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S.E.C. Registration Number

D O U B L E D R A G O N P R O P E R T I E S C O R P .
 A N D S U B S I D I A R I E S

(Company's Full Name)

D D M E R I D I A N P A R K A R E A C O R .
 M A C A P A G A L A V E . A N D E D S A E X T .
 B L V D . S A N R A F A E L , P A S A Y C I T Y

(Business Address : No. Street Company / Town / Province)

Rizza Marie Joy Sia
 Contact Person

856-7111
 Company Telephone Number

0 3 3 1
 Month Day

1 7 - Q
 FORM TYPE

0 8 3 0
 Month Day
 Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

SEC No. 200930354

File No. _____

DOUBLEDRAGON PROPERTIES CORP.

(Company's Full Name)

**DD Meridian Park Bay Area corner Macapagal Avenue and EDSA Extension
Boulevard Brgy 76 Zone 10 San Rafael Pasay City 1302**

(Company's Address)

856 7111

(Telephone Number)

December 31

(Fiscal Year ending)

Form 17-Q for the First Quarter of 2020

(Form Type)

N/A

Amendment Designation

N/A

Period Ended Date

N/A

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2020**
2. Commission identification number **CS200930354** 3. BIR Tax Identification No. **287-191-423-000**
4. Exact name of issuer as specified in its charter: **DoubleDragon Properties Corp.**
5. Province, country or other jurisdiction of incorporation or organization: **Republic of the Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office and Postal Code: **DD Meridian Park Bay Area corner Macapagal Avenue and EDSA Extension Boulevard Brgy 76 Zone 10 San Rafael Pasay City 1302**
8. Issuer's telephone number, including area code: **(632) 8856-7111**
9. Former name, former address and former fiscal year, if changed since last report: **N/A**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
<u>Common Shares</u>	<u>2,367,528,600</u>
<u>Preferred Shares</u>	<u>100,000,000</u>

11. Are any or all of the securities listed on a Stock Exchange?
Yes No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Stock Exchange: **Philippine Stock Exchange**

Securities Listed: **Common Shares and Preferred Shares**

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No N/A

- (b) has been subject to such filing requirements for the past ninety (90) days.

Yes No N/A

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

The following financial statements are submitted as part of this report:

- a) Unaudited Condensed Consolidated Interim Statements of Comprehensive Income for the three months ended March 31, 2020 and March 31, 2019;
- b) Notes to the Unaudited Condensed Consolidated Interim Financial Statement
- a) Unaudited Condensed Consolidated Interim Statements of Financial Position as of March 31, 2020 (unaudited) and December 31, 2019 (audited);
- c) Unaudited Condensed Consolidated Interim Statements of Changes in Equity for the three months ended March 31, 2020 and March 31, 2019; and
- d) Unaudited Condensed Consolidated Interim Statements of Cash Flows for the three months ended March 31, 2020 and March 31, 2019.

DOUBLED DRAGON PROPERTIES CORP. AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
Amount in PHP

	Unaudited	Audited
	March 31, 2020	December 31, 2019
ASSETS		
Current Assets		
Cash and cash equivalents	5,308,297,531	6,700,927,921
Receivables	6,477,873,323	5,798,297,764
Inventories	2,283,137,986	2,169,314,462
Due from related parties	55,150,000	55,150,000
Prepaid expenses and other current assets - net	5,202,316,489	4,486,515,652
Total Current Assets	19,326,775,329	19,210,205,799
Noncurrent Assets		
Receivables - net of current portion	8,796,887	9,898,720
Property and equipment - net	922,525,991	951,538,774
Goodwill and intangible assets	1,253,172,952	1,237,911,379
Investment property	90,696,036,685	89,213,048,577
Right-of-use - net	726,071	862,209
Deferred tax assets	541,968,296	504,367,200
Other noncurrent assets	2,570,331,369	2,418,763,491
Total Noncurrent Assets	95,993,558,251	94,336,390,350
	115,320,333,580	113,546,596,149
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities	9,195,181,664	8,658,321,689
Short-term notes payable	11,583,351,816	12,015,344,351
Due to related parties	988,322,908	988,322,908
Current portion of customers' deposits	495,408,942	420,593,972
Dividends payable	49,361,975	151,578,047
Income tax payable	70,100,115	54,719,292
Total Current Liabilities	22,381,727,420	22,288,880,259
Noncurrent Liabilities		
Long-term notes payable - net of issue cost	18,530,507,505	18,521,177,930
Bonds payable - net of issue cost	14,850,767,944	14,844,514,329
Deferred tax liability	10,561,343,376	10,312,452,220
Lease liability - net of current portion	1,394,443,469	1,351,978,820
Retirement benefits liability	16,310,726	16,310,726
Customers' deposits - net of current portion	216,888,819	215,641,847
Other noncurrent liabilities	2,866,769,280	2,076,864,921
Total Noncurrent Liabilities	48,437,031,119	47,338,940,793
Total Liabilities	70,818,758,539	69,627,821,052

Forward

Equity

Equity Attributable to Equity Holders of the Parent Company

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	15,088,546,460	14,713,800,272
Retirement benefits liability	36,155	36,155
Less: Treasury stock	(167,160,000)	(167,160,000)
	30,699,322,527	30,324,576,339
Non-controlling Interest	13,802,252,514	13,594,198,758
Total Equity	44,501,575,041	43,918,775,097
Total Liabilities and Equity	115,320,333,580	113,546,596,149

DOUBLEDRAGON PROPERTIES CORP. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED INTERIM
STATEMENTS OF COMPREHENSIVE INCOME
For the quarters ended March 31, 2020 and March 31, 2019
Amount in PHP

	March 31, 2020	March 31, 2019, Restated
REVENUES		
Rental income	774,969,494	627,210,271
Real estate sales	208,140,522	178,998,493
Hotel revenues	152,944,078	142,782,772
Unrealized gain from change in fair values of investment property	452,585,473	1,479,424,630
Interest income	20,223,078	447,585
Other income from forfeiture	457,718	148,824
Others	305,288,527	232,198,582
	1,914,608,890	2,661,211,157
COST AND EXPENSES		
Cost of real estate sales	112,446,872	105,903,632
Cost of hotel operations	100,919,164	124,700,049
Selling and marketing expenses	63,219,858	74,571,178
General and administrative expenses	333,486,361	474,514,744
Interest expense	298,344,255	136,856,604
	908,416,510	916,546,207
INCOME BEFORE INCOME TAX	1,006,192,380	1,744,664,950
INCOME TAX EXPENSE	261,447,436	525,474,111
NET INCOME/TOTAL COMPREHENSIVE INCOME	744,744,944	1,219,190,839
Net income attributable to:		
Equity holders of the Parent Company	536,691,188	919,405,349
Non-controlling interest	208,053,756	299,785,490
	744,744,944	1,219,190,839

DOUBLEDRAGON PROPERTIES CORP.
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended March 31, 2020 and 2019

	March 31 2020		March 31 2019	
	Number of Shares	Amount	Number of Shares	Amount
CAPITAL STOCK				
Authorized				
Common Shares - P0.10 par value - February 10, 2014; P1 par value - April 10, 2013; P100 par value - 2012	5,000,000,000	500,000,000	5,000,000,000	500,000,000
Preferred Shares - P100 par value - April 14, 2016	200,000,000	20,000,000,000	200,000,000	20,000,000,000
Issued and outstanding				
Balance at beginning of year - common shares	2,229,730,000	222,973,000	2,229,730,000	222,973,000
Stock issuance - common shares	143,370,600	14,337,060	143,370,600	14,337,060
Balance at March 31 - common shares	2,373,100,600	237,310,060	2,373,100,600	237,310,060
Balance at March 31 - preferred shares	100,000,000	10,000,000,000	100,000,000	10,000,000,000
Balance at March 31		10,237,310,060		10,237,310,060
ADDITIONAL PAID-IN CAPITAL		5,540,589,852		5,540,589,852
RETAINED EARNINGS				
Balance at beginning of year		14,713,800,272		6,529,613,470
Net income for the period		536,691,188		919,405,349
Cash dividends declared		(161,945,000)		(161,945,000)
Balance at March 31		15,088,546,460		7,287,073,819
REMEASUREMENT LOSS ON DEFINED BENEFIT LIABILITY		36,155		2,091,337
LESS: TREASURY SHARES				
Common shares - P30 per share - August 23, 2018	(5,572,000)	(167,160,000)	(5,572,000)	(167,160,000)
NON-CONTROLLING INTEREST				
Balance at beginning of year		13,594,198,758		10,746,806,833
Net income for the period		208,053,756		299,785,490
Balance at March 31		13,802,252,514		11,046,592,323
		44,501,575,041		33,946,497,392

