COVER SHEET

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S.E.C. Registration Number

D D M P R E I T , I N C .

(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	(02) 8856-7111
Contact Person	Company Telephone Number

1 2	3 1	1 7 - A	1 2	1 3
Month	*Day*	FORM TYPE	*Month*	*Day*
			Annual Meeting	

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes.

SEC No. 201420992
File No. _________

DDMP REIT, INC.
(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)

(632) 8856-7111
(Telephone Number)

December 31
(Fiscal Year ending)

SEC Form 17-A Annual Report
(Form Type)

N/A
Amendment Designation

December 31, 2021
Period Ended Date

N/A
(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2021**

2. Commission identification number **CS201420992** 3. BIR Tax Identification No. **008-893-096**

4. Exact name of issuer as specified in its charter: **DDMP REIT, INC.**

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
Common Shares	**17,827,465,406**

11. Are any or all of the securities listed on a Stock Exchange?
    Yes [x] 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**

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 [x] No [ ] N/A

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

    Yes [x] No [ ] N/A

13. Aggregate market value of the voting stock held by non-affiliates: P10,626,554,196.24 as of December 31, 2021.

Table of Contents

PART I BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

BACKGROUND

DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) is a real estate company established in the Philippines ("DDMPR" or the "Company") and incorporated on October 27, 2014. On March 24, 2021, the Company successfully listed as a Real Estate Investment Trust (REIT) in the Philippine Stock Exchange ("PSE").

The Company is a real estate investment trust formed primarily to own and invest in an income-producing commercial portfolio of office, retail, industrial and hotel properties in the Philippines that meets our Company's investment criteria. Primarily, DDMP REIT will be the commercial REIT platform of DD. As a commercial REIT, DDMP REIT will focus on expanding its office, mall, industrial and hotel properties. However, if the opportunity arises, DDMPR may also explore other types of real estate properties available in the market. DDMPR will offer Shareholders an investment opportunity with a stable yield, appreciating underlying asset values, high-quality properties with strong tenant demand, strong Sponsor support from DD, proven capabilities of management to execute as planned and focused on growing dividend yield hand in hand with long-term appreciation of underlying asset values. The Company intends to provide a Competitive Investment Return to investors through execution of a careful investment strategy focused on producing a secure and growing income. The Company's principal investment strategy is to invest in income-generating real estate properties that meet a select set of criteria.

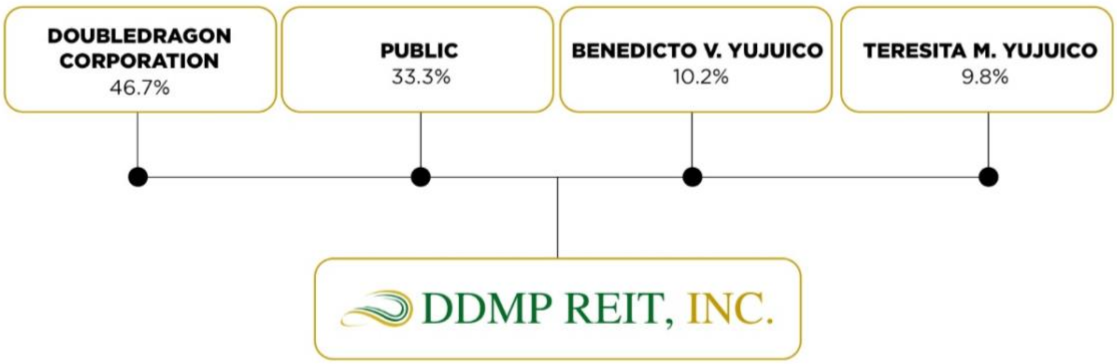
The Company is a subsidiary of DoubleDragon Corporation. ("DD"), a domestic corporation primarily engaged in the business of real estate development and real estate investment. DD became a publicly-listed company on April 7, 2014.

On November 11, 2020, the BOD and shareholders approved to amend the DDMPR's Articles of Incorporation (AOI). The SEC approved the amendment of the DDMPR's AOI on November 26, 2020, amendments include the change in the Company's name to DDMP REIT, INC. from DD-Meridian Park Development Corp.

As of December 31, 2021, DD is the controlling shareholder of DDMPR with a total of 17,827,465,406 outstanding common shares.

Corporate Structure

The ownership structure of the DDMPR as of December 31, 2021 is illustrated below:



DDMP REIT INC. is a domestic corporation, established to invest in income-generating real estate. The Company is supported and managed by a number of parties.

The Company's biggest shareholder, DD, is a corporation organized under the laws of the Philippines. DD is an investment holding company in the Philippines, principally engaged in the ownership and operation of a portfolio of leasable properties through its four principal business segments: retail leasing, office leasing, hospitality and industrial leasing, with the aim of becoming one of the leading property players in the Philippines with the highest percentage of recurring revenue. As such, the Company benefits from DD's well-established reputation, relationships with key players in the Philippine real estate industry, understanding of the Philippine real estate market, and deep experience in developing and managing properties such as the Company's Properties.

BUSINESS

As of December 31, 2021, DDMPR's property portfolio consists of 3 operational office buildings with retail components in DD Meridian Park. DD Meridian Park is being developed as an office-led mixed-use development. The land on which these respective buildings are built form part of the Company's asset portfolio and is owned by the Company

The properties enjoy high occupancy levels and lease renewals and new leases are managed diligently in order to minimize void periods arising due to either lease expiries or early terminations.

The Company also owns the land where DoubleDragon Tower and Ascott-DD Meridian Park are currently being constructed, and has leased these properties (including the land where such properties are being constructed), to DD TOWER, INC. and DDMP SERVICED RESIDENCES, INC., respectively, on a long-term lease basis

COMPETITION

The real estate industry in the Philippines, particularly in Metro Manila, is a competitive market. The principal competitive factors include rental rates, quality and location of properties, and supply of comparable retail space.

The Properties are Grade A office buildings located in the Bay Area, Pasay City, and the Company believes that it competes with other commercial property operators, such as Federal Land, SM Prime Holdings Inc., and D.M. Wenceslao. The Company believes the location of DD Meridian Park offers it a competitive advantage as to those of its competitors because it is at the entrance of the Bay Area and closer to the transportation hub being at the corners of Roxas Boulevard, EDSA Extension and Macapagal Avenue.

As of December 31, 2021, the direct competitors of the Company registered and listed as REITs are AREIT, Inc, Filinvest REIT Corp., RL Commercial REIT, Inc. and MREIT, Inc.

The Company believes it is able to compete by maintaining a flexible approach to negotiation of commercial terms with its tenants. The Company is open to tenant negotiations on the length of the rent-free period or fit out period as well as rent escalation rates. The Company also believes that the rental rates it offers at its Properties are on par with competing properties.

Despite the high level of competition, the Company believes that the significant accumulated experience of the management teams of both the Fund Manager and the Property Manager in real estate development, leasing, and management, as well as the DD Group’s understanding of local market preferences and conditions will enable the Company to compete effectively. The Company believes the location of DD Meridian Park offers it a competitive advantage as to those of its competitors because it is at the entrance of the Bay Area and closer to the transportation hub being at the corners of Roxas Boulevard, EDSA Extension and Macapagal Avenue.

SUPPLIERS

The major suppliers of the Properties are primarily third-party companies in charge of particular building functions. These include manpower services, such as janitorial, sanitation, housekeeping, landscaping maintenance, technical maintenance, other related maintenance services, and security. The Company has a wide range of suppliers and is not dependent on one or a limited number of suppliers.

TENANTS

The major tenants of the Properties include major corporations, BPOs and Government agencies, with lease terms ranging from three to 10 years The Company is not dependent upon a single tenant or any one industry sub-sector.

TRANSACTIONS WITH RELATED PARTIES

Please refer to Item 12 of this report (“Certain Relationships and Related Transactions).

EMPLOYEES

DDMPR engages DDMPR REIT FUND MANAGERS, INC. and DDMP REIT PROPERTY MANAGERS, INC. as the Fund Manager and Property Manager, respectively.

DDMP REIT FUND MANAGERS, INC. ("the Fund Manager"), has general power of management over the assets of the Company, pursuant to a fund management agreement dated November 19, 2020 between the Company and the Fund Manager (the "Fund Management Agreement"). The Fund Manager's main responsibilities are to implement the Company's investment strategies and manage the Company's assets and liabilities for the benefit of the Company's Shareholders. The Fund Manager will manage the assets of the Company with a focus on generating steady Rental Income and, if appropriate, increasing the Company's assets over time so as to enhance the returns from the investments of the Company and, ultimately, the distributions to the Company's Shareholders.

DDMP REIT PROPERTY MANAGERS, INC. ("the Property Manager"), will perform the day-to-day property management functions of the Properties pursuant to a property management agreement dated November 19, 2020 between the Company and the Property Manager (the "Property Management Agreement"), in accordance with this REIT Plan, and the Company's investment strategies. See the section entitled "Certain Agreements Relating to the Company and the Properties – Property Management Agreement" in this REIT Plan. These functions include managing the execution of new leases and renewing or replacing expiring leases as well as the marketing and promotion of the Properties. In addition, the Property Manager will oversee the overall management of, maintenance and repair of the structure of the Properties; formulation and implementation of policies and programs in respect of building management; maintenance and improvement; secure and administer routine management services, including security control, fire precautions, communication systems and emergency management; and oversee building management operations.

DDMPR does not have and will not be directly hiring its own employees. In addition, DD will provide certain services to the Company, including IT services as well as operational and administrative functions incurred in the normal operations of a business.

The Company believes that the Company, the Property Manager, and the Fund Manager are in compliance with all minimum compensation and benefit standards, as well as applicable labor and employment regulations.

INTELLECTUAL PROPERTY

As of December 31, 2021, the Company has obtained the following trademarks:

Design mark/ logo	Registration No.	Trademark/ Intellectual Property	Status	Date of application	Expiration Date
	4/2017/00012001	DoubleDragon Plaza	Registered April 12, 2018	July 28, 2017	April 12, 2028
	4/2018/00007359	Islas Pinas A Food And Heritage Village	Registered January 10, 2019	May 3, 2018	January 10, 2029
	4/2018/00002590	DD Meridian Park	Registered September 2, 2018	February 12, 2018	September 2, 2028
	4/2018/00004890	DoubleDragon Plaza – DD Meridian Park	Registered October 7, 2018	March 16, 2018	October 7, 2028
	4/2020/00520332	DDMP REIT, INC.	Registered May 23, 2021	December 16, 2020	May 23, 2031

The Company is also the owner of one domain name: https://www.ddmeridianpark.com & https://www.ddmpreit.com

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. The Company spends significant time and resources on being a leader in sustainable development.

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 covering the following risks: business 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.

RISKS

The Company is affected by the following risks:

- All of the Company's business activities are conducted in the Philippines and all 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.
- The Philippine real estate industry is subject to extensive regulation from the Government, including local governmental authorities and changes in laws and regulations that apply to the Philippine real estate industry
- The Philippines has, from time to time, experienced political, economic and military instability, including acts of political violence.
- Increase in construction material and labor costs, power rates and other costs affecting the business of the Company.
- The Company's business is largely affected by the general level of activity and growth in the Bay Area, Pasay City.
- The Company may face increased competition from other commercial properties.
- The Company is exposed to risks inherent in the Philippine property market.
- The Company's business may be materially and adversely affected by the COVID-19 outbreak and other adverse public health developments.
- There may be potential conflicts of interest between the Company, the Fund Manager, the Property Manager and the Sponsors which may cause damage or loss to the Company and Shareholders.
- The Company is exposed to risks relating to the leasing business.
- 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 may fail to fulfill the terms and conditions of licenses, permits and other authorizations, or fail to renew them on expiration

To mitigate the above-mentioned risks, the Company continues to adopt appropriate risk management policies and flexible investment strategy, as well as financial and operational controls and policies to manage the theses various risks.

