, there is a positive demand for logistics space in the country given that companies involved in fast-moving consumer goods distribution and food production are priority industries the Government mandated to be fully operational during the imposition of the community quarantine measures.

The Company's hotels cater to the mid-end market, and compete with other three star hotels operating within the areas where the Company currently operates such as the Manila Bay Area, Makati City, and Ortigas Center.

MARKETING

The Company employs an in-house leasing, marketing and project department to find tenants for the Company's leasing spaces. The Company also relies on professional, multinational commercial real estate leasing agents such as Leechiu & Associates, Colliers, KMC Savills and Santos Knight Frank to find tenants for its office spaces.

SUPPLIERS

The Company has a broad base of suppliers for materials and services and is not dependent on any one supplier for its construction and development activities. The Company believes there is no scarcity for the Company's raw materials and they may be easily sourced in the market, and therefore the Company is not, nor is it expected to be, dependent upon one or a limited number of suppliers for its essential raw materials or any other items. The Company's principal raw materials are steel and cement, which are readily available in the market from a number of sources. Contracts between the Company and its contractors or suppliers contain warranties for quality and requirements for timely completion. In the event of delay or poor quality of work, the contractor or supplier may be liable to pay the Company a penalty. The Company has not had any material disputes with any of its contractors or suppliers. The Company uses a standard form fixed- price turnkey contract for both its general and specialty construction contractors. The contracts typically include the following key terms: a down payment of 10%-15% is required from the contractor and is usually obtained in the form of a performance bond; progressive billing occurs on a monthly basis; and a 10% retention and warranty provision for workmanship is included and is typically covered by a guarantee bond.

The Company also outsources certain services for its CityMalls, office buildings and hotels, such as housekeeping, janitorial, maintenance, and security services, to reputable third-party service provides on an annual contractual basis. These contracts can usually be terminated at any time, such as if the contractor fails to perform at an acceptable level.

CUSTOMERS

The Company does not have a customer that will account for twenty percent (20%) or more of its revenues.

RESEARCH AND DEVELOPMENT

While the Company engages in research and development activities, the expenses incurred in connection with these activities are not material.

EMPLOYEES

As of 31 March 2024, the Company and its Subsidiaries have a total of 616 organic employees. The Parent Company had 212 organic employees as of the same period.

The Company has no collective bargaining agreements with its employees due to the absence of organized labor organizations in the Company. Aside from complying with the minimum compensation standards mandated by law, the Company makes available to qualified personnel supplemental benefits such as health insurance, car plans and bonuses. The Company has not experienced any disruptive labor disputes, strikes or threats of strikes, and management believes that the Company's relationship with its employee in general is satisfactory.

INTELLECTUAL PROPERTY

The operations of the Company are not dependent on any copyright, patent, trademark, license, franchise, concession or royalty agreement. The Company and its Subsidiaries have registered the following trademarks with the Intellectual Property Office:

	NAME	TRADEMARK	APPLICATION DATE	REGISTRATION DATE
1	DD DOUBLE DRAGON PROPERTIES CORP.	DD DoubleDragon Properties Corp	05-03-2016	11-17-2017
2	DD DOUBLE DRAGON PROPERTIES CORP. MAKING GREAT THINGS HAPPEN FOR YOU	DD DoubleDragon Properties Corp Making Great Things Happen for You.	05-03-2016	11-17-2017
3	DOUBLE DRAGON	DoubleDragon	10-29-2012	05-30-2013
4	DD GREEN	DD	02-21-2018	10-28-2018
5	DD WHITE	DD	10-29-2012	05-30-2013
6	DOUBLEDRAGON PROPERRTY MANAGEMENT CORP.	DoubleDragon Property Management Corp.	07-26-2019	12-26-19
7	DOUBLEDDRAGON PLAZA	DoubleDragon Plaza	07-28-2017	04-12-2018
8	DOUBLEDDRAGON PLAZA DD MERIDIAN PARK	DoubleDragon Plaza DD Meridian Park	03-16-2018	10-07-2018
9	DD MERIDIAN PARK	DD Meridian Park	02-12-2018	09-02-2018

10	CITYMALL		10-30-2013	08-21-2014
11	CITYMALL PHILIPPINES		02-12-2018	02-24-2019
12	CITYMALL SEE YOU EVERYDAY		10-30-2013	08-21-2014
13	CITYMALL YOUR EVERYDAY MALL		05-03-2016	03-24-2017
14	CITYMALL CINEMA		02-19-2019	06-27-2019
15	CENTRALHUB		10-06-2017	05-17-2018
16	CENTRALHUB PHILIPPINES		02-21-2018	10-06-2019
17	CENTRALHUB INDUSTRIAL CENTERS INC		09-28-2017	05-31-2018
18	D8 MALL		02-15-2017	07-14-2017
19	DRAGON8 MALL THE NEWEST MALL IN DIVISORIA		07-26-2019	12-12-2019
20	DRAGN8 MALL (NEW LOGO)		02-04-2020	03-19-2021
21	WH TAFT		10-30-2015	01-21-2016
22	THE SKY SUITES		05-22-2015	04-29-2016
23	ISLAS PINAS		05-03-2018	01-10-2019

24	HOTEL 101 WHITE	HOTEL 101	05-08-2012	02-06-2014
25	HOTEL 101 GREEN	HOTEL 101	02-21-2018	11-15-2018
26	INJAP TOWER HOTEL	INJAP TOWER HOTEL	09-23-2020	03-19-2021
27	DDMP REIT, INC.	DDMP REIT, INC.	12-16-2020.	05-23-2021
28	DD ICON	DD	06-09-2021	12-13-2021
29	DOUBLEDRAGON CORPORATION (TEXT ONLY)	DoubleDragon Corporation	06-09-2021	10-13-2021
30	DOUBLEDRAGON CORPORATION (LOGO AND TEXT)	DoubleDragon Corporation	06-09-2021	10-31-2021

These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company's developments. In the Philippines, certificates of registration of a trademark filed with the Philippine Intellectual Property Office are generally effective for a period of 10 years, unless terminated earlier.

Also, the company has listed its trademark internationally:

	Owner	Trademark	Jurisdiction

1	Hotel of Asia, Inc.	HOTEL 101	Issued by WIPO Madrid protecting the H101 trademark in the following countries: Afghanistan (AF), African Intellectual Property Organization (OA), Albania (AL), Algeria (DZ), Armenia (AM), Australia (AU), Austria (AT), Azerbaijan (AZ), Bahrain (BH), Belarus (BY), Bhutan(BT), Bonaire, Sint Eustatius and Saba (BQ), Bosnia and Herzegovina(BA), Botswana(BW), Brunei Darussalam (BN), Bulgaria (BG), Cambodia (KH), Croatia (HR), Cuba(CU), Curacao (CW), Cyprus (CY), Czech Republic (CZ), Democratic People's Republic of Korea (KP), Denmark (DK), Egypt (EG), Estonia (EE), Eswatini (SZ), European Union Intellectual Property Office (EM), Finland (FI),France (FR), Gambia (GM), Germany (DE), Ghana (GH), Greece (GR), Hungary (HU), India (IN), Indonesia (ID), Israel (IL), Italy (IT), Japan(JP), Kazakhstan (KZ), Kenya (KE), Kyrgyzstan (KG), Lao People's Democratic Republic (LA), Latvia (LV), Lesotho (LS), Liberia (LR), Liechtenstein (LI), Lithuania (LT), Madagascar (MG), Malawi (MW), Monaco (MC), Mongolia (MN), Montenegro (ME), Morocco (MA), Mozambique (MZ), Namibia (NA), New Zealand (NZ), North Macedonia (MK), Norway (NO), Pakistan (PK), Poland (PL) Portugal (PT), Republic of Korea (KR), Republic of Moldova (MD), Romania (RO), Rwanda (RW), Samoa (WS), San Marino (SM), Sao Tome and Principe (ST), Serbia (RS), Sierra Leone (SL), Singapore (SG), Sint Maarten (Dutch part) (SX), Slovakia (SK), Slovenia (SI), Spain (ES), Sudan (SD), Sweden (S,E), Switzerland (CH), Syrian Arab Republic (SY), Tajikistan (TJ), Trinidad and Tobago (TT), Tunisia (TN), Türkiye (TR), Turkmenistan (TM), United Kingdom (GB), Uzbekistan (UZ), Viet Nam (VN), Zambia (ZM),Zimbabwe (ZW)

HEALTH, SAFETY AND ENVIRONMENT

The Company regards occupational health and safety as one of its most important corporate and social responsibilities and it is the Company's corporate policy to comply with existing environmental laws and regulations. The Company maintains various environmental protection systems and conducts regular trainings on environment, health and safety. As discussed above, the Company spends significant time and resources on being a leader in sustainable development.

On 14 January 2019, CMCCI formally committed to support the World Wide Fund for Nature ("WWF") Philippines' renewable energy efforts in the country as the two parties entered into a memorandum of agreement memorializing a partnership that will help boost projects that promote and demonstrate renewable energy use, low carbon development in cities, and sustainable consumption and production under the "Climate Change and Energy Program" of WWF-Philippines. Anchored primarily on public awareness and consumer education campaigns on the importance of caring for the environment and the benefits of solar power and renewable energy by way of exposure in all CityMalls nationwide, promotion of WWF- Philippines' existing campaigns such as "Seize Your Power" and "Earth Hour", and other climate mitigation and adaptation initiatives, will also be pursued under the terms of the memorandum of agreement.

On 21 June 2019, DoubleDragon Plaza at DD Meridian Park received its LEED Gold Certification. LEED, which stands for Leadership in Energy and Environmental Design, is a green building certification program developed by the U.S. Green Building Council which evaluates environmental performance to provide a definitive standard for green buildings. LEED recognizes best-in-class building strategies and practices. By designing and building to LEED standards, the Company benefits from a number of value-added incentives such as reduced construction waste, increased recycled content, lower long-term operating costs, efficient water usage, and improved indoor air quality.

In 2019, solar panels were installed at the rooftop of DoubleDragon Plaza, which are expected to displace 418 tons of CO2, equivalent to over 13,000 trees planted.

The Jollibee Tower is also pre-certified for a gold LEED certification in line with the Company's desire to promote sustainable developments through "green" technology. To receive LEED certification, Jollibee Tower must satisfy prerequisites and earn points to achieve different levels of certification. The exterior of the building is expected to be made of double-glazed glass curtain wall for increased energy efficiency. The Company believes the structure is poised to become one of the prominent landmarks in the Ortigas skyline.

INSURANCE

The Company obtains and maintains appropriate insurance coverage on its properties, assets and operations in such amounts and covering such risks as the Company believes are usually carried by companies engaged in similar businesses and using similar properties in the same geographical areas as those in which the Company operates. The Company maintains insurance policies, including policies with Malayan Insurance Company, Incorporated and PGA Sompo Insurance Corp. through the Company's insurance broker, Marsh Philippines, Inc., covering the following risks: Businesss interruption, comprehensive general liability, personal accident insurance for directors and officers, fire and lightning, bush fire and spontaneous combustion; windstorm, storm, typhoon, flood, tidal wave and tsunami; water damage caused by overflowing or bursting of water tanks, pipes or other apparatus, sprinkler and related firefighting apparatus leakage; explosion, falling aircraft and article therefrom, impact by road vehicles and smoke; earthquake shock and earthquake fire; volcanic eruption; subsidence, collapse and landslide; riot and strike, civil commotion and malicious acts; electrical injury; sparkler and related firefighting apparatus leakage; robbery and burglary; mechanical or electrical derangement failure or breakdown or boiler explosion; extra expense / standard charges; and third-party bodily injury and property damage.

SUBSIDIARIES AND ASSOCIATES

Subsidiaries

The following table presents certain information regarding the Company's main subsidiaries as of and for the year ended 31 December 2022 and 2023.

		Total Assets as of		Company's Ownership Interest as of		Revenue		% of Total Revenues of the Company(1)	
		31-Dec-22	**31-Dec-23**	31-Dec-22	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Dec-23
DDSC.	Philippines	1,834.4	1,867.7	100%	100%	0.5	0.7	0.00%	0.00%
DDPMC	Philippines	2,942.1	3,927.8	100%	100%	793.7	1,060.9	6.42%	4.59%
CMCCI	Philippines	46,131.9	51,288.2	66%	66%	2,456.8	2,552.4	19.88%	11.05%
PCLI	Philippines	563.7	567.3	50%	50%	83.8	66.2	0.68%	0.29%
DDHH	Philippines	754.9	753.9	70%	70%	312.9	81.3	2.53%	0.35%
DDMPR (formerly DDMPDC)	Philippines	53,208.9	61,901.5	47%	47%	4,723.9	11,093.3	38.22%	48.01%
HOA	Philippines	6,492.0	7,473.3	70%	70%	1,427.6	1,849.5	11.55%	8.00%
IGFTC	Philippines	44.4	46.1	100%	100%	2.8	3.0	0.02%	0.01%
CHICI(2)	Philippines	8,260.6	8,703.0	61%	61%	209.5	8,260.6	1.70%	35.75%

DDMTC	Philippines	2,826.8	2,967.0	51%	51%	154.0	117.5	1.25%	0.51%
GCDPC	Philippines	-	-	70%	70%	-	-	0.00%	0.00%
DDWPL	Singapore	160.2	172.8	100%	100%	1.4	3.9	0.01%	0.02%
DDMP REIT Fund Managers	Philippines	56.5	58.4	70%	70%	3.6	3.6	0.03%	0.02%
DDMP REIT Property Managers	Philippines	38.1	52.4	70%	70%	17.9	15.2	0.14%	0.07%
DDTI	Philippines	6,389.9	9,292.5	70%	70%	168.1	2,902.3	1.36%	12.56%
DDMPSRI	Philippines	560.5	1,113.8	70%	70%	0.1	0.3	0.00%	0.00%
DDCC	Philippines	40.1	192.2	100%	100%	10.1	-11.8	0.08%	-0.05%
Hotel101 Global"	Singapore		2,439.1	-	90%	-	0.8	0.00%	0.00%

Notes:

(1) This calculated as the revenues of the respective subsidiary divided by the total revenues of the Company (excluding revenue from the parent company).

(2) In August 2021, JFC and its wholly owned subsidiary ZFC entered into definitive agreements to subscribe to an aggregate of 38.71% of CHICI's total outstanding shares (post-subscription) in consideration for a cash payment of P1.9 billion. JFC and ZFC also intend to infuse properties in CHICI in exchange of additional shares of stock in CHICI based on the appraised values of the properties to be contributed subject to the approval of the Philippine SEC. As of 31 March 2024, the Company's ownership in CHICI is 60.90%.

(3) On 24 March 2021, DDMPR completed its initial public offering and was listed in the PSE under the stock symbol "DDMPR". The Company remains the ultimate parent company and controlling shareholder of DDMPR at 46.67% ownership.

The following is a brief description of each of the Company's eighteen direct subsidiaries:

(1) **DoubleDragon Sales Corp.** ("**DDSC**"), incorporated on 12 November 2012, is engaged in the business of selling or marketing real estate products, including, but not limited to land, buildings, condominium units, townhouses, apartments, house and lot packages and all other forms of real estate products.

(2) **DoubleDragon Property Management Corp.** ("**DDPMC**"), incorporated on 17 January 2012, is engaged in the business of maintaining, preserving, preparing and cleaning buildings, condominiums, townhouses, hotels, amusement or recreational places or counters, office premises, factories, shops, equipment and facilities, as well as to render janitorial services, window cleaning, to undertake additional carpentry works, plumbing, electrical, painting, landscaping, gardening, ground maintenance services of any and all kinds of buildings.

(3) **CityMall Commercial Centers Inc.** ("**CMCCI**"), incorporated on 27 December 2013, is engaged in the business of commercial shopping centers or malls focused on provincial retail leasing.

(4) **Piccadilly Circus Landing Inc.** ("**PCLI**") was incorporated on 10 October 2012. Its primary purpose is to engage, operate, hold or manage real estate business.

(5) **DD HappyHomes Residential Centers Inc.** ("**DDHH**") was incorporated on 15 September 2011. Its primary purpose is to engage, operate, hold or manage real estate business.

(6) **DDMP REIT, Inc.** (formerly DD Meridian Park Development Corp. ("**DDMPDC**")) ("**DDMPR**") was incorporated on 27 October 2014. Following its compliance with the requirements of Republic Act No. 9856, The Real Estate Investment Trust Act of 2009 and its Implementing Rules and Regulations (the "**REIT Law**") in March 2021, DDMPR started operating as a real estate investment trust ("**REIT**").

(7) **Hotel of Asia, Inc.** ("**HOA**") was incorporated on 8 June 2011. Its primary purpose is to engage in and carry on the business of operating hotel/s and resort/s and to operate and

maintain all services and facilities incident thereto.

(8) **Iloilo-Guimaras Ferry Terminal Corp.** ("**IGFTC**") was incorporated on 10 June 2016. Its primary purpose is to finance, design, construct, develop, operate and maintain the Iloilo-City Guimaras Ferry Terminal and its surrounding areas within the Parola Port.

(9) **CentralHub Industrial Centers, Inc.** ("**CHICI**") was incorporated on 31 August 2017. Its primary purpose is to engage in and carry on a business of receiving, accepting, unloading, storing and/or deposit of goods, chattels, fungibles, parcels, boxes, documents, mail, products, money, vehicles, animals, articles, cargoes, and effects of all kinds and provide facilities, amenities, conveniences, features, services and/or accommodations in relation and necessary to said business. CHICI is the Company's Subsidiary focused on industrial warehouse leasing.

(10) **DD Meridian Tower Corp.** ("**DDMTC**") was incorporated on 2 October 2018. Its primary purpose is to engage in the business of real estate development including but not limited to residential and commercial subdivisions, buildings and condominium projects in accordance with Republic Act No. 4726 (otherwise known as The Condominium Act) as amended ("**The Condominium Act**").

(11) **Green Coast Development PH Corp.** ("**GCDPC**") was incorporated and registered with the Philippine SEC on 10 May 2013 primarily to acquire by purchase, lease, donation or to own, use, improve, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise, real estate of all kinds, whether improve manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances. GCDPC has not yet started its commercial operations as at 31 December 2022.

(12) **DDPC Worldwide Pte. Ltd.** ("**DDWPL**") Incorporated on 26 June 2020 as a company with limited liability under the laws of Singapore. DDWPL is the holding company of the Company's investments outside the Philippines.

(13) **DDMP REIT Fund Managers, Inc.** ("**DDMP REIT Fund Managers**") was incorporated on 19 November 2020, a corporation organised and existing under the law of the Philippines primarily to engage in the business of providing fund management services to REIT companies, as provided under the REIT Law.

(14) **DDMP REIT Property Managers, Inc.** ("**DDMP REIT Property Managers**") was incorporated on 19 November 2020, a corporation organised and existing under the laws of the Philippines primarily to engage in the business of property management, providing functions like formulate and implement leasing strategies; enforce tenancy conditions; ensure compliance with government regulations in respect to the real estate under management; perform tenancy administration work, such as managing tenant occupancy and ancillary amenities; conduct rental assessment, formulating tenancy terms, preparing tenancy agreement, rent collection and accounting; secure and administer routine management services; maintain and manage the physical structures/real properties; and formulate and implement policies and programmes in respect of building management, maintenance and improvement; and initiate refurbishments and monitoring of such activities.