DOUBLEDRAGON PROPERTIES CORP.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the period ended March 31

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱1,006,192,380	₱1,744,664,950
Adjustments for:		
Unrealized gain from change in fair values of investment properties	(452,585,473)	(1,479,424,630)
Interest expense	298,344,255	136,856,604
Depreciation and amortization	42,097,477	36,330,721
Interest income	(20,223,078)	(447,585)
Operating income before working capital changes	873,825,561	437,980,060
Decrease (increase) in:		
Receivables	(678,473,726)	225,419,781
Real estate inventories	(113,823,524)	51,135,569
Prepaid expenses and other current assets	(715,800,837)	10,993,322
Increase (decrease) in:		
Accounts payable and other liabilities	704,169,439	847,805,381
Customers' deposits	76,061,942	145,207,460
Cash absorbed by operations	145,958,855	1,718,541,573
Interest received	20,223,078	254,415
Interest paid	(755,841,816)	(465,103,327)
Income tax paid	(34,776,553)	(55,450,343)
Net cash used in operating activities	(624,436,436)	1,198,242,318
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment property	(682,166,699)	(1,824,945,662)
Property and equipment	(5,477,906)	(5,768,513)
Intangible assets	(22,732,223)	(750,000)
Increase in other noncurrent assets	(151,567,878)	(132,132,151)
Net cash used in investing activities	(861,944,706)	(1,963,596,326)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Availments of notes, net of debt issue costs	15,000,000	3,547,300,000
Payments of:		
Notes	(446,992,535)	(3,014,850,398)
Dividends	(264,161,072)	(161,945,000)
Increase in other noncurrent payable	789,904,359	199,295,054
Net cash provided by financing activities	93,750,752	569,799,656
NET DECREASE IN CASH	(1,392,630,390)	(195,554,352)
CASH AT BEGINNING OF YEAR	6,700,927,921	626,648,679
CASH AT END OF YEAR	₱5,308,297,531	₱431,094,327

DOUBLEDRAGON PROPERTIES CORP. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS

1. Reporting Entity

DoubleDragon Properties Corp., (“DD” or the “Parent Company”), was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on December 9, 2009 primarily to engage in the business of real estate development including but not limited to residential and condominium projects, to acquire by purchase or lease land and interest in land, to own, hold, impose, promote, develop, subdivide and manage any land owned, held or occupied by the Parent Company, to construct, manage or administer buildings such as condominiums, apartments, hotels, restaurants, stores or other structures and to mortgage, sell, lease or otherwise dispose of land, interests in land and buildings or other structures at any time.

The Parent Company’s shares are listed in the Philippine Stock Exchange (“PSE”) on April 7, 2014 under the stock symbol “DD”.

The Parent Company’s registered office address is at 10th Floor, DoubleDragon Plaza, DD Meridian Park Bay Area, Corner Macapagal Avenue and EDSA Extension Boulevard, Brgy. 76 Zone 10, San Rafael, Pasay City, Metro Manila.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2019. The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements in accordance with Philippine Financial Reporting Standards (PFRS), and should be read in conjunction with the audited consolidated financial statements of DoubleDragon Properties Corp. and Subsidiaries (collectively referred to as the “Group”) as at and for the year ended December 31, 2019. The audited consolidated financial statements are available upon request from the Group’s registered office at DD Meridian Park Bay Area, Corner Macapagal Avenue and EDSA Extension Boulevard, Brgy. 76 Zone 10, San Rafael, Pasay City, Metro Manila.

The condensed consolidated interim statements of comprehensive income for the three months ended March 31, 2019 was restated as a result of the adoption of PFRS 16, Leases. The adoption resulted to a recognition of unrealized gains from changes in fair values of investment property amounting to P217.29 million and deferred tax expense amounting to P65.19 million. The restatement has no impact on the consolidated interim statements of cash flows for the three months ended March 31, 2019.

The condensed consolidated interim financial statements were prepared solely for the information and use by the management of DD and is not intended to be, and should not be used by anyone other than for the specified purpose.

The condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors (BOD) on June 26, 2020.

The condensed consolidated interim financial statements are presented in Philippine peso and all values are rounded off to the nearest peso, except when otherwise indicated.

3. Summary of Significant Accounting Policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended December 31, 2019. The following changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending December 31, 2020.

Amended Standards Adopted in 2020

The Group has adopted the following PFRS effective January 1, 2020 and accordingly, changed its accounting policies in the following areas:

- Amendments to References to Conceptual Framework in PFRS sets out amendments to PFRS, their accompanying documents and PFRS practice statements to reflect the issuance of the revised Conceptual Framework for Financial Reporting in 2018 (2018 Conceptual Framework). The 2018 Conceptual Framework includes: (a) a new chapter on measurement; (b) guidance on reporting financial performance; (c) improved definitions of an asset and a liability, and guidance supporting these definitions; and (d) clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

Some standards, their accompanying documents and PFRS practice statements contain references to, or quotations from, the International Accounting Standards Committee's Framework for the Preparation and Presentation of Financial Statements adopted by the IASB in 2001 or the Conceptual Framework for Financial Reporting issued in 2010. The amendments update some of those references and quotations so that they refer to the 2018 Conceptual Framework and makes other amendments to clarify which version of the Conceptual Framework is referred to in particular documents.

- Definition of a Business (Amendments to PFRS 3, *Business Combinations*). The amendments narrowed and clarified the definition of a business. The amendments also permit a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. The amendments: (a) confirmed that a business must include inputs and a process, and clarified that the process must be substantive and the inputs and process must together significantly contribute to creating outputs; (b) narrowed the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and (c) added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

- Definition of Material (Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*). The amendments refine the definition of what is considered material. The amended definition of what is considered material states that such information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify the definition of what is considered material and its application by: (a) raising the threshold at which information becomes material by replacing the term 'could influence' with 'could reasonably be expected to influence'; (b) including the concept of 'obscuring information' alongside the concept of 'omitting' and 'misstating' information in the definition; (c) clarifying that the users to which the definition refers are the primary users of general purpose financial statements referred to in the Conceptual Framework; (d) clarifying the explanatory paragraphs accompanying the definition; and (e) aligning the wording of the definition of what is considered material across PFRS and other publications. The amendments are expected to help entities make better materiality judgments without substantively changing existing requirements.

Except as otherwise indicated, the adoption of these foregoing amended standards did not have a material effect on the condensed consolidated interim financial statements.

New and Amended Standards and Interpretation Not Yet Adopted

A number of new and amended standards and interpretations are effective for annual periods beginning after January 1, 2020 and have not been applied in preparing the condensed consolidated interim financial statements. Unless otherwise indicated, none of these is expected to have a significant effect on the condensed consolidated interim financial statements.

The Group will adopt the following new and amended standards and interpretation on the respective effective dates:

- Interest Rate Benchmark Reform (Amendments to PFRS 9, PAS 39, *Financial Instruments: Recognition and Measurement* and PFRS 7, *Financial Instruments: Disclosures*). The amendments provide temporary exceptions to all hedging relationships directly affected by interest rate benchmark reform - the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark rate such as that resulting from the recommendations set out in the Financial Stability Board's July 2014 report 'Reforming Major Interest Rate Benchmarks'. The exceptions relate to the following requirements:
 - *The Highly Probable Requirement.* When determining whether a forecast transaction is highly probable, an entity shall assume that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.
 - *Prospective Assessments.* When performing prospective assessments, a company shall assume that the interest rate benchmark on which the hedged item, hedged risk and/or hedging instrument are based is not altered as a result of the interest rate benchmark reform.