ITEM 2. PROPERTIES

DDMPR's property portfolio consists of the following three commercial properties comprising six office towers with retail components in DD Meridian Park that meet the Company's investment criteria. DD Meridian Park is located along the corners of the main roads of Macapagal Avenue, EDSA Extension and Roxas Boulevard in the Bay Area of Metro Manila. DD Meridian Park is being developed as an office-led mixed-use development. The land on which these respective buildings are built form part of the Company's asset portfolio and is owned by the Company.

- **DoubleDragon Plaza** is a commercial property in DD Meridian Park consisting of four 11-storey towers (including a basement) with a retail area on the ground floor, parking on the basement, 2nd to 3rd levels, and BPO offices from the 5th to the 11th levels. DoubleDragon Plaza has approximately 139,240 sq.m. of Gross Leasable Area. DoubleDragon Plaza has four office towers, with seven office floors per tower, which in total account for 127,863 sq.m of Gross Leasable Area, and a commercial retail area located on the ground floor, which accounts for 11,377 sq.m. of Gross Leasable Area. The retail area is dedicated to established food concepts, basic services, a supermarket and a themed food hall. In addition, DoubleDragon Plaza has 1,946 parking spaces (including lifts). DoubleDragon Plaza commenced operations in 2017;

- **DoubleDragon Center East** is a commercial property in DD Meridian Park consisting of an 11-storey tower (including a basement) with a retail area on the ground floor, parking on the basement and 2nd levels, and offices from the 3rd to the 11th levels. DoubleDragon Center East has approximately 16,197 sq.m. of Gross Leasable Area. DoubleDragon Center East's office tower consists of seven office floors and a total of 15,124 sq.m of Gross Leasable Area. The ground floor retail area consists of 1,073 sq.m. of Gross Leasable Area dedicated to established food concepts and banks. In addition, DoubleDragon Center East has 62 parking spaces (including lifts). DoubleDragon Center East commenced full operations in 2019; and

- **DoubleDragon Center West** is a commercial property in DD Meridian Park consisting of an 11-storey tower (including a basement) with a retail area on the ground floor, parking on the basement and 2nd levels, and offices from the 3rd to the 11th levels. DoubleDragon Center West has approximately 16,815 sq.m. of leasable space. The office tower of DoubleDragon Center West consists of seven office floors and a total of 15,689 sq.m of Gross Leasable Area. The ground floor retail area consists of 1,126 sq.m. of Gross Leasable Area dedicated to established food concepts, banks and a financial service company. In addition, DoubleDragon Center West has 74 parking spaces (including lifts). DoubleDragon Center West commenced full operations in 2019.

DoubleDragon Plaza, DoubleDragon Center East and DoubleDragon Center West have exhibited strong and stable cash flows from rental revenue and have experienced a consistently high occupancy rate with minimal payment delays and defaults. Furthermore, all three properties (1) are situated in DD Meridian Park, which is located along the corners of the main roads of Macapagal Avenue, EDSA Extension and Roxas Boulevard in the Bay Area of Metro Manila (2) have quality and diverse tenant bases of BPOs, government agencies and corporate locators, and (3) have long and substantial remaining useful lives of the buildings, which are not subject to re-development. The Company believes the properties are an attractive investment option for potential stakeholders, having exhibited a strong lease take up and potential for growth.

The tables below provide a summary of each of the Properties' technical specifications and building characteristics.

Building	**DoubleDragon Plaza**	**DoubleDragon Center East**	**DoubleDragon Center West**
Year of completion	2017	2019	2019
Building grade/description	Grade A/mixed-use	Grade A/mixed-use	Grade A/mixed-use
Number of storeys	4 towers of 11 storeys each (including a basement)	11 (including a basement)	11 (including a basement)
Office GLA	127,863 sq.m.	15,124 sq.m.	15,689 sq.m.
Retail GLA	11,377 sq.m.	1,073 sq.m.	1,126 sq.m.
Total GLA	139,240 sq.m.	16,197 sq.m.	16,815 sq.m.
Typical floor plate[(1)]	4,200 to 4,800 sq.m.	1,800 sq.m.	2,200 sq.m.
Parking lots	1,946	62	74
LEED Certification	Gold	Silver (pre-certified)	Silver (pre-certified)
Occupancy Rate as of December 31, 2021	97.9%	100.0%	94.2%
Aircon type	VRF[(2)]	VRF[(2)]	VRF[(2)]
Backup power	100%	100%	100%

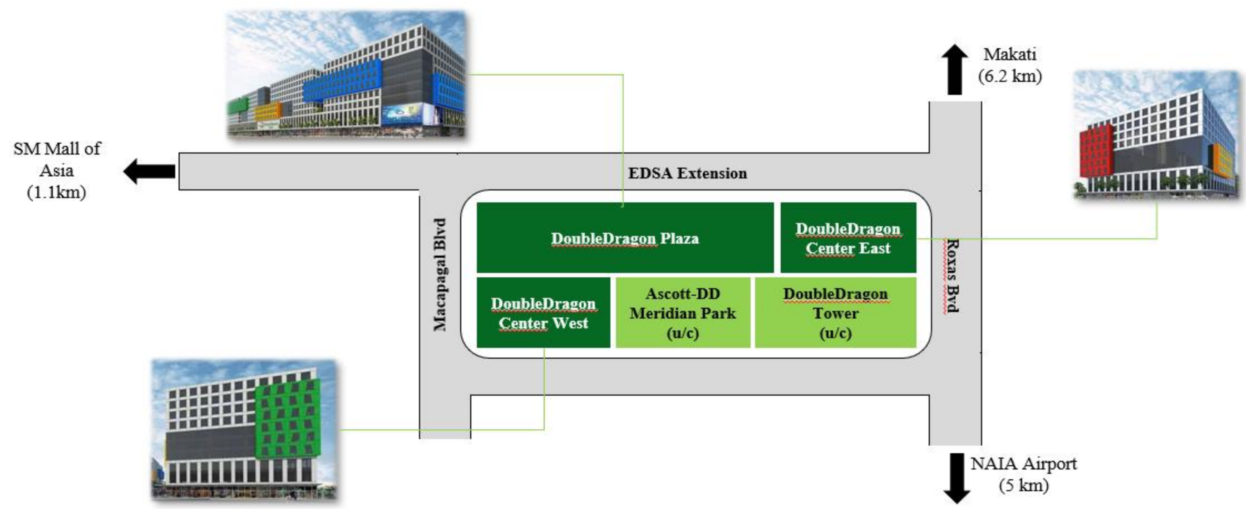
Together, the Properties in the Company's portfolio comprised approximately 172,252 sq.m. of Gross Leasable Area as of December 31, 2021, and for year ended December 31, 2021 derived Gross Revenue (which excludes fair value gains, interest income and other income) of ₱2,176.2 million.

DoubleDragon Plaza, which has been operating since 2017, comprises approximately 80.8% of the Properties' total Gross Leasable Area as of December 31, 2021, and accounted for 76% of the Company's Gross Revenue for the year ended December 31, 2021. Since 2018, DoubleDragon Plaza has benefited from high occupancy levels. As of December 31, 2021, it had an occupancy level of approximately 97.9%.

DoubleDragon Center East, which was completed in 2019, comprises approximately 9.4% of the Properties' total Gross Leasable Area as of December 31, 2021, and accounted for 13% of the Company's Gross Revenue for the year ended December 31, 2021. As of December 31, 2021, DoubleDragon Center East had an occupancy level of approximately 100.0%.

DoubleDragon Center West, which was completed in 2019, comprises approximately 9.8% of the Properties' total Gross Leasable Area as of December 31, 2021, and accounted for 11% of the Company's Gross Revenue for the year ended December 31, 2021. As of each of December 31, 2021, DoubleDragon Center West had an occupancy level of approximately 94.2%.

The Properties benefit from their location at DD Meridian Park. Strategically located at the entrance of the Bay Area in Pasay City, this prime office development can be found at the corner of Roxas Boulevard, EDSA Extension and Diosdado Macapagal Boulevard. Within close proximity of DD Meridian Park is a major transportation hub located at the entryway to the SM Mall of Asia Complex and PAGCOR Entertainment City. The property is also highly accessible to the Ninoy Aquino International Airport and Makati central business district. Only a short walk from the MRT/LRT stations, DD Meridian Park offers ease of traverse to the growing workforce that travel via public transportation. The Properties are Grade A buildings and feature amenities and technology for lessees, including advanced broadband infrastructure and an integrated building management system. The Properties have clean and uninterrupted power supply with backup generators providing 100% backup power, and building monitoring and maintenance systems. The Grade A classification of the buildings was determined based on industry criteria and subject to comparison with other similar developments. Grade A buildings are often in high-demand due to their location, facilities, layout and finishing among other factors.



In addition to the above operational commercial properties, the Company owns the underlying land of DD Meridian Park on a Freehold Basis. DD Meridian Park is located on 47,474 sq.m. of prime commercial property.

DD Meridian Park also includes two development properties, DoubleDragon Tower and Ascott-DD Meridian Park, which have been leased out to DD TOWER, INC. and DDMP SERVICED RESIDENCES, INC. respectively on a long-term lease basis.

Building (under Construction)	DoubleDragon Tower	Ascott-DD Meridian Park
Status/Expected Completion	Substantially Completed/ 1H 2022	Under construction/ 2023
Building Type	Office	Serviced Apartment
Description of the Building	10 levels above the surface and additional 1 level parking	10 levels above the surface and additional 1 level parking
Lot Area	7,774.03 sqm	5,549.86 sqm
Expected size	GLA: 44,585.92 sq.m.	Number of keys: 349

The Properties' premier location makes the Properties highly competitive in the commercial leasing market in Metro Manila. The Company believes that the rental rates the Company offers at the Properties are on par with comparable competitors. See "Competition" in this section. Accordingly, the Properties meet the Company's investment criteria for Grade A, centrally located, stably occupied and income producing properties.

Asian Appraisal, the property valuer of the Company, valued the properties as of December 31, 2021, at approximately ₱45,695.3 million: DoubleDragon Plaza was valued at ₱32,629.7 million, DoubleDragon Center East was valued at ₱3,286.9 million, and DoubleDragon Center West was valued at ₱3,866.9 million. DoubleDragon Tower and Ascott DD Meridian Park including land were valued at ₱5,911.8 million.

ITEM 3. LEGAL PROCEEDINGS

As of December 31, 2021, to the best of the Company's knowledge and belief and after due inquiry, none of the Company, the Fund Manager, or the Property Manager is currently involved in any material litigation claims or arbitration, either as plaintiff or defendant, which could be expected to have a material and adverse effect on the Company's financial position. In addition, to the best of either the Company's or the Fund Manager's knowledge and belief and after due inquiry, none of the directors, or executive officers of the Company, the Fund Manager, or the Property Manager have in the past five years have been convicted by final judgment 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 offenses; nor have they been subject of any bankruptcy 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 two years prior to that time; nor have they been subjected to any order, judgment, 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 from acting as a director, officer, employee, consultant, or agent occupying any fiduciary position.

To the best of either the Company's or the Fund Manager's knowledge and belief and after due inquiry, none of the directors, nominees for election as director or executive officers of the Company, the Fund Manager, or the Property Manager have been convicted by final judgment of any violation of the REIT Act, the Corporation Code, the General Banking Law, the Insurance Code, the Securities Regulation Code, or any other related laws and any rules or regulations, domestic or foreign, or orders thereunder; nor have they been found insolvent or incapacitated to contract.