(15) **DDMP Serviced Residences, Inc.** was incorporated and registered with the Philippine SEC on 19 November 2020 primarily to engage in the business of real estate development including but not limited to residential and commercial buildings, spaces, subdivisions, and condominium projects, to buy and acquire by purchase, lease or otherwise, lands, and interest in land and to own, hold, impose, promote, develop, subdivide and manage any land owned, held or occupied by the company, to construct, erect and manage or administer building such as condominiums, apartments, hotels, restaurants, stores, offices, spaces, or other structures now or hereafter erected on any land owned, held or occupied and to sell, lease or otherwise dispose of lands or interest in lands and buildings or other structures at any time. It is a joint venture company with 70% owned by the Company.

(16) **DD Tower, Inc.** was incorporated and registered with the Philippine SEC on 19 November 2020 primarily to engage in the business of real estate development including but not limited to residential and commercial buildings, spaces, subdivisions, and condominium projects, to buy and acquire by purchase, lease or otherwise, lands and interest in lands and to own, hold, impose,

promote, develop, subdivide and manage any land owned, held or occupied by the company, to construct, erect and manage or administer building such as condominiums, apartments, hotels, restaurants, stores, offices, spaces, or other structures now or hereafter erected on any land owned, held or occupied and to sell, lease or otherwise dispose of lands or interests in lands and buildings or other structures at any time. It is a joint venture company with 70% owned by the Company.

(17) **DD Commercial Corp.** ("**DDCC**") was incorporated and registered with the Philippine SEC on 28 March 2022 primarily to engage in the business of commercial real estate development including but not limited to residential and commercial subdivisions, buildings, condominium projects; to buy and acquire by purchase, lease or otherwise, lands and interest in lands and to own, hold, impose, promote, develop, subdivide and manage any land owned, held or occupied by the company, to construct, erect and manage or administer building such as condominiums, apartments, hotels, restaurants, stores, offices, spaces, or other structures now or hereafter erected on any land owned, held or occupied and to sell, lease or otherwise dispose of lands or interests in lands and buildings or other structures at any time. DDCC is 100% owned by the Company.

(18) **Hotel101 Global Pte. Ltd.** ("**Hotel101 Global**") was incorporated and registered in Singapore on 28 July 2022. Hotel101 Global primarily holds all international investments of Hotel 101 outside the Philippines. Hotel101 Global is intended to be the future overseas IPO vehicle for the Group's international expansion of Hotel 101.

(19) **Hotel101 Global Holdings Corp ("Hotel101 Global Holdings**") was incorporated and registered in Caymaan Islaands in 2024 in preparation for the listing of Hotel101 Global in NASDAQ. Hotel101 Holdings will hold all Hotel101 assets internationally and is 100% owned by the Company.

The following table presents the primary business activities the Company and the Company's subsidiaries are engaged in:

Industrial leasing	CHICI
Hospitality business	HOA, DDMP Serviced Residences, Inc., Hotel101Global, Hotel101 Global Holdings
Retail Leasing	CMCCI, PCLI, DD, DDCC
Office Leasing	DDMPR, DDMTC, DD Tower, Inc.
Real Estate Residential	DD, DDHH
Others	DDSC, IGFTC, DDPMC, GCDPC, DDWPL, DDMP REIT Fund Manager, DDMP REIT Property Manager

Associates

Robinsons DoubleDragon Corp

On 26 December 2019, the Company invested ₱335.1 million for a 34.3% ownership stake in Robinsons DoubleDragon Corp., a real estate development corporation, and joint venture between Robinsons Land Corp. ("Robinsons Land" or "RLC") and the Company. The joint venture will develop 10,032.10 sq.m. prime commercial lot located along E. Rodriguez Jr. Avenue in Libis, Quezon City adjacent to Robinsons Land's first township development, Bridgetowne.

MATERIAL PERMITS AND LICENSES

The Company has the material permits and licenses necessary for the business of the Company, the pertinent details of which are provided in [Annex A] of this Prospectus. While the Company does not expect that any permits which are in the process of renewal or application will be withheld or delayed, there can be no assurance that third parties and the government will act on these promptly.

Failure to secure the necessary permits may result in cessation of the operation of the plants under operation or delay the start of commercial operations of plants under development, which in turn may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. Please see discussions under the sections on "*Regulatory Framework*" on page [•] of this Preliminary Prospectus.

PROPERTIES

The Company and its subsidiaries' investment properties are stated at fair value, which has been determined based on valuations performed by an accredited independent appraiser. The fair values of the investment properties were arrived at using the market data approach for land and cost or income approach for buildings.

Land Banking

The following table sets forth the Company and its subsidiaries land bank as of 31 March 2024:

Location	**Land Area (in hectares.)**
Luzon	53.74
Metro Manila	9.84
Mindanao	37.68
Visayas	201.96
International	1.77
Grand Total	**304.99**

Condominium and Residential

The locations and descriptions of the Company's condominium and residential properties as of 31 March 2024 are shown below:

Project	Address	Ownership
The SkySuites Tower	Quezon City	Land and Structure – 100% directly owned
WH Taft Residences	Taft Avenue, Manila	Land and Structure – 100% directly owned
The Uptown Place Iloilo City . .	Gen Luna St, Iloilo City	Land and Structure – 100% directly owned
Peoples Condominium	Mandurriao, Iloilo City	Land and Structure – 100% directly owned
First Homes Subdivision	Mandurriao, Iloilo City	Land and Structure – 100% directly owned
DD HappyHomes – Mandurriao .	Onate, Mandurriao, Iloilo	Land and Structure – 70%
DD HappyHomes – Tanauan . . .	Tanauan, Leyte	owned through DDHH Land and Structure – 70%
DD HappyHomes – Zarraga. . . .	Zarraga, Iloilo	owned through DDHH Land and Structure – 70%
Green Coast Property	Sibunag, Guimaras	owned through DDHH Land and Structure – 70%
Green Coast Property	Nueva Valencia, Guimaras	Land owned through GCDCPH – 70-%

Retail, Office and Hotel

The locations and descriptions of the Company's retail leasing properties as of 31 March 2024 are shown below:

Project	Address	Ownership
Dragon8 Mall	C.M. Recto and Dagupan Street Along Divisoria	Land and Structure – 100% directly owned*
Umbria.	Biñan, Laguna	Land and Structure – 50% owned through PCLI
DoubleDragon Plaza Retail......................	Corners Roxas Blvd., EDSA and Macapagal Avenue, Pasay City	Land – 46.67% owned through DDMPR
CM-Arnaldo, Roxas..................................	Arnaldo Avenue, Baybay, Roxas City	Land – 100% directly owned, Structure – 66% owned through CMCCI**
CM-Consolacion	Sta. Lucia Town Square, Cansaga, Consolacion, Cebu City	Land and Structure – 66% owned through CMCCI
CM-Anabu, Imus Cavite	Aguinaldo Highway, Anabu, Imus, Cavite	Structure – 66% owned through CMCCI
CM-Tetuan, Zamboanga	Don Alfaro Street, Tetuan, Zamboanga City	Land and Structure – Owned Property, 46.2% effective ownership (70% owned by CMCCI through

		Prime DDG Commercial Centers Inc.)
CM-Tagbak, Jaro	Tagbak, Jaro Iloilo	Structure – 66% owned through CMCCI
CM-Kalibo	F. Quimpo Street, Kalibo, Aklan	Land and Structure – 66% owned through CMCCI**

Project	Address	Ownership
CM-Tiaong, Quezon	Maharlika Highway, Lalig, Tiaong, Quezon	Structure – 66% owned through CMCCI
CM-Parola, Iloilo	Fort San Pedro Drive, Parola Wharf, Concepcion, Iloilo City	Structure – 66% owned through CMCCI
CM-Cotabato City	Governor Gutierrez Avenue, Rosario Heights VII, Cotabato City	Land and Structure – 66% owned through CMCCI
CM-Mandalagan, Bacolod	Lacson Street corner G.M. Cordova Avenue, Mandalagan, Bacolod City	Land and Structure – 46.2% effective ownership, (70% owned by CMCCI through CM-Mandalagan Bacolod Inc.)
CM-Kabankalan City	Justice Perez Highway, Talubangi, Kabankalan City	Structure – 66% owned through CMCCI
CM-Victorias City	Osmeña Avenue, Victorias City,Negros Occidental	Land and Structure – 66% owned through CMCCI
CM-San Carlos	Azcona Street corner CL Ledesma Avenue, Poblacion, San Carlos City, Negros Occidenta	Land and Structure – 66% owned through CMCCI
CM-Boracay	Station 1, Balabag, Boracay	Structure – 66% owned through CMCCI
CM-Tagum	Maharlika Highway corner Lapu-Lapu Extension, Magugpo, Tagum City	Structure – 66% owned through CMCCI
CM-SCTEX	Santiago, Concepcion, Tarlac, SCTEX Southbound	Structure – 66% owned through CMCCI
CM-Tarlac	McArthur Highway, Brgy. San Rafael, Tarlac City, Tarlac	Land and Structure – 46.2% effective ownership (70% owned by CMCCI through CM-Tarlac Macarthur, Inc.)
CM-Dumaguete	Veterans Avenue National Highway, Brgy. Daro, Dumaguete City, Negros Oriental	Structure – 66% owned through CMCCI
CM-Goldenfields	Goldenfields Commercial Complex, Araneta St., Brgy. Singcang-Airport, Bacolod City, Negros Occidental	Land and Structure – 46.2% effective ownership (70% owned by CMCCI through CM-Goldenfields Bacolod Inc.)
CM-Dau	Dau Access Road, Dau, Mabalacat, Pampanga	Structure – 66% owned through CMCCI
CM-Passi	Poblacion, Passi, Iloilo City	Structure – 66% owned through CMCCI
CM-Santa Rosa	Pan-Philippine Highway, Poblacion, Sta. Rosa, Nueva Ecija	Land and Structure – 66% owned through CMCCI**
CM-Danao	Danao, Cebu City	Structure – 46.2% effective ownership, (70% owned by CMCCI through CM-Danao Cebu Inc.)
CM-Calamba	Manila South Rd., Brgy. Halang, Calamba, Laguna	Land and Structure – 66% owned through CMCCI

Project	Address	Ownership
CM-Koronadal	Lacson St., Brgy. Morales, Koronadal City, South Cotabato	Land and Structure – 66% owned through CMCCI
CM-Pavia	Pavia, Iloilo City	Structure – 66% owned through CMCCI
CM-Mayombo	Calasiao – Dagupan Road, Brgy. Mayombo, Dagupan	Land and Structure – 66% owned through CMCCI
CM-Dipolog City	Filomena, Dipolog, Zamboanga	Land and Structure – 46.2% effective ownership, (70% owned by CMCCI through CM-Dipolog Zamboanga Inc.)
CM-Iponan, CDO	Claro M. Recto Avenue, Iponan, Cagayan de Oro City	Land – 66% owned through CMCCI
CM-Sorsogon	Sorsogon City	Land and Structure – 66% owned through CMCCI**
CM-Calapan City	Calapan, Oriental Mindoro	Land and Structure – 66% owned through CMCCI
CM-San Carlos, Pangasinan. . . .	Burgos St. cor. Posadas St. and Roxas Boulevard, Brgy. Poblacion, San Carlos City, Pangasinan	Land and Structure – 66% owned through CMCCI
CM-Roxas Avenue	Roxas City, Capiz	Land and Structure – 46.2% effective ownership, (70% owned by CMCCI through CM-Roxas Ave. Inc.)**
CM-Bulua, CDO	Bulua, Cagayan de Oro City	Land and Structure – 66% owned through CMCCI
CM-Isulan	Isulan-Tacurong City Road, Brgy. Poblacion, Isulan, Sultan Kudarat	Land and Structure – 66% owned through CMCCI
CM-Cadiz.	Villena St., Brgy. Poblacion, Cadiz City, Negros Occidental	Land and Structure – 66% owned through CMCCI
CM-Ozamiz City.	Catadman, Ozamiz	Land – 66% owned through CMCCI
CM-Bacalso	Bacalso, Cebu City	Land – 66% owned through CMCCI
CM-Tuguegarao	Pan-Philippine Highway, Brgy. Leonarda (formerly Brgy. Pengue Ruyu), Tuguegarao City, Cagayan	Land and Structure – 66% owned through CMCCI**
CM-Aparri	Aparri, Cagayan	Land and Structure – 66% owned through CMCCI**
CM-Los Baños-Bay.	Bay, Laguna	Land – 66% owned through CMCCI**
CM-General Trias	General Trias, Cavite	Land – 66% owned through CMCCI**
CM-Surigao	Surigao City, Surigao del Norte	Land – 66% owned through CMCCI
CM-Antique	San Jose, Antique	Land – 66% owned through CMCCI**
CM-Palo.	Palo, Leyte	Land – 66% owned through CMCCI**
CM-Ormoc	Brgy. Cogon, Ormoc City, Leyte	Land – 66% owned through CMCCI

Project	Address	Ownership
CM-Guiwan	Guiwan, Zamboanga City	Land – 46.2% effective ownership (70% owned by CMCCI through Prime DDG Commercial Centers Inc.)
CM-Guimaras	Jordan, Guimaras	Land – 66% owned through CMCCI**
CM-Bocaue	Bocaue, Bulacan	Land and Structure – 46.2% effective ownership (70% owned by CMCCI through CM-Bunlo Bocaue, Inc.)
CM-Basilan	Isabela, Basilan	Land – 66% owned through CMCCI**
CM-Arayat	Arayat, Pampanga	Land – 66% owned through CMCCI**
CM-Pagadian	Pagadian City, Zamboanga del Sur	Land – 66% owned through CMCCI**
CM-Tagbilaran	Tagbilaran, Bohol	Land – 66% owned through CMCCI**
CM-Northtown Davao	Northtown, Davao City	Land and structure – 52.1% effective ownership (79% owned by CMCCI through CM-Northtown Davao, Inc.)
CM-Dinalupihan	Tabacan, Dinalupihan, Bataan	Land – 66% owned through CMCCI**
CM-Bais.	Bais, Negros Oriental	Land – 66% owned through CMCCI**
CM-Baler, Aurora	Baler, Aurora	Land – 66% owned through CMCCI**
CM-Lam-an, Ozamiz	Lam-an, Ozamiz City	Land – 66% owned through CMCCI**
CM-San Enrique	San Enrique, Negros	Land – 66% owned through CMCCI**
CM-Bongabon	Bongabon, Nueva Ecija	Land – 66% owned through CMCCI**
CM-Lucena	Lucena City	Land – 66% owned through CMCCI**
CM-La Carlota	La Carlota, Negros Occidental	Land – 66% owned through CMCCI**
CM-Balibago, Sta. Rosa	Balibago, Sta. Rosa, Laguna	Land – 66% owned through CMCCI**
CM-San Francisco.	San Francisco, Agusan Del Sur	Land – 66% owned through CMCCI**
DDCC Novaliches	Novaliches, Quezon City, Manila	Land – 100% owned through DDCC
DDCC Capiz	Roxas City, Capiz	Land – 100% owned through DDCC
DDCC Davao City	Talomo, Davao City	Land – 100% owned through DDCC
DD Kalibo …………………………………	Andagao, Kalibo, Aklan	Land – 100% directly owned

* Notice of Lis Pendens entered on 25 November 2010 in relation to case for the recovery of possession of the lot and improvements (which has been dismissed with finality) for cancellation.

** Transfer of titles of some of the lots to CMCCI, DDMT, HOA, CHICI, RRDC still for registration.

*** With annotation on the tax declaration that a Deed of Absolute Sale was acknowledged before a notary public in 1998 with attached BIR Certificate of Registration.

**** Mortgage entered on 27 April 2005 in favour of the Bank of the Philippine Islands to guarantee a principal obligation in the sum of P60 Million (with Deed of Cancellation of Real Estate Mortgage) for cancellation.

As of 31 March 2024, the Company has acquired the following properties for the development of CityMalls:

	Location*	Lot Area (in sq.m.)	Liens**
1	CM Mayombo	12,817	None
2	CM Kalibo	13,530	Estate Lien (Date of Entry: 22 June 2015)
3	CM Consolacion-Cebu	10,251	None
4	CM Cotabato	15,000	None
5	CM Sta. Rosa-Nueva Ecija	19,516	Estate Lien (Date of Entry: 2 May 2015)
6	CM Victorias-Negros	13,734	Estate Lien (Date of Entry: 15 August 2012)
7	CM San Carlos-Negros	9,387	Estate Lien (Date of Instrument: 23 September 2014 and 18 May 2015)
8	CM Koronadal-Cotabato	10,000	Estate Lien (Date of Entry: 5 March 2014)
9	CM Bulua-CDO	11,464***	Estate Lien (Date of Entry: 13 November 2015)
10	CM Iponan-CDO	11,957	Estate Lien (Date of Entry: 27 November 2015)
11.	CM Isulan	9,247	None
12.	CM Surigao	10,505	None
13	CM Manabay-Ozamis	22,262	None
14	CM Antique	15,298	Estate Lien (Date of Entry: 26 February 2016)
15	CM Calapan	7,159	None
16	CM Pagadian	23,317	None
17	CM Calamba	10,309	Deed of Sale requiring Vendee to comply with the terms of the milling contract (Date of Entry: 25 May 1998)
18	CM Ozamis-Lam-An	6,023	None
19	CM San Enrique	13,991	None
20	CM Baler, Aurora	7,217	None
21	CM Ormoc, Leyte	20,732	None
22	CM Sorsogon	5,869	None
23	CM San Carlos, Pangasinan	6,597	None
24	CM Palo, Leyte	20,000	None
25	CM Cadiz City, Negros Occidental	10,412	None
26	CM Tuguegarao	16,525	None
27	CM General Trias	19,659	None
28	CM Tagbilaran, Bohol	7,583	None
29	CM Bongabon, Nueva Ecija	11,025	None
30	CM Aparri, Cagayan	7,198	None
31	CM Los Baños, Laguna	24,273	Estate Lien (Date of Entry: 28 November 2013)
32	CM Basilan	8,692	None
33	CM Lucena	23,510	None
34	CM Guimaras	8,405	None
35	CM Dinalupihan	20,000	None
36	CM Balibago Sta. Rosa	15,000	None
37	CM Bais	16,944	None
38	CM La Carlota	17,439	None

39	CM Arayat.	11,996	None
40	CM San Francisco	16,614	None

* Except for CM Dagupan, CM Consolacion, CM Cotabato, CM Isulan, CM Victorias Negros, CM San Carlos Negros, CM Koronadal Cotabato, CM Bulua CDO, CM Iponan CDO, CM Mananabay-Ozamis, CM Calamba, CM Ozamis-Lam-an, CM Ormoc Leyte, CM San Carlos Pangasinan, CM Surigao, CM Calapan, CM Pagadian, CM San Enrique, CM Cadiz, CM Basilan and CM Lucena with titles registered in the name of CM, transfers of titles over the other CM sites in the name of CM are currently pending.

** Estate Lien refers to the liabilities under Section 4, Rule 74 of the Rules of Court whereby creditors, heirs and other persons unlawfully deprived of participation in the estate of the deceased are given a period of two (2) years within which to assert their claim against the estate.