- *PAS 39 Retrospective Assessment.* An entity is not required to undertake the PAS 39 retrospective assessment for hedging relationships directly affected by the reform. However, the entity must comply with all other PAS 39 hedge accounting requirements, including the prospective assessment.
- *Separately Identifiable Risk Components.* For hedges of a non-contractually specified benchmark component of interest rate risk, an entity shall apply the separately identifiable requirement only at the inception of such hedging relationships.

An entity shall cease applying the exceptions when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows or the hedging relationship is discontinued. End of application does not apply to the test for separately identifiable risk components.

Specific disclosure requirements apply to hedging relationships affected by the amendments including information about the significant interest rate benchmarks, extent of risk exposure directly affected by the reform, how the entity manages the process to transition to alternative benchmark rates, significant assumptions and judgements made in applying the exceptions, and the nominal amount of the hedging instruments in those hedging relationships.

Originally, the amendments apply for annual reporting periods beginning on or after January 1, 2020, with early application permitted. However, The amendments are still subject to the approval by the FRSC.

Deferral of the local implementation of Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to PFRS 10 and PAS 28). The amendments address an inconsistency in the requirements in PFRS 10 and PAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. However, on January 13, 2016, the FRSC decided to postpone the effective date until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

4. Use of Judgments and Estimates

In preparing the condensed consolidated interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those the applied to the consolidated financial statements as at and for the year ended December 31, 2019.

5. Segment Information

Operating Segments

The reporting format of the Group's operating segments is determined based on the Group's risks and rates of return which are affected predominantly by differences in the products and services produced. The operating businesses are organized and managed separately according to the nature of the products produced and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group's reportable segments are real estate development, leasing, and hospitality. The real estate development segment is engaged in the development of real estate assets to be held as trading inventory and for sale. This segment was developed as part of the Group's tactical approach to early stage growth, as part of that plan we will be transitioning out of this segment once the current inventory has been fully sold. The leasing and hospitality segments which are focused in recurring revenue will be the core pillars of the Group's growth plans moving forward. The leasing segment is engaged in the acquisition and/or development of real estate assets in the retail, office and industrial sector that are held for rentals. The hospitality segment is engaged in the acquisition and/or development of hotels which will be managed and operated the Group. The hospitality segment includes the development of a homegrown hotel brand with a unique sale-and-manage business model.

Others pertain to the segments engaged in marketing, property management activities and hotel operations.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with the operating profit or loss in the consolidated financial statements.

The Group has three significant reportable segments for 2020 and 2019, namely the real estate development, leasing, and hospitality. Leasing segment is presented into three sub-segments, which composed of retail, office and industrial.

Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist primarily of operating cash, receivables, real estate inventories, prepaid expenses and other current assets, property and equipment and computer software licenses, net of accumulated depreciation and amortization, investment property and other noncurrent assets. Segment liabilities include all operating liabilities and consist primarily of accounts payable and other current liabilities, customers' deposits and other noncurrent liabilities. Segment assets and liabilities do not include deferred taxes.

Inter-segment Transactions

Segment revenues, expenses and performance include sales and purchases between operating segments. Inter-segment transactions are set on an arm's length basis similar to transactions with nonrelated parties.

Major Customer

The Group does not have a single external customer from which sales revenue generated amounted to 10% or more of the total revenues of the Group.

Operating Segments

Analyses of financial information by business segment follow:

March 31, 2020

	Real Estate Development	Retail Leasing	Office Leasing	Industrial Leasing	Hospitality	Others	Eliminations	Consolidated
Revenue								
External revenues	P208,140,522	P629,882,748	P601,063,705	P3,028,646	P149,238,246	P323,255,023	P -	P1,914,608,890
Inter-segment	-	24,896,651	67,927,291	-	3,705,831	1,291,006,729	(1,387,536,502)	-
Total Revenue	P208,140,522	P654,779,399	P668,990,996	P3,028,646	P152,944,077	P1,614,261,752	(P1,387,536,502)	P1,914,608,890
Segment Results	P57,239,575	P260,702,697	P432,999,341	P1,844,070	P35,915,189	P811,791,609	(P855,747,537)	P744,744,944
Total Comprehensive Income Attributable to Equity holders of the Parent Non-controlling Interests	P -	P -	P -	P -	P -	P -	P -	P536,691,188 208,053,756
Segment Assets	P9,851,209,882	P51,504,661,294	P50,827,347,458	P1,389,026,126	P1,102,826,570	P52,645,356,628	(P52,542,062,674)	P114,778,365,284
Segment Liabilities	P4,197,997,486	P52,967,145,106	P23,927,625,991	P1,578,605,791	P1,567,933,398	P6,615,129,029	(P30,597,021,637)	P60,257,415,164
Other Information								
Capital expenditures	P490,650,306	P122,246,993	P183,526,666	P28,655,940	P86,510,777	P28,393	P -	P911,619,075
Depreciation and amortization	P35,687,089	P10,972,961	P1,662,490	P -	P7,617,374	P285,680	(P14,128,116)	P42,097,478

December 31, 2019

	Real Estate Development		Retail Leasing		Office Leasing		Industrial Leasing		Hospitality		Others		Eliminations		Consolidated	
Revenue																
External revenues	P1,817,725,603	P2,409,038,264	P14,306,480,068	P61,318,139	P678,196,291	P930,956,581	P -	P20,203,714,946								
Inter-segment	-	644,614,645	81,858,010	30,652,671	21,332,055	2,969,010,391	(3,747,467,772)	-								
Total Revenue	P1,817,725,603	P3,053,652,909	P14,388,338,078	P91,970,810	P699,528,346	P3,899,966,972	(P3,747,467,772)	P20,203,714,946								
Segment Results	P613,768,310	P808,988,653	P9,950,073,762	P63,956,606	P134,106,774	(P100,172,929)	(P825,645,080)	P10,645,076,096								
Total Comprehensive Income Attributable to Equity holders of the Parent	P -	P -	P -	P -	P -	P -	P -	P -								P8,831,966,802
Non-controlling interests	P -	P -	P -	P -	P -	P -	P -	P -								1,813,109,294
Segment Assets	P9,032,379,950	P51,499,719,872	P50,456,949,355	P1,205,009,893	P944,630,799	P38,720,685,250	(P38,817,146,170)	P113,042,228,949								
Segment Liabilities	P3,902,835,703	P47,894,721,125	P21,704,676,684	P1,646,824,693	P1,113,454,181	P21,255,104,954	(P38,202,248,508)	P59,315,368,832								
Other Information																
Capital expenditures	P2,206,639,093	P12,983,040,470	P2,258,937,021	P210,516,089	P3,325,556	P14,432,871	P -	P17,676,891,100								
Depreciation and amortization	P72,727,949	P62,109,041	P -	P -	P7,923,491	P19,406,635	P22,702,742	P184,869,858								

Capital expenditures on noncurrent assets represent additions to property and equipment, computer software licenses, intangible assets and investment property. Noncash expenses pertain to depreciation and amortization expense attributable to the reportable segments.

The Group has only one geographical segment, which is the Philippines.

6. Cash and Cash Equivalents

This account consists of:

	<i>Note</i>	March 31, 2020	December 31, 2019
Cash on hand		P10,236,831	P17,725,576
Cash in banks	16	2,693,360,217	2,579,271,789
Short-term placements	16	2,604,700,483	4,103,930,556
		P5,308,297,531	P6,700,927,921

Cash in banks earn annual interest at the respective bank deposit rates. Short-term placements are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn annual interest at the respective short-term placement rates. Total interest income from cash in banks and short-term placements amounted to P20.22 million and P0.45 million for the three months ended March 31, 2020 and 2019, respectively.