Similarly, to the best of either the Company's or the Fund Manager's knowledge and belief and after due inquiry, none of the Company's Properties are the subject of any pending material litigation, claims or arbitration, which could be expected to have a material and adverse effect on the Company's financial position.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

1. **Approval of the 2021 Audited Financial Statements and 2021 Annual Report**
   Date of Approval by Board of Directors : May 4, 2022

2. **Ratification of the Actions of the Board of Directors and Officers**
   Date of Approval by Stockholders : December 13, 2021

3. **Election of Directors**
   Date of Approval by Stockholders : December 13, 2021

4. **Appointment of External Auditors**
   Date of Approval by Stockholders : December 13, 2021

PART II OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS

Market Information

The Company's Common Shares are traded and listed with the Philippine Stock Exchange starting March 24, 2021.

2021

Prices (in PhP/share)

	High	Low	Close
First Quarter	2.40	2.11	2.15

Second Quarter	2.30	1.90	1.99
Third Quarter	2.04	1.75	1.80
Fourth Quarter	1.92	1.77	1.79

The price information as of the close of the latest practicable trading date May 13, 2022 is ₱1.53 per share with a total market capitalization of ₱27,276,022,071.18.

Dividends and Dividends Policy

The Company has adopted a dividend policy in accordance with the provisions of the REIT Law, pursuant to which the Company's shareholders may be entitled to receive at least 90% of the Company's annual Distributable Income. The Company intends to declare and pay out dividends on a quarterly basis each year.

Record Date

Pursuant to existing Philippine SEC regulations, all cash dividends declared by listed companies must have a record date which shall not be less than 10 calendar days and not more than 30 calendar days from the date the cash dividends are declared. Under such rules, if no record date is specified, the record date will be deemed fixed at 15 calendar days from such declaration.

With respect to stock dividends, the record date shall be not less than 10 calendar days nor more than 30 calendar days from the date of shareholder approval. If no record date is set, under Philippine SEC rules, the record date will be deemed fixed at 15 calendar days from the date of the stock dividend declaration. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date shall be fixed by the Philippine SEC.

Under the Revised Disclosure Rules of the PSE, the disclosure by a listed company of the record date for dividend declarations must not be less than 10 trading days from said date. The rules of the PSE also provide that the payment date shall not be more than 18 trading days from the record date.

Dividend History

The Company has declared the following regular dividends for holders of Common Shares:

Type of Dividend	Date of Declaration	Date of Record	Date of Payment	Per Share
Cash dividend	November 11, 2020	September 30, 2020	November 11, 2020	P0.01773
Cash dividend	June 30, 2020	June 30, 2020	August 15, 2020	P0.01580
Cash dividend	March 31, 2020	March 31, 2020	June 5, 2020	P0.02000
Cash dividend	December 28, 2019	December 28, 2019	December 28, 2019	P0.0274

Cash dividend	September 30, 2019	September 30, 2019	November 18, 2019	P0.0186
Cash dividend	June 28, 2019	June 28, 2019	August 15, 2019	P0.0133
Cash dividend	March 15, 2019	May 15, 2019	May 15, 2019	P0.0122
Cash dividend	December 28, 2018	December 28, 2018	April 16, 2019	P0.0146
Cash dividend	September 30, 2018	September 30, 2018	September 30, 2018	P0.0222
Cash dividend	February 28, 2018	February 28, 2018	May 30, 2018	P0.0027

2021 Cash Dividends:

Type of Dividend	**Date of Declaration**	**Date of Record**	**Date of Payment**	**Per Share**
Cash dividend	November 15, 2021	November 29, 2021	December 13, 2021	P0.028000
Cash dividend	November 15, 2021	November 29, 2021	December 13, 2021	P0.028000
Cash dividend	August 16, 2021	August 31, 2021	September 13, 2021	P0.027778
Cash dividend	May 14, 2021	May 28, 2021	June 10, 2021	P0.020136
Cash dividend	April 14, 2021	April 28, 2021	May 10, 2021	P0.02047718

On May 4, 2022, the BOD approved a regular cash dividend to the common shareholders in the gross amount of P495,853,123 or P0.027814 per share. The regular dividends will be paid to all Common Shareholders on record as of May 19, 2022 and will be paid on May 31, 2022.

Dividend Policy

The Company has adopted a dividend policy in accordance with the provisions of the REIT Law, pursuant to which the Company's shareholders are entitled to receive at least 90% of annual Distributable Income for the current year.

For 2021, the Company declared total dividends amounting to P1,849.21 million representing 90.01% of the Distributable Income for the year 2021.

The computation of distributable income of the DDMP REIT, INC. as at December 31, 2021 is shown below:

2021 Distributable Income	**Amount**
Net income of the Company	P7,174,348,641
Fair value adjustments of investment Property resulting to gain (after tax)	(3,847,958,701)
Adjustment in deferred tax due to change in rate	(1,312,826,591)
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS”	40,995,139
2021 Distributable Income	**2,054,558,488**

Total dividends declared in 2021	**Amount**
Payment date – June 10, 2021	358,973,843
Payment date – September 13, 2021	495,211,334
Payment date – December 13, 2021	499,169,031
Payment date – May 31, 2021	495,853,123
2021 Dividends	1,849,207,331
% of Dividends to Distributable Income	**90.01%**

**As per Section 10 of Revenue Regulation NO. 13-2011, as amended, dividends distributed by a REIT from its* *distributable income at any time after the close of but not later than the last day of the fifth (5th) month from the close of the taxable year, shall be considered as paid on the last day of such taxable year.*

Principal Shareholders

The following table sets forth the 20 largest shareholders of the Company's Common Shares as of December 31, 2021.

Shareholder	Number of Shares Subscribed	% of Ownership
DoubleDragon Corporation.	7,903,519,158	44.33%
PCD Filipino	6,291,762,116	35.29%
Benedicto V. Yujuico	1,720,739,589	9.65%
Teresita M. Yujuico	1,666,469,340	9.35%
PCD Non-Filipino	238,231,200	1.34%
Jose Ivan T. Justiniano or Ma. Jema V. Justiniano	6,000,000	0.03%
Myra P. Villanueva	220,000	0.00%
Myrna P. Villanueva	150,000	0.00%
G.D. Tan & Co., Inc.	100,000	0.00%
Rowena T. Gan	100,000	0.00%
Roger D. Castro	50,000	0.00%
Milagros P. Villanueva	44,000	0.00%
Victor Emmanuel T. Tiongson	40,000	0.00%
Rhodora Tan Ola	20,000	0.00%
Marietta V. Cabreza	10,000	0.00%
Mylene C. Arnigo	10,000	0.00%
Antonio Go	1	0.00%
Edgardo Lacson	1	0.00%
Rene Buenaventura	1	0.00%

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF PLAN OF OPERATION

Calendar Year Ended December 31, 2021 and 2020

RESULTS OF OPERATION

DDMP REIT, INC.
Audited Consolidated Statements of Comprehensive Income
For the year ended December 31, 2021 & 2020

	2021	2020	Horizontal Analysis Increase (Decrease)		Vertical Analysis 2021	Vertical Analysis 2020
INCOME						
Unrealized gains from changes in fair values of investment property	5,130,611,601	5,383,709,548	(253,097,947)	-4.7%	66.6%	73.2%
Rent income and CUSA	2,176,187,826	1,912,618,974	263,568,852	13.8%	28.3%	26.0%
Interest income	38,969,820	20,708,383	18,261,437	88.2%	0.5%	0.3%
Other income	353,451,051	40,697,838	312,753,213	768.5%	4.6%	0.6%
	7,699,220,298	7,357,734,743	341,485,555	4.6%	100.0%	100.0%
COSTS AND EXPENSES						
General and administrative expenses	354,050,327	234,849,773	119,200,554	50.8%	4.6%	3.2%
Interest expense	38,174,269	35,635,069	2,539,200	7.1%	0.5%	0.5%
Marketing expenses	29,519,855	26,477,931	3,041,924	11.5%	0.4%	0.4%
Other Expenses	87,572,492	-	87,572,492	-	1.1%	0.0%
	509,316,943	296,962,773	212,354,170	71.5%	6.6%	4.0%
INCOME BEFORE INCOME T	7,189,903,355	7,060,771,970	129,131,385	1.8%	93.4%	96.0%
INCOME TAX BENEFIT (EXPI	(15,554,714)	(1,974,100,543)	1,958,545,829	-99.2%	-0.2%	-26.8%
NET INCOME AND TOTAL COMPREHENSIVE INCOME	**7,174,348,641**	**5,086,671,427**	**2,087,677,214**	**41.0%**	**93.2%**	**69.1%**

The statement of comprehensive income for the year ended December 31, 2021& 2020 refer to the consolidated accounts of the Group while the statements of comprehensive income for the years ended December 31, 2019 and 2018 refers to the accounts of DDMP REIT, Inc. (formerly DD-Meridian Park Development Corp.)

Revenues

Total revenues increased by ₱341.5 million, or 4.6%, from ₱7.4 billion for the year ended December 31, 2020 to ₱7.7 billion for year ended December 31, 2021. The increase in total revenues is due to increase in rental and other income.

Rent income increased by ₱263.6 million, or 13.8%, to ₱2.2 billion for the year ended December 31, 2021 compared to ₱1.9 billion for the same period in 2020, increase is due to the increase in rental and CUSA in 2021. CUSA represents amount of CUSA billed to tenants.

The Company's interest income for the twelve months ended December 31, 2021 also increased by ₱18.3 million or, 88.2%, to ₱39.0 million, compared to ₱20.7 million for the twelve months ended December 31, 2020, primarily from the interest income from finance lease.

Other income increased by ₱312.8 million, or 768.5% increase, to ₱353.5 million for the year ended December 31, 2021 as compared to ₱40.7 million for the same period in 2020 primarily due to the increase due to the increase in interest for the period and recognized gain from finance lease in 2021.

Costs and expenses

The Company's costs and expenses increased by ₱212.4 million, or 71.5%, to ₱509.3 million for the twelve months ended December 31, 2021 compared to ₱297.0 million for the same period in 2020.

General and administrative expense of the Company increased by ₱119.2 million, or 50.8%, to ₱354.1 million for the year ended December 31, 2021 compared to ₱234.8 million for the same period in 2020 due to increase in property maintenance and direct operating expenses.

The Company's interest expense was ₱38.2 million for the year ended December 31, 2021, an increase of ₱2.5 million or 7.1% compared to ₱35.6 million for the same period in 2020 due to higher interest accretion of the security deposit received from tenants.

The Company's marketing expenses increased by ₱3.0 million, or increased by 11.5%, to ₱29.5 million for the twelve months ended December 31, 2021 compared to ₱26.5 million for the same period in 2020. The increase is mainly due to the increase in print and multimedia advertisements.

In 2021, the Company recorded other expenses of ₱87.6 million for the expenses related to the listing of the company's REIT shares.

Income before income tax

The Company's income before income tax for the twelve months ended December 31, 2021 was ₱7.2 billion, an increase of ₱129.1 million, or 1.8%, increase from its income before income tax of ₱7.1 billion recorded for the same period in 2020.

Income tax expense

The Company's income tax expense for the twelve months ended December 31, 2021 was ₱15.6 million, a decrease of ₱1,958.5 million, or 99.2%, decrease from its income tax expense of ₱1,974.1 million recorded for the same in 2020. The decrease is due to the lower taxable income and lower income tax rate in 2021 and a one-time recognition of a net tax benefit as a result of the downward adjustment in the deferred tax liability balance as of December 31, 2020 to reflect the decrease in the corporate income tax rate from 30% to 25%. The Company started to avail of its tax incentive as REIT after its listing in March 2021.