*** 1,319 sq.m. is currently leased to Hotel of Asia, Inc. for the construction of Jinjiang Inn-Cagayan de Oro.

The locations and descriptions of the Company's office leasing properties as of 31 March 2024 are shown below:

Project	Address	Ownership
DoubleDragon Plaza (Tower 1 to 4).	Corners Roxas Blvd., EDSA and Macapagal Avenue, Pasay City	Land and Structure – 46.67% owned through DDMPR
DoubleDragon Center East..........	Corners Roxas Blvd., EDSA and Macapagal Avenue, Pasay City	Land and Structure – 46.67% owned through DDMPR
DoubleDragon Center West.........	Corners Roxas Blvd., EDSA and Macapagal Avenue, Pasay City	Land and Structure – 46.67% owned through DDMPR
DoubleDragon Tower....................	Corners Roxas Blvd., EDSA and Macapagal Avenue, Pasay City	Land – 46.67% owned through DDMPR and Structure – 70% owned through DDTI
Jollibee Tower	F. Ortigas Jr. Road cor. Garnet Road, Ortigas Center, Pasig City	Land and Structure – 100% directly owned
DoubleDragon Meridian Tower .	Cor. EDSA and Macapagal Avenue, Pasay City	Land and Structure – 51% owned through DDMT
#04-03& #04-04 Plus Building	20 Cecil St, Plus Building, Singapore	Structure – 100% owned through DDPC Worldwide
Robinsons DoubleDragon………	Quezon City, Manila	Land – 34.28% owned through RDC

The locations and descriptions of the Company's industrial warehouse properties as of 31 March 2024 are shown below:

Project	Address	Ownership
CentralHub-Tarlac	Luisita Industrial Park, Tarlac	Land and Structure – 60.9% owned through CHICI
CentralHub-Capiz	Roxas, Capiz	Land and Structure – 100% directly owned
CentralHub-Sta. Barbara, Iloilo .	Sta Barbara, Iloilo	Land – 60.9% owned through CHICI
CentralHub-Cebu	Danao City	Land – 60.9% owned through CHICI
CentralHub-Davao.	Davao	Land – 60.9% owned through CHICI under the Joint Venture Agreement signed 11 March 2019

CentralHub-Pasig	Santolan, Pasig City	Land – 60.9% owned through CHICI
CentralHub-Laguna 1	Carmelray, Laguna	Land – 60.9% owned through CHICI
CentralHub-Laguna 2	Carmelray, Laguna	Land – 60.9% owned through CHICI

Project	Address	Ownership
CentralHub-Surigao	Surigao	Land – 60.9% owned through CHICI
CentralHub-Negros	Silay, Negros	Land – 60.9% owned through CHICI

The locations and descriptions of the Company's hotels as of 31 March 2024 are shown below:

Project	Address	Ownership
Injap Tower	Iloilo City	Land and Structure – 100% directly owner
JinJiang Inn-Ortigas	San Miguel Ave., Ortigas	Land and Structure – 100% directly owned
JinJiang Inn-Makati	Makati City	Land and Structure – under lease
JinJiang Inn-Station 1 Boracay	Boracay Island, Malay, Aklan	Land and Structure – under lease
Hotel 101-Manila	Bay Area, EDSA Extension, Pasay City	Land and Structure – 70% owned through HOA
Hotel 101-Fort	Fort Bonifacio, Taguig	Land – 70% owned through HOA
Hotel 101-Davao	Bo. Matina, Davao City	Land – 70% owned through HOA
Ascott-DD Meridian Park Manila	Corners Roxas Blvd., EDSA and Macapagal Avenue, Pasay City	Land – 46.67% owned through DDMPR and Structure – 70% owned through DDMPSRI
JinJiang Inn-Boracay Newcoast	Boracay Island, Malay, Aklan	Land – 70% owned through HOA
Hotel 101-Cagayan de Oro	Bulua, Cagayan De Oro	Land – 66% owned through CMCCI
Hotel 101-Bohol	Panglao, Bohol	Land – 70% owned through HOA
Hotel 101 Resort-Boracay	Boracay Island, Malay, Aklan	Land – 70% owned through HOA
Hotel 101-Palawan	San Vicente, Palawan	Land – 70% owned through HOA
Hotel 101-Cebu	Cebu	Land – 70% owned through HOA
Hotel 101-Libis	Murphy District, Quezon City	Land – 70% owned through HOA
Hotel 101-Baguio	Baguio City	Land – 70% owned through HOA
Hotel 101-Niseko	Niseko, Hokkaido Prefecture, Japan	HOA and DDPC Worldwide
Hotel 101-Madrid	Madrid, Spain	

Land – 90% owned through
HOA and DDPC Worldwide

Land – 90% owned through

Joint Ventures

CityMalls

The Company has also entered into joint venture agreements with various landowners for the development of CityMalls on their respective properties. Except for the joint venture agreements for CM-Northtown Davao and CM Danao-Cebu, all joint venture agreements have standard terms and result in the formation of a subsidiary which will proceed to own the property. CMCCI will own 70% of the joint venture company in exchange for the development of the CityMall while the original landowner will retain thirty 30% ownership in the joint venture company in exchange for the value of the land infused.

For CM-Northtown Davao, CMCCI will own 79% of the joint venture company while the original landowner will infuse cash equivalent to 21% of the outstanding capital stock after selling the land to the joint venture company. For CM Danao-Cebu, the land that is currently being leased for 25 years by CMCCI's joint venture partner from the City of Danao will be subleased in favour of the joint venture company for 25 years.

The CityMall locations under a joint venture structure as of 31 March 2024 are as follows:

	Location	Lot Area (in sq.m.)
1	CM Mandalagan-Bacolod	10,000
2	CM Goldenfields-Bacolod	10,940
3	CM Tetuan-Zamboanga*	15,344
4	CM Guiwan-Zamboanga	13,642
5	CM Macarthur-Tarlac	20,000
6	CM Roxas Avenue	4,680
7	CM Danao-Cebu.	5,700
8	CM Dipolog-Zamboanga	12,862
9	CM-Northtown Davao	15,605
10	CM-Bocaue	10,085

* TCT for this has recently been subdivided to carve out the CM portion.

CentralHub

On 11 March 2019, CHICI signed a joint venture agreement with Alsons Development & Investments Corp. for the development of CentralHub-Davao. CentralHub-Davao has an area of 8.2 hectares with an expected capacity of 40,392 sq.m. of leasable industrial warehouse space. On 29 September 2022, CentralHub-Davao, Inc. was incorporated.

Long Term Lease

The Group also leases various properties. As of 31 March 2024, the locations and areas of such material leased properties are as follows:

	Location	Lot Area (in sq.m.)	Expiry Date	Renewal Terms
1	CM Passi-Iloilo	8,588	10 April 2045	None.
2	CM Dumaguete*.	13,361	31 December 2046	On the 26th year of the lease term, Lessor and Lessee shall start negotiating the extension of lease term; failure to mutually agree on the extension of the lease term after one (1) year, lease term shall be deemed not to have been extended and shall expire on expiry date.
3	CM Ungka, Pavia-Iloilo	12,000	31 August 2041	Before the start of the 23rd year, Parties shall endeavour to execute a lease contract over the property extending the lease term.
4	CM Tagum	19,384	After 30 years commencing From Lessee's commercial operations (CM Tagum has Not commenced Commercial operations)	Lessee shall submit written notice at least one (1) year before the expiration of lease term.
5	CM Roxas-Arnaldo	10,000	31 March 2040	At least 60 days prior to termination of lease term; if no agreement within 30 days, offer to renew is deemed not accepted; no automatic renewal.
6	CM Imus Cavite	27,438	22 June 2040	None.
7	CM Tagbak Jaro-Iloilo**.	5,500	30 June 2040	Before the start of the 23rd year, Parties shall endeavour to execute a lease contract over the property extending the lease term.

8	CM Bacalso-Cebu	11,000	15 June 2044	The term of this contract may be extended through mutual agreement of the Parties.

	Location	Lot Area (in sq.m.)	Expiry Date	Renewal Terms
9.	CM Boracay	10,000	8 October 2040	Lease is renewable for another 25 years at the option of the lessee, and under such terms and conditions as may be acceptable to both lessor and lessee.
10. .	CM Dau-Pampanga	5,181	2 November 2044	The term of this contract may be extended through mutual agreement of the Parties.
11.	CM Tiaong-Quezon.	8,547	30 September 2040	None.
12	CM SCTEX-Tarlac	17,453	11 December 2038	Notice to continue the sub-lease should be made one year prior to the end of this term for negotiations on renewal, by mutual agreement of Parties.
13	CM Parola-Iloilo.	12,734	7 July 2041	The term of this contract may be extended through mutual agreement of the Parties.
14	CM Kabankalan	15,000	31 December 2056	The term of this contract may be extended or renewed subject through mutual agreement of the Parties.
15	CM Danao-Cebu	5,700	17 November 2039	The term of this contract may be extended or renewed subject through mutual agreement of the Parties.
16	Hotel101 Global-Singapore. .	53	30 June 2026	Three (3) years commencing on the day after the expiry of the Term.

* Reclassification of the land to residential is still pending.

** The lessor for this property, Iloilo Commercial Development Corporation, is in the process of securing the TCT of the lot in its name.

Long-term land leases on the foregoing properties generally range from 19 to 34 years and are subject to standard renewal terms and market rates. For some properties, the lessee has the option to renew for another 25 years.

Contracts of Lease for Office Space

The Company leases its corporate office space located at the 10th and 11th Floors of at DoubleDragon Plaza, DD Meridian Park in the Manila Bay area. The office is leased by DD from DDMPR. The Contract of Lease for the 9,496.28 sq.m. office space is effective for a period of five years commencing on 10 October 2017 and ending on 9 October 2022. The contract was renewed for another five years from 10 October 2022 to 9 October 2027.

The sales lounge of the Company is leased by HOA from DDMPR. The Contract of Lease for the 429.66 sq.m. sales space is effective for a period of four years commencing on 16 April 2019 and ending on 15 April 2023.

The Company leases office and parking spaces and showrooms. The terms of the lease are for periods ranging from one to five years, renewable for the same period under the same terms and conditions. Generally, the rent under such leases shall escalate by an average of 5% to 10% each year.

CORPORATE SOCIAL RESPONSIBILITY

Partnership with Local Government Units for the Country's Vaccination Drive

To support the Government's vaccination drive during the COVID-19 pandemic in 2021, the Company through its malls all over the country provided a convenient, safe, and accessible venues for the community to be vaccinated and enabled the local government units to maximise the number of people that can be vaccinated per day.

Photos of Vaccination Service

The Company has also partnered with the Government for the Comelec Voter's Satellite Registration and PSA National ID Public Registration.

Photos of PSA Registration Sunday Service

CSR Programmes

The Company continues to integrate and engage in corporate social responsibility by supporting the Jollibee Group Foundation's initiatives specifically in the areas of education, youth and entrepreneurship. The Jollibee Group Foundation was established by JFC in 2004 as part of its commitment to community development. The programmes which the Company supported include:

Farmer Entrepreneurship Program

The Farmer Entrepreneurship Program ("**FEP**") Leadership for Agroenterprise Development ("**LeAD**")

Training Programme was launched to help FEP farmer leaders. It aims to develop both their skills and mindset to explore, persevere and grow as reliable suppliers, and leaders to other farmers. The programme has helped participants increase their income by honing their entrepreneurial skills, and by linking farmers to institutional buyers such as JFC.

Jollibee Group FoodAID

The Jollibee Group Foundation ("**JGF**") engaged in calls for disaster response through Jollibee Group FoodAID, a programme that recognises the importance of preparedness, quick response, and sustained efforts towards recovery in times of crisis. On top of JGF's internal distribution system and vast store network, JGF has partnered with institutional kitchens and a broad range of NGOs that help safely prepare and distribute meals directly to the front-liners and families in need.

Project ACE Scholarships

JGF has also provided tertiary education scholarships to underprivileged but deserving youth. Under Access, Curriculum and Employability ("**ACE**"), JGF has partnered with technical-vocational skills training institutions to train indigent out-of-school students in technical-mechanical courses, agro-entrepreneurship, and quick service restaurant operations. Scholars are also given on-the-job training opportunities in JGF's industry partners and Jollibee Group's strategic business units.

In addition to the above programmes, the Company supported the construction of two classroom buildings in Marawi City and Roxas City. The two-classroom building in Roxas City can accommodate a hundred "Alternative Learning System" students of Congressman Ramon A. Arnaldo High School. On 28 June 2019, the Company and Jollibee Group Foundation turned over two classrooms to Harat Medina Central Elementary School, Marawi City.

On 25 May 2019, in partnership with the Jollibee Group Foundation, more than 200 of the Company's employee volunteers gathered to support the Philippine Department of Education's Brigada Eskwela in Juan Sumulong Elementary School in Antipolo, Rizal. The initiative prepared the school's facilities to welcome the pupils for the upcoming school year. The volunteers' activities include repainting of the school's concrete walls and gates, organising student's library and books, cleaning the classrooms, comfort rooms and other common areas used by the students.

LEGAL PROCEEDINGS

Neither the Company nor any of its subsidiaries are involved in, or the subject of, any legal proceedings which, if determined adversely to the Company or the relevant Subsidiary's interests, would have a material effect on the business or financial position of the Company or any of its subsidiaries.

The Company is not involved in any bankruptcy, receivership or similar proceedings. Neither is it aware of any bankruptcy, receivership or similar proceedings involving any of its subsidiaries.

MARKET PRICE OF AND DIVIDENDS ON THE COMMON AND PREFERRED SHARES AND RELATED SHAREHOLDER MATTERS

The Company's Common Shares and Preferred Share are traded on the PSE and were listed on April 7, 2014 and July 26, 2016, respectively. On July 13, 2018, the Company issued additional Common Shares through its Follow On Offering.

MARKET INFORMATION

The tables below set forth the market prices of the Common Shares in 2021, 2022, 2023, and 2024s.

2024

Stock Prices	High	Low
1st Quarter	₱9.19	₱7.50

	2021		2022		2023	
Stock Prices	High	Low	High	Low	High	Low
1st Quarter	₱16.18	₱12.50	₱16.18	₱12.50	₱7.45	₱6.56
2nd Quarter	₱13.58	₱11.62	₱13.58	₱11.62	₱8.19	₱6.60
3rd Quarter	₱12.60	₱9.81	₱12.60	₱9.81	₱8.10	₱6.69
4th Quarter	₱10.60	₱6.85	₱10.60	₱6.85	₱8.39	₱6.79

The Company's preferred shares of stock are also traded in the PSE and were listed on the exchange last 26 July 2016.

2024

Stock Prices	High	Low
1st Quarter	₱98.00	₱92.80

	2021		2022		2023	
Stock Prices	High	Low	High	Low	High	Low
1st Quarter	₱103.50	₱100.00	₱101.90	₱99.60	₱99.00	₱85.05
2nd Quarter	₱103.00	₱100.00	₱101.50	₱95.00	₱97.45	₱90.85
3rd Quarter	₱102.80	₱100.00	₱101.40	₱90.00	₱97.00	₱6.69
4th Quarter	₱102.30	₱100.20	₱98.50	₱90.00	₱94.65	₱6.79

As of 31 March 2024, the closing price of the Company's common share is ₱7.85 per share with a total market capitalization of ₱18,408,474,510 and for Company's preferred shares, the closing price is ₱95.50 per share with a total market capitalization of ₱9,550,000,000.

STOCKHOLDERS

As of [31 March 2024], there are approximately 134 registered holders of Common Shares and 86 registered holders of Preferred Shares.

The following table sets forth the 20 largest shareholders of the Company's Common Shares as of 31 March 2024:

Shareholder	Number of Shares Subscribed	% of Ownership
Injap Investments Inc..	824,996,999	35.18%
Honeystar Holdings Corp.	824,996,999	35.18%
PCD Nominee Corporation (Filipino)	470,910,055	20.08%
PCD Nominee Corporation (Non-Filipino)	218,770,286	9.33%
John Michael Alerta Javelosa	1,000,000	0.04%
Harley T. Sy.	811,000	0.03%
Hiroshi Taketsu.	532,500	0.02%
Consuelo A. Tiope	500,000	0.02%
Michelle Marie C. Ang	251,100	0.01%
Michelle Marie C. Ang	200,000	0.01%
Ricardo G. Tiutan	150,000	0.01%
Maria Ephie Angela Gicaro Sa-Onoy	100,000	0.00%
Albert S. Tan	100,000	0.00%
Evelyn S. Tan.	100,000	0.00%
Perry Arthur B. Juridico	100,000	0.00%
Jermaine M. Dulaca	100,000	0.00%
Jeremiah R. Presnedi	87,000	0.00%
Jedidah R. Presnedi	87,000	0.00%
Elpidio H. Jaruda	75,000	0.00%
Veronica P. Jaruda	75,000	0.00%

The following table sets forth the 20 largest shareholders of the Company's Preferred Shares as of 31 March 2024:

Shareholder	Number of Shares Subscribed	% of Ownership
PCD Nominee Corporation (Filipino)	97,030,740	97.03%
PCD Nominee Corporation (Non-Filipino)	1,138,740	1.13%
Andre Jonathan L. Ng.	550,000	0.55%
Knights of Columbus Fraternal Association of the Philippines	426,900	0.43%
Jessica L. Malto	105,000	0.11%
Knights of Columbus Fraternal Association of the Philippines	68,700	0.07%
Judy O. Tan	55,500	0.06%
Josefina Gutierrez Castillo or Cynthia Gutierrez Castillo.	55,000	0.06%
Ben Tiuk Sy or Judy Yu Sy	50,000	0.05%
John P. Barcelona	37,500	0.04%
Foundation for Resource Linkage and Development Inc.	35,000	0.04%
Ernesto Lim Pardinas	32,700	0.03%
Sota Philippines, Inc	25,000	0.03%
William O. Dizon or Susan A. Dizon	25,000	0.03%
Chiong Ping G. Ching and/or Maria Gracia J. Tan	25,000	0.03%
Aguinaldo A. Andrada or Mira Grace Q. Andrada.	21,600	0.02%
Reynaldo G. Alejandro	20,000	0.02%
One Point Contact, Inc..	20,000	0.02%
Justina Maria G. Jardiolin.	12,500	0.01%
Vic Imperial Appliance Corporation.	12,500	0.01%

WARRANTS AND OPTIONS OUTSTANDING

As of the date of this Preliminary Prospectus, there are executive officers of the Company who were granted options to subscribe to Common Shares of the Company pursuant to the Stock Option Plan approved by the Board of Directors in 2015 and ratified by the shareholders in 2016, and amendments to the Stock Option Plan in 2021.

DIVIDENDS

On 30 July 2021 the BOD approved the declaration of cash dividend to all common stockholders in the amount of ₱474.0 million, equivalent to ₱0.2002 per share in favor of all common stockholders of record as of 23 August 2021, the payment date was 16 September 2021.

On 29 September 2022, the BOD approved the declaration of cash dividend to all common stockholders of ₱0.2324 dividend per share in favor of all stockholders of record as of 14 October 2022 and the payment date was 31 October 2022.

On 15 May 2023, the BOD approved the declaration of cash dividend to all common stockholders of ₱0.2624 dividend per share in favor of all stockholders of record as of 8 June 2023, the payment date was 5 July 2023.

For holders of Preferred Shares, the Board of Directors approved on 23 June 2016, a special cash dividend, in the amount of ₱0.0867 per Preferred Share. On 14 July 2016, the special cash dividend was paid to all shareholders holding Preferred Shares of record as of 8 July 2016. This declaration of such special cash dividend was in addition to the regular dividend of 6.4778% per annum that holders of Preferred Shares are entitled to (subject to the availability of sufficient Unrestricted Retained Earnings). The Company has declared the following regular dividends for holders of Preferred Shares:

Date of Approval	Amount of Dividend per Preferred Share	Date of Payment
19 March 2021	₱1.61945	14 April 2021
14 June 2021	₱1.61945	14 July 2021
20 September 2021	₱1.61945	14 October 2021
15 December 2021	₱1.61945	14 January 2022
22 March 2022	₱1.61945	18 April 2022
17 June 2022	₱1.61945	17 July 2022
16 September 2022	₱1.61945	14 October 2022
14 December 2022	₱1.61945	16 January 2023
16 March 2023	₱1.61945	14 April 2023
16 June 2023	₱2.42125	14 July 2023
15 September 2023	₱2.42125	16 October 2023
14 December 2023	₱2.42125	15 January 2024
12 March 2024	₱2.42125	15 April 2024

Dividend Policy

The Company’s current dividend policy provides that at least 30% of the preceding fiscal year’s net income after tax will be declared as dividends, subject to (i) the availability of Unrestricted Retained Earnings, (ii) implementation of business plans, (iii) contractual obligations, and (iv) working capital requirements. There can be no guarantee that the Company will pay any dividends in the future. The declaration and payment of dividends is subject to compliance annually or as often as the Board of Directors may deem appropriate, in cash or in kind and/or in additional shares from its surplus profits. The ability of the Company to pay dividends will depend on its retained earnings level and financial condition. There is no assurance that the Company will pay dividends in the future.

