



DoubleDragon to build CentralHub Warehouse Complex in Davao

**The 8.2 hectare CentralHub-Davao project will be
DoubleDragon's 4th CentralHub Industrial Warehouse Complex**



(In photo during the signing between DD and ALSONS today March 11, 2019 are DoubleDragon officers Tony Tan Caktiong, Edgar Injap Sia II, Ferdinand Sia and Hannah Yulo with Alsons officers Rosie Dominguez, Paul Dominguez, Conrad Alcantara and Marco Alcantara)

Today, March 11, 2019, the industrial leasing subsidiary of DoubleDragon Properties Corp. ("DoubleDragon"), CentralHub Industrial Centers Inc. ("CentralHub"), signs a joint venture agreement with Alsons Development & Investments Corp. ("ALSONS") for the fourth CentralHub industrial complex which is located in Davao City. CentralHub-Davao joint venture project will be 70% owned by CentralHub and 30% by Davao-based ALSONS.

CentralHub-Davao has an area of 8.2 hectares with a capacity of 40,392 square meters of leasable industrial warehouse space and is strategically located along the Daang Maharlika Highway, 8km from Davao International Container Terminal and 17km from Francisco Bangoy International Airport in Davao City. This will be the first CentralHub in Mindanao and DoubleDragon's fourth CentralHub nationwide following the acquisitions of CentralHub-Danao, Cebu, CentralHub-Iloilo and CentralHub-Tarlac. A total of 23.3 hectares of prime industrial land has been acquired by CentralHub with a total capacity of 121,626 square meters of leasable industrial warehouse space.

CentralHub is envisioned to become the leading provider of industrial warehouses in the Philippines through the development of its first eight (8) CentralHub complexes by 2020, two of which will be located in North Luzon which include CentralHub-Tarlac, two in South Luzon, two in Visayas which include CentralHub-Iloilo and CentralHub-Cebu and two in Mindanao which include CentralHub-Davao. These 8 CentralHub warehouse complexes are projected to have a total capacity of up to 400,000 square meters of warehouse leasable space. Each hub will contain modern standardized multi-use warehouses suited for commissaries, cold storage, light manufacturing and logistic distribution centers. The Company aims to have at least 100,000 square meters of leasable industrial warehouse space across these 8 sites completed by 2020. CentralHub is expected to play a larger role in DoubleDragon's expansion plans 2020 and beyond.

"DoubleDragon makes sure that it focuses only in 'sunrise' sectors within the real estate industry that is expected to remain relevant in at least the next 50 years. The company has been seriously focused on building up its portfolio of prime hard assets that can generate high double digit rental yields and deploy capital only on select prime properties that can appreciate 5 to 10 folds in the next 5 to 10 years," said DoubleDragon Chairman Edgar "Injap" Sia II.

"The reason why we are so fixated in hitting our 1.2 million square meter leasable target by 2020 is because the math is simple. With 1.2 million square meters of leasable space, yielding say an average of Php 750 per square meter per month by that time, this should give the Company total annual recurring revenues of Php 10.8 Billion. This rental income practically translates to about 90% EBITDA margin because in addition to rent, developers collect CUSA/maintenance fees from tenants which covers operating expenses of each property," as previously stated by DoubleDragon Chairman Edgar "Injap" Sia II.

DoubleDragon's recurring revenues are contributed by its portfolio of prime leasable spaces from its string of CityMalls, DD Meridian Park, Jollibee Tower, The SkySuites Corporate Tower commercial area, WH Taft Residences commercial area, The Uptown Place commercial area, Umbria Mall in Laguna and Dragon8 Mall in Divisoria.

"As the government ramps up infrastructure development across the archipelago, the flow of goods will become easier in the Visayas as well as Mindanao regions. Because of this, there has been rising demand for warehouse space for logistics, commissary, cold storage, distribution, manufacturing, consumer-related and e-commerce companies alike. The

continuous investment in infrastructure projects are compelling e-commerce and consumer companies to enter new markets which has become the catalyst for the strong demand in industrial space,” said DoubleDragon Chief Investment Officer Hannah Yulo.

The Company targets to complete a leasable portfolio of 1.2 Million square meters by 2020 comprising of 700,000 square meters from 100 CityMalls, 300,000 square meters from its Metro Manila office projects DD Meridian Park and Jollibee Tower, 100,000 square meters from the planned 5,000 hotel rooms of Hotel101 and Jinjiang Inn Philippines, and another 100,000 square meters of industrial space from various CentralHub sites across Luzon, Visayas and Mindanao.

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.



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