Net Income

As a result of the foregoing, the Company's net income for the twelve months ended December 31, 2021 was ₱7.2 billion, an increase of ₱2.1 billion, or 41.0% increase from its net income of ₱5.1 billion recorded for the same period in 2020.

FINANCIAL POSITION

DDMP REIT, INC.
Audited Consolidated Statements of Financial Position
As at December 31, 2021 & 2020

	2021	2020	Horizontal Analysis Increase (Decrease)		Vertical Analysis 2021	2020
ASSETS						
Current Assets						
Cash and cash equivalents	207,694,318	1,088,817,817	(881,123,499)	-80.9%	0.4%	2.4%
Receivables	1,971,863,304	1,553,569,222	418,294,082	26.9%	3.9%	3.4%
Due from Parent Company	5,122,816	2,356,247	2,766,569	117.4%	0.0%	0.0%
Prepaid expenses and other current assets	449,598,186	724,467,731	(274,869,545)	-37.9%	0.9%	1.6%
Total Current Assets	2,634,278,624	3,369,211,017	(734,932,393)	-21.8%	5.2%	7.4%
Noncurrent Assets						
Receivables - net of current portion	301,329,219.00	-	301,329,219	-	0.6%	-
Property and equipment - net	12,650,656	18,069,828	(5,419,172)	-30.0%	0.0%	0.0%
Investment property	45,695,260,832	41,477,970,085	4,217,290,747	10.2%	91.1%	91.5%
Finance lease receivable	1,110,115,886	-	1,110,115,886	-	2.2%	-
Deferred tax Asset	-	188,172	(188,172)	-100.0%	-	0.0%
Other noncurrent assets	431,235,925	488,225,160	(56,989,235)	-11.7%	0.9%	1.1%
Total Noncurrent Assets	47,550,592,518	41,984,453,245	5,566,139,273	13.3%	94.8%	92.6%
Total Assets	**50,184,871,142**	**45,353,664,262**	**4,831,206,880**	**10.7%**	**100.0%**	**100.0%**

	2021	2020	Horizontal Analysis Increase (Decrease)		Vertical Analysis 2021	2020
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and other current liabilities	938,100,080	984,303,820	(46,203,740)	-4.7%	1.9%	2.2%
Due to Related Party	-	400	(400)	-100.0%	-	0.0%
Income Tax Payable	-	44,923,595	(44,923,595)	-100.0%	-	0.1%
Total Current Liabilities	938,100,080	1,029,227,815	(91,127,735)	-8.9%	1.9%	2.3%
Noncurrent Liabilities						
Deferred tax liability - net	7,911,924,227	7,876,959,548	34,964,679	0.4%	15.8%	17.4%
Other noncurrent liabilities	362,157,530	931,164,876	(569,007,346)	-61.1%	0.7%	2.1%
Total Noncurrent liabilities	8,274,081,757	8,808,124,424	(534,042,667)	-6.1%	16.5%	19.4%
Total Liabilities	9,212,181,837	9,837,352,239	(625,170,402)	-6.4%	18.4%	21.7%
Equity						
Capital stock	17,827,465,406	17,827,465,406	-	-	35.5%	39.3%
Retained earnings	23,145,223,899	17,688,846,617	5,456,377,282	30.8%	46.1%	39.0%
Total Equity	40,972,689,305	35,516,312,023	5,456,377,282	15.4%	81.6%	78.3%
Total Liabilities and Equity	**50,184,871,142**	**45,353,664,262**	**4,831,206,880**	**10.7%**	**100.0%**	**100.0%**

The statement of financial position as at December 31, 2021 & 2020 refer to the consolidated accounts of the Group while the statement of financial position as at December 31, 2019 refers to the accounts of DDMP REIT, Inc. (formerly DD-Meridian Park Development Corp.)

<u>Assets</u>

The Company's assets were at ₱50.2 billion as of December 31, 2021, an increase of ₱4.8 billion, or 10.7%, from assets of ₱45.4 billion as of December 31, 2020.

Cash and cash equivalents

The Company's cash and cash equivalents were ₱207.7 million as of December 31, 2021, a decrease of ₱881.1 million, or 80.9%, from cash and cash equivalents of ₱1.1 billion as of December 31, 2020. The decrease was due to cash used for additions of investment property and payment of dividends.

Receivables

The Company's net receivables – current portion were ₱1,971.9 million as of December 31, 2021, a ₱418.3 million, or 26.9% increase from net receivables of ₱1,553.6 million as of December 31, 2020 due to the increase in accrued rent receivable from the straight-line rent income and rental receivable from tenants.

Due from Parent Company

The Company's due from Parent Company was ₱5.1 million as of December 31, 2021, a ₱2.8 million, or 117.4% increase from ₱2.4 million as of December 31, 2020 due to collection of advances made.

Prepaid expenses and other current assets

The Company's prepaid expenses and other current assets were ₱449.6 million as of December 31, 2021, a ₱274.9 million, or 37.9% decrease from prepaid expenses and other current assets of ₱724.5 million as of December 31, 2020. The decrease was mainly due to the decrease in input VAT and prepaid real property taxes.

Receivables – net of current portion

The Company reported receivables – net of current portion of ₱301.3 million as of December 31, 2021. Non-current receivables in 2021 is the result installment payment arrangements granted to tenants during the pandemic.

Property and equipment - net

The Company's property and equipment (net) were ₱12.7 million as of December 31, 2021, a ₱5.4 million, or 30.0% decrease from property and equipment (net) of ₱18.1 million as of December 31, 2020. The decrease was due to depreciation for 2021.

Investment property

The Company's investment property amounted to ₱45.7 billion as of December 31, 2021, a ₱4.2 billion, or 10.2% increase from investment property of ₱41.5 billion as of December 31, 2020, due to the additions during the period and increase in the fair value amount of the Company's properties.

Finance lease receivable

The Company reported finance lease receivables of ₱1.1 billion as of December 31, 2021, as result of the finance lease classification for the Company's lease of DoubleDragon Tower.

Deferred tax Asset

The Company's deferred tax asset was nil as of December 31, 2021.

Other noncurrent assets

The Company's other noncurrent assets were ₱431.2 million as of December 31, 2021, a ₱57.0 million, or 11.7% decrease from other noncurrent assets of ₱488.2 million as of December 31, 2020. The decrease was due to the decrease in advances to contractors and suppliers.

Liabilities

The Company has no debt as of December 31, 2021.

The Company's liabilities were at ₱9.2 billion as of December 31, 2021, a decrease of ₱625.2 million, or 6.4% decrease from liabilities of ₱9.8 billion as of December 31, 2020.

Accounts payable and other current liabilities

The Company's accounts payable and other current liabilities were ₱938.1 million as of December 30, 2021, a ₱46.2 million, or 4.4% decrease from accounts payable and other current liabilities of ₱984.3 million as of December 31, 2020. The decrease was mainly due to the decrease in trade payables and accrued project costs.

Due to Related Party

The Company's due to related party was nil as of December 31, 2021.

Income tax payable

The Company's income tax payable was nil as of December 31, 2021, a ₱44.9 million, or 100.0% decrease compared to ₱44.9 million as of December 31, 2020, due to the impact of 0% effective income tax rate as a result of the tax incentive as REIT company.

Deferred tax liability - net

The Company's deferred tax liability were ₱7,911.9 million as of December 31, 2021, a ₱35.0 million, or 0.4% increase from deferred tax liability of ₱7,877.0 million as of December 31, 2020. The increase was mainly due to the unrealized gain from changes in fair value of investment properties during the period.

Other noncurrent liabilities

The Company's other noncurrent liabilities were ₱362.2 million as of December 31, 2021, a ₱569.0 million, or 61.1% decrease from other noncurrent liabilities of ₱931.2 million as of December 31, 2020. The decrease was mainly due to the decrease in unearned rental income and security deposits.

Equity

The Company's total equity was ₱41.0 billion as of December 31, 2021, a ₱5.5 billion, or 15.4% increase from ₱35.5 billion as of December 31, 2020.

Summary of Real Estate Transactions for 2021

On January 01, 2021, the Company handed over DoubleDragon Tower to DD Tower Inc. On February 17, 2021, the Company executed an Addendum to the long-term lease contract leasing such property and land to DD Tower Inc. The addendum allocated the annual lease payments as follows:

Leased Property	Lessee	Annual Lease Payments	Allocation of Annual Lease Payments	
			Building Component	Land Component
DoubleDragon Tower	DD Tower Inc.	₱33,000,000.00	₱23,000,000.00	₱10,000,000.00

On January 01, 2021, the Company handed over Ascott-DD Meridan Park to DDMP Serviced Residences, Inc. On February 17, 2021, the Company executed an Addendum to the long-term lease contract leasing such property and land to DDMP Serviced Residences, Inc. The addendum allocated the annual lease payments as follows:

Leased Property	**Lessee**	**Annual Lease Payments**	**Allocation of Annual Lease Payments**	
			Building Component	**Land Component**
Ascott-DD Meridian Park	DDMP Serviced Residences, Inc.	- 5.5% of rental income from retail spaces - 3.2% of revenues from serviced residences	70.00%	30.00%

Calendar Year Ended December 31, 2020 and 2019

RESULTS OF OPERATION

DDMP REIT, INC.
Audited Consolidated Statements of Comprehensive Income
For the year ended December 31, 2020 & 2019

			Horizontal Analysis		Vertical Analysis	
	2020	2019	Increase (Decrease)		2020	2019
INCOME						
Unrealized gains from changes in fair values of investment property	5,383,709,548	7,781,063,778	(2,397,354,230)	-30.8%	73.2%	80.4%
Rent income	1,912,618,974	1,777,329,973	135,289,001	7.6%	26.0%	18.4%
Interest income	20,708,383	5,994,001	14,714,382	245.5%	0.3%	0.1%
Other income	40,697,838	111,481,926	(70,784,088)	-63.5%	0.6%	1.2%
	7,357,734,743	9,675,869,678	(2,318,134,935)	-24.0%	100.0%	100.0%
COSTS AND EXPENSES						
General and administrative expenses	234,849,773	201,780,385	33,069,388	16.4%	3.2%	2.1%
Interest expense	35,635,069	31,525,024	4,110,045	13.0%	0.5%	0.3%
Marketing expenses	26,477,931	34,053,060	(7,575,129)	-22.2%	0.4%	0.4%
	296,962,773	267,358,469	29,604,304	11.1%	4.0%	2.8%
INCOME BEFORE INCOME TAX	7,060,771,970	9,408,511,209	(2,347,739,239)	-25.0%	96.0%	97.2%
INCOME TAX EXPENSE	1,974,100,543	2,717,080,772	(742,980,229)	-27.3%	26.8%	28.1%
NET INCOME AND TOTAL COMPREHENSIVE INCOME	**5,086,671,427**	**6,691,430,437**	**(1,604,759,010)**	**-24.0%**	**69.1%**	**69.2%**

The statement of comprehensive income for the year ended December 31, 2020 refer to the consolidated accounts of the Group while the statements of comprehensive income for the years ended December 31, 2019 and 2018 refers to the accounts of DDMP REIT, Inc. (formerly DD-Meridian Park Development Corp.)

Revenues

Total revenues decreased by ₱2.3 billion, or 24.0%, from ₱9.7 billion for the year ended December 31, 2019 to ₱7.4 billion for year ended December 31, 2020. The decrease in total revenues is due to higher unrealized gains from changes in fair values of investment property for 2019 as a result of the completion of DoubleDragon Center East and DoubleDragon Center West.