Each of the Subsidiaries intend to approve a dividend policy that would entitle its stockholders to receive dividends equivalent to 30% to 100% of the prior year’s net income after tax subject to (i) the availability of Unrestricted Retained Earnings, (ii) implementation of business plans, (iii) contractual obligations, and (iv) working capital requirements. None of the Subsidiaries have declared dividends in the past.

On 14 April 2016, the Company issued 100,000,000 Preferred Shares with a par value and issue price of ₱100 per share at an initial dividend rate of 6.4778% per annum. Unless the Preferred Shares shall have been redeemed by the Company on the seventh anniversary from the issue date thereof, the dividend rate shall be adjusted to the higher of: a) the initial dividend rate, or b) the 10-year PDST-R2 plus a step up spread equivalent to the initial spread plus 150bps.

RECENT SALE OF UNREGISTERED OR EXEMPT SECURITIES

DD Group, through DDPC Worldwide Private Ltd, issued the following securities as of 31 March 2024:

- DDWPL issued a USD20.00 million tap offering of its outstanding 5-year and Reg S US dollar denominated guaranteed Notes with a coupon rate of 7.25%, and payable semi-annually. This issuance will be consolidated with and form a single series with the Issuer's existing 7.25% Senior Guaranteed Notes due 2025, listed in the Singapore Exchange Securities Trading. UBS acted as sole global coordinator and bookrunner for the issue.

MANAGEMENT

The overall management and supervision of the Company is undertaken by the Company's Board of Directors. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Pursuant to the Company's current articles of incorporation as amended on 18 November 2022, the Board consists of eight members. As of the date of this Preliminary Prospectus, two members of the Board are independent directors. All of the directors were re-elected at the Company's annual shareholders meeting on 29 September 2023 and will hold office for a period of one (1) year from their election and until their successors have been duly elected and qualified.

The table below sets forth each member of the Company's Board as of the date of this Preliminary Prospectus.

Name	Age	Nationality	Position
Edgar J. Sia II	47	Filipino	Chairman of the Board and CEO
Tony Tan Caktiong	71	Filipino	Co-Chairman of the Board
Ferdinand J. Sia	45	Filipino	Director and President
Rizza Marie Joy S. Javelona	34	Filipino	Director, Treasurer and CFO
William Tan Untiong.	70	Filipino	Director and Corporate Secretary
Joseph Tanbuntiong.	61	Filipino	Director and Assistant Corporate Secretary
Gary P. Cheng	60	Filipino	Independent Director
Vicente S. Perez, Jr.	66	Filipino	Independent Director

Messrs. Artemio V. Panganiban and Ernesto Tanmantiong serve as advisors to the Board.

The business experience of each of the directors and advisors in the last five years or more is set forth below.

Edgar J. Sia II is the Chairman and Chief Executive Officer of the Company. He is also the Chairman and CEO of Injap Investments Inc. and MerryMart Consumer Corp. Mr. Sia is also the Founder of Mang Inasal Philippines, Inc. and various other companies. He obtained his Doctorate Degree from the University of San Agustin Honoris Causa Major in Management in 2012.

Tony Tan Caktiong is a Director and Co-Chairman of the Company. Mr. Tan Caktiong currently serves as the Chairman of Honeystar Holdings Corporation and the Founder and current Chairman of Jollibee Foods Corporation since 1978. He is also a member of Board of Director of First Gen Corporation since 2005 and Philippine Long Distance Company and Temasek Foundation. He is member of the Board of Managers of SJBF LLC and International Advisory Board. Mr. Tan Caktiong holds a Bachelor of Science in Chemical Engineering from the University of Santo Tomas in 1975 with a degree in Chemical Engineering.

Ferdinand J. Sia is the President and Chief Officer of the Company. He also serves as Director and President and Chief Operating Officer of MerryMart Consumer Corp. and Injap Investments, Inc. He previously served as Director and President of Mang Inasal from 2007 to 2012. He graduated from the Arellano University School of Law.

Rizza Marie Joy S. Javelona is the Treasurer and Chief Finance Officer of the Company. She is currently the Treasurer and Chief Finance Officer of Injap Investments Inc. She also serves as Comptroller of MerryMart Consumer Corp. and MerryMart Grocery Centers, Inc. She graduated Bachelors of Science in Accountancy at the University of the Philippines – Visayas and is a Certified Public Accountant.

William Tan Untiong is a Director and the Corporate Secretary of the Company. He has been a

Director of Jollibee Foods Corp. since 1993 and likewise serves as a director and treasurer of Honeystar Holdings Corporation. He is the Vice President for Real Estate of Jollibee Foods Corp since 1989. He was appointed as Chief Real Estate Office in 2015.

Joseph Tanbuntiong is the President of Jollibee Philippines since 1 July 2013. He is the former President of Red Ribbon Philippines, having served there since 2008. He graduated from Ateneo de Manila University with a degree in Management Engineering.

Gary P. Cheng is an investment banking professional with over 20 years of corporate finance and capital markets experience. He is currently the Managing Director and co-founder of Fortman Cline Capital Markets Limited since 2007. Dr. Cheng served as the former President/CEO of Amalgamated Investment Bancorporation from 2003 and 2008 and former Vice President of Investment Banking at J.P. Morgan from 1993 to 2001. Dr. Cheng obtained his doctorate in Philosophy from the University of Leeds, England in 1991.

Vicente S. Perez, Jr. served as the Secretary of the Department of Energy from 2001 to 2005 and Managing Director of the Board of Investments in 2001. He is also the current Chairman of WWF Philippines and a member of WWF – International. Mr. Perez has a Masters in Business Administration – International Finance from the Wharton School University of Pennsylvania and a Bachelor's Degree in Business Economics from the University of the Philippines.

Chief Justice Artemio V. Panganiban is a retired Chief Justice of the Republic of the Philippines. He sits as independent director of several listed companies including Meralco, Petron Corporation, First Philippine Holdings Corp., Philippine Long Distance Telephone Company (PLDT); Metro Pacific Investment Corp., and GMA Network, Inc. among others.

Ernesto Tanmantiong serves as President and Chief Executive Officer of Jollibee Foods Corp. He is also a Director of Grandworth Resources Corporation, Red Ribbon Bakeshop Inc., Fresh N' Famous Foods, Inc. – Chowking, Honeystar Holdings Corp., and various other companies.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS OF DIRECTORS AND EXECUTIVE OFFICERS

To the best of the Company's knowledge and belief and after due inquiry, none of the Company's directors, nominees for election as director, or executive officers have in the five-year period prior to the date of this Preliminary Prospectus: (1) had any petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within a two-year period of that time; (2) have been convicted by final judgement in a criminal proceeding, domestic or foreign, or have been subjected to a pending judicial proceeding of a criminal nature, domestic or foreign, excluding traffic violations and other minor offences; (3) have been the subject of any order, judgement, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities; or (4) have been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine SEC or comparable foreign body, or a domestic or foreign exchange or other organised trading market or self-regulatory organisation, to have violated a securities or commodities law or regulation, such judgement having not been reversed, suspended, or vacated.

CORPORATE GOVERNANCE

The Company submitted its Integrated Annual Corporate Governance Report (the "I-ACGR") to the Philippine SEC on 1 September 2020 in compliance with Philippine SEC Memorandum Circular No. 6, series of 2009. The Company and its respective directors, officers and employees have complied with the best practices and principles on good corporate governance as embodied in its Corporate Governance Manual. An evaluation system has been established by the Company to measure or determine the level of compliance of the Board of Directors and top-level management with its Manual of Corporate Governance.

INDEPENDENT DIRECTORS

The Manual requires the Company to have at least two independent directors in the Board of Directors, at least one of whom serves on each of the Corporate Governance, Nomination Committee, and the Audit Committee. An independent director is defined as a person who has not been an officer or employee of the Company, its subsidiaries or affiliates or related interests during the past three years counted from date of his election, or any other individual having a relationship with the institution, its parent, subsidiaries or related interest, or to any of the Company's director, officer or stockholder holding shares of stock sufficient to elect one seat in the board of directors or any of its related companies within the fourth degree of consanguinity or affinity, legitimate or common-law, which would interfere with the exercise of independent judgement in carrying out the responsibilities of a director.

COMMITTEES OF THE BOARD

The Board created and appointed Board members to each of the committees set forth below. Each member of the respective committees named below holds office as of the date of this Preliminary Prospectus and will serve until his successor is elected and qualified.

Audit Committee

The Audit Committee is composed of at least three members of the Board who have accounting and finance backgrounds, at least one of whom is an independent director and another with audit experience. The chair of the Audit Committee should be an independent director.

The Audit Committee has the following functions:

a) Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process and monitoring of compliance with applicable laws, rules and regulations;
b) Provide oversight over the management's activities in managing credit, market, liquidity, operational, legal and other risks of the Company. This function shall include receiving from management of information on risk exposures and risk management activities;
c) Perform oversight functions over the Company's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
d) Review the annual internal audit plan to ensure its conformity with the objectives of the Company. The plan shall include the audit scope, resources and budget, necessary to implement it;
e) Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimized duplication of efforts;
f) Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of it engagement and removal;
g) Monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security;
h) Review the reports submitted by the internal and external auditors;
i) Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following matters:
    i. Any changes in accounting policies and practices;
    ii. Major judgmental areas;
    iii. Significant adjustments resulting from the audit;
    iv. Going concern assumptions;
    v. Compliance with accounting standards; and
    vi. Compliance with tax, legal and regulatory requirements.
j) Coordinate, monitor and facilitate compliance with laws, rules and regulations;
k) Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Company's overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Company's annual report;
l) Establish and identify the reporting line of the internal auditor to enable him to properly fulfill his
m) duties and responsibilities. He shall functionally report directly to the Audit Committee. The Audit Committee shall ensure that, in the performance of the work of the internal auditor, he shall be free from interference by outside parties.

As of 31 March 2024, the Audit and Risk Management Committee is chaired by Mr. Gary P. Cheng, while Mr. Ferdinand J. Sia and Ms. Rizza Marie Joy J. Sia-Javelona serve as its members.

Nomination Committee

The Nomination Committee is composed of at least three members of the Board, one of whom is an independent director. The Nomination Committee reviews and evaluates the qualifications of all persons nominated to the Board and other appointments that require Board approval.

As of 31 March 2024, the Nomination Committee is chaired by Chief Justice Artemio V. Panganiban, while Ms. Rizza Marie Joy J. Sia-Javelona and Mr. William Tan Untiong serve as its members.

Compensation Committee

The Compensation is composed of at least three members of the Board, one of whom is an independent director. The Compensation may establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Company's culture, strategy and the business strategy in which it operates.

As of 31 March 2024, the Compensation is chaired by Mr. Vicente S. Perez Jr., while Mr. Ferdinand J. Sia and Ms. Rizza Marie Joy J. Sia-Javelona serve as members.

Corporate Governance Committee

The Corporate Governance Committee was created by the Board of Directors on 17 August 2018. The Committee is composed of at least three members.

The Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities.

Currently, the Committee is headed by Chief Justice Artemio V. Panganiban while William Tan Untiong and Ms. Rizza Marie Joy J. Sia-Javelona serve as members.

EVALUATION SYSTEM AND COMPLIANCE

As part of its system for monitoring and assessing compliance with the Manual and the Philippine SEC Code of Corporate Governance, each committee is required to report regularly to the Board of Directors and the Manual is subject to quarterly review. The Compliance Officer is responsible for determining and measuring compliance with the Manual and the Philippine SEC Code of Corporate Governance. Any violation of the Company's Corporate Governance Manual shall subject the responsible officer or employee to the following penalties:

- For a first violation, the offender shall be reprimanded.
- For a second violation, suspension from office shall be imposed on the offender. The duration of suspension shall depend on the gravity of the violation. This penalty shall not apply to the members of the Board of Directors.

- For a third violation, the maximum penalty of removal from office shall be imposed on the offender. The commission of a third violation by any member of the board or the Company or its subsidiaries and affiliates shall be sufficient cause for removal from directorship. In case the offender is a member of the Board of Directors, the provisions of Section 28 of the Philippine Corporation Code shall be observed.

EXECUTIVE COMPENSATION SUMMARY

Compensation

Injap Investments Inc., through an Executive Management Services Agreement, provides executive, corporate, strategic, administrative and financial oversight services related to the real estate business of the Company. Total fees paid under such agreement amounted to ₱3,000,000.00 for each of the years ended 31 December 2021, 2022 and 2023 which covers the positions of the Chairman and Chief Executive Officer, the President and the Treasurer and Chief Financial Officer of the Company.
For each of the years ended 31 December 2021, 2022 and 2023 the total salaries and allowances and bonuses paid to all other officers as a group unnamed are as follows:

SUMMARY ANNUAL COMPENSATION TABLE

Name and Principal Position	Period	Salary	Bonus
Chief Investment Officer and Department Heads: (Accounting, Business Development, Corporate Services, Design, Engineering, Information Technology, Internal Audit, Leasing, Legal,	2023	₱69,489,969	–
Marketing, Treasury & Corporate Planning,	2022	₱60,761,960	–
Procurement).	2021	₱ 57,629,369	–

On 11 November 2015, the Board of Directors approved the creation of the senior management stock option plan ("**Stock Option Plan**"). The plan covers the senior management of the Company as identified by the Chairman and Chief Executive Officer. The plan allows all covered senior management to acquire at market price at grant date such number of shares of stock not exceeding 2% of the issued and outstanding capital stock of the Company, after a vesting period of three years. Vesting is conditional on the employment of the participant in the Company. The option will vest at the rate of 20% of the shares granted on the first year, 30% of the shares granted on the second year, and 50% of the shares granted on the third year. The option is exercisable within seven years from grant date.

The approval of the Stock Option Plan was ratified by the Company's shareholders on 5 January 2016 and submitted to the Philippine SEC for approval on 4 November 2016. The proposed issuance of 9,850,000 Common Shares pursuant to the Stock Option Plan was approved by the Philippine SEC on 25 September 2017. On 9 January 2019, the PSE approved the Company's application to list additional 9,850,000 common shares to cover the Company's Stock Option Plan at an option price based on the closing price of the Company's shares on the strike date. As of 31 March 2024, none of the eligible employees have exercised their respective options under the Stock Option Plan.

On 8 December 2016, the Company's Board of Directors resolved to expand the coverage of the plan to include rank and file regular employees of DoubleDragon Corporation.

On 24 June 2021, the Company's Board of Directors approved amendments to the Stock Option Plan and approved a Long-Term Incentive Plan. The approval was ratified by the Company's shareholders on 30 July 2021.

COMPENSATION OF DIRECTORS

Independent directors receive a standard per diem for attendance in Board meetings. The Company paid a total of ₱2.58 million in 2023 and 2022. Except as stated above, the Directors did not receive other allowances or per diems for the past and ensuing year. There are no other existing arrangements/agreements under which directors are to be compensated during the last completed fiscal year and the ensuing year.

The chart below sets forth the compensation received by the Directors of the Company for the past three fiscal years:

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	As directors, they do not receive compensation for services rendered. They receive compensation as officers of the corporation if they hold position as such.	None	None
(b) Variable Remuneration	None	None	None
(c) Per diem Allowances	None	None	₱2.58 Million
(d) Bonuses	None	None	None
(e) Stock Options and/or other financial instruments	None	None	None
(f) Others (Specify)	None	None	None

Total	-	-	**₱2.58 Million**

SIGNIFICANT EMPLOYEES

The Company believes that it is not dependent on any single employee. The Company considers the collective efforts of all its employees as instrumental to its success.

FAMILY RELATIONSHIPS

As of the date of this prospectus, family relationships (by consanguinity or affinity within the fourth civil degree) between Directors and members of the Company's senior management are as follows:

Edgar J. Sia II, Chairman of the Board and CEO, Ferdinand J. Sia, Director and President, and Rizza Marie Joy J. Sia-Javelona, Director, Treasurer and CFO are siblings. Tony Tan Caktiong, Co-Chairman of the Board, William Tan Untiong, Director and Corporate Secretary, Joseph Tanbuntiong, Director and Asst. Corporate Secretary and Ernesto Tanmantiong Advisor to the Board are siblings.

Other than as disclosed above, there are no other family relationships between Directors and members of the Company's senior management known to the Company.

EMPLOYMENT CONTRACTS

The Company and its subsidiaries have executed pro-forma employment contracts with its staff and officers. These contracts basically specify the scope of services expected from these individuals and the compensation that they shall receive.

There are no arrangements for compensation to be received by these named executive officers from the Company in the event of a change in control.

SECURITY OWNERSHIP OF DIRECTORS AND MANAGEMENT

The following table sets forth security ownership of the Company's Directors, and Officers, as of 31 December 2023:

Name of Beneficial Owner	Title of Class	Number of shares	Nature of ownership	Citizenship	%
Edgar J. Sia II	Common	1,351,190	(D)	Filipino	0.057%
	Common	453,748,349	(I)	Filipino	–
	Preferred	–		Filipino	–
Tony Tan Caktiong	Common	1,000	(D)	Filipino	0.00004%
	Common	32	(I)	Filipino	–
	Preferred	–		Filipino	–
Ferdinand J. Sia	Common	12,032,712	(D)	Filipino	0.00508%
	Common	247,499,100	(I)	Filipino	–
	Preferred	–		Filipino	–
Rizza Marie Joy S. Javelona . .	Common	1,000	(D)	Filipino	0.00004%
	Common	123,739,650	(I)	Filipino	–
	Preferred	–		Filipino	–
William Tan Untiong	Common	3,501,000	(D)	Filipino	0.14788%
	Common	32	(I)	Filipino	–
	Preferred	50,000	(D)	Filipino	0.05000%
Joseph Tanbuntiong	Common	4,001,000	(D)	Filipino	0.16899%
	Common	103,124,625	(I)	Filipino	–
	Preferred	–		Filipino	–
Gary P. Cheng	Common	250,001	(D)	Filipino	0.01056%
	Preferred	–		Filipino	–
Vicente S. Perez, Jr.	Common	250,001	(D)	Filipino	0.01056%
	Preferred	–		Filipino	–
Joselito L. Barrera, Jr..	Common	11,000	(D)	Filipino	0.0004%
	Preferred	–		Filipino	–
TOTAL	**Common**	21,398,904	**(D)**		0.91%
	Common	928,111,788	**(I)**		39.58%
	Preferred	50,000	**(D)**		.05%

Note:

(D) Refers to direct ownership and (I) refers to indirect ownership.