7. Receivables

This account consists of:

	<i>Note</i>	March 31, 2020	December 31, 2019
Installment contracts receivable		P2,379,672,454	P2,318,092,595
Rent receivable		2,761,536,588	2,007,568,219
Receivables from:			
Contractors		159,428,052	160,735,277
Tenants		381,435,756	470,729,493
Condominium corporation and unit owners		88,149,637	88,504,431
Hotel operations		77,575,005	80,753,598
Leasehold rights' buyers		346,848,421	347,805,441
Advances to employees		37,947,806	37,089,867
Others		248,107,053	289,846,292
		6,480,700,772	5,801,125,213
Less allowance for impairment loss		2,827,449	2,827,449
	16	P6,477,873,323	P5,798,297,764

Rent receivable pertains to receivables arising from the lease of commercial and office spaces relating to the Group's CityMall, CentralHub and DD Meridian Park operations. These are generally collectible within 30 days.

CUSA and interest and penalties charged to tenant, recognized under “Others” in the condensed consolidated interim statements of comprehensive income, amounted to P168.26 million and P122.40 million for the three months ended March 31, 2020 and 2019, respectively. Other income also includes advertising income, retail and restaurant sales and other charges, which is composed of individually immaterial balances.

8. Prepaid Expenses and Other Current Assets - net

This account consists of:

	<i>Note</i>	March 31, 2020	December 31, 2019
Input VAT - net		P3,510,386,788	P3,222,485,799
Advances to contractors and suppliers		383,656,255	389,054,790
Creditable withholding taxes		219,304,145	183,658,258
Prepaid expenses:			
Taxes		800,243,834	546,178,618
Rent		10,285,690	13,165,660
Commission		5,827,980	5,827,980
Insurance		9,369,585	5,739,556
Others		50,698,748	48,538,351
Refundable deposits	16	14,187,703	8,222,852
Other current assets		198,355,761	63,643,788
		P5,202,316,489	P4,486,515,652

9. Goodwill and Intangible Assets

This account consists of:

	March 31, 2020	December 31, 2019
Hotel101 brand	P664,300,000	P664,300,000
Goodwill	350,377,742	350,377,742
Franchise rights	101,610,130	101,707,340
Advertising production cost	57,898,711	61,078,447
Computer software licenses - net	48,439,673	29,583,136
Concession right	29,226,852	29,544,870
Others	1,319,844	1,319,844
	P1,253,172,952	P1,237,911,379

The recoverable amount of the cash-generating unit was determined to be higher than its carrying amount as at March 31, 2020 and December 31, 2019. Hence, management assessed that there is no impairment loss in the value of goodwill for the three months ended March 31, 2020 and 2019.

10. Investment Property

This account consists of:

	March 31, 2020	December 31, 2019
Land	P20,930,838,090	P20,553,635,372
Building	57,748,814,433	57,431,618,461
Right-of-use assets - land	1,577,424,088	1,469,745,626
Construction in progress	10,438,960,074	9,758,049,118
	P90,696,036,685	P89,213,048,577

The following table provides the fair value hierarchy of the Group's investment property as at March 31, 2020 and December 31, 2019:

		Level 2	
Date of Valuation		March 31, 2020	December 31, 2019
Land	Various	P20,930,838,090	P20,553,635,372
Commercial	Various	40,406,727,381	39,477,222,300
Corporate/office	Various	29,358,471,214	29,182,190,905
		P90,696,036,685	P89,213,048,577

The Group recognized unrealized gains from changes in fair values of investment property amounting to P452.59 million and P1.48 billion for the three months ended March 31, 2020 and 2019, respectively.

Capitalized borrowing costs amounted to P457.31 million and P328.25 million for the three months ended March 31, 2020 and 2019 using 5.97% - 6.25% and 5.97% - 6.48% as capitalization rates, respectively.

11. Short-term and Long-term Debts

Notes Payable

Details of the account are as follows:

	March 31, 2020	December 31, 2019
Balance at beginning of the year	P30,639,339,326	P20,661,416,742
Availments	15,000,000	10,655,100,000
Payments	(446,992,535)	(677,177,416)
	30,207,346,791	30,639,339,326
Less short-term notes and current portion of long-term notes	11,583,351,816	12,015,344,351
Noncurrent portion	18,623,994,975	18,623,994,975
Less unamortized debt issue costs	93,487,470	102,817,045
	P18,530,507,505	P18,521,177,930

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.

The Group is in compliance with the covenants of the debt agreements as at March 31, 2020 and December 31, 2019.

Bonds Payable

Details of the account are as follows:

	Note	March 31, 2020	December 31, 2019
Balance at beginning and end of year		P15,000,000,000	P15,000,000,000
Less unamortized debt issue costs		149,232,056	155,485,671
	16	P14,850,767,944	P14,844,514,329

Total interest expense, exclusive of the capitalized borrowing costs, recognized in profit or loss amounted to P298.34 million and P136.86 million for the three months ended March 31, 2020 and 2019, respectively. Total capitalized borrowing costs charged under "Real estate inventories" and "Investment property" accounts amounted to P348.24 million and P1.89 billion as at March 31, 2020 and December 31, 2019, respectively (Note 10).

12. Other noncurrent liabilities

This account consists of:

	March 31, 2020	December 31, 2019
Security deposits - net of current	P1,497,505,965	P906,647,210
Unearned rent income	527,023,002	592,300,747
Deferred output VAT - net	842,240,313	559,161,187
Accrued rent expense	-	18,755,777
	P2,866,769,280	P2,076,864,921

13. Income Taxes

Income tax expense (benefit) consists of:

	For the Three Months Ended March 31	
	2020	2019 (As restated - Note 2)
Current	P50,157,376	P43,538,214
Deferred	211,290,060	481,935,897
	P261,447,436	P525,474,111

The reconciliation of the income tax expense computed at the statutory income tax rate to the actual income tax expense as shown in profit or loss is as follows:

	For the Three Months Ended March 31	
	2020	2019
Income before income tax	P1,006,192,380	P1,744,664,950
Income tax at the statutory income tax rate	P301,857,714	P523,399,485
Income tax effects of:		
Nondeductible expenses (nontaxable income) - net	(34,343,355)	2,332,984
Interest income subjected to final tax	(6,066,923)	(258,358)
	P261,447,436	P525,474,111

14. Basic and Diluted Earnings Per Share

Basic and diluted earnings per share for the three months ended March 31, 2020 and 2019 are computed as follows:

	For the Three Months Ended March 31	
	2020	2019 (As restated - Note 2)
Net income attributable to equity holders of the Parent Company	P536,691,188	P919,405,349
Dividends on preferred shares for the period	(161,945,000)	(161,945,000)
Net income attributable to common shareholders of the Parent Company (a)	P374,746,188	P757,460,349
Weighted average number of common shares outstanding (b)	2,367,528,600	2,328,265,437
Dilutive shares arising from stock options	-	48,116,496
Adjusted weighted average number of common shares for diluted EPS (c)	2,367,528,600	2,376,381,933
Basic earnings per common share attributable to equity holders of the Parent Company (a/b)	P0.1583	P0.3253
Diluted earnings per common share attributable to equity holders of the Parent Company (a/c)	P0.1583	P0.3188

15. Equity

Retained Earnings

The summary of dividend declarations of the Parent Company is as follows:

Type of Dividend	Share Class	Date of Declaration	Date of Record	Date of Payment	Dividend Per Share	Total
Regular Cash Dividend	Preferred	March 22, 2019	April 5, 2019	April 15, 2019	1.61945	161.95 million
Regular Cash Dividend	Preferred	June 19, 2019	July 3, 2019	July 15, 2019	1.61945	161.95 million
Regular Cash Dividend	Preferred	September 16, 2019	September 30, 2019	October 14, 2019	1.61945	161.95 million
Regular Cash Dividend	Preferred	December 10, 2019	December 26, 2019	January 14, 2020	1.61945	161.95 million
Regular Cash Dividend	Preferred	March 22, 2020	April 5, 2020	April 15, 2020	1.61945	161.95 million

Dividends of Subsidiaries

The summary of cash dividend declarations of the subsidiaries is as follows:

Subsidiary	Share Class	Date of Declaration	Date of Record	Date of Payment	Dividend Per Share	Total
CMGBI	Common	May 15, 2019	April 30, 2019	June 28, 2019	0.0647	22.12 million
DDMPDC	Common	May 15, 2019	April 30, 2019	May 15, 2019	0.0122	217.14 million
CMMBI	Common	June 30, 2019	June 30, 2019	July 19, 2019	3.8500	25.68 million
CMDCI	Common	July 15, 2019	June 30, 2019	July 19, 2019	0.0181	9.64 million
DDMPDC	Common	August 16, 2019	June 30, 2019	August 16, 2019	0.0133	237.46 million
DDMPDC	Common	November 18, 2019	September 30, 2019	November 18, 2019	0.0186	331.59 million
DDMPDC	Common	December 28, 2019	December 28, 2019	April 15, 2020	0.0257	458.17 million
CMDZI	Common	February 4, 2020	January 31, 2020	February 11, 2020	0.049	26.37 million
CMTMI	Common	March 2, 2020	February 28, 2020	March 4, 2020	0.047	28.83 million

16. Financial Risk and Capital Management Objectives and Policies

Objectives and Policies

The Group has significant exposure to the following financial risks primarily from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Interest Rate Risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, and the Group's management of capital.