Rent income increased by ₱135.3 million, to ₱1.912.6 million or 7.6%, for the year ended December 31, 2020 compared to ₱1.777.3 million for the same period in 2019, driven by full year rental from DoubleDragon Center East and DoubleDragon Center West, which commenced operations in the second half of 2019.

The Company's interest income for the twelve months ended December 31, 2020 also increased by ₱14.7 million or, 245.5%, to ₱20.7 million, compared to ₱6.0 million for the twelve months ended December 31, 2019, primarily as a result of the increase in the Company's deposit placements with financial institutions.

Other income decreased by ₱70.8 million, or 63.5% decrease, to ₱40.7 million for the year ended December 31, 2020 compared to ₱111.5 million for the same period in 2019 primarily due to the decrease in other service charges collected from tenants, restaurant sales and interest and penalties.

Costs and expenses

The Company's costs and expenses increased by ₱29.6 million, or 11.1%, to ₱297.0 million for the twelve months ended December 31, 2020 compared to ₱267.4 million for the same period in 2019.

The Company's interest expense was ₱35.6 million for the year ended December 31, 2020, an increase of ₱4.1 million or 13.0% compared to ₱31.5 million for the same period in 2019 due to higher interest accretion of the security deposit received from tenants.

The Company's marketing expenses decreased by ₱7.6 million, or decreased by -22.2%, to ₱26.5 million for the twelve months ended December 31, 2020 compared to ₱34.1 million for the same period in 2019.

Income before income tax

The Company's income before income tax for the twelve months ended December 31, 2020 was ₱7.1 billion, a decrease of ₱2.347.7 million or, 25.0% decrease from its income before income tax of ₱9.4 billion recorded for the same period last year.

Income tax expense

The Company's income tax expense for the twelve months ended December 31, 2020 was ₱2.0 billion, a decrease of ₱743.0 million, or 27.3% decrease from its income tax expense of ₱2.7 billion recorded for the same period last year, due to lower unrealized gain from changes in fair value recognized for the twelve months ended December 31, 2020.

Net Income

As a result of the foregoing, the Company's net income for the twelve months ended December 31, 2020 was ₱5.1 billion, a decrease of ₱1.6 billion, or 24.0% decrease from its net income of ₱6.7 billion recorded for the same period in 2019.

FINANCIAL POSITION

DDMP REIT, INC.
Audited Consolidated Statements of Financial Position
As at December 31, 2020 & 2019

	2020	2019	Horizontal Analysis Increase (Decrease)		Vertical Analysis 2020	Vertical Analysis 2019
ASSETS						
Current Assets						
Cash and cash equivalents	1,088,817,817	2,211,941,451	(1,123,123,634)	-50.8%	2.4%	5.2%
Receivables	1,553,569,222	1,024,755,198	528,814,024	51.6%	3.4%	2.4%
Due from Parent Company	2,356,247	95,061,375	(92,705,128)	-97.5%	0.0%	0.2%
Prepaid expenses and other current assets	724,467,731	791,890,266	(67,422,535)	-8.5%	1.6%	1.9%
Total Current Assets	3,369,211,017	4,123,648,290	(754,437,273)	-18.3%	7.4%	9.8%
Noncurrent Assets						
Property and equipment - net	18,069,828	23,873,223	(5,803,395)	-24.3%	0.0%	0.1%
Investment property	41,477,970,085	37,481,401,968	3,996,568,117	10.7%	91.5%	88.7%
Deferred tax Asset	188,172	-	188,172	-	0.0%	0.0%
Other noncurrent assets	488,225,160	641,615,314	(153,390,154)	-23.9%	1.1%	1.5%
Total Noncurrent Assets	41,984,453,245	38,146,890,505	3,837,562,740	10.1%	92.6%	90.2%
Total Assets	**45,353,664,262**	**42,270,538,795**	**3,083,125,467**	**7.3%**	**100.0%**	**100.0%**
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and other current liabilities	984,303,820	2,926,053,965	(1,941,750,145)	-66.4%	2.2%	6.9%
Dividend Payable	-	473,818,417	(473,818,417)	-100.0%	0.0%	1.1%
Due to Related Party	400	129,635,483	(129,635,083)	-100.0%	0.0%	0.3%
Income Tax Payable	44,923,595	32,127,285	12,796,310	39.8%	0.1%	0.1%
Total Current Liabilities	1,029,227,815	3,561,635,150	(2,532,407,335)	-71.1%	2.3%	8.4%
Noncurrent Liabilities						
Deferred tax liability - net	7,876,959,548	6,147,702,122	1,729,257,426	28.1%	17.4%	14.5%
Other noncurrent liabilities	931,164,876	1,207,093,836	(275,928,960)	-22.9%	2.1%	2.9%
Total Noncurrent liabilities	8,808,124,424	7,354,795,958	1,453,328,466	19.8%	19.4%	17.4%
Total Liabilities	9,837,352,239	10,916,431,108	(1,079,078,869)	-9.9%	21.7%	25.8%
Equity						
Capital stock	17,827,465,406	17,827,465,406	-	0.0%	39.3%	42.2%
Retained earnings	17,688,846,617	13,526,642,281	4,162,204,336	30.8%	39.0%	32.0%
Total Equity	35,516,312,023	31,354,107,687	4,162,204,336	13.3%	78.3%	74.2%
Total Liabilities and Equity	**45,353,664,262**	**42,270,538,795**	**3,083,125,467**	**7.3%**	**100.0%**	**100.0%**

The statement of financial position as at December 31, 2020 refer to the consolidated accounts of the Group while the statement of financial position as at December 31, 2019 refers to the accounts of DDMP REIT, Inc. (formerly DD-Meridian Park Development Corp.)

Assets

The Company's assets were at ₱45.4 billion as of December 31, 2020, an increase of ₱3.1 billion, or 7.3%, from assets of ₱42.3 billion as of December 31, 2019.

Cash and cash equivalents

The Company's cash and cash equivalents were ₱1.1 billion as of December 31, 2020, a decrease of ₱1.1 billion, or 50.8%, from cash and cash equivalents of ₱2.2 billion as of December 31, 2019. The decrease was due to cash used for additions of investment property and payment of dividends.

Receivables – net

The Company's net receivables were ₱1.6 billion as of December 31, 2020, a ₱528.8 million, or 51.6% increase from net receivables of ₱1.0 billion as of December 31, 2019 due to the increase in accrued rent receivable from the straight-line rent income and additional rent receivable from DoubleDragon Center East and DoubleDragon Center West's new tenants. Accrued rent receivables amounting to ₱747.4 million are from the excess of rent income over rental collections made by lessees in accordance with straight-line rental recognition as mandated by PFRS 16.

Due from Parent Company

The Company's due from Parent Company was ₱2.4 million as of December 31, 2020, a ₱92.7 million, or 53.7% decrease from ₱95.1 million as of December 31, 2019 due to receipt of advances made.

Prepaid expenses and other current assets

The Company's prepaid expenses and other current assets were ₱724.5 million as of December 31, 2020, a ₱67.4 million, or 8.5% decrease from prepaid expenses and other current assets of ₱791.9 million as of December 31, 2019. The decrease was mainly due to the decrease in input VAT.

Property and equipment - net

The Company's property and equipment (net) were ₱18.1 million as of December 31, 2020, a ₱5.8 million, or 24.3% decrease from property and equipment (net) of ₱23.9 million as of December 31, 2019. The decrease was due to depreciation for 2020.

Investment property

The Company's investment property amounted to ₱41.5 billion as of December 31, 2020, a ₱4.0 billion, or 10.7% increase from investment property of ₱37.5 billion as of December 31, 2019, due to the additions during the period and increase in the fair value amount of the Company's properties.

Deferred tax Asset

The Company's Deferred tax Asset was ₱0.2 million as of December 31, 2020. The increase is due to the deferred tax asset recognized for the Company's subsidiaries.

Other noncurrent assets

The Company's other noncurrent assets were ₱488.2 million as of December 31, 2020, a ₱153.4 million, or 23.9% decrease from other noncurrent assets of ₱641.6 million as of December 31, 2019. The decrease was due to the decrease in advances to contractors and suppliers.

Liabilities

The Company has no debt as of December 31, 2020.

The Company's liabilities were at ₱9.8 billion as of December 31, 2020, a decrease of ₱1.1 billion, or 9.9% decrease from liabilities of ₱10.9 billion as of December 31, 2019.

Accounts payable and other current liabilities

The Company's accounts payable and other current liabilities were ₱984.3 million as of December 30, 2020, a ₱1.9 billion, or 66.4% decrease from accounts payable and other current liabilities of ₱2.9 billion as of December 31, 2019. The decrease was mainly due to the decrease in accrued project costs.

Dividend payable

The Company's dividend payables decreased by 100% from December 31, 2019 to December 31, 2020. Dividends declared in 2020 were all paid in 2020.

Due to Related Party

The Company's due to related party was ₱400.00 as of December 31, 2020, a ₱129.6 million, or 100.0% decrease from due to related party of ₱129.6 million as of December 31, 2019. The significant decrease in due to related party is due to the payment of advances made by related parties.

Income tax payable

The Company's income tax payable was ₱44.9 million as of December 31, 2020, a ₱12.8 million, or 39.8% increase compared to ₱32.1 million as of December 31, 2019, due to the increase in current income tax expense for year ended December 31, 2020 compared to the same period in 2019.

Deferred tax liability

The Company's deferred tax liability was ₱7.9 billion as of December 31, 2020, a ₱1.7 billion, or 28.1% increase from deferred tax liability of ₱6.1 billion as of December 31, 2019. The increase was mainly due to the unrealized gain from changes in fair value of investment properties during the period.

Other noncurrent liabilities

The Company's other noncurrent liabilities were ₱931.2 million as of December 31, 2020, a ₱275.9 million, or 22.9% decrease from other noncurrent liabilities of ₱1,207.1 million as of December 31, 2019. The increase was mainly due to the decrease in non-current retention payable and unearned rental income.

KEY PERFORMANCE INDICATORS

The following are the major financial ratios of the Company for the years ended December 31, 2021, 2020 and 2019

Key Financial Ratios	**2021**	**2020**	**2019**
Recurring Income (in ₱ millions)	2,176.2	1,912.6	1,777.3
Recurring Income Contribution(1)	28.3%	26.0%	18.4%
Current Ratio(2)	2.81	3.27	1.16
Return on Assets(3)	14.3%	11.2%	15.8%
Return on Equity(4)	18.8%	15.2%	25.0%
Asset to Equity(5)	1.22	1.28	1.35
Solvency Ratio(6)	0.78	0.52	0.61
Earnings per share(7)	0.40	0.29	0.38
Book Value per share(8)	2.30	1.99	1.76

Notes:

(1) Recurring income is composed of rental income. Recurring income contribution measures the stability of the Company's income source.

(2) Current ratio is derived by dividing current assets by current liabilities at the end of a given period. Current ratio measures the Company's ability to pay short-term obligations.

(3) Return on assets is derived by dividing the Company's net income by total assets.

(4) Return on equity is derived by dividing net income by average shareholders' equity.

(5) Asset to equity ratio is derived by dividing total assets by shareholders' equity. Asset to equity ratio measures the Company's financial leverage and long-term solvency.

(6) Solvency Ratio is derived by the total of net income, amortization, and depreciation by total liabilities.

(7) Earnings per share is derived by dividing net profit attributable less dividends on preferred shares by weighted outstanding shares.

(8) Book value per share is derived by dividing equity attributable to parent less preferred by outstanding shares.

LIQUIDITY AND CAPITAL RESOURCES

The Company has mainly relied on the following sources of liquidity: (1) cash flow from operations, and (2) issuance of equity securities. The Company knows of no demands, commitments, events, or uncertainties that are reasonably likely to result in a material increase or decrease in liquidity.