Security Ownership of Certain Record and Beneficial Owners of more than 5% of the Company's voting securities as of 31 March 2024

Name and Address of Record Owners	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Common Shares Held	% of Total Outstanding Shares
Honeystar Holdings Corp. 10F Jollibee Plaza 10 F. Ortigas Jr. Ave. Ortigas Center, Pasig City.	The record owner is the beneficial owner of the shares indicated	Filipino	824,996,999	35.18%
Injap Investments Inc. Fuentes corner Delgado Streets, Iloilo City	The record owner is the beneficial owner of the shares indicated	Filipino	824,996,999	35.18%
PCD Nominee Corporation (Filipino) Tower I, The Enterprise Center, 6766 Ayala Ave. corner Paseo de Roxas, Makati City	The record owner is the beneficial owner of the shares indicated	Filipino	471,027,285	20.09%
PCD Nominee Corporation (Non-Filipino) Tower I, The Enterprise Center, 6766 Ayala Ave. corner Paseo de Roxas, Makati City	The record owner is the beneficial owner of the shares indicated	Foreign	218,650,156	9.32%

Except as disclosed above, the Guarantor is not directly or indirectly owned or controlled by another corporation, any government or other natural or legal person, whether severally or jointly. There is no known arrangement, the operation of which may, at a subsequent date, result in a change in the control of the Guarantor.

Voting Trust Holders of 5% or More

There is no voting trust arrangement executed among the holders of 5% or more of the issued and outstanding shares of common stock of DoubleDragon.

Change in Control

There are no arrangements entered into by DoubleDragon or any of its stockholders which may result in a change of control of DoubleDragon.

RELATED PARTY TRANSACTIONS

The Company and its subsidiaries, in their ordinary course of business, engage in transactions with related parties and affiliates. These transactions include advances and reimbursement of expenses. Except where indicated in the table below, settlement of outstanding balances of advances at year end occurs in cash. As of 31 December 2023, 2022 and 2021, the Company has not made any provision for impairment losses relating to amounts owed by related parties.

The summary of the Company's transactions with its related parties as of 31 December 2023 and the related outstanding balances as of 31 December 2023 are as follows:

				Outstanding Balances		
Category	Year	Ref/Note	Amount of Transaction	Due from Related Parties	Due to Related Parties	Terms and Conditions
Parent Company's Key Management - Personnel						
Management fees	**2023**	a	**₱2,678,571**	₱ -	₱ -	**Demandable; non-interest bearing; unsecured; payable in cash**
	2022	a	2,678,571	-	-	Demandable; non-interest bearing; unsecured; payable in cash
	2021	a	2,678,571	-	-	Demandable; non-interest bearing; unsecured; payable in cash
Other Related Parties						
Land acquired	**2023**	c	-	-	**383,281,305**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2022	c	-	-	383,281,305	Demandable; non-interest bearing; unsecured; payable in cash
	2021	c	-	-	383,281,305	Demandable; non-interest bearing; unsecured; payable in cash
	2023	c	-	-	**167,858,000**	**Payable by way of condo units**
	2022	c	-	-	167,858,000	Payable by way of condo units
	2021	c	156,975,636	-	323,833,636	Payable by way of condo units unsecured; payable in cash
Cash advances received	**2023**	d	**7,086,077**	**49,356,220**	**9,673,078**	**Demandable; non-interest bearing; unsecured; collectible in cash; no impairment**
	2022	d	6,762,319	52,146,970	16,739,155	Demandable; non-interest bearing; unsecured; collectible in cash; no impairment
	2021	d	12,069,998	55,150,006	20,498,443	Demandable; non-interest bearing; unsecured; collectible in cash; no impairment
Rent income	**2023**	e	**672,676,913**	-	-	**Demandable; non-interest bearing; unsecured; collectible in cash; no impairment**
	2022	e	476,898,762	-	-	Demandable; non-interest bearing; unsecured; collectible in cash; no impairment
	2021	e	373,070,646	841,721,497	-	Demandable; non-interest bearing; unsecured; collectible in cash; no impairment
	2023			**₱49,356,220**	**₱560,812,383**	
	2022			₱52,146,970	₱567,878,460	

a. *Executive Management Services Agreement*

The Company entered into an agreement with a shareholder for executive corporate, strategic, administrative and financial oversight services relative to the real estate business of the Company. The term of this agreement is one year effective 1 January 2012. This is renewable under the same terms and conditions upon mutual agreement of the parties. In December 2018, the Company's Board authorised the extension of the aforesaid agreement from 1 January to 31 December 2019 under the same terms and conditions set out in 2018, payable on a quarterly basis. The agreement was further renewed in 2023, 2022, and 2021 with the same terms and conditions. The fee, which includes staffing costs for services rendered by the shareholders, amounted to ₱3.98 million, ₱2.68 million, and ₱2.68 million for the years ended 31 December 2023, 2022 and 2021, respectively.

b. *Acquisition of Hotel of Asia, Inc.*

The Company entered into a Share Purchase Agreement with Injap Investments, Inc. ("**III**") with the consideration amounting to the fair value of its shares to be issued to III, as consideration transferred in exchange for III's 40% share in Hotel of Asia, Inc. ("**HOA**") amounting to ₱429.94. This was paid in 2021.

c. *Land Acquisitions*

The Company has outstanding liabilities to minority shareholders of Prime DDG Commercial Centers Inc. amounting to ₱383.28 million for the acquisition of certain parcels of land which will be used in the on-going construction of CityMall. These are unsecured, non-interest bearing liabilities and will be settled by the Group in 2024.

In 2016, HOA entered into a Memorandum of Agreement and Deed of Absolute Conveyance with a minority shareholder wherein HOA, in consideration of the land owned by the minority shareholder, offered to pay the latter in kind by way of condominium hotel (condotel) units in the Hotel 101 – The Fort project totaling 60 condotel units plus a portion of the deck referred to as the "Deck Unit".

In 2018, HOA entered into a Memorandum of Agreement with a minority shareholder wherein HOA, in consideration of the land owned by the minority shareholder, settled to pay the latter in kind by way of 80 condominium hotel (condotel) units and 50% of the ground floor commercial units in the Hotel 101-Davao project.

In 2019, the Company entered into a Memorandum of Agreement and Deed of Absolute Conveyance for "Hotel 101-Cebu Mactan Airport" project with a minority shareholder in relation to the transfer of land owned by the minority shareholder in exchange of a certain number of condotel units and commercial units.

d. *Cash Advances*

The amount pertains to unsecured, non-interest bearing advances granted to and received from related parties for working capital requirements. These advances are generally settled within one year from the date of grant.

e. *Lease of Mall Spaces*

The Group entered into various lease agreements with related parties covering its investment property portfolio. The amount pertains to the rent income earned by the Group from leasing out some of its commercial spaces in Dragon8 Mall, Jollibee Tower, Double Dragon Plaza and CityMalls to MerryMart Group, JFC and the SM Group. These leases generally provide for either a fixed monthly rent and percentage of gross sales with a minimum guaranteed rent. The terms of the leases are for periods ranging from five to 15 years. The fixed monthly rent shall escalate by an average of 5% to 10% each year. The corresponding receivables from related party tenants are recorded in the "Rent receivables" account.

f. *Security Deposits*

On 16 October 2019, the Group received a Letter of Intent from ITM Investment Corp., other related party, for the lease of certain units in the Skysuites Tower. Advance deposit received from the intent to lease amounted P713.77 million and was recorded as "Security deposits" under "Accounts payable and other current liabilities" account in the consolidated statements of financial position as at 31 December 2021 and 2020. The advance deposit is to be applied to the future rent payment. This was refunded in 2021.

g. *Key Management Personnel Compensation*

Short-term benefits of key management personnel amounted to ₱43.66 million, ₱39.91 million and ₱35.40 million in 2023, 2022 and 2021, respectively. Long-term benefits of key management personnel amounted to ₱0.96 million in 2023, 2022 and 2021. Directors' fee paid amounted to ₱2.58 million in 2023, 2022 and 2021.

Except when indicated above, all outstanding due to/from related parties are to be settled in cash.

All material related party transactions are subject to approval by the Board of Directors. Material related party transactions pertain to those transactions, either individually, or in aggregate over a 12-month period, that exceed 10% of the Company's total assets, based on the latest audited financial statements. All other related party transactions that are considered not material are approved by management.

For more information, see Note 23 to the Company's consolidated financial statements elsewhere in this Preliminary Prospectus.

DESCRIPTION OF MATERIAL INDEBTEDNESS

As of 31 December 2023, the Company's total outstanding indebtedness was ₱63.26 billion, comprising various short-term loans mainly from local banks, long-term corporate notes mainly from local banks, and fixed-rate bonds The Company's debt obligations have maturities ranging from 60 days to 10 years.

As of 31 December 2023, the Company's total long-term outstanding indebtedness was ₱47.98 billion. The long-term debt agreements contain, among others, covenants relating to maintenance of certain financial ratios, working capital requirements, restrictions on loans and guarantees, disposal of a substantial portion of assets, capital expenditures, significant changes in the ownership, payments of dividends and redemption of capital stock.

As of 31 December 2023, 24.16% of the Company's borrowings represent short-term borrowings.

The following table describes the Company's long-term indebtedness (consolidated) as of 31 December 2023:

Description of Indebtedness	**Borrower**	**Lender**	**Maturity**	**Interest Rate**	**Outstanding Amount as of 31-Dec-23 (in P millions)**
Long-Term Debt					
Notes Payable	DoubleDragon	Local Bank	6-Mar-25	5.79% (variable)	102.54
Notes Payable	DoubleDragon	Local Bank	28-May-24	5.79% (variable)	73.94
Notes Payable	DoubleDragon	Local Bank	7-Nov-24	6.25% (fixed)	3,500.00
Notes Payable Notes Payable	DoubleDragon	Local Bank	23-Mar-24	6.18% to 6.23% (fixed)	1,125.00
Notes Payable	DoubleDragon	Local Bank	1-Oct-26	6.24% (fixed)	274.40
Notes Payable	DoubleDragon	Local Bank	1-Oct-26	6.76% (fixed)	460.60
Notes Payable	DoubleDragon	Local Bank	1-Oct-24	6.48% (fixed)	156.67
Notes Payable	DoubleDragon	Local Bank	4-Nov-26	6.05% (fixed)	490.00
Notes Payable	DoubleDragon	Local Bank	21-Oct-26	5.80% (fixed)	4,900.00
Notes Payable	DoubleDragon	Local Bank	16-Dec-26	6.47% (fixed)	3,518.20
Notes Payable	DoubleDragon	Local Bank	4-Nov-26	6.26% (fixed)	1,381.80
Notes Payable	DoubleDragon	Local Bank	29-Apr-27	6.82% (fixed)	3,050.00
Notes Payable	DoubleDragon	Local Bank	30-Sep-27	8.05% (fixed)	990.00
Notes Payable	DoubleDragon	Local Bank	19-Jan-28	8.25% (fixed)	5,000.00
Notes Payable	HOA	Local Bank	31-Jul-24	5.50% (fixed)	5.56
Retail Bonds	DoubleDragon	Bondholders	15-Dec-26	5.9721% (fixed)	5,300.00
Retail Bonds	DoubleDragon	Bondholders	21-Jul-24	6.0952% (fixed)	9,700.00
Retail Bonds - Series 1A	DoubleDragon	Bondholders	8-Mar-25	9.53% (fixed)	2,535.00
Retail Bonds - Series 1C	DoubleDragon	Bondholders	8-Sep-28	9.54% (fixed)	1,080.00
Notes Payable	DDPC Worldwide	Bondholders	27-Jul-25	7.25% (fixed)	10,002.06
Total Long-Term Debt					**53,645.77**
Less: Issue costs . . .					348.61
Long-Term Borrowings					**53,297.16**
Add: Short Term Borrowings.					9,964.66
Total Long and Short-term Borrowings					**63,261.82**

REGULATION AND ENVIRONMENTAL MATTERS

REAL ESTATE REGULATIONS

The Company's business operations are subject to various laws, rules and regulations that have been promulgated for subdivisions, socialised housing, condominiums, hotels, and malls.

The Philippine Constitution

The Philippine Constitution and related statutes set forth restrictions on foreign ownership of owning land in the Philippines. Article XII, Section 7 of the Philippine Constitution, in relation to Article XII, Section 2 of the Philippine Constitution and Chapter 5 of Commonwealth Act No, 141, states that no private land shall be transferred or conveyed except to citizens of the Philippines or to corporations or associations organised under the laws of the Philippines at least 60% of whose capital is owned by such citizens. A corporation with more than 40% foreign equity may be allowed to lease private land for a period of 25 years, renewable for another 25 years.

Since the Company owns land, it is subject to the above restrictions under the Philippine Constitution.

Foreign Investments Act of 1991, as amended

For the purpose of complying with nationality laws, the term "Philippine National" is defined under the Foreign Investments Act of 1991, as amended by Republic Act No. 11647 ("**FIA**") as any of the following:

- a citizen of the Philippines;
- a domestic partnership or association wholly owned by citizens of the Philippines;
- a corporation organised under the laws of the Philippines of which at least 60% of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines;
- a corporation organised abroad and registered to do business in the Philippines under the Revised Corporation Code of the Philippines, of which 100% of the capital stock outstanding and entitled to vote is wholly owned by Filipinos; or
- a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine National and at least 60% of the fund will accrue to the benefit of Philippine Nationals.

For as long as the percentage of Filipino ownership of the capital stock of the corporation is at least 60% of the total shares outstanding and voting, the corporation shall be considered a Philippine national.

Further, the FIA and the Twelfth Regular Foreign Investment Negative List (the "**Negative List**") categorise the ownership of private lands as a partly-nationalized activity, such that the operation, ownership, or both thereof is partially reserved for Filipinos. Thus, landholding companies may have a maximum of 40% foreign equity.

The above definitions are relevant to the Company, as it must comply with nationality requirements applicable to owners of land.

Property Registration

The Philippines has adopted a system of land registration, which evidences land ownership that is binding on all persons. Title to registered lands cannot be lost through possession or prescription. Presidential Decree No. 1529, as amended, otherwise known as the Property Registration Decree, codified the laws relating to land registration to strengthen the Torrens system and streamline and simplify registration proceedings and the issuance of certificates of title.

After proper surveying, application, publication, service of notice and hearing, unregistered land may be brought under the system by virtue of judicial or administrative proceedings. In a judicial proceeding, the Regional Trial Court within whose jurisdiction the land is situated confirms title to the land. Persons opposing the registration may appeal the judgement within 15 days to the Court of Appeals or the Supreme Court. After the lapse of the period of appeal, the Register of Deeds may issue an Original Certificate of Title. The decree of registration may be annulled on the ground of actual fraud within one year from the date of entry of the decree of registration.

Similarly, in an administrative proceeding, the land is granted to an applicant by DENR through issuance of a patent and the patent becomes the basis for issuance of the Original Certificate of Title by the Register of Deeds. All land patents (i.e. homestead, sales and free patent) must be registered with the appropriate registry of deeds since the conveyance of the title to the land covered thereby takes effect only upon such registration.

Any subsequent transfer or encumbrance of the land must be registered in the system in order to bind third persons. Subsequent registration and a new transfer certificate of title in the name of the transferee will be granted upon presentation of certain documents and payment of fees and taxes.

The Subdivision and Condominium Buyer's Protective Decree

Presidential Decree No. 957, otherwise known as The Subdivision and Condominium Buyer's Protective Decree ("**P.D. 957**") is the principal statute which regulates the development and sale of real property as part of a condominium project or subdivision. It was enacted pursuant to the policy of the state to ensure that real estate subdivision owners, developers, operators, and/or sellers provide and properly maintain roads, drainage, sewerage, water systems, lightning systems and other similar basic requirements in order to guarantee the health and safety of home and lot buyers.

P.D. 957 covers subdivision projects and all areas included therein for residential, commercial, industrial and recreational purposes, and condominium projects for residential or commercial purposes.

Real Estate Service Act of the Philippines

Owners of or dealers in real estate projects are required to obtain licences to sell before making sales or other dispositions of lots or real estate projects. Republic Act No. 9646 or the Real Estate Service Act of the Philippines provides that real estate consultants, appraisers, assessors and brokers must pass the requisite exams and be duly registered and licenced by the Professional Regulation Commission ("**PRC**"), while real estate salespersons, or those who may act on behalf of a real estate broker to facilitate a real estate transaction, only need to be accredited by the PRC.

Urban Development and Housing Act of 1992

Republic Act No. 7279, as amended recently by Republic Act No. 10884, or the Urban Development and Housing Act of 1992, requires developers of proposed subdivision projects to develop an area for socialised housing equivalent to at least fifteen percent (15%) of the total subdivision area or total subdivision project cost, and at least five percent (5%) of condominium area or project cost, at the option of the developer, within the same city or municipality whenever feasible, and in accordance with the standards set by the Housing and Land Use Regulatory Board ("**HLURB**") and other existing laws. Alternatively, the developer may opt to buy socialised housing bonds issued by various accredited government agencies or enter into joint venture arrangements with other developers engaged in socialised housing development.

On 3 May 2017, HLURB issued Resolution No. 946, Series of 2017, which provides for the rules and regulations implementing Republic Act No. 10884 ("**IRR of R.A. No. 10884**"). The IRR of R.A. No. 10884 provides for the other manners in which developers may comply with the required projects for socialised housing which includes the: (i) development of socialised housing in a new settlement;
(ii) entering into joint venture arrangements with LGUs, housing agencies, private developer and non-government organisation engaged in the provision of socialised housing; and (iii) participation in a new project under the community mortgage programme. Under the IRR of R.A.

No. 10884, the licence to sell of the main project may be suspended, cancelled or revoked, if the required compliance project has not been developed or has not been completely developed in accordance with the approved work programme and within the period approved by the HLURB.

Notably, under R.A. No. 10884, income derived by domestic corporations from the development and sale of socialised housing is exempt from project related income taxes, capital gains tax on raw lands used for the project, value-added tax for the project contractor concerned, transfer tax for both raw completed projects, and donor's tax for lands certified by the LGUs to have been donated for socialised housing purposes. Under the current Investment Priorities Plan issued by the Board of Investments, mass housing projects are eligible for government incentives subject to certain policies and guidelines.

On 14 February 2019, Republic Act No. 11201, also known as the "Department of Human Settlements and Urban Development," which consolidated the Housing and Urban Development Coordinating Council ("**HUDCC**") and HLURB, was signed. The Department of Human Settlements and Urban Development ("**DHSUD**") is the primary national government entity responsible for the management of housing, human settlement and urban development. The DHSUD is the sole and main planning, policy-making, regulatory, program, coordination, and performance monitoring entity for all housing, human settlement and urban development concerns, primarily focusing on the access to an affordability of basic human needs.

The functions of the HUDCC and following functions of the HLURB were transferred to the DHSUD:

- The land use planning and monitoring function, including the imposition of penalties for non-compliance to ensure that LGUs follow the planning guidelines and implement their Comprehensive Land Use Plan and zoning ordinances;
- The regulatory function, including the formulation, promulgation, and enforcement of rules, standards and guidelines over subdivisions, condominiums and similar real estate developments; and
- The registration, regulation and supervision of home owners' associations.

The HLURB's adjudicatory mandate was transferred to the Human Settlements Adjudication Commission.

The DHSUD, being the primary national government entity responsible for the management of housing, human settlement and urban development is the administrative agency of the Government which enforces this decree and has jurisdiction to regulate the real estate trade and business.

In this regard, all subdivision plans and condominium project plans are required to be filed with and approved by the DHSUD and the relevant LGU of the area where the project is situated. Approval of such plans is conditional on, among other things, the Company's financial, technical and administrative capabilities. Alterations of approved plans which affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant local government unit.

Subdivision or condominium units may be sold or offered for sale only after an LTS has been issued by the DHSUD. The Company, as owner of and dealer in real estate projects, is required to obtain licences to sell ("**LTS**") before making sales or other dispositions of lots or real estate projects. As a requisite for the issuance of an LTS by the DHSUD, developers are required to file with the DHSUD security (in the form of a surety bond, mortgage, or any other form of security) to guarantee the completion of the development and compliance with the applicable laws, rules and regulations.