The main purpose of the Group's dealings in financial instruments is to fund its respective operations and capital expenditures.

The BOD has overall responsibility for the establishment and oversight of the Group's risk management framework. The BOD has established the Executive Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee identifies all issues affecting the operations of the Group and reports regularly to the BOD on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. All risks faced by the Group are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the risks that inevitably occur so as not to affect the Group's operations and forecasted results. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's principal financial assets include cash and cash equivalents, receivables, due from related parties and refundable deposits. These financial assets are used to fund the Group's operations and capital expenditures.

Credit Risk

Credit risk represents the risk of loss the Group would incur if credit customers and counterparties fail to perform their contractual obligations. The risk arises principally from the Group's cash and cash equivalents, receivables, due from related parties and refundable deposits. The objective is to reduce the risk of loss through default by counterparties.

In respect of installments contracts receivable, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. Customer payments are facilitated by post-dated checks. Exposure to bad debts is not significant as titles to real estate properties are not transferred to the buyers until full payment has been made. There are no large concentrations of credit risk given the Group's diverse customer base.

Credit risk arising from rent receivable is primarily managed through a tenant selection process. Prospective tenants are evaluated on the basis of payment track record and other credit information. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which helps reduce the Group's credit risk exposure in case of defaults by the tenants. For existing tenants, the Group has put in place a monitoring and follow-up system. Receivables are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting period follows:

	Note	March 31, 2020	December 31, 2019
Cash and cash equivalents*	6	P5,298,060,700	P6,683,202,345
Receivables**	7	6,486,670,210	5,808,196,484
Due from related parties		55,150,000	55,150,000
Refundable deposits***	8	463,633,887	156,179,147
		P12,303,514,797	P12,702,727,976

*Excluding "Cash on hand" account.

** This includes both current and noncurrent portions of the account.

*** This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts.

The table below presents the Group's exposure to credit risk and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired are separately presented.

March 31, 2020	Financial Assets at Amortized Cost			Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	
Cash and cash equivalents (excluding cash on hand)	P5,298,060,700	P -	P -	P5,298,060,700
Receivables*	1,261,916,725	5,224,753,485	2,827,449	6,489,497,659
Due from related parties	55,150,000	-	-	55,150,000
Refundable deposits**	463,633,887	-	-	463,633,887
	P7,078,761,312	P5,224,753,485	P2,827,449	P12,306,342,246

* This includes both current and noncurrent portions of the account.

** This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts

December 31, 2019	Financial Assets at Amortized Cost			Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	
Cash and cash equivalents (excluding cash on hand)	P6,683,202,345	P -	P -	P6,683,202,345
Receivables*	1,402,913,338	4,405,283,146	2,827,449	5,811,023,933
Due from related parties	55,150,000	-	-	55,150,000
Refundable deposits**	156,179,147	-	-	156,179,147
	P8,297,444,830	P4,405,283,146	P2,827,449	P12,705,555,425

* This includes both current and noncurrent portions of the account.

** This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts.

The following is the aging analysis per class of financial assets as at December 31:

March 31, 2020	Neither Past Due nor Impaired	Past Due but not Impaired			Impaired	Total
		1 to 30 Days	31 to 60 Days	More than 60 Days		
Cash and cash equivalents	P5,298,060,700	P -	P -	P -	P -	P5,298,060,700
Receivables*	4,665,951,589	407,456,177	188,819,085	1,224,443,359	2,827,449	6,489,497,659
Due from related parties	55,150,000	-	-	-	-	55,150,000
Refundable deposits**	463,633,887	-	-	-	-	463,633,887
	P10,482,796,176	P407,456,177	P188,819,085	P1,224,443,359	P2,827,449	P12,306,342,246

* This includes both current and noncurrent portions of the account.

** This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts.

December 31, 2019	Neither Past Due nor Impaired	Past Due but not Impaired			Impaired	Total
		1 to 30 Days	31 to 60 Days	More than 60 Days		
Cash and cash equivalents*	P6,683,202,345	P -	P -	P -	P -	P6,683,202,345
Receivables**	4,060,139,030	280,468,412	206,134,413	1,261,454,629	2,827,449	5,811,023,933
Due from related parties	55,150,000	-	-	-	-	55,150,000
Refundable deposits***	156,179,147	-	-	-	-	156,179,147
	P10,954,670,522	P280,468,412	P206,134,413	P1,261,454,629	P2,827,449	P12,705,555,425

* This includes both current and noncurrent portions of the account.

** This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts.

The following is the credit quality of the Group's financial assets:

	Note	March 31, 2020			Total
		High Grade	Medium Grade	Low Grade	
Cash and cash equivalents*	6	P5,298,060,700	P -	P -	P5,298,060,700
Receivables**	7	5,646,001,548	702,365,925	138,302,737	6,486,670,210
Due from related parties		55,150,000	-	-	55,150,000
Refundable deposits***		463,633,887	-	-	463,633,887
		P11,462,846,135	P702,365,925	P138,302,737	P12,303,514,797

*Excluding "Cash on hand" account.

**This includes both current and noncurrent portions of the account.

***This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts.

	Note	December 31, 2019			Total
		High Grade	Medium Grade	Low Grade	
Cash and cash equivalents*	6	P6,683,202,345	P -	P -	P6,683,202,345
Receivables**	7	4,568,306,329	635,778,428	604,111,727	5,808,196,484
Due from related parties		55,150,000	-	-	55,150,000
Refundable deposits***		156,179,147	-	-	156,179,147
		P11,462,837,821	P635,778,428	P604,111,727	P12,702,727,976

*Excluding "Cash on hand" account.

**This includes both current and noncurrent portions of the account.

***This is presented as part of "Prepaid expenses and other current assets - net" and "Other noncurrent assets" accounts.

The Group assessed the credit quality of unrestricted cash as high grade since this is deposited with reputable banks with low probability of insolvency.

Receivables assessed as high grade pertains to receivable from buyer that had no default in payment; medium grade pertains to receivable from buyer who has history of being 181 to 360 days past due; and low grade pertains to receivable from buyer who has history of being over 360 days past due. Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts. The Group performs credit investigation and evaluation of each buyer to establish paying capacity and creditworthiness. The Group will assess the collectibility of its receivables and provide a corresponding allowance provision once the account is considered impaired.

The credit risk for due from related parties and refundable deposits is considered negligible as these are mainly from related parties and Companies that are generally financially stable.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risks by forecasting projected cash flows and maintaining balance between continuity of funding and flexibility in operations. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational working capital requirements. Management closely monitors the Group's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Note	March 31, 2020				
	Carrying Amount	Contractual Cash Flow	1 Year or Less	1 Year - 5 Years	More than 5 Years
Financial Liabilities					
Accounts payable and other current liabilities*	P8,585,757,268	P8,585,757,268	P8,585,757,268	P -	P -
Due to related parties	988,322,908	988,322,908	988,322,908	-	-
Dividends payable	49,361,975	49,361,975	49,361,975	-	-
Notes payable** 11	30,113,859,321	34,077,460,827	13,147,923,813	20,929,537,014	-
Bonds payable 11	14,850,767,944	19,813,198,196	684,217,544	13,272,430,699	5,856,549,953
Other noncurrent liabilities	1,497,505,965	1,497,505,965	-	1,497,505,965	-
Lease liabilities	1,394,443,469	3,291,730,911	97,529,047	413,894,955	2,780,306,909

* Excluding statutory obligations and unearned rent income account.