The Company does not anticipate having any cash flow or liquidity problems over the next 12 months. The Company is not in breach or default on any loan or other form of indebtedness.

The Company expects to meet its operating assets and liabilities, capital expenditure, construction cost, dividend payment and investment requirements for the next 12 months primarily from its operating cash flows. It may also from time to time seek other sources of funding, which may include debt or equity financings, depending on its financing needs and market conditions.

INDEBTEDNESS

As of December 31, 2020, the Company did not have any outstanding loan from any bank or financial institution.

CAPITAL EXPENDITURES

Capital expenditures for the years ended December 31, 2020, 2019, and 2018 were related primarily to the construction and development of the Properties. Capital expenditures for the year ended December 31, 2020 are primarily related to the construction and development of DoubleDragon Tower and Ascott-DD Meridian Park.

FINANCIAL RISK DISCLOSURE

- The Company has no material off-balance sheet transactions, arrangements, obligations. The Company also has no unconsolidated subsidiaries.
- The Company is not aware of any event that will trigger direct or contingent financial obligation that is material to the Company, including default or acceleration of any obligation.
- The Company is not aware of any trends, events, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on revenues or income from continuing operations.
- There have not been any seasonal aspects that had a material effect on the financial condition or results of the Company's operations.

Operational and financial impact of COVID19

The Company believes that the COVID-19 outbreak has not materially and adversely affected its operations. The Company's properties have continued to be operational. The Company anticipates that its rent income will remain stable as a majority of its lease contracts have fixed rates, and are covered for the duration of their lease terms by postdated checks, ample security deposits and advance rentals.

In compliance with the Government's mandate to support micro, small and medium enterprises ("MSMEs") and other tenants during the COVID-19 pandemic, the Company granted concessions to its tenants: the waiver of interest and penalties during the ECQ and MECQ period; rental discounts for all food tenants and MSME retail tenants; and the deferral of rental payments in accordance with the Bayanihan Act and the Bayanihan 2 Act. These concessions were granted subject to conditions like the applicable tenant's commitment to settle any rental arrears, continuous operation of retail tenants and the receipt of post-dated checks for the rent deferral or installment payments.

The Company also granted the application of advance rents to current rental payments to certain tenants subject to the receipt of a replacement check for the replenishment of advance rental within 2021.

Despite this challenging business environment brought about by the COVID-19 pandemic, the Company does not expect any going concern issue affecting its business operations, and believes that the events surrounding the COVID-19 outbreak do not have any material impact on its financial position and performance.

The Company's operations have remained uninterrupted with stringent monitoring in place covering the workplace. 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.

SUMMARY OF REAL ESTATE TRANSACTIONS FOR 2020

PROPERTY PERFORMANCE

	DoubleDragon Plaza	**DoubleDragon Center East**	**DoubleDragon Center West**
Location	DD Meridian Park	DD Meridian Park	DD Meridian Park
Valuation	P32,629.73 million	P3,286.87 million	P3,866.91 million
Occupancy rates	99.9%	100.0%	97.6%
WALE (years)	3.88	3.51	3.33
Rental income	P1,649.10 million	267.30 million	239.30 million

Revenue Contribution in Year 2020	76%	13%	11%

PROPERTY UNDER DEVELOPMENT

	DoubleDragon Tower	**Ascott-DD Meridian Park**
Location	DD Meridian Park	DD Meridian Park
Valuation	P2,897.26 million	P3,014.49 million
Lessee	DD Tower, Inc.	DDMP Serviced Residences, Inc.
Remaining Lease Term	99 years	99 years

ITEM 7. FINANCIAL STATEMENTS

Please see the attached consolidated financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS AND FINANCIAL DISCLOSURE

R.G. Manabat & Co. (“RGM”), a member firm of KPMG International, was responsible for preparing the independent auditor’s report on the audited financial statements of the Company. RGM audited the Company’s financial statements as of and for the years ended December 31, 2019, 2020 and 2021 in accordance with the Philippine Standards of Auditing.

The Company has not had any material disagreements on accounting and financial disclosures with RGM. RGM has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company.

The Company paid its external auditor the following fees in the past two years:

Year	Audit & Audit-related Fees	Tax Fees	Other Fees
2021	P1,265,0000	-	P2,900,000
2020	P1,150,0000	-	-

No tax consultancy services were secured from entities other than the external auditor, and no other fees were paid for tax consultancy services.

For 2021, other fees paid to RGM is higher than the audit and audit-related fees due to the engagement of RGM as external auditor for the registration with the SEC and the listing with the PSE of the Company as a real estate investment trust company.

The Board of Directors, after consultation with the Audit Committee, recommends to the stockholders the engagement of the external auditors of the Company. The selection of external auditors is made on the basis of credibility, professional reputation, accreditation with the Philippine Securities and Exchange Commission, and affiliation with a reputable foreign partner. The professional fees of the external auditors of the Company are approved by the Company's Audit Committee after approval by the stockholders of the engagement and prior to the commencement of each audit season

PART III CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS AND REGISTRANTS

The Board undertakes the overall management and supervision of the Company by setting its goals, strategies and policies, and regularly monitoring their effectiveness and implementation. The Company's executive officers and management team support the Board by preparing appropriate information and documents concerning the Company's business operations, financial condition, and results of operations for its review.

The Board consists of nine members, three of whom are independent Directors. The Directors shall serve for one year from date of election until their successors are elected and qualified.

The following table sets out certain information regarding the members of the Board and the Company's executive management. All members of the Board and executive officers listed below are citizens of the Philippines.

Name	Position	Term of Office
Edgar J. Sia II	Director and Chairman	October 27, 2014 to present
Tony Tan Caktiong	Director and Co-Chairman	October 27, 2014 to present
Ferdinand J. Sia	Director and President	October 27, 2014 to present
William Tan Untiong	Director and Corporate Secretary	October 27, 2014 to present
Jesus Emmanuel M. Yujuico	Director	September 24, 2015 to present
Jaime Rafael M. Yujuico	Director	September 24, 2015 to present
Antonio L. Go	Independent Director	November 17, 2020 to present
Edgardo G. Lacson	Independent Director	November 17, 2020 to present
Rene J. Buenaventura	Independent Director	November 17, 2020 to present
Rizza Marie S. Javelona	Treasurer	October 27, 2014 to present

The Company's senior management team is comprised of experienced and committed professional with over 320 years of accumulated experience in the Philippine real estate industry. The business experience for the past five years of each of the Company's Directors and executive officers is set out below.

Edgar J. Sia II, *Director and Chairman*

Mr. Edgar J. Sia II is the Director and Chairman of the Company. He is also the Chairman and CEO of listed DoubleDragon Corporation. and MerryMart Consumer Corp, of which he co-founded and founded respectively. Mr. Sia II currently serves as the Chairman of various institutions, including MerryMart Grocery Centers Inc., and Injap Investments Inc. He is also the founder of Mang Inasal Philippines. Mr. Sia took up Bachelor of Science in Architecture at the University of San Agustin and the same university in 2011 conferred him an Honorary Doctorate Degree- Major in Management.

Tony Tan Caktiong, *Director and Co-Chairman*

Mr. Tony Tan Caktiong, is the Co-Chairman of the Company. He also serves as Co-Chairman and Director of DoubleDragon Corporation. Mr. Tan Caktiong currently serves as the Chairman of Jollibee Foods Corporation. He is also a member of Board of Trustees of St. Luke's Medical Hospital, National Competitiveness Council and Asian Institute of Management Alumni Leadership Foundation, Inc. Mr. Tan Caktiong is also a Board of Director of First Gen Corporation, 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.

Ferdinand J. Sia, *President & Chief Operating Officer*

Mr. Ferdinand J. Sia is the President and Director of the Company. He also serves as Director and President and Chief Operating Officer of DoubleDragon Corporation, 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.

William Tan Untiong, *Director & Corporate Secretary*

Mr. William Tan Untiong, is the Corporate Secretary of the Company as well as a Director. He also serves as the Corporate Secretary of DD Meridian Park Development Corp. and Jollibee Foods Corporation. Mr. Tan Untiong currently serves as the Chief Real Estate Officer of Jollibee Foods Corporation. Mr. Tan Untiong holds a Bachelor of Science in Civil Engineering from Adamson University.

Mr. Jesus Emmanuel M. Yujuico, *Director*

Mr. Jesus Emmanuel M. Yujuico has been a Director of the Company since 2014. Granted his remarkable roles in the business world, he also serves as a Consultant/Adviser of Istana Dev. Corp., Istana Social Foundation, and Vicarous, Inc. Mr. Yujuico was born in the United States of America and holds a Master of Business Administration (MBA) degree-holder from Tuck School of Business. A graduate business school of Dartmouth College in Hanover, New Hampshire, Mr. Yujuico is also a Bachelor of Arts degree-holder from Bowdoin College, a private liberal arts College in Brunswick, Maine.

Jaime Rafael M. Yujuico, *Director*

Mr. Jaime Rafael M. Yujuico has been a Director of the Company since 2014. Given his extensive corporate experience, he also runs Point Blue, the maker of Integrated Microstudios in BGC and Makati, as the company's CEO. Mr. Yujuico holds a degree in Government – International Relations from Bowdoin College, a private liberal arts College in Brunswick, Maine.

Antonio L. Go, *Independent Director*

Mr. Antonio L. Go is an Independent Director of the Company. He also serves as a Director of several institutions including Equitable Development Corporation, Equitable Computer Services, Equity Development Corporation, K & L Holdings, Inc., Klara Holdings, Inc., Medilink Network, Inc., Motan Corp., Equicom Manila Holdings Inc., Equicom Information Technology Inc., Maxicare Health Corporation, Pin-An Holdings Corp., ALGO Leasing and Finance, Inc., Equicom Inc., and SteelAsia Manufacting Corp. Mr. Go also acts as an Independent Director of a list of other companies including Oriental Petroleum and Minerals Corp., Cebu Air, Inc., United Industrial Corp. Limited, Robinsons Retail Holdings, Inc., and JG Summit Holdings, Inc. In addition, he holds the post of Chairman of Equicom Savings Bank, and of Non-Executive Director of Dito Telecommunity Corporation. He now serves as a Trustee and Equitable Foundation Inc., Go Kim Pah Foundation, Inc., and Gokongwei Brothers Foundation, Inc. In terms of educational attainment, Mr. Go holds a Bachelor of Science degree in Business Administration from Youngstown University in Ohio, USA. Accordingly, he also took an International Management Program in his Graduate Studies from International Management Institute in Geneva, Switzerland.

Edgardo G. Lacson, *Independent Director*

Mr. Edgardo G. Lacson is the Independent Director of the Company. He also serves as a Chairman and President of several institutions including MIS Maritime Corporation, Safe Seas Shipping Agency, Marine Industrial Supply Corporation, Metrostore Corporation. He also the Treasurer of MIL Export Philippines, Inc. and Director of Puregold Price Club, Inc. He is also an Independent Director of Global Ferronickel Holdings, Inc. (FNI) and a Non-Broker Director of the Philippine Stock Exchange. Mr. Lacson holds a Bachelor of Science in Commerce degree from the University of La Salle College.