Project permits and licences to sell may be suspended, cancelled or revoked by the DHSUD by itself or upon complaint from an interested party. A licence or permit to sell may only be suspended, cancelled or revoked after a notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the DHSUD's rules of procedure and other applicable laws.

Under the law, should the owner/dealer sell or offer to sell subdivision lots or condominium units without obtaining a certificate of registration and LTS, or violate any other provision under Presidential Decree No. 957, the owner/dealer may be subject to an administrative fine imposed by the DHSUD, or to criminal penalty of a fine of not more than P20,000.00 and/or imprisonment of not more than ten years. In case of corporations, the president, manager or administrator or the person who has charge of the administration of the business shall be criminally responsible.

The Supreme Court has affirmed that while the law penalises the selling of subdivision lots or condominium units without a certificate of registration and LTS, it does not provide that the absence thereof will automatically render a contract void.

The Condominium Act

Republic Act No. 4726, otherwise known as The Condominium Act ("**R.A. No. 4726**"), as amended, likewise regulates the development and sale of condominium projects.

R.A No. 4726 requires the annotation of the master deed or the declaration of restrictions on the title of the land on which the condominium project shall be located. The master deed contains, among other things, the description of the land, building/s, common areas and facilities of the condominium project. The declaration of restrictions shall constitute a lien upon each condominium unit in the project, and shall bind all condominium owners in the project. Such liens, unless otherwise provided, may be enforced by any condominium owner in the project or by the management body of such project.

A condominium project may be managed by a condominium corporation, an association, a board of governors or a management agent, depending on what is provided in the declaration of restrictions of the condominium project. However, whenever the common areas are held by a condominium corporation, such corporation shall constitute the management body of the project. The declaration of restrictions shall also provide for voting majorities, quorums, notices, meeting date, and other rules governing such body or bodies.

Any transfer or conveyance of any unit or an apartment, office or store or other space, shall include the transfer or conveyance of the undivided interests in the common areas, or, in a proper case, the membership or shareholdings in the condominium corporation. A condominium corporation shall not, during its existence, sell, exchange, lease, or otherwise dispose of the common areas owned or held by it in the condominium project unless authorised by the affirmative vote of a simple majority of the registered owners with prior notification to all registered owners. Further, the condominium corporation may expand or integrate the project with another upon the affirmative vote of a simple majority of the registered owners, subject only to the final approval of DHSUD.

Real Estate Sales on Instalments

The provisions of Republic Act No. 6552, or the Maceda Law, apply to all transactions or contracts involving the sale or financing of real estate on instalment payments (including residential condominium units but excluding industrial and commercial lots). Under the provisions of the Maceda Law, where a buyer of real estate has paid at least two years of instalments, the buyer is entitled to the following rights in case he/she defaults in the payment of succeeding instalments:

- To pay, without additional interest, the unpaid instalments due within the total grace period earned by him, which is fixed at the rate of one month for every one year of instalment payments made. However, the buyer may exercise this right only once every five years during the term of the contract and its extensions, if any.

- If the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to 50% of the total payments made, and in cases where five years of instalments have been paid, an additional 5% every year (but with a total not to exceed 90% of the total payments); provided that the actual cancellation of the contract shall take place after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act and upon full payment of the cash surrender value to the buyer.

Down payments, deposits, or options on the contract shall be included in the computation of the total number of instalment payments made.

In the event that the buyer has paid less than two years of instalments, the seller shall give the buyer a grace period of not less than 60 days from the date the instalment became due. If the buyer fails to pay the instalments due at the expiration of the grace period, the seller may cancel the contract after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act.

Local Government Code

Republic Act No. 7160, as amended, otherwise known as the Local Government Code establishes the system and powers of provincial, city, municipal, and *barangay* governments in the country. The Local Government Code general welfare clause states that every LGU shall exercise the powers expressly granted, those necessarily implied, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotion of the general welfare.

LGUs exercise police power through their respective legislative bodies. Specifically, the LGU, though its legislative body, has the authority to enact such ordinances as it may deem necessary and proper for sanitation and safety, the furtherance of the prosperity, and the promotion of the morality, peace, good order, comfort, convenience, and general welfare of the locality and its inhabitants. Ordinances can reclassify land, order the closure of business establishments, and require permits and licences from businesses operating within the territorial jurisdiction of the LGU.

An ordinance may be repealed by a subsequent ordinance expressly repealing or declaring it as invalid. An ordinance may also be repealed by implication by a subsequent ordinance that is inconsistent or contrary, in whole or in part, to the previous ordinance. Under the Local Government Code, the *Sangguniang Panlalawigan* (provincial council) has the power to review ordinances passed by a component city council and can declare ordinances invalid, in whole or in part, if it finds that the lower council exceeded its authority in enacting the ordinance.

Notably, shopping mall centers are primarily regulated by the LGU of the city or municipality where the mall is located. In line with this, mall operators must secure the required mayor's permit or municipal licence before operating. In addition, no mall shall be made operational without complying first with the provisions of the fire code and other applicable local ordinances. Furthermore, shopping malls with food establishments must obtain a sanitary permit from the Department of Health. It is also compulsory for shopping malls discharging commercial waste water to apply for a waste water discharge permit from the DENR and to pay the fee incidental to the permit.

Real Property Taxation

Real property taxes are payable annually based on the property's assessed value. Under the Local Government Code, the assessed value of property and improvements vary depending on the location, use and the nature of the property. An additional special education fund tax of 1% of the assessed value of the property may also be levied annually by the LGU. The basic real property tax and any other tax levied on real property constitute a lien on the property subject to tax, superior to all liens, charges or encumbrances in favour of any person, irrespective of the owner or possessor thereof, enforceable by administrative or judicial action, and may only be extinguished upon payment of the tax and the related interests and expenses. Should the reasonableness or correctness of the amount assessed be questioned, a protest in writing may be filed with the treasurer of the local government unit, but the taxpayer must first pay the tax, and the tax receipts shall be annotated with the words "paid under protest."

Rules and Regulations Governing the Accreditation of Hotels

Executive Order No. 120, Series of 1987, gave to the Department of Tourism the power to provide accreditation standards for hotels, resorts, and other tourism-oriented facilities. Pursuant to this law, the Philippine Department of Tourism promulgated the Rules and Regulations to Govern the Accreditation of Hotels, Tourist Inns, Motels, Apartels, Resorts, Pension Houses, and Other Accommodation Establishments, intended to govern the business and operation of all hotels, inns, and similar establishments in the Philippines. For purposes of registration and accreditation, hotels were previously classified into four (4) groups: De Luxe Class, First Class, Standard Class and Economy Class. The Rules promulgated by the Department of Tourism provide minimum standards for the establishment, operation and maintenance of hotels depending on the hotel's classification.

Memorandum Circular No. 2012-02 promulgated by the DOT in May 2012 imposes new national accreditation standards for hotels, resorts and apartment hotels, pursuant to the Tourism Act of 2009. The Memorandum Circular adopts the star grading system, with five levels of accommodation standards which are equivalent to one to five stars. For instance, a one-star rating will be granted to hotels which achieve 251 to 400 points (25% to 40% of the standards) and a five-star rating will be granted to hotels which achieve 851 to 1,000 points (85% to 100% of the standards). The accreditation process under the Memorandum Circular No. 2012-02 is currently being implemented by the DOT.

Once an application for accreditation is filed, the DOT sends an inspection team to conduct an audit of the establishment and determine compliance its classification. The Certificate of Accreditation issued by the DOT is valid for two (2) years, unless sooner revoked. The rights over the accreditation are non-transferrable.

Zoning and Land Use

Land use may be also limited by zoning ordinances enacted by LGUs. Once enacted, land use may be restricted in accordance with a comprehensive land use plan approved by the relevant LGU. Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

Under the agrarian reform law currently in effect in the Philippines and the regulations issued thereunder by the DAR, land classified for agricultural purposes as of or after 15 June 1988, cannot be converted to non-agricultural use without the prior approval of DAR.

Fire Code

Republic Act No. 9514, or the Fire Code of the Philippines (the "**Fire Code**"), aims to ensure public safety and prevent and suppress all kinds of destructive fires. It provides that building owners or administrators must comply with the following:

- inspection requirements;
- safety measures for hazardous materials;
- safety measures for hazardous operation/processes;
- provision on fire safety construction, protective and warning system; and
- abatement of fire hazards.

In addition, the Fire Code provides for penalties for violation of its provisions.

Building Code

Republic Act No. 6451, or the National Building Code of the Philippines, applies to the design, location, siting, construction, alteration, repair, conversion, use, occupancy, maintenance, moving, and demolition of, and addition to, public and private buildings and structures. Buildings and structures must conform to the minimum requirements and standards under the law, including the introduction of facilities.

The law requires buildings or structures to conform in all respects to the principles of safe construction, to be suited to the purpose for which the building is designed, and in no case to contribute to making the community in which it is located at eyesore, a slum, or a blighted area.

Any person or corporation intending to construct, alter, repair, move, convert or demolish any building or structure, or cause the same to be done, shall obtain a building permit from the Building Official for whichever of such work is proposed to be undertaken for the building or structure, before any such work is started.

ENVIRONMENTAL MATTERS

The operations of the businesses of the Company are subject to various laws, rules and regulations that have been promulgated for the protection of the environment.

Philippine Environmental Impact Statement System

The Philippine Environmental Impact Statement System (the "**EISS Law**") established under Presidential Decree No. 1586, which is implemented by the Department of Environment and Natural Resources ("**DENR**"), is the general regulatory framework for any project or undertaking that is either (i) classified as environmentally critical or (ii) is situated in an environmentally critical area.

Real estate development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate ("**ECC**") prior to commencement. The DENR, through its regional offices or through the Environmental Management Bureau ("**EMB**"), determines whether a project is environmentally critical or located in an environmentally critical area and possesses all applications for an ECC.

The law requires an entity that will undertake any such declared environmentally critical project or operate in any such declared environmentally critical area to submit an Environmental Impact Statement ("**EIS**") which is a comprehensive study of the significant impacts of a project on the environment. The EIS serves as an application for the issuance of an ECC, if the proposed project is environmentally critical or situated in an environmentally critical area; or for the issuance of a Certificate of Non-Coverage, if otherwise.

On the other hand, a non-environmentally critical project in an environmentally critical area is generally required to submit an Initial Environmental Examination (the "**IEE**") to the proper EMB regional office. In the case of an environmentally critical project within an environmentally critical area, an EIS is required in addition to the IEE.

The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas. While the terms and conditions of an EIS or an IEE may vary from project to project, as a minimum it contains all relevant information regarding the project's environmental effects. The entire process of organisation, administration and assessment of the effects of any project on the quality of the physical, biological and socioeconomic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS System. The EIS System successfully culminates in the issuance of an ECC.

An ECC is a Government certification that, among others, (i) the proposed project or undertaking will not cause significant negative environmental impact; (ii) the proponent has complied with all the requirements of the EISS Law in connection with the project; and (iii) the proponent is committed to implement its approved Environmental Management Plan ("**EMP**") in the EIS. The EMP details the prevention, mitigation, compensation, contingency and monitoring measures to enhance positive impacts and minimise negative impacts and risks of a proposed project or undertaking.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund when the ECC is issued for projects determined by the DENR to pose a significant public risk to life, health, property and the environment or where the project requires rehabilitation or restoration. The Environmental Guarantee Fund is intended to meet any damage caused by such a project as well as any rehabilitation and restoration measures. Project proponents also required to establish an Environmental Monitoring Fund ("**EMF**") when an ECC is eventually issued. The EMF is to support the activities of the team monitoring the project proponent's compliance with ECC conditions, EMP and applicable laws, rules and regulations.

Power plant operations are considered environmentally critical projects for which an EIS and an ECC are mandatory.

In addition to the requirement for the issuance of an ECC, all public and private proponents of subdivision development projects, housing projects and other land development and infrastructure projects are required to undertake an Engineering Geological and Geohazard Assessment ("**EGGA**"). The EGGA is undertaken in order that project proponents can adequately and comprehensively address and mitigate the possible effects/impacts of geologic hazards. To comply with this requirement, the proponent causes the preparation of an Engineering Geological and Geohazard Assessment Report ("**EGGAR**") which includes the results of all engineering geological, structural geological and geohazard assessment and geotechnical tests, with any other specialised studies and tests undertaken, as prescribed by the DENR-Mines and Geosciences Bureau ("**MGB**"). The EGGAR shall be subject to review/verification by DENR-MGB and for appropriate transmittal or endorsement to the DENR-EMB and other concerned government Agencies. The EGGAR is used as an institutional planning tool to safeguard development projects from the hazards caused by geological phenomena. The Company undertakes the EGGA and secures ECCs prior to commencement of its real estate projects and exerts best efforts to comply with the conditions specified therein. Real estate projects are also required to secure relevant local permits and abide by requirements specific to local zoning ordinances, and, if applicable, protected area guidelines. The Company secures the necessary permits and keeps track of national and local regulatory developments.

The Clean Water Act

The Clean Water Act (Republic Act No. 9275) and its implementing rules and regulations provide for water quality standards and regulations for the prevention, control, and abatement of pollution of the water resources of the country.

The Clean Water Act requires owners or operators of facilities that discharge regulated effluents (such as wastewater from manufacturing plants or other commercial facilities) to secure a discharge permit from the DENR which authorises the owners and operators to discharge waste and/or pollutants of specified concentration and volumes from their facilities into a body of water or land resource for a specified period of time. As part of the permitting procedure, DENR shall encourage the adoption of waste minimization and waste treatment technologies when such technologies are deemed cost effective. The water quality standards and regulations and the civil liability and penal provisions under the Clean Water Act shall be enforced irrespective of sources of pollution. The DENR, together with other Government agencies and the different local Government units, is tasked to implement the Clean Water Act and to identify existing sources of water pollutants, as well as strictly monitor pollution sources which are not in compliance with the effluent standards provided in the law.

The Clean Air Act

Pursuant to the Clean Air Act of 1999 (Republic Act No. 8749) and its implementing rules and regulations, enterprises that operate or utilise air pollution sources are required to obtain an Authority to Construct or a Permit to Operate from the DENR with respect to the construction or the use of air pollutants. The issuance of the said permit seeks to ensure that regulations of the DENR with respect to air quality standards and the prevention of air pollution are achieved and complied with by such enterprises.

Other Environmental Laws

Other regulatory environmental laws and regulations applicable to the businesses of the Company include the following:

- The Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990 (Republic Act No. 6969), which regulates, restricts or prohibits the (i) importation, manufacture, processing, handling, storage, transportation, sale, distribution, use and disposal of chemical substance and mixtures that present unreasonable risk or injury to health or the environment, and (ii) entry into the Philippines, or the keeping in storage of hazardous wastes which include by-products, process residue, contaminated plant or equipment or other substances from manufacturing operations. The said law is implemented by the DENR.

- The Ecological Solid Waste Management Act of 2000 (Republic Act No. 9003), which provides for the proper management of solid waste which includes discarded commercial waste and nonhazardous institutional and industrial waste. The said law prohibits, among others, the transporting and dumping of collected solid wastes in areas other than prescribed centers and facilities. The National Solid Waste Management Commission, together with other Government agencies and the different local Government units, are responsible for the implementation and enforcement of the said law.

- The Code on Sanitation of the Philippines (the "**Sanitation Code**") (Presidential Decree No. 856), which provides for sanitary and structural requirements in connection with the operation of certain establishments such as industrial establishments. Under the Sanitation Code, which is implemented by the Philippine Department of Health, no person, firm, corporation, or entity shall operate any industrial establishment without first obtaining a sanitary permit.

DATA PRIVACY

Republic Act No. 10173, or the Data Privacy Act of 2012 (the "**Data Privacy Act**"), protects all forms of information, be it private, personal, or sensitive. It applies to any natural or juridical persons involved in processing of information (which refers to any operation or any set of operations performed upon personal data including, but not limited to, the collection, recording, organisation, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of data), whether in the government or private sector, and whether in or outside the Philippines.

The Data Privacy Act mandated the creation of a National Privacy Commission ("**NPC**"), which shall administer and implement the provisions of the law and ensure compliance of the Philippines with international standards for data protection. The Government recognises the need to protect the fundamental human right of privacy and of communication, while ensuring free flow of information to promote innovation and growth. It also identifies the vital role of information and communications technology in nation building and its inherent obligation to ensure that personal information in Information and Communications System, or ICT, in the Government and in the private sector are secured and protected.

The law defines personal information as any information whether recorded in a material form or not, from which the identity of an individual is apparent or can be reasonably and directly ascertained by the entity holding the information, or when put together with other information would directly and certainly identify an individual. On the other hand, sensitive personal information refers to personal information: (a) about an individual's race, ethnic origin, marital status, age, colour, and religious, philosophical or political affiliations; (b) about an individual's health, education, genetic or sexual life or a person, or to any proceeding for any offence committed or alleged to have been committed by such person, the disposal of such proceedings, or the sentence of any court in such proceedings; (c) issued by government agencies peculiar to an individual which includes, but not limited to, social security numbers, previous or current health records, licences or its denials, suspension or revocation, and tax returns; and (d) specifically established by an executive order or an act of the Philippine Congress to be kept classified.

In general, the processing of sensitive personal information and privileged information is prohibited except where: (1) the data subject has given his or her consent, specific to the purpose prior to the processing, or in the case of privileged information, all parties to the exchange have given their consent prior to processing; (2) the processing is provided for by existing laws and regulations; (3) the processing is necessary to protect the life and health of the data subject or another person, and the data subject is not able to give consent; (4) the processing is carried out for limited non-commercial purposes by public organisations and their associations; (5) the processing is necessary for purposes of medical treatment, is carried out by a medical practitioner or a medical treatment institution, and an adequate level of protection of personal information is ensured; or (6) the processing is necessary for court proceedings or legal claims, or is provided to the government or a public authority.

Under the Data Privacy Act, the appointment of a Data Protection Officer ("**DPO**") is a legal requirement for all personal information controllers ("**PICs**") and personal information processors ("**PIPs**"). The DPO is accountable for ensuring the company's compliance with all data privacy and security laws and regulations. A PIC may be a natural or juridical person who exercises control over the processing of personal data and furnishes instructions to another person or entity to process personal data on its behalf. A PIP on the other hand, refers to a person or body instructed or outsourced by a PIC to engage in the processing of the personal data of a data subject. The PIC or PIP that employs fewer than 250 persons shall not be required to register unless the processing it carries out is likely to pose a risk to the rights and freedoms of data subjects, the processing is not occasional, or the processing includes sensitive personal information of at least 1,000 individuals.

The Data Privacy Act provides criminal penalties and monetary sanctions for violations thereof. If the offender is a corporation, the penalty shall be imposed upon the responsible officers who participated in or, by their gross negligence, allowed the commission of the crime.

ANTITRUST

Republic Act. No. 10667, or the Philippine Competition Act ("**PCA**"), is the primary competition statute of the Philippines The PCA was enacted to provide free and fair competition in trade, industry and all commercial economic activities. To implement its objectives, the PCA provides for the creation of the Philippine Competition Commission ("**PCC**"), an independent quasi-judicial agency with powers to conduct investigations, issue subpoenas, conduct administrative proceedings, and impose administrative fines and penalties.