** This includes both current and noncurrent portions of the account.

Note	As at December 31, 2019				
	Carrying Amount	Contractual Cash Flow	1 Year or Less	1 Year - 5 Years	More than 5 Years
Financial Liabilities					
Accounts payable and other current liabilities*	P8,056,885,716	P8,056,885,716	P8,056,885,716	P -	P -
Due to related parties	988,322,908	988,322,908	988,322,908	-	-
Dividends payable	151,578,047	151,578,047	151,578,047	-	-
Notes payable** 11	30,536,522,281	34,468,475,638	13,531,485,577	20,936,990,061	-
Bonds payable 11	14,844,514,329	20,041,779,439	912,798,787	13,194,179,600	5,934,801,052
Other noncurrent liabilities*	925,402,987	925,402,987	-	925,402,987	-
Lease liabilities	1,353,778,904	3,216,556,358	90,096,096	493,930,943	2,632,529,319

* Excluding statutory obligations and unearned rent income account.

** This includes both current and noncurrent portions of the account.

Interest Rate Risk

The Group interest risk management policy is to minimize interest rate cash flow risk exposures to changes in interest rates. The Group has short-term and long-term bank borrowings with fixed interest rates. Therefore, the Group is not subject to the effect of changes in interest rates.

Fair Values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash and Cash Equivalents/Due from Related Parties/Accounts Payable and Other Current Liabilities/Due to Related Parties

The carrying amounts of cash and cash equivalents, due from related parties, refundable deposits, accounts payable and other current liabilities, short-term notes payable and due to related parties approximate their fair values due to the relatively short-term nature of these financial instruments.

Receivables

The fair values of installment contract receivable and receivables from leasehold rights' buyers from are based on the discounted value of future cash flows using the applicable rates for similar types of instruments. The fair value of other receivables is approximately equal to their carrying amounts due to the short-term nature of the financial assets.

Refundable Deposits/Lease Liabilities/Security Deposits

Refundable deposits, lease liabilities and security deposits are reported at their present values, which approximate the cash amounts that would fully satisfy the obligations as at reporting date.

Short-term Notes Payable/Long-term Notes Payable/Bonds Payable

The fair value of the interest-bearing fixed-rate short-term and long-term debts is based on the discounted value of expected future cash flows using the applicable market rates for similar types of loans as of reporting date.

Capital Management

The Group's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flows to selective investments. The Group sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The BOD monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. The BOD also monitors the level of dividends to shareholders.

The BOD seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group defines capital as equity, which includes capital stock, additional paid-in capital and retained earnings. There were no changes in the Group's approach to capital management as at March 31, 2020 and December 31, 2019. The Group is not subject to externally-imposed capital requirements.

17. Impact of Corona Virus Disease

On March 8, 2020, under Proclamation 922, the Office of the President has declared a state of public health emergency and subsequently on March 16, 2020, under Proclamation 929, a state of calamity throughout the Philippines due to the spread of the Corona Virus Disease (COVID-19). To manage the spread of the disease, the entire Luzon has been placed under an Enhanced Community Quarantine (ECQ), effective from March 17, 2020 until April 12, 2020, which was subsequently extended to May 15, 2020, which involved several measures including travel restrictions, home quarantine and temporary suspension or regulation of business operations, among others, limiting activities related to the provision of essential goods and services. ECQ was likewise imposed in provinces outside the island of Luzon as imposed by their respective local government unit. On May 16, 2020, the ECQ was downgraded to Modified Enhanced Community Quarantine (MECQ) in Metro Manila and to General Community Quarantine (GCQ) in most provinces. On June 1, 2020, the MECQ in Metro Manila was shifted to GCQ. As at July 10, 2020, community quarantine restrictions of varying degrees remain in place throughout the country.

Despite this challenging business environment, the Group does not foresee any going concern issue affecting its business operations and considers the events surrounding the outbreak as non-adjusting subsequent events, which do not impact its consolidated financial position and performance as at and for the three months ended March 31, 2020.

During ECQ, the Group implemented work from home arrangement for all its employees; thus, except for construction, the Group continued to carry out its skeletal business operations. Nevertheless, the Group believes that the business model for its core pillars that is the provincial retail leasing, office leasing, industrial leasing and hotels, and the geographic presence of the Group's projects across the country mitigated the risks and impact of the community quarantines.

The extent of the consequences, including the financial effect to the Group after December 31, 2019 will depend on certain developments, including the duration of the spread of COVID-19, impact on the Group's customers, tenants, suppliers, contractors and accessibility and effectiveness of government support programs, all of which are uncertain and cannot be reliably determined as at July 10, 2020.

DOUBLEDRAGON PROPERTIES CORP.

Loans and Receivables

As of March 31, 2020

	Total	Neither past due nor impaired	Past due but not impaired			
			1 - 90 days	91 - 180 days	181 - 360 days	> 360 days
Loans and receivables	6,486,670,210	4,665,951,589	704,837,680	275,212,279	292,807,277	547,861,385

DOUBLEDRAGON PROPERTIES CORP. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

For the quarters ended March 31, 2020 and March 31, 2019

	(As restated)		Horizontal Analysis		Vertical Analysis	
	Mar. 31, 2020	Mar. 31, 2019	Increase (Decrease)		2020	2019
REVENUES						
Rent income	₱774,969,494	₱627,210,271	₱147,759,223	23.6%	40.5%	23.6%
Real estate sales	208,140,522	178,998,493	29,142,029	16.3%	10.9%	6.7%
Hotel revenues	152,944,078	142,782,772	10,161,306	7.1%	8.0%	5.4%
Unrealized gain from change in fair values of investment property	452,585,473	1,479,424,630	(1,026,839,157)	-69.4%	23.6%	55.6%
Interest income	20,223,078	447,585	19,775,493	4418.3%	1.1%	0.0%
Income from forfeitures	457,718	148,824	308,894	207.6%	0.0%	0.0%
Others	305,288,527	232,198,582	73,089,945	31.5%	15.9%	8.7%
	1,914,608,890	2,661,211,157	(746,602,267)	-28.1%	100.0%	100.0%
COST AND EXPENSES						
Cost of real estate sales	112,446,872	105,903,632	6,543,240	6.2%	5.9%	4.0%
Cost of hotel operations	100,919,164	124,700,049	(23,780,885)	-19.1%	5.3%	4.7%
Selling and marketing expenses	63,219,858	74,571,178	(11,351,320)	-15.2%	3.3%	2.8%
General and administrative expenses	333,486,361	474,514,744	(141,028,383)	-29.7%	17.4%	17.8%
Interest expense	298,344,255	136,856,604	161,487,651	118.0%	15.6%	5.1%
	908,416,510	916,546,207	(8,129,697)	-0.9%	47.4%	34.4%
INCOME BEFORE INCOME TAX	1,006,192,380	1,744,664,950	(738,472,570)	-42.3%	52.6%	65.6%
INCOME TAX EXPENSE	261,447,436	525,474,111	(264,026,675)	-50.2%	13.7%	19.7%
NET INCOME/TOTAL COMPREHENSIVE INCOME	₱744,744,944	₱1,219,190,839	₱(474,445,895)	-38.9%	38.9%	45.8%
Attributable to:						
Equity holders of the Parent Company	₱536,691,188	₱919,405,349	₱(382,714,161)	-41.6%	28.0%	34.5%
Non-controlling interest	208,053,756	299,785,490	(91,731,734)	-30.6%	10.9%	11.3%
	₱744,744,944	₱1,219,190,839	₱(474,445,895)	-38.9%	38.9%	45.8%

