



## **DOUBLEDRAGON ANNOUNCES SELECT DD PROPERTIES TO BE INCLUDED AS FIRST TRANCHE OF DD'S REIT PORTFOLIO**

DoubleDragon Properties Corp. ("DoubleDragon" or "The Company") has identified its first tranche of REIT assets comprising the leasable properties of DD Meridian Park. The intended DD Meridian Park REIT ("DDMP REIT") will consist of 7 buildings with a total area of 248,349 square meters. The estimated value of the basket of REIT assets stands at Php50,889,814,608 and the Company expects to generate Php16,966,604,869 of proceeds from the planned REIT listing representing an offer of 33.33% of the selected REIT assets, which is the minimum public float based on the revised REIT listing rules. All of the proceeds from the listing will be reinvested in the Philippines. The REIT proceeds will be enough to construct about 450,000 sqm of building floor area which will further significantly increase the leasable portfolio and recurring rental revenues of the company in the near term.

In addition to the 7 buildings that will form the first tranche of DDMP REIT, another 2 more buildings are planned to be infused in the DDMP REIT after about 2-3 years as these 2 other buildings are still currently under construction, also located in the DD Meridian Park complex.

The company is preparing to file its REIT listing application with the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") on August 2020 and aims to list DDMP REIT by this year, on October 2020.

DD-Meridian Park Development Corp. ("DDMP") is a joint venture partnership between DoubleDragon Properties Corp and the Yujuico family. The complex sits on a 5-hectare prime commercial property at the corner of Macapagal Avenue and EDSA Extension at the Bay Area, Pasay City, Metro Manila. The project is LEED Gold certified, walking distance to the LRT/MRT station and houses prominent tenants including the head office of the Tourism Infrastructure and Enterprise Zone Authority ("TIEZA") as well as the head office of the Philippine Economic Zone Authority ("PEZA").

Onboard the working team of the upcoming DDMP REIT are 6 foreign and 3 domestic underwriters.

DoubleDragon currently has 803,000 square meters in its portfolio and plans to list via REIT about 200,000 to 250,000 square meters annually from 2020 to 2025, which will enable the company to unlock the values of its prime leasable assets and significantly strengthen its equity base year on year moving forward.

As of March 31, 2020, DoubleDragon's Consolidated Total Assets stood at Php 115.32 Billion while Total Equity is at Php 44.50 Billion. Debt to Equity Ratio remains healthy at 1.01x, translating to unutilized debt capacity of Php 58.47 Billion, and Cash position stands at Php 5.30 Billion pesos.

The REIT listing will enable the total equity of DoubleDragon to surpass the Php50 billion mark.


"Other than the safeguards already indicated in the REIT listing rules, REIT investors generally want 5 elements present; 1. Asset basket in a prime location that is seen to remain relevant in the next 30-50 years at least, 2. Reasonable yield above a bond coupon, 3. Good tenant mix, 4. Capable property management, and 5. Good pipeline of assets for future infusion. We believe all of these elements are present in DoubleDragon's leasable portfolio," said DoubleDragon Chairman Edgar "Injap" Sia II.

"The REIT valuation of US\$1 Billion we believe is an attractive size that would appeal to a strong pool of both foreign and local REIT investors," said DoubleDragon Chief Investment Officer Hannah Yulo-Luccini.

"REITs are a good way to recycle capital for expansion of the Company's portfolio and raise equity to further boost its balance sheet. Since the offer will only cover 33.33% of the REIT basket, DoubleDragon will retain majority of the REIT assets so it will remain consolidated in the Company's balance sheet," added Ms. Yulo-Luccini.

The Company targets to complete a leasable portfolio of 1.2 Million square meters by 2022 spread across its core business segments. DoubleDragon's four pillars of growth continues 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.

(Please see attached vicinity maps and actual photos of the Project)

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## VICINITY MAPS AND ACTUAL PHOTOS