The PCA prohibits and imposes sanctions on: (a) anti-competitive agreements between or among competitors, which restrict competition as to price, or other terms of trade and those fixing price at an auction or in any form of bidding including cover bidding, bid suppression, bid rotation and market allocation and other analogous practices of bid manipulation; and those which have the object or effect of substantially preventing, restricting or lessening competition; (b) practices which are regarded as abuse of dominant position, by engaging in conduct that would substantially prevent, restrict or lessen competition; and (c) merger or acquisitions which substantially prevent, restrict or lessen competition in the relevant market or in the market for goods or services, or breach the thresholds provided in the implementing rules and regulations of the PCA (the "**PCA IRR**") without notice to the PCC. The PCA, the PCA IRR, as amended, and the Rules on Merger Procedure (collectively, the "**Merger Rules**") provide for mandatory notification to the PCC of any merger or acquisition within 30 days of signing any definitive agreement relating to the transaction, where the transaction value exceeds ₱3.2 billion; and where the size of the ultimate parent entity of either party exceeds ₱7.8 billion, effective 1 March 2024.

Parties may not consummate a notifiable transaction prior to receiving PCC approval or the lapse of the period stated in the Merger Rules.

Under the PCA and the PCA IRR, a transaction that meets the thresholds and does not comply with the notification requirements and waiting periods shall be considered void and will subject the parties to an administrative fine of one per cent. to five per cent. of the value of the transaction. Criminal penalties for entities that enter into these defined anti-competitive agreements include: (i) a fine of not less than ₱50 million but not more than ₱250 million; and (ii) imprisonment for two to seven years for directors and management personnel who knowingly and wilfully participate in such criminal offences. Administrative fines of ₱100 million to ₱250 million may be imposed on entities found violating prohibitions against anti-competitive agreements and abuse of dominant position. Treble damages may be imposed by the PCC or the courts, as the case may be, where the violation involves the trade or movement of basic necessities and prime commodities.

REVISED CORPORATION CODE

Republic Act No. 11232, otherwise known as the Revised Corporation Code ("**Corporation Code**"), was signed into law on 20 February 2019 and became effective on 8 March 2019. Among the salient features of the Corporation Code are:

- Corporations are granted perpetual existence, unless the articles of incorporation provide otherwise. Perpetual existence shall also benefit corporations whose certificates of incorporation were issued before the effectivity of the Corporation Code, unless a corporation, upon a vote of majority of the stockholders of the outstanding capital stock notifies the Philippine SEC that it elects to retain its specific corporate term under its current Articles of Incorporation.

- The Corporation Code allows the creation of a "One Person Corporation" ("**OPC**"), which is a corporation composed of a single stockholder, provided that, only natural person, trust or an estate may form such. No minimum authorised capital stock is also required for an OPC, unless provided for under special laws.

- Material contracts between the Corporation and its own directors, trustees, officers, or their spouses and relatives within the fourth civil degree of consanguinity or affinity must be approved by at least 2/3 of the entire membership of the Board, with at least a majority of the independent directors voting to approve the same.

- The right of stockholders to vote in the election of directors or trustees, or in shareholders meetings, may now be done through remote communication or *in absentia* if authorised by the corporate by-laws. However, as to corporations vested with public interest, these votes are deemed available, even if not expressly stated in the corporate by-laws. The shareholders who participate through remote communication or *in absentia* are deemed present for purposes of quorum. When attendance, participation and voting are allowed by remote communication or *in absentia,* the notice of meetings to the stockholders must state the requirements and procedures to be followed when a stockholder or member elects either option.

- In case of transfer of shares of listed companies, the Philippine SEC may require that these corporations whose securities are traded in trading markets and which can reasonably demonstrate their capability to do so, to issue their securities or shares of stock in uncertificated or scripless form in accordance with the Rules of the Philippine SEC.

The Corporation Code refers to the PCA in case of covered transactions under said law involving the sale, lease, exchange, mortgage, pledge, or disposition of properties or assets; increase or decrease in the capital stock, incurring creating or increasing bonded indebtedness; or mergers or consolidations covered by the PCA thresholds.

ANTI-MONEY LAUNDERING ACT

Republic Act No. 11521, amending Republic Act No. 9160 or the Anti-Money Laundering Act, which took effect on 30 January 2021, revised the Anti-Money Laundering Act to among others, expand the list of covered persons to include real estate developers, real estate brokers, offshore gaming operators ("**OGO**"), OGO-service providers ("**Covered Person**"). Thus, these persons and entities are required to report covered and suspicious transactions to the Anti-Money Laundering Council ("**AMLC**") within the period prescribed and for the threshold amount fixed by law. Section 4 Rule 22 of the 2018 Implementing Rules and Regulations ("**IRR**") provides that all covered persons shall register with the AMLC's electronic reporting system which is free and online. Non-registration is an administrative offence and failure to electronically file covered and suspicious transaction reports with the AMLC, which is a money laundering offence. REDs, REBs, OGOs and OGO-service providers had until 16 March 2021 to register.

A covered transaction is a transaction in cash or other equivalent monetary instrument involving a total amount in excess of P500,000.00, or for real estate developers and brokers, cash transactions in excess of P7,500,000.00, or its equivalent in any other currency within one banking day ("**Covered Transaction**"). A Covered Person, is required to report to the AMLC all Covered Transactions within five working days from occurrence thereof, regardless of the mode of payment used in the settlement thereof, including transactions in cheques, fund transfers, and/or debiting or crediting of accounts, except those transactions covered under the no/low risk transactions. On the other hand, a suspicious transaction is one where any of the following exists:

1. There is no underlying legal/trade obligation, purpose or economic justification;

2. The client is not properly identified;

3. The amount involved is not commensurate with the business or financial capacity of the client;

4. Taking into account all known circumstances, it may be perceived that the client's transaction is structured in order to avoid being the subject of reporting requirements under the AMLA;

5. Any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person;

6. The transaction is in any way related to an unlawful activity or any money laundering activity or offence under the AMLA, that is about to be, is being or has been committed; or

7. Any transaction that is similar, analogous or identical to any of the foregoing.

Under the AMLA, Covered Persons shall submit covered transaction and suspicious transaction reports to the AMLC, and shall identify and record the true identity of their customers, whether permanent or occasional, and whether natural or juridical persons, or legal arrangements based on official documents.

To comply with this, Covered Persons are obligated to implement appropriate systems of collecting and recording identification information and identification documents, and shall implement and maintain a system of verifying the true identity of their clients, including validating the truthfulness of the information and confirming the authenticity of the identification documents presented, submitted, and provided by the customer, using reliable and independent sources, documents, data, or information. All records of transactions and records of closed accounts are required to be maintained and stored for five years from the date of a transaction or after their closure, respectively.

Covered Persons should have systems in place that would alert its responsible officers of any circumstance or situation that would give rise to a suspicion of a money laundering activity or transaction. Covered Persons shall formulate a reporting chain under which a suspicious transaction or circumstance will be processed, analysed and investigated. The reporting chain should include the designation of a Board Level or approval Committee or the Chief Compliance Officer as the ultimate decision maker on whether or not the Covered Person should file a report to the AMLC.

LABOR LAW

Labor Code of the Philippines

The Department of Labour and Employment or DOLE is the Philippine government agency mandated to formulate policies, implement programmes and services, and serves as the policy-coordinating arm of the Executive Branch in the field of labour and employment. The DOLE has exclusive authority in the administration and enforcement of labour and employment laws such as Presidential Decree No. 442, also known as the Labour Code of the Philippines ("**Labour Code**"), and the Occupational Safety and Health Standards, as amended, and such other laws as specifically assigned to it or to the Secretary of the DOLE.

Department Order No. 174, Series of 2017 ("**D.O. 174**") was issued by the DOLE providing for the guidelines on contracting and subcontracting, as provided for under the Labour Code. It has reiterated the policy that Labour-only Contracting is absolutely prohibited where: (a) (i) the contractor or subcontractor does not have substantial capital, or does not have investments in the form of tools, equipment, machineries, supervision, work premises, among others; and (ii) the contractor's or subcontractor's employees recruited and placed are performing activities which are directly related to the main business operation of the principal; or (b) the contractor or subcontractor does not exercise the right to control over the performance of the work of the employee. Subsequently, DOLE issued Department Circular No. 1, Series of 2017, clarifying that the prohibition under D.O. 174 does not apply to business process outsourcing, knowledge process outsourcing, legal process outsourcing, IT Infrastructure outsourcing, application development, hardware and/or software support, medical transcription, animation services, and back office operations or support.

D.O. 174 provides that, in the event of a finding that the contractor or subcontractor is engaged in labour-only contracting and other illicit forms of employment arrangements, the principal shall be deemed the direct employer of the contractor's or subcontractor's employees. Further, in the event of violation of any provision of the Labour Code, including the failure to pay wages, there exists liability on the part of the principal and the contractor for purposes of enforcing the provisions of the Labour Code and other social legislation, to the extent the work was performed under the employment contract.

Occupational Safety and Health Standards Law

Republic Act No. 11058 or the Occupational Safety and Health Standards Law mandates employers, contractors or subcontractors and any person who manages, controls or supervises the work, to furnish the workers a place of employment free from hazardous conditions that are causing or are likely to cause death, illness or physical harm to the workers. It also requires to give complete job safety instructions or orientation and to inform the workers of all hazards associated with their work, health risks involved or to which they are exposed, preventive measures to eliminate or minimise the risks and steps to be taken in cases of emergency.

An employer, contractor or subcontractor who wilfully fails or refuses to comply with the Occupational Safety and Health Standards shall be administratively liable for a fine. Further, the liability of the employer, project owner, general contractor, contractor or subcontractor, if any, and any person who manages, controls or supervises the work, shall be solidary.

Social Security System, PhilHealth and the Pag-IBIG Fund

An employer or any person who uses the services of another person in business, trade, industry or any undertaking is required under Republic Act No. 8282 to ensure coverage of employees following procedures set out by the law and the Social Security System ("**SSS**"). Under the said law, social security coverage is compulsory for all employees under 60 years of age. An employer must deduct and withhold from its compulsorily covered employees their monthly contributions based on a given schedule, pay its share of contribution and remit these to the SSS within a period set by law and/or SSS regulations.

Employers are likewise required to ensure enrolment of its employees in a National Health Programme administered by the Philippine Health Insurance Corporation, a government corporation attached to the DOH tasked with ensuring sustainable, affordable and progressive social health insurance pursuant to the provisions of the National Health Insurance Act of 1995, as amended by the Republic Act No. 11223, otherwise known as the Universal Health Care Act. The registration, accurate and timely deductions and remittance of contributions to the Philippine Health Insurance Corporation is mandatory as long as there is employer-employee relationship.

Under Republic Act No. 9679, otherwise known as the Home Development Mutual Fund Law of 2009, all employees who are covered by the Social Security Act of 1997 must also be registered with and covered by the Home Development Mutual Fund, more commonly referred to as the Pag-IBIG Fund. It is a national savings programme as well as a fund to provide affordable shelter financing to Filipino employees. The employer is likewise mandated to deduct and withhold, pay and remit to the Pag-IBIG Fund the respective contributions of the employees under the prescribed schedule.

Labor Code Provision on Retirement Pay

The Philippine Labour Code provides that, in the absence of a retirement plan provided by their employers, private sector employees who have reached 60 years of age or more, but not beyond 65 years of age, the compulsory retirement age for private-sector employees without a retirement plan, and who have rendered at least five years of service in an establishment, may retire and receive a minimum retirement pay equivalent to one-half month's salary for every year of service, with a fraction of at least six months being considered as one whole year.

For the purpose of computing the retirement pay, "one-half month's salary" shall include all of the following: 15 days salary based on the latest salary rate; in addition, 1/12 of the thirteenth month pay and the cash equivalent of five days of service incentive leave pay. Other benefits may be included in the computation of the retirement pay upon agreement of the employer and the employee or if provided in a collective bargaining agreement.

DOLE Mandated Work-Related Programmes

Under Republic Act No. 9165, otherwise known as the Comprehensive Dangerous Drugs Act, a

national drug abuse prevention programme implemented by the DOLE must be adopted by private companies with
10 or more employees. For this purpose, employers must adopt and establish company policies and programmes against drug use in the workplace in close consultation and coordination with the DOLE, labour and employer organisations, human resource development managers and other such private sector organisations. DOLE Department Order No. 053-03 sets out the guidelines for the implementation of Drug-Free Workplace policies and programmes for the private sector.

The employer or the head of the work-related, educational or training environment or institution, also has the duty to prevent or deter the commission of acts of sexual harassment and to provide the procedures for the resolution, settlement or prosecution of such cases. Under the Anti-Sexual Harassment Act, the employer will be solidarily liable for damages arising from the acts of sexual harassment committed in the workplace if the employer is informed of such acts by the offended party and no immediate action is taken. Notwithstanding this, the victim of sexual harassment is not precluded from instituting a separate and independent action for damages and other affirmative relief. Any person who violates the provisions of this law shall, upon conviction, be penalised by imprisonment of not less than one month nor more than six months, or a fine of not less than ₱10,000 nor more than ₱20,000, or both such fine and imprisonment, at the discretion of the court. Any action arising from the violation of the provisions of this law shall prescribe in three years.

Moreover, Republic Act No. 8504, otherwise known as the Philippines AIDS Prevention and Control Act, requires all private workplaces to have a policy on HIV and AIDS and to implement a workplace programme in accordance with the Philippines AIDS Prevention and Control Act. The workplace policies aim to manage sensitive issues, such as confidentiality of medical information and continuation of employment for HIV-positive staff, and to avoid the discrimination of any employee due to HIV/AIDS. Any HIV/AIDS-related information of workers should be kept strictly confidential and kept only on medical files, whereby access to it is strictly limited to medical personnel.

All private workplaces are also required to establish policies and programmes on solo parenting, Hepatitis B, and tuberculosis prevention and control.

Owing to the spread of COVID-19, the Department of Trade and Industry and DOLE have issued guidelines on workplace prevention and control of COVID-19. The guidelines provide for the wearing of face masks by all employees, temperature cheques, disinfection of equipment or vehicles entering a premises, and social distancing measures, among others.

PHILIPPINE TAXATION

The statements herein regarding taxation are based on the laws in force as of the date of this Preliminary Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the First Tranche Bonds and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Neither these statements nor any other statements in this Preliminary Prospectus are to be regarded as advice on the tax position of any holder of the First Tranche Bonds or any person acquiring, selling or otherwise dealing in the First Tranche Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the First Tranche Bonds. Prospective purchasers of the First Tranche Bonds are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of First Tranche Bonds.

The tax treatment of a holder of First Tranche Bonds may vary depending upon such holder's particular situation, and certain holders may be subject to special rules not discussed below. This summary does not purport to address all tax aspects that may be important to a Bondholder

The following is a general description of certain Philippine tax aspects of the First Tranche Bonds. It is based on the present provisions of the National Internal Revenue Code of 1997, as amended by Republic Act No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion Law ("**TRAIN Law**"), which took effect on 1 January 2018, and Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprise Act (the "**CREATE Act**"), which took effect on 11 April 2021 (TRAIN Law and CREATE Act, collectively, the "**Philippine Tax Code**"), the regulations promulgated thereunder and judicial and ruling authorities in force as of the date of this Preliminary Prospectus, all of which are subject to changes occurring after such date, which changes could be made on a retroactive basis.

As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines and who is not a citizen of the Philippines while the term "non-resident alien" means an individual whose residence is not within the Philippines and who is not a citizen of the Philippines. A non-resident alien who stays in the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien doing business in the Philippines"; otherwise, such non-resident alien is considered a "non-resident alien not engaged in trade or business within the Philippines". A "domestic corporation" is one that is created or organised under the laws of the Philippines. "A "resident foreign corporation" is a foreign corporation engaged in trade or business in the Philippines and a "non-resident foreign corporation" is a foreign corporation that is not engaged in trade or business within the Philippines. The term "non-Philippine holders" refers to beneficial owners of the First Tranche Bonds who are (1) non-resident aliens not engaged in trade or business within the Philippines or (2) non-resident foreign corporations.

Documentary Stamp Tax

Under the Philippine Tax Code, a documentary stamp tax is imposed upon every original issue of debt instruments, such as bonds and notes, at the rate of ₱1.50 on each ₱200, or fractional part thereof, of the issue price of such debt instruments; provided, that for debt instruments with terms of less than one year, the documentary stamp tax to be collected shall be proportionate to the ratio of the debt instrument's term in number of days to 365 days. The documentary stamp tax is collectible wherever the document is made, signed, issued, accepted or transferred when the obligation or right arises from Philippine sources, the property is situated in the Philippines, or where the object of the contract is located or used in the Philippines.

No documentary stamp tax is imposed on the subsequent sale or disposition of the First Tranche Bonds, trading of the First Tranche Bonds in a secondary market or through an exchange as long as there is no change in the maturity date or the material terms and conditions of the First Tranche Bonds.

Income Tax on Interest on the First Tranche Bonds

The Tax Code provides that interest-bearing obligations of Philippine residents are Philippine-sourced income subject to Philippine income tax. Alien individuals and foreign corporations are subject to Philippine income tax on Philippine-sourced income only.

Any payment made by the Issuer to a Bondholder of interest on the First Tranche Bonds is Philippine-sourced income and accordingly subject to final withholding taxes in the Philippines at the following rates:

Philippine citizens and resident alien individuals	20%
Non-Resident aliens doing business in the Philippines	20%
Non-resident aliens not doing business in the Philippines	25%
Domestic corporations.	20%
Resident foreign corporations	20%
Non-resident foreign corporation	25%

If the payment made by the Issuer to a non-resident foreign corporation is in foreign currency and qualifies as interest on foreign loans, the applicable final withholding tax rate is 20%.

The tax imposed on the interest is a final withholding tax which constitutes a final settlement of Philippine income tax liability with respect to such interest.

The aforementioned final withholding tax rates may be reduced by applicable provisions of tax treaties in force between the Philippines and the tax residence country of the non-Philippine holder. Most tax treaties to which the Philippines is a party provide for a preferential reduced tax rate of 15% where Philippine-source interest income is paid to a resident of the other contracting state. However, tax treaties would also normally qualify that the preferential reduced tax rates will not apply if the recipient of the interest income, even if considered a resident of the other contracting state, carries on business in the Philippines through a permanent establishment and the holding of the relevant interest-bearing instrument is effectively connected to such permanent establishment.

The BIR has prescribed certain procedures for the availment of tax treaty relief. Assuming the payments to be made by the Issuer are subject to withholding tax, a non-Philippine holder may avail of the lower withholding tax rates allowed under an applicable tax treaty with the Philippines by submitting to the Issuer the following: (a) duly accomplished BIR Form No. 0901 indicating the basis for the preferential tax treaty rate; (b) Tax Residency Certificate for the relevant period duly issued by the tax authority of the residence of the non-Philippine holder; (c) original consularised or apostilled Special Power of Attorney (SPA) of the signing officer; or SPA issued by the non-Philippine holder to his/her authorised representative, which shall expressly state the authority to sign the BIR Form No. 0901; and (d) the relevant tax treaty provision relied upon by the non-Philippine holder in availing of the lower withholding tax rates.

Under Condition 8.1, all payments of principal, premium and interest by or on behalf of the Issuer or the Guarantor in respect of the First Tranche Bonds shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any Tax Jurisdiction, unless such withholding or deduction is required by the law of any Relevant Jurisdiction. Where such withholding or deduction is made by the Issuer or the Guarantor, as the case may be, the Issuer or the Guarantor will increase the amounts paid by it to the extent required, so that the net amount received by the holders of the First Tranche Bonds equals the amounts which would otherwise have been receivable by them had no such withholding or deduction been required. In the event that the Issuer or the Guarantor makes a deduction or withholding required by the law of any Relevant Jurisdiction the Issuer or the Guarantor shall pay such

Additional Amounts as will result in receipt by the holders of the First Tranche Bonds of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Note:

(i) presented for payment (if applicable) by or on behalf of a Bondholder who is liable to the Taxes in respect of such Note by reason of their having some connection with any Relevant Jurisdiction other than the mere holding of the Note; or

(ii) presented for payment (if applicable) more than 30 days after the Relevant Date (as defined in Condition 8.2) except to the extent that a Holder of such Note would have been entitled to such Additional Amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Payment Business Day (as defined in Condition 7.4).