Rene De Jesus Buenaventura, *Independent Director*

Mr. Rene De Jesus Buenaventura is an Independent Director of our Company. He also serves as the President of several institutions including Gramercy Holdings Corporation, Canyon Crest Holdings Corporation, and Hengrave Holdings, Inc. Mr. Buenaventura also acts as a Director of a list of other companies including Equitable Foundation Inc., Equicom Inc., Equicom Information Technology Inc., Cliveden Management Corp., Maxicare Health Corporation, Pin-An Holdings Corp., SteelAsia Manufacturing Corp., SteelAsia Development & Management Corporation, Candelaria Steel, and Consumer CreditStore Philippines Inc. In addition, he holds the post of Vice Chairman and Stockholder of Equicom Manila Holdings, Inc., Equicom Savings Bank, and ALGO Leasing and Finance, Inc. Mr. Buenaventura also serves as an Independent Director of UBS Investments Inc., AIG Insurance Philippines, Inc., Lorenzo Shipping Corporation, and GT Capital Holdings Inc. Given his notable corporate leadership portfolio, he also now serves as a Trustee of Go Kim Pah Foundation, Inc. In terms of educational attainment, Mr. Buenaventura holds a Bachelor of Science degree in Accounting, a Bachelor of Arts degree in Behavioral Science, and a Master of Business Administration degree all from De La Salle University, Philippines.

Rizza Marie S. Javelona, *Treasurer*

Rizza Marie S. Javelona*,* is the Treasurer of the Company. She is currently the Treasurer and Chief Finance Officer of DoubleDragon Corporation and Injap Investments Inc. She also serves as Comptroller of MerryMart Consumer Corp. and MerryMart Grocery Centers, Inc. She graduated Bachelor of Science in Accountancy at the University of the Philippines – Visayas and is a Certified Public Accountant.

Family Relationships

There are no family relationships either by consanguinity or affinity up to the fourth civil degree among the Company's Directors, executive officers, and shareholders except for the following:

- Edgar Sia II, Ferdinand Sia & Rizza Marie Joy S. Javelona (Siblings)
- Tony Tan Caktiong and William Tan Untiong (Siblings)
- Jesus Emmanuel Yujuico, Jaime Rafael Yujuico and John Michael Francis Yujuico (Siblings)
- Benedicto Yujuico and Teresita Yujuico (Spouses and Parents of Jesus Emmanuel Yujuico, Jaime Rafael Yujuico and John Michael Francis Yujuico).
- John Michael Francis Yujuico owns one Common Share of the Company.

Independent Directors

The Manual requires the Company to have at least two independent directors on its Board, or such number as to constitute at least one-third of the members of the Board, whichever is higher. The Company's Board is composed of 9 members, 6 of whom are regular Directors and 3 of whom are independent Directors. The Company's current independent Directors are Antonio Go, Edgardo Lacson, and Rene Buenaventura.

Independent Directors must hold no interest or relationship with the Company that may hinder their independence from the Company or its management, or which would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. The Board may, to promote transparency, require the presence of at least one independent Director at all of its meetings.

Committees of the Board

Pursuant to the Company's Manual, the Board shall create each of the following committees. Each member of the respective committees named below will immediately assume office upon approval by the Philippine SEC of the Company's application to register the Offer Shares and will serve until a successor shall have been elected and appointed.

Executive Committee

The Company's Executive Committee shall, according to the authority granted by the Board or during the absence of the Board, act on specific matters within the competence of the Board as may from time to time be delegated to the Executive Committee. The Executive Committee shall have the following functions:

- Assist the Board in overseeing the implementation of strategies and sustaining the Company's long-term success and competitiveness in a manner consistent with its mission/ vision;
- Review of major issues facing the organization;
- Monitor the operating activities of each business group;
- Define and monitor the Company's performance improvement goals;
- Define group-wide policies and actions and overseeing their implementation;
- Foster the sharing of information in all areas of the business group; and
- Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board.

The Company's Executive Committee shall be composed of at least three members of the Board, who shall appoint the Committee Chairperson and Committee Secretary. A majority of the members of the Executive Committee shall be members of the Board of Directors.

The Company's Executive Committee comprise of Edgar Sia II, Ferdinand Sia, and Jesus Emmanuel Yujuico, with Edgar Sia II serving as Chairman.

Nomination Committee

The Nomination Committee shall be composed of at least three members of the Board. The Nomination Committee shall review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval and shall assess the effectiveness of the Board's processes and procedures in the election or replacement of directors.

The Nomination Committee is chaired by Ferdinand Sia, while Edgardo Lacson and William Tan Untiong serve as its members.

Compensation and Personnel Committee

The Company's Compensation and Personal Committee is responsible for establishing a formal and transparent procedure for developing a policy for remuneration of directors and officers to ensure that their compensation is consistent with the Corporation's culture, strategy, and the business environment in which it operates. The Compensation and Personnel Committee must comprise at least three members, one of whom must be an independent Director.

The Compensation and Personnel Committee is chaired by Edgardo Lacson, while Ferdinand Sia and William Tan Untiong serve as its members.

Audit Committee

The Company's Audit Committee is composed of three members of the Board, who shall preferably 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:

- Provide oversight over management's activities in managing credit, market, liquidity, operational, legal, and other risks of the Company. This function shall include regular receipt from Management of information on risk exposures and risk management activities;

- Recommends the approval the Internal Audit (**"IA")** Charter, which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;

- Through the Internal Audit ("**IA**") Department, monitors and evaluates the adequacy and effectiveness of the Company's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to (a) safeguard the Company's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company's financial data and information technology security, and (d) ensure compliance with applicable laws and regulations;

- Oversees the IA Department, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee should also approve the terms and conditions for outsourcing internal audit services;

- Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, the Internal Auditor should directly report to the Audit Committee;

- Reviews and monitors Management's responsiveness to the Internal Auditor's findings and recommendations;

- 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;

- Prior to the commencement of the audit, discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

- Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the Company's overall consultancy expenses. The committee should 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 and Annual Corporate Governance Report;

- Reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:

    - Any change/s in accounting policies and practices
    - Areas where a significant amount of judgment has been exercised
    - Significant adjustments resulting from the audit
    - Going concern assumptions
    - Compliance with accounting standards
    - Compliance with tax, legal and regulatory requirements

- Reviews the disposition of the recommendations in the External Auditor's management letter;

- Performs oversight functions over the Company's Internal and External Auditors, including the review of reports submitted by them. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;

- Coordinates, monitors and facilitates compliance with laws, rules and regulations;

- Recommends to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the SEC, who undertakes an independent audit of the Company, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.

The Audit Committee is chaired by Rene Buenaventura, while Ferdinand Sia and Jesus Emmanuel Yujuico serve as its members.

Related Party Transactions Review Committee

The Related Party Transactions Review Committee shall consist of three Directors, entirely non-executive, majority of whom shall be independent Directors. The Related Party Transactions Review Committee shall review all the related party transactions of the Company defined under the REIT Law.

The Related Party Transactions Review Committee is chaired by Ferdinand Sia, while Antonio Go and Rene Buenaventura serve as its members.

Evaluation System and Compliance

As part of its system for monitoring and assessing compliance with the Manual, the Philippine SEC Code of Corporate Governance for Publicly-Listed Companies and the REIT Law, each committee is required to report regularly to the Board of Directors. The Compliance Officer is responsible for determining and measuring compliance, as well as recommending the imposition of appropriate disciplinary action in case of violations.

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.

Certain Relationships and Related Transactions

There are no known related party transactions other than those described in Note 16 (Related Party Transactions) of the Notes to the Consolidated Financial Statements.

ITEM 10. EXECUTIVE COMPENSATION

For the years 2019, 2020 and 2021, the Company did not recognize expenses for key management compensation. The officers of the Company do not receive any compensation from the Company. The compensation of these officers is paid by DD.

Name & Position	Year	Salary, Bonus and Other Benefits
Edgar J. Sia II Ferdinand J. Sia Rizza Marie S. Javelona Inventor Relations Officer Compliance Officer *Aggregate compensation paid to all officers and directors as a group unnamed*	FY 2021	₱3,011,391
	FY 2020	₱2,879,922
	FY 2019	₱2,444,870

Compensation of Directors

Directors and advisors to the Board will receive a standard per diem for attendance in Board meetings effective January 1, 2021. For the years ended December 31, 2021, 2020 and 2019, the Directors received compensation amounting to P1.84 million, nil and nil, respectively.

Standard Arrangements

Other than payment of reasonable per diem of ₱40,000 for the Directors for every Board meeting and ₱20,000 for every committee meeting, there are no standard arrangements pursuant to which the Company's Directors are compensated, directly or indirectly, for any services provided as a director.

Other Arrangements

There are no other arrangements pursuant to which any of the Company's Directors is compensated, directly or indirectly, for any service provided as a director.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Record and Beneficial Owners of more than 5% of the Company's voting securities as of December 31, 2021

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
DoubleDragon Corporation 10F Tower 1, DoubleDragon Plaza DD Meridian Park cor. Macapagal Avenue & Edsa Extension Bay Area, Pasay City	The record owner is the beneficial owner of the shares indicated	Filipino	8,319,493,855	46.7%
PCD Filipino	The record owner is the beneficial owner	Filipino	5,697,513,262	32.0%
Benedicto V. Yujuico 30th Floor, IBM Plaza Building, Eastwood City Cyber Park, Bagumbayan, Quezon City, Metro Manila, Philippines	The record owner is the beneficial owner of the shares indicated	Filipino	1,811,304,833	10.2%
Teresita M. Yujuico 30th Floor, IBM Plaza Building, Eastwood City Cyber Park, Bagumbayan, Quezon City, Metro Manila, Philippines	The record owner is the beneficial owner of the shares indicated	Filipino	1,754,178,253	9.3%

As of December 31, 2021, foreign shareholders owned 238,231,200 or 1.34% of the Common Shares of the Company.

Security Ownership of Directors and Officers as of the date of this report.

The following table sets forth security ownership of the Company's Directors, and Officers, as of December 31, 2021:

Title of Class	Name	Position	Citizenship	Amount and Nature of Beneficial Ownership	Percentage of Ownership
Common	Edgar J. Sia II	Director and Chairman	Filipino	1 (indirect)	Nil
Common	Tony Tan Caktiong	Director and Co-Chairman	Filipino	1 (indirect)	Nil

Common	Ferdinand J. Sia	Director and President	Filipino	1 (indirect)	Nil
Common	William Tan Untiong	Director and Corporate Secretary	Filipino	1 (indirect)	Nil
Common	Jesus Emmanuel M. Yujuico	Director	Filipino	1 (indirect)	Nil
Common	Jaime Rafael M. Yujuico	Director	Filipino	1 (indirect)	Nil
Common	Antonio L. Go	Independent Director	Filipino	1 (direct)	Nil
Common	Edgardo G. Lacson	Independent Director	Filipino	1 (direct)	Nil
Common	Rene J. Buenaventura	Independent Director	Filipino	1 (direct)	Nil

Except as disclosed above, there is no director or key officer of the Company that owns at least 10% of its issued and outstanding shares of common or preferred stock.

As of December 31, 2021, the following are the owners of the Company's common stock in excess of 5% of total outstanding shares:

Name	No. of Shares	Percentage
DoubleDragon Corporation	8,319,493,855	46.7%
PCD Filipino	5,697,513,262	32.0%
Benedicto V. Yujuico	1,811,304,833	10.2%
Teresita M. Yujuico	1,754,178,253	9.8%

Voting Trust Holders of five percent or More

There are no persons holding more than 5% of a class under a voting trust or any similar agreements as of balance sheet date.

Change in Control

The Company is not aware of any change in control or arrangement that may result in a change in control of the Company since the beginning of its last fiscal year.