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

March 31, 2020 versus March 31, 2019 Results of Operations

DOUBLED DRAGON PROPERTIES CORP. AND SUBSIDIARIES UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

For the quarters ended March 31, 2020 and March 31, 2019

	(As restated)		Horizontal Analysis		Vertical Analysis	
	Mar. 31, 2020	Mar. 31, 2019	Increase (Decrease)		2020	2019
REVENUES						
Rent income	P774,969,494	P627,210,271	P147,759,223	23.6%	40.5%	23.6%
Real estate sales	208,140,522	178,998,493	29,142,029	16.3%	10.9%	6.7%
Hotel revenues	152,944,078	142,782,772	10,161,306	7.1%	8.0%	5.4%
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Interest income	20,223,078	447,585	19,775,493	4418.3%	1.1%	0.0%
Income from forfeitures	457,718	148,824	308,894	207.6%	0.0%	0.0%
Others	305,288,527	232,198,582	73,089,945	31.5%	15.9%	8.7%
	1,914,608,890	2,661,211,157	(746,602,267)	-28.1%	100.0%	100.0%
COST AND EXPENSES						
Cost of real estate sales	112,446,872	105,903,632	6,543,240	6.2%	5.9%	4.0%
Cost of hotel operations	100,919,164	124,700,049	(23,780,885)	-19.1%	5.3%	4.7%
Selling and marketing expenses	63,219,858	74,571,178	(11,351,320)	-15.2%	3.3%	2.8%
General and administrative expenses	333,486,361	474,514,744	(141,028,383)	-29.7%	17.4%	17.8%
Interest expense	298,344,255	136,856,604	161,487,651	118.0%	15.6%	5.1%
	908,416,510	916,546,207	(8,129,697)	-0.9%	47.4%	34.4%
INCOME BEFORE INCOME TAX	1,006,192,380	1,744,664,950	(738,472,570)	-42.3%	52.6%	65.6%
INCOME TAX EXPENSE	261,447,436	525,474,111	(264,026,675)	-50.2%	13.7%	19.7%
NET INCOME/TOTAL COMPREHENSIVE INCOME	P744,744,944	P1,219,190,839	P(474,445,895)	-38.9%	38.9%	45.8%
Attributable to:						
Equity holders of the Parent Company	P536,691,188	P919,405,349	P(382,714,161)	-41.6%	28.0%	34.5%
Non-controlling interest	208,053,756	299,785,490	(91,731,734)	-30.6%	10.9%	11.3%
	P744,744,944	P1,219,190,839	P(474,445,895)	-38.9%	38.9%	45.8%

Revenues

DoubleDragon Properties Corp. (“DoubleDragon” or “The Company”) reports Consolidated Net Income figures for the first three months of 2020 at Php 744.74 Million. Excluding unrealized fair value gains for both periods, Core Net Income of DoubleDragon has more than doubled increasing +133.09% year-on-year to Php 427.94 Million from only Php 183.59 Million during the same period last year. Core EBITDA has likewise increased by 14.49% year-on-year to Php 1.01 Billion from only Php 881.81 Million during the same period last

year. The variance in Consolidated Net Income is due to one-off fair value gains during the first quarter of 2019 stemming from the completion of DoubleDragon Center East.

More importantly, DoubleDragon's recurring revenues continues to rise by 20.51% to Php 927.91 Million for the first three months of 2020 vs. only Php 769.99 Million during the same period last year primarily from the growth of its rental revenues which grew 23.56% to Php 774.97 Million during the first three months of the 2020 compared to only Php 627.21 Million during the same period last year. Recurring revenues now account for almost half or 48.46% of the Company's Consolidated Revenues from only 28.93% a year prior as it continues its shift towards its goal of becoming a 90% recurring revenue company.

Hotel Revenues of P152.94 million also contributed significantly to the consolidated revenues for the first three months of the Company, an increase of 7.1% from P142.78 million posted in the same period in 2019, brought in by the Company's hospitality revenue segment.

The Company's interest income for the first three months of 2020 increased by ₱19.78 million or, 4418.3%, to ₱20.22 million, compared to ₱447,585 in 2019, as a result of the increase in the Company's deposit placements with financial institutions.

Other income from forfeiture related to forfeited collections from buyers of residential and hotel units increased by 207.6% for the the first three months of 2020 compared to the same period last year.

Furthermore, a P73.09 million increase (31.5%) in Other Income from P232.2 million to P305.29 million accounted for 15.9% of the consolidated revenues for the first three months of 2020.

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.

Cost and Expenses

Cost of real estate sales amounting to P112.45 million increased by P6.54 million 6.2% for the three months ended March 31, 2020, the increase is related to the higher real estate sales recognized by the Company for the period. Cost of hotel operations amounting to P100.92 million decreased by P23.78 million (19.1%) for the three months ended March 31, 2020.

Selling expenses of P63.22 million decreased by P11.35 million (15.2%) from P74.57 million from the same period last year. General and administrative expenses of P333.49 million decreased by P141.03 million (29.07%). Interest expense amounting to P298.34 million was recognized for the three months ended March 31, 2020 – an increase from P161.49 million 118% in the same period last year due to lower capitalized borrowing cost for the period.

Income before income tax

The Company's consolidated income before income tax for the three months ended March 31, 2019 is at ₱1.01 billion, a decrease of ₱738.47 million or 42.3%, from its consolidated income before income tax of ₱1.74 billion recorded for the same period in 2019.

Income tax expense

The Company's income tax expense for the first three months is at ₱261.45 million, a decrease of ₱264.03 million, or -50.2%, from its income tax expense of ₱525.47 million recorded for the same period in 2019, primarily due to the lower deferred tax recognized from unrealized gains from change in fair values of investment property booked during the period.

Net Income

The Company's consolidated net income of P744.74 million decreased by P474.45 million, for the three months ended March 31, 2020 from P1.22 billion posted for the same period in the previous year due to lower fair value gains from investment property recorded during the period, decreased by (69.4%). However, core revenues of the Company continues to increase with recurring revenues increasing by 30.7% from the same period last year

March 31, 2020 versus December 31, 2019 Interim Statements of Financial Position

DOUBLEDRAGON PROPERTIES CORP. AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