Tax Exempt Status

Bondholders who are exempt from, are not subject to final withholding tax, or are subject to a lower rate of final withholding tax on interest income paid by the Issuer may avail of such exemption or preferential withholding tax rate by submitting the necessary documents.

The BIR has prescribed certain procedures for availment of such exemption or preferential withholding tax rate. Assuming the payments to be made by the Issuer are subject to withholding tax, subject to the filing of the Issuer's application and its approval by the BIR, the Issuer will not withhold or will withhold at a reduced rate provided that such Bondholder furnishes the Issuer with the following documents, in form and substance prescribed by the Issuer:

1. Proof of Tax Exemption or Entitlement to Preferential Tax Rates

   i. For (a) tax-exempt corporations and associations under Section 30 of the Tax Code (except non-stock, non-profit educational institutions under Section 30(H) of the Tax Code); (b) cooperatives duly registered with the Cooperative Development Authority; and (c) BIR-approved pension fund and retirement plan– certified true copy of valid, current and subsisting tax exemption certificate, ruling or opinion issued by the BIR. For this purpose, a tax exemption certificate or ruling shall be deemed "valid, current and subsisting" if it has not been more than 3 years since the date of issuance thereof, and has not been revoked, amended or modified;

   ii. For Tax-Exempt Personal Equity Retirement Account established pursuant to PERA Act of 2008 – certified true copy of the Bondholder's current, valid and subsisting Certificate of Accreditation as PERA Administrator (BIR Form No. 2336);

   iii. For all other tax-exempt entities (including, but not limited to, (a) non-stock, non-profit educational institutions; (b) GOCC; and (c) foreign governments, financing institutions owned, controlled or enjoying refinancing from foreign governments, and international or regional financial institutions established by foreign governments) – certified true copy of tax exemption certificate, ruling or opinion issued by the BIR expressly stating that their income is exempt from income tax and, consequently, withholding tax; and

   iv. For entities claiming tax treaty relief – original or certified true copies of the following documents:

      General requirements:

      A. Duly accomplished BIR Form No. 0901-I indicating the basis for the application of the preferential tax treaty rate on the income of the Bondholder;

      B. Original Tax Residency Certificate ("**TRC**") duly issued by the tax authority of the foreign country in which the Bondholder is a resident; and

      C. Original and duly notarised Special Power of Attorney ("**SPA**") issued by the Bondholder to the Issuer, expressly stating the Issuer's authority to sign the

Application Form for Tax Treaty Relief Form prescribed under Revenue Purposes (BIR Form No. 0901-I) and to file a request for confirmation with the BIR on behalf of the Bondholder.

Additional requirements for legal persons and arrangements, and individuals:

A. Authenticated copy of the Bondholder's Articles/Memorandum of Incorporation/ Association, Trust Agreement, or equivalent document confirming its establishment or incorporation, with an English translation thereof if in foreign language;

B. For legal persons and arrangements – original Certificate of Non-Registration or certified true copy of Licence to Do Business in the Philippines duly issued by the Securities and Exchange Commission (SEC) to the Bondholder;

C. For individuals – original Certificate of Business Registration/Presence duly issued by the Department of Trade and Industry (DTI) to the Bondholder;

Additional requirements for entities:

A. Certified true copy of the law of the foreign country showing that tax is imposed on the Bondholder or the owners or beneficiaries of the Bondholder;

B. List of owners/beneficiaries of the Bondholder;

C. Proof of ownership of the Bondholder; and

D. TRC duly issued by the concerned foreign tax authority to the owners or beneficiaries of the Bondholder.

All documents executed in a foreign country must either be authenticated by the Philippine Embassy stationed therein or apostilled if the said foreign country is a signatory to the Convention Abolishing the Requirement of Legalisation for Foreign Public Documents (HCCH 1961 Apostille Convention) in order to be acceptable to the Issuer.

In addition, for subsequent interests due and subject to the requirements of new or amendatory regulations, the Bondholder shall submit to the Issuer an updated Application Form, a new TRC (if the validity period of the previously submitted TRC has already lapsed), and other relevant documents no later than the last day of the first month of the year when such subsequent interest payment/s shall fall due.

2. A duly notarised declaration (in the prescribed form) warranting that the Bondholder's tax-exemption certificate or ruling has not been revoked or cancelled and that there are no material changes in character, purpose, or method of operation of the Bondholder which are inconsistent with the basis of its income tax exemption, or warranting the Bondholder's entitlement to preferential treaty rates, and undertaking to immediately notify the Issuer, the Registrar, and the Paying Agent of any suspension or revocation of its tax exemption or treaty privileges and agreeing to indemnify and hold the Issuer, the Registrar, and the Paying Agent free and harmless against any claims, actions, suits, and liabilities arising from the non-withholding or reduced withholding of the required tax; and

3. Such other documentary requirements as may be reasonably required by the Issuer or the Registrar and Paying Agent, or as may be required under applicable regulations of the relevant taxing or other authorities.

Failure to submit any of the documents provided under 1., 2. and 3. above, as may be applicable, will result in the application of the normal income tax rate provided under the Tax Code.

All sums payable by the Issuer to tax-exempt entities shall be paid in full without deductions for Taxes, duties, assessments, or government charges, subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Issuer.

If the tax treaty rate was applied by the Issuer based on the representations and supporting documents provided by the Bondholder, the Bondholder (either directly or through its duly authorized representatives) will shall file, on behalf of the Issuer, with the ITAD a Request for Confirmation ("**RFC**") of the use of the tax treaty rate no later than the last day of the fourth month following the close of the relevant taxable year after the payment of the withholding tax with supporting documents specified in RMO No. 14-2021 and in relation to RMC Nos. 77-2021 and 20-2022 and its allied BIR issuances, as may be amended from time to time. In relation thereto, the Issuer requires that copies of the BIR-stamped "Received" RFC (with the complete accompanying documents) be provided by the Bondholder to the Issuer within sixty (60) days from the payment of the interest income to the Bondholder (either directly or through its duly authorized representatives), and without need of prior request or demand from the Issuer. The Bondholder shall submit to the Issuer the original of the Certificate of Entitlement to Treaty Benefit issued by the BIR within ten (10) days from the Bondholder's receipt of the Certificate of Entitlement to Treaty Benefit. The Bondholder shall ensure compliance with the requisites under the Certificate of Entitlement to Treaty Benefit for entitlement to the tax treaty benefits.

If the BIR determines that the withholding tax rate used is lower than the applicable tax rate that should have been applied, or that the non-resident taxpayer is not entitled to treaty benefits, the RFC will be denied and the BIR will require the Issuer to pay the deficiency taxes with penalties. In such case, the Bondholder, as the ultimate income earner, shall either advance to the Issuer or reimburse the Issuer, at the option of the Issuer, the total amount of deficiency taxes and penalties imposed by the BIR, as well as all other reasonable and necessary fees that may be incurred by the Issuer as a result of the denial of the BIR application.

In case the Issuer used the regular tax rate under the Tax Code, the non-resident foreign Bondholder who intends to obtain a confirmation of entitlement to treaty benefits may file a Tax Treaty Relief Application ("**TTRA**") with ITAD after it has received the interest income with supporting documents specified in RMO No. 14-2021 in relation to RMC No. 77-2021. If the BIR determines that the withholding tax rate applied is higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits, and the Bondholder may apply for a refund of excess withholding tax with the BIR within the two-year period provided in Section 229 of the Tax Code. The claim for refund of the Bondholder may be filed simultaneously with the tax treaty relief application.

For claims of tax exemption, RMC No. 8-2014 mandates withholding agents/income payors to require from individuals and entities claiming tax exemption a copy of a valid, current, and subsisting tax exemption certificate or ruling before payment of the related income. The tax exemption certificate or ruling must explicitly recognize the tax exemption, as well as the corresponding exemption from imposition of withholding tax. Failure on the part of the taxpayer to present the said tax exemption certificate or ruling shall subject him to the payment of the appropriate withholding taxes due on the transaction.

Transfers taking place in the Register of Bondholders after the First Tranche Bonds are listed in PDEx may be allowed between taxable and tax-exempt entities without restriction provided the same are in accordance with the relevant rules, conventions and guidelines of PDEx and PDTC. A selling or purchasing Bondholder claiming tax-exempt status is required to submit the following documents to the Issuer, upon submission of account opening documents to the Registry: (i) a written notification of the sale or purchase, including the tax status of the selling or buying party, and (ii) an indemnity agreement wherein the new Bondholder undertakes to indemnify the Issuer for any tax that may later on be assessed on the Issuer on account of such transfer.

If the regular rate mentioned above is withheld by the Issuer, instead of the reduced rate, the Bondholder may file a claim for a refund from the BIR. However, because the refund process in the Philippines could be cumbersome, requiring the filing of an administrative claim and the possible filing of a judicial appeal, it may be impractical to pursue such refund.

Value-Added Tax

Gross receipts derived by dealers in securities from the sale of the First Tranche Bonds in the Philippines, equivalent to the gross selling price less the acquisition cost of the First Tranche Bonds sold, shall be subject to value-added tax of 12%.

"Dealer in securities" means a merchant of stock or securities, whether an individual partnership or corporation, with an established place of business, regularly engaged in the purchase of securities and their resale to customers, that is, one who as a merchant buys securities and sells them to customers with a view to the gains and profits that may be derived therefrom.

Gross Receipts Tax

Bank and non-bank financial intermediaries performing quasi-banking functions are subject to gross receipts tax on gross receipts derived from sources within the Philippines in accordance with the following schedule:

On interest, commissions and discounts from lending activities as well as income from financial leasing, on the basis of remaining maturities of instruments from which such receipts are derived:

Maturity period is five years or less	5%
Maturity period is more than five years	1%

Non-bank financial intermediaries not performing quasi-banking functions doing business in the Philippines are likewise subject to gross receipts tax. Gross receipts of such entities derived from sources within the Philippines from interests, commissions and discounts from lending activities are taxed in accordance with the following schedule based on the remaining maturities of the instruments from which such receipts are derived:

Maturity period is five years or less	5%
Maturity period is more than five years	1%

In case the maturity period is shortened through pre-termination, the maturity period is to be reckoned to end as of the date of pre-termination for purposes of classifying the transaction, and the correct rate of tax shall be applied accordingly.

If the net trading gains realised within the taxable year on the sale or disposition of the First Tranche Bonds by banks and nonbank financial intermediaries performing quasi-banking functions are considered as gross receipts derived from sources within the Philippines, such gains shall be subject to gross receipts tax at the rate of 7%.

Income Tax on Sale or Other Disposition of the First Tranche Bonds

Under Section 32(B)(7)(g) of the Tax Code, gains realised from the sale, exchange or retirement of bonds, debentures and other certificates of indebtedness with a maturity date of more than five years (as measured from the date of issuance of such bonds, debentures or other certificates of indebtedness) (*i.e.*, Long Term Bonds) are exempt from income tax. The BIR, however, has not had occasion to confirm whether bonds issued by foreign entities, such as the First Tranche Bonds, may constitute Long Term Bonds for purposes of such exemption. In any case, any gain from the sale or exchange of the First Tranche Bonds is not subject to Philippine income tax if the sale or exchange of the First Tranche Bonds by a non-Philippine holder takes place outside the Philippines.

If the First Tranche Bonds are considered ordinary assets, gains from the sale or disposition of such First Tranche Bonds that are subject to Philippine income tax will be included in the computation of taxable income, which, after being reduced by the applicable deductions, is subject to the following graduated tax rates for Philippine citizens (whether residents or non-residents), or resident foreign individuals or non-resident aliens engaged in trade or business in the Philippines (selling or disposing of such First Tranche Bonds within the Philippines) effective 2 January 2023 and onwards:

Not over ₱250,000	0%
Over ₱250,000 but not over ₱400,000	15% of the excess over ₱250,000
Over ₱400,000 but not over ₱800,000	₱22,500 plus 20% of the excess over ₱400,000
Over ₱800,000 but not over ₱2,000,000	₱102,500 plus 25% of the excess over ₱800,000
Over ₱2,000,000 but not over ₱8,000,000	₱402,500 plus 30% of the excess over ₱2,000,000

Over ₱8,000,000 .... ₱2,202,500 plus 35% of the excess over P8,000,000

For non-resident aliens not engaged in trade or business, the gain from the sale of First Tranche Bonds within the Philippines shall be subject to the 25% final withholding tax.

If the First Tranche Bonds are considered as capital assets of individual Bondholders, gains from the sale or disposition of such First Tranche Bonds shall be subject to the same income tax rates as if the First Tranche Bonds were held as ordinary assets, except that if the gain is realised by an individual who held the First Tranche Bonds for a period of more than 12 months prior to the sale, only 50% of the gain will be recognised and included in the computation of taxable income, subject to the applicable deductions. On the other hand, if the First Tranche Bonds were held by an individual for a period of 12 months or less, 100% of the gain will be included in the computation of the taxable income.

Gains derived on the sale or other disposition of the First Tranche Bonds by domestic corporation within or outside of the Philippines, or by resident foreign corporations if such sale or disposition is made within the Philippines, are included in the computation of taxable income which is subject to a 25% regular corporate income tax, provided that domestic corporations with net taxable income not exceeding ₱5,000,000 and with total assets not exceeding ₱100,000,000 (excluding land on which the particular business entity's office, plant, and equipment are situated during the taxable year for which the tax is imposed) ("Micro, Small, and Medium Enterprises"), shall be taxed at twenty percent (20%). Gains derived by non-resident foreign corporations on the sale or other disposition of the First Tranche Bonds within the Philippines shall form part of their gross income which is subject to a 25% final withholding tax unless such foreign corporation is entitled to preferential tax treatment pursuant to a tax treaty, subject to such other documentary requirements as may be reasonably required under the applicable regulations of the relevant taxing or other authorities for purposes of claiming tax treaty relief.

Estate and Donor's Tax on Disposition of the First Tranche Bonds

Bonds transferred by a deceased Philippine resident holder to his heirs or, where the Bonds have a Philippine situs, by a deceased non-resident alien holder to his heirs shall form part of the gross estate of the deceased, which, after being reduced by the applicable deductions, is subject to estate tax at a fixed rate of 6% of the net taxable estate of the deceased.

Bonds gratuitously transferred by a Philippine resident or, where the Bonds have a Philippine situs, by a deceased non-resident alien holder shall form part of the gross gifts of the Bondholder for the calendar year, which is subject to donor's tax at a fixed rate of 6% of the of the total gifts in excess of P250,000.00 during the calendar year.

The estate or donor's taxes payable in the Philippines may be credited with the amount of any estate or donor's taxes imposed by the authority of a foreign country, subject to limitations on the amount to be credited, and the tax status of the donor. The estate tax and the donor's tax, in respect of the Bonds, shall not be collected in respect of intangible property, such as the Bonds, (1) if the deceased, at the time of death, or the donor, at the time of the donation, was a citizen and resident of a foreign country which, at the time of his death or donation, did not impose a transfer tax of any character in respect of intangible personal property of citizens of the Philippines not residing in that foreign country; or (2) if the laws of the foreign country of which the deceased or donor was a citizen and resident, at the time of his death or donation, allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in the foreign country.

In case the First Tranche Bonds are transferred for less than adequate and full consideration in money or money's worth, except if transferred in the ordinary course of business (*i.e.*, a *bona fide* transaction, at arm's length, and free from any donative intent), the amount by which the fair market value of the First Tranche Bonds exceeded the value of the consideration may be deemed a gift and donor's taxes may be imposed on the transferor of the First Tranche Bonds.

INDEPENDENT AUDITORS AND COUNSEL

LEGAL MATTERS

Certain legal matters as to Philippine law will be passed upon by Romulo Mabanta Buenaventura Sayoc & de los Angeles ("**Romulo**") for the Issuer, and Angara Abello Concepcion Regala & Cruz ("**ACCRA**") for the Joint Lead Underwriters and Bookrunners. Certain matters relating to the legality of the Offer and tax matters were passed upon by [●] for the limited purpose of issuing an opinion required by the SEC.

None of the above-mentioned legal counsel own shares in the Company or have any rights, whether legally enforceable or not, to nominate persons or to subscribe for the Company's securities. None of the above-mentioned legal counsel have any or will receive any direct or indirect interest in the Company or any securities thereof (including options, warrants, or rights thereto) pursuant to or arising from the Offer.

INDEPENDENT AUDITORS

R.G. Manabat & Co. ("**RGM**"), a member firm of KPMG International, independent auditors, audited the Company's consolidated financial statements as of 31 December 2023 and 2022 and for the years ended 31 December 2023, 2022 and 2021. A review is substantially less in scope than an audit conducted in accordance with Philippine Standards on Auditing. Consequently, it does not enable them to obtain assurance that they would become aware of all significant matters that might be identified in an audit. Accordingly, they do not express an audit opinion on the unaudited interim condensed consolidated financial statements. The financial information included in this Preliminary Prospectus has been prepared under PFRS.

EXTERNAL AUDIT FEES AND SERVICES

DoubleDragon and its Subsidiaries paid its independent auditors the following fees in the past two (2) years

Year	Audit & Audit-Related Fees* *(in PHP millions)*	Tax Fees** *(in PHP millions)*	Other Fees*** *(in PHP millions)*
2023	11.53	1.73	3.00
2022	10.54	1.38	1.20

** Pertains to audit fees.*
*** Pertains to tax advisory fees.*
**** Pertains to financial model advisory and other assurance fees.*

As and when applicable, tax consultancy services are secured from entities other than the appointed independent auditors.

CHANGES IN AND DIAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company has not had any changes in or disagreements with its independent auditors on any matter relating to financial or accounting disclosures.

ISSUER

DOUBLEDRAGON CORPORATION

10th Floor, Tower 1, DoubleDragon
Plaza, DD Meridian Park, Macapagal Ave
cor EDSA Ext, Bay Area, Pasay City,
Metro Manila, Philippines

JOINT ISSUE MANAGERS, JOINT LEAD UNDERWRITERS AND BOOKRUNNERS

DEVELOPMENT BANK OF THE PHILIPPINES

[Development Bank of the Philippines
Sen. Gil J. Puyat Avenue corner Makati Avenue
Makati City, Philippines]

RCBC CAPITAL CORPORATION

[21st Floor RCBC Plaza Tower 2
6819 Ayala Avenue
Makati City, Philippines]

UNICAPITAL, INC.

[3/F Majalco Building
Benavides cor. Trasierra St., Legaspi Village
Makati City, Philippines]

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Metro Manila 1226, Philippines

To the Joint Issue Managers, Joint Lead Underwriters and Bookrunners

ANGARA ABELLO CONCEPCION REGALA & CRUZ

22/F ACCRALAW TOWER
Second Avenue corner 30th Street Crescent
Park West, Bonifacio Global City 1635 Taguig,
Metro Manila, Philippines

INDEPENDENT AUDITOR

R.G. Manabat & Co.

(a member firm of KPMG International)
The KPMG Center, 9/F
6787 Ayala Avenue Makati City 1226, Philippines

FINANCIAL AND OTHER INFORMATION

Annex A: Audited Consolidated Financial Statements of the Company as of 31 December 2023, 2022 and 2021