	Unaudited	Audited	Horizontal Analysis		Vertical Analysis	
	March 31, 2020	December 31, 2019	Increase (Decrease)	%	31-Mar-20	31-Dec-19
ASSETS						
Current Assets						
Cash and cash equivalents	5,308,297,531	6,700,927,921	(1,392,630,390)	-20.8%	4.6%	5.9%
Receivables	6,477,873,323	5,798,297,764	679,575,559	11.7%	5.6%	5.1%
Inventories	2,283,137,986	2,169,314,462	113,823,524	5.2%	2.0%	1.9%
Due from related parties	55,150,000	55,150,000	-	0.0%	0.0%	0.0%
Prepaid expenses and other current assets - net	5,202,316,489	4,486,515,652	715,800,837	16.0%	4.5%	4.0%
Total Current Assets	19,326,775,329	19,210,205,799	116,569,530	0.6%	16.8%	16.9%
Noncurrent Assets						
Receivables - net of current portion	8,796,887	9,898,720	(1,101,833)	-11.1%	0.0%	0.0%
Property and equipment - net	922,525,991	951,538,774	(29,012,783)	-3.0%	0.8%	0.8%
Goodwill and intangible assets	1,253,172,952	1,237,911,379	15,261,573	1.2%	1.1%	1.1%
Investment property	90,696,036,685	89,213,048,577	1,482,988,108	1.7%	78.6%	78.6%
Right-of-use - net	726,071	862,209	(136,138)	-15.8%	0.0%	0.0%
Deferred tax assets	541,968,296	504,367,200	37,601,096	7.5%	0.5%	0.4%
Other noncurrent assets	2,570,331,369	2,418,763,491	151,567,878	6.3%	2.2%	2.1%
Total Noncurrent Assets	95,993,558,251	94,336,390,350	1,657,167,901	1.8%	83.2%	83.1%
	115,320,333,580	113,546,596,149	1,773,737,431	1.6%	100.0%	100.0%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and other current liabilities	9,195,181,664	8,658,321,689	536,859,975	6.2%	8.0%	7.6%
Short-term notes payable	11,583,351,816	12,015,344,351	(431,992,535)	-3.6%	10.0%	10.6%
Due to related parties	988,322,908	988,322,908	-	0.0%	0.9%	0.9%
Current portion of customers' deposits	495,408,942	420,593,972	74,814,970	17.8%	0.4%	0.4%
Dividends payable	49,361,975	151,578,047	(102,216,072)	-67.4%	0.0%	0.1%
Income tax payable	70,100,115	54,719,292	15,380,823	28.1%	0.1%	0.0%
Total Current Liabilities	22,381,727,420	22,288,880,259	92,847,161	0.4%	19.4%	19.6%
Noncurrent Liabilities						
Long-term notes payable - net of issue cost	18,530,507,505	18,521,177,930	9,329,575	0.1%	16.1%	16.3%
Bonds payable - net of issue cost	14,850,767,944	14,844,514,329	6,253,615	0.0%	12.9%	13.1%
Deferred tax liability	10,561,343,376	10,312,452,220	248,891,156	2.4%	9.2%	9.1%
Lease liability - net of current portion	1,394,443,469	1,351,978,820	42,464,649	3.1%	1.2%	1.2%
Retirement benefits liability	16,310,726	16,310,726	-	0.0%	0.0%	0.0%
Customers' deposits - net of current portion	216,888,819	215,641,847	1,246,972	0.6%	0.2%	0.2%
Other noncurrent liabilities	2,866,769,280	2,076,864,921	789,904,359	38.0%	2.5%	1.8%
Total Noncurrent Liabilities	48,437,031,119	47,338,940,793	1,098,090,326	2.3%	42.0%	41.7%
Total Liabilities	70,818,758,539	69,627,821,052	1,190,937,487	1.7%	61.4%	61.3%
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%	8.7%	8.8%
Additional paid-in capital	5,540,589,852	5,540,589,852	-	0.0%	4.8%	4.9%
Retained earnings	15,088,546,460	14,713,800,272	374,746,188	2.5%	13.1%	13.0%
Retirement benefits liability	36,155	36,155	-	0.0%	0.0%	0.0%
Less: Treasury stock	(167,160,000)	(167,160,000)	-	0.0%	-0.1%	-0.1%
	30,699,322,527	30,324,576,339	374,746,188	1.2%	26.6%	26.7%
Non-controlling Interest	13,802,252,514	13,594,198,758	208,053,756	1.5%	12.0%	12.0%
Total Equity	44,501,575,041	43,918,775,097	582,799,944	1.3%	38.6%	38.7%
Total Liabilities and Equity	115,320,333,580	113,546,596,149	1,773,737,431	1.6%	100.0%	100.0%

As of the end of March 31, 2020, Consolidated Total Assets stood at Php 115.32 Billion while Total Equity reached Php 44.50 Billion. Debt-to-equity is at parity standing at 1.01x far below

its loan covenant debt-to-equity cap of 2.33x which translates to unutilized debt capacity of Php 58.33 Billion.

The Company's Total Assets increased by P1.77 billion from the end of last year primarily due to the increase in the Company's Investment Properties which now stand at P90.70 billion . as the Company continues to expand its recurring revenue stream and the increase in the fair value of investment properties. DoubleDragon is focusing on the buildup of recurring revenue firmly grounded on a portfolio of appreciating real estate assets acquired at un-stretched prices to provide downturn protection during any economic cycle.

Current Assets

Cash amounting to P5.31 billion as of March 31, 2020 decreased by P1.39 million (20.8%) from P6.7 billion as of December 31, 2019. Decreased in cash was due to net cash used in investing and operating activities of the Company.

Receivables amounting to P6.48 billion as of March 31, 2020 increased by P679.58 million (11.7%) from P5.8 billion as of December 31, 2019 due to incremental sales from the Company's projects.

Real estate inventories amounting to P2.28 billion as of March 31, 2020 decreased by P113.8 million from P2.17 billion on December 31, 2019.

Noncurrent Assets

Investment property amounting to P90.70 billion as of March 31, 2020 increased by P1.48 billion (1.7%) from P89.21 billion as of December 31, 2019 due to continues construction of leasing properties and appreciation of investment properties owned of the Company.

Right-of-use assets decreased by 15.8% due to amortization during the period and changes in the fair value of the property.

Current Liabilities

Accounts payable and other liabilities amounting to P9.20 billion as of March 31, 2020 increased by P536.86 million (6.2%) from P8.66 billion as of December 31, 2019. The bulk of such increase is attributable to Trade Payables arising from services provided by the contractors and subcontractors for actual progress billings related to existing and new developmental projects.

Short-term notes payable amounting to P11.58 billion as of March 31, 2020 decreased by P432 million (3.6%) from P12.02 billion as of December 31, 2019 due to repayment of short-term loans.

Customers' deposits amounting to P495.41 million as of March 31, 2020 increased by P74.81 million (17.8%) from P420.59 million as of December 31, 2019 due to the increase in deposits from DD Meridian Park's new tenants as well as deposits from the unit buyers of the Company's real estate and Hotel101 projects.

Noncurrent Liabilities

Long-term notes payable remains at P18.53 billion as of March 31, 2020. Bonds payable also remains at P14.85 billion as of March 31, 2020. Deferred tax liabilities increased by P248.9 million (2.4%) to P10.56 billion from P10.31 billion as of December 31, 2019.

Equity

Equity amounting to P44.50 billion as of March 31, 2020 increased by P582.8 million from P43.92 billion as of December 31, 2019, due to the consolidated net income recorded for the first three months of 2020.

Key Performance Indicators of the Company

	Unaudited March 31, 2020	Audited December 31, 2019
Current Ratio	0.86	0.86
Asset to Equity	2.59	2.59
Debt to Equity Ratios		
On Gross Basis	1.01x	1.03x
On Net Basis	0.89x	0.88x
Acid Test Ratio	0.53	0.56

	Unaudited period ending March 31, 2020	Unaudited period ending March 31, 2019
Return on Equity	1.76%	4.12%
Net Income to Revenue	28.03%	31.40%
Revenue Growth	-28.05%	33.53%
Income Growth	-41.63%	46.36%
EBITDA	PhP 1,326,411,034	PhP 1,917,404,690
Solvency Ratio	0.01	0.02
Interest Coverage Ratio	1.80	3.58

The following are the formula 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	$\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Total Revenue}}$	
7. Revenue Growth	$\frac{\text{Total Revenue (Current Period) - Total Revenue (Prior Period)}}{\text{Total Revenue (Prior Period)}}$	
8. Income Growth	$\frac{\text{Net Income Attributable to Owners of the Parent (Current Period)}}{\text{Net Income Attributable to Owners of the Parent (Prior Period)}}$	-1
9. EBITDA	Income from Operations + Depreciation and Amortization + Interest Expense	

10. Acid Test Ratio	$\frac{\text{Cash + Accounts Receivable + Marketable Securities}}{\text{Current Liabilities}}$
11. Solvency Ratio	$\frac{\text{Net Income + Depreciation and Amortization}}{\text{Total Liabilities}}$
12. Interest Coverage Ratio	$\frac{\text{Earnings Before Interest and Taxes}}{\text{Interest Paid}}$

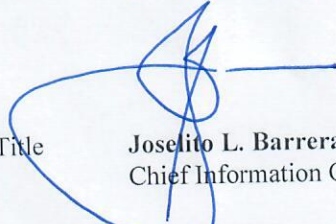
PART II--OTHER INFORMATION

N/A

SIGNATURES


Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer **DOUBLEDRAGON PROPERTIES CORP.**

Signature and Title  **Joselito L. Barrera, Jr.**
Chief Information Officer/ Head, Legal Department

Date **June 30, 2020**

Principal Financial/Accounting Officer/Controller: Gerda Grace G. Dela Victoria

Signature and Title  **Gerda Grace G. Dela Victoria**
Head, Accounting

Date **June 30, 2020**