ITEM 12. CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

The Company and its Subsidiaries, in their ordinary course of business, engage in transactions with related parties and affiliates. These transactions include advances, cost allocations 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 December 31, 2021, 2020 and 2019, 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 for the year ended December 31, 2021, 2020 and 2019 and the related outstanding balances as of December 31, 2021, 2020 and 2019 are as follows:

				Outstanding Balance				
Category	**Year**	***Ref***	**Amount of Transaction**	**Due from Related Parties**	**Due to Related Parties**	**Accounts Payable**	**Receivables**	**Terms and Conditions**
Ultimate Parent Company								
Rent	**2021**	*a*	**P86,818,600**	**P -**	**P -**		**P -**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2020	*a*	82,684,585	-	-		26,396,307	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*a*	83,709,839	-	-		-	Demandable; non-interest bearing; unsecured; payable in cash
Reimbursements	2019	*b*	95,061,375	95,061,375	-		-	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
Entity under Common Control								
Common usage and service	**2021**	*c*	**3,462,116**	**-**	**-**		**-**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2020	*c*	50,931,810	-	400		-	Demandable; non-interest bearing; unsecured; payable in cash
	2019	*c*	85,890,980	-	129,635,483		-	Demandable; non-interest bearing; unsecured; payable in cash
Reimbursements	**2021**	*d*	**6,651,962**	**-**	**-**		**28,320,556**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
	2020	*d*	P59,376,586	-	-		180,588,928	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*d*	50,939,254	-	-		121,212,342	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
Rent	**2021**	*e*	**110,115,886**	**-**	**-**		**1,110,115,886**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
Reimbursements	**2021**	*d*	**2,139,329**	**5,122,816**	**-**		**-**	**Demandable; non-interest bearing; unsecured; payable in cash**

								no impairment
	2020	*d*	2,983,487	2,356,247	-		-	Demandable; non-interest bearing; unsecured; payable in cash no impairment
Management fees	**2021**	*f*	**16,085,845**	**-**	**-**	**7,113,234**	**-**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
Other Related Parties								
Rent	**2021**	*e*	**29,585,696**	**-**	**-**	**-**	**6,452,923**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
	2020	*e*	19,099,774	-	-	-	2,651,039	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*e*	25,335,873	-	-	-	1,654,796	Demandable; non- interest bearing; unsecured; payable in cash; no impairment
	2021			**P5,122,816**	**P -**	**P7,113,234**	**P1,144,889,365**	
	2020			P2,356,247	P400	P -	P209,636,274	
	2019			P95,061,375	P129,635,483	P -	P122,867,138	

a. *Lease of Corporate Office*
The Group entered into a lease agreement with DD for the lease of 10th and 11th floors of Tower 1 DoubleDragon Plaza, which serve as the headquarters of the Group. This lease provides for fixed monthly rent, subject to 5% escalation rate starting year two. The term of the lease is five years subject to renewal (Note 16).

b. *Reimbursements*
The amount pertains to reimbursement of operating expenses initially paid by the Parent Company. This consists of expenses incurred on print and multimedia and transportation expenses. These are generally trade-related, noninterest-bearing and settled within one year.

c. *Common Usage and Service*
These are payments to DDPMC received from tenants for the payment of their common usage area charges that are credited to the Group's accounts.

d. *Reimbursements*
The Group charges reimbursable costs, such as the monthly electricity and water charges and supply and installation of other utility equipment, to DDPMC (Note 6).

e. *Rent Agreements*
The Group entered into contracts with various entities under Jollibee Foods Corporation (JFC) and other related parties, for lease of its Mall spaces. These leases generally provide for either fixed monthly rent, subject to escalation rates, or a certain percentage of gross sales. The terms of the leases are for periods ranging from 5 to 15 years. The fixed monthly rent shall escalate by an average rate of 5% each year. Tenants are also billed with other charges such as fixed share in advertisement and promotions and interest and penalties on default payments (Note 6).

On November 19, 2020, the Group entered into 99-year lease agreements, beginning January 1, 2021, with DDTI for the lease of DD Tower Property. Lease rate for DD Tower is P2,500,000 quarterly, subject to escalation, for 99 years for its land and P5,750,000 quarterly, subject to escalation, for 99 years for its building (Note 16).

f. *Management fees*
On November 19, 2020, the Parent Company entered into a fund management agreement with DRFMI starting 2021. The agreement is valid for five (5) years and shall automatically be renewed for successive 5-year term thereafter, until and unless earlier terminated. As fund manager, DRFMI is entitled to receive a fixed management fee of P3,600,000 annually plus other fees.

On the same date, the Company entered into a property management agreement with DRPMI. The agreement is valid for five (5) years and shall automatically be renewed for successive 5-year term thereafter, until and unless earlier terminated. As property manager, DRPMI is entitled to receive a fee equivalent to 6% of the quarterly CUSA fees received from the tenants of the Properties but shall not exceed 1% of the net asset value of the properties managed.

During 2021, the total amount of management fees charged to the Parent Company, recorded in "Property maintenance" under "General and administrative expenses" account amounted to P2,700,000 for DRFMI and P13,385,845 for DRPMI.

g. *Key Management Compensation*
There is no information with respect to compensation and benefits of key management officers and personnel to be disclosed in accordance with PAS 24, *Related Party Disclosures,* since the administrative and finance functions of the Group were administered by DD at no cost to the Group.

There have been no guarantees/collaterals provided or received for any related party receivables or payables. For the years ended December 31, 2021 and 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Except when indicated above, all outstanding related party balances are to be settled in cash.

All material related party transactions are subject to approval by the BOD. Material related party transactions pertain to those transactions, either individually, or in aggregate over a 12-month period, amounting to at least 10% of a company's total assets. All other related party transactions that are considered not material are approved by management.

For more information, see Note 15 to the Company's Consolidated Financial Statements.

PART IV CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

The Company adopted the Manual to ensure its compliance with the leading practices on good corporate governance and related Philippine SEC rules and regulations. The Manual was approved and adopted by the Board on November 11, 2020.

The Board of Directors are primarily responsible for the governance of the Company. In addition to setting the policies for the accomplishment of corporate objectives, it has the duty to provide an independent check on the Management. The Board is mandated to attend its regular and special meetings in person or through teleconferencing.

To ensure compliance by the Company, its officers and directors of the Manual, among others, the Compliance Officer is tasked to monitor, review, and evaluate the same. The Compliance Officer shall report violations to the Board and shall recommend the imposition of appropriate disciplinary action and adoption of measures to prevent a repetition of the violation.

The Manual shall also be subject to an annual self- assessment by the Board of its performance, including the performance of the Chairman, individual members and committees. This self-assessment should be supported by an external facilitator every three years assessment by the Board.

A copy of the Manual containing the foregoing provisions was submitted to the Philippine SEC with respect to the REIT listing of the Company.

PART V EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

A. EXHIBITS

See accompanying Index to Exhibits

The following exhibit is filed as a separate section of this report:

- 2021 Audited Consolidated Financial Statements
- The other exhibits, as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

B. REPORTS ON SEC FORM 17-C (CURRENT REPORT)

None.

C. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD THAT HAVE NOT BEEN REFLECTED IN THE FINANCIAL STATEMENTS OF THE REPORTING PERIOD

- *Transfer of Shares in the Fund Manager and the Property Manager*
  The Company sold its common shares in the Fund Manager at par value to DD and Benedicto V. Yujuico on February 10, 2021, and its common shares in the Property Manager at par value to DD and Benedicto V. Yujuico on February 10, 2021. As of April 30, 2021, the certificates authorizing registration from the Philippine Bureau of Internal Revenue relating to such transfers of shares are pending.

- *Lease Agreements relating to DoubleDragon Tower and Ascott-DD Meridian Park*
  The Company's lease agreements with DD TOWER, INC., and with DDMP SERVICED RESIDENCES, INC. relating to DoubleDragon Tower and Ascott-DD Meridian Park include both the land and building elements of DoubleDragon Tower and Ascott-DD Meridian Park, for which in accordance with PFRS 16 the Company, as a lessor, must assess the classification of each element separately either as a finance lease or an operating lease. DoubleDragon Tower and and Ascott-DD Meridian Park were handed over to DD TOWER, INC., and with DDMP SERVICED RESIDENCES, INC., respectively on January 1, 2021.

INDEX TO EXHIBITS
Form 17-A

* These Exhibits are either not applicable to the Company or require no answer.

EXHIBIT 18 SUBSIDIARIES OF THE REGISTRANT

Please refer to Item 1 under “Business” and *Note 2* of the accompanying Notes to the Consolidated Financial Statements for details.

DDMP REIT, INC.
INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
FORM 17-A, ITEM 7

**These schedules, which are required by SRC Rule 68.1, As Amended (2011), have been omitted because they are either not applicable or the information required to be presented is included in the Company's consolidated financial statements or the notes to consolidated financial statements*

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in ______________________ on ______________________.

By:

DDMP REIT, INC.

EDGAR J. SIA II
Chairman and Chief Executive Officer

FERDINAND J. SIA
President

RIZZA MARIE JOY S. JAVELONA
Treasurer and Chief Financial Officer

WILLIAM TAN UNTIONG
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 16 MAY 2022 at CITY OF PASAY affiants exhibiting to me their competent evidence of identity, to wit:

1) EDGAR J. SIA II with Passport No. P8371489B issued by DFA Manila expiring on December 2, 2031
2) FERDINAND J. SIA with Passport No. P7882199A issued by DFA Manila expiring on July 10, 2028
3) RIZZA MARIE JOY S. JAVELONA with Passport No. P7943053B issued by DFA Manila expiring on October 19, 2031
4) WILLIAM TAN UNTIONG with Passport No. P4278187B issued by DFA NCR East expiring on January 1, 2030

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ATTY. ELENA MELITA L. CHICA-LLEDO
NOTARY PUBLIC
UNIT 719 TOWER E SEA RESIDENCE MOA, PASAY CITY
MY COMMISSION EXPIRES ON DEC. 31, 2020
BM 3795 2ND EXTENSION UNTIL JUNE 30, 2022
PTR NO. 7696496 1-3-22 ROLL NO. 38180
IBP LIFE TIME NO. 0873 CAM SUR CHAPTER
MCLE NO. VI-0024746 MAY 07, 2019

DDMP REIT, INC.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **DDMP REIT, Inc. and Subsidiaries** (formerly DD-Meridian Park Development Corp. and Subsidiaries) (the "Group"), is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2021, 2020 and 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors (BOD) is responsible for overseeing the Group's financial reporting process.

The BOD reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

R.G. Manabat & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature____________________
Edgar J. Sia II, Chairman

Signature____________________
Ferdinand J. Sia, President

Signature____________________
Rizza Marie Joy S. Javelona, Treasurer

Signed this 4th day of May 2022

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

Doc. No. 255;
Page No. 53;
Book No. I;
Series of 2022

DDMP REIT, INC.
AND SUBSIDIARIES

(Formerly DD-MERIDIAN PARK DEVELOPMENT CORP.)
(A Subsidiary of DoubleDragon Corp.)

CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021, 2020 and 2019

With Independent Auditors' Report

R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
DDMP REIT, Inc.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

Opinion

We have audited the consolidated financial statements of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) and its Subsidiaries (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2021, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2021 in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Valuation of Investment Property (P45.7 billion)
Refer to Note 9 to the consolidated financial statements.

The risk
The valuation of investment property requires significant judgments and estimates by management and the independent valuation expert engaged by the Group. Any input inaccuracies or unreasonable bases used in these judgments and estimates could result in a material misstatement of the net income and investment property.

Our response
We performed the following audit procedures around the valuation of investment property:

- We evaluated the Group's controls over the data and assumptions used in the valuation of the investment property portfolio and management's review of the valuations;

- We evaluated the competence, capabilities and objectivity of the independent valuation expert;

- We discussed with the valuation expert to obtain understanding of the methodology and assumptions used in the valuation;

- We conducted comparison of assumptions and/or detailed analytical procedures by reference to external market data to evaluate the appropriateness of the valuation and investigated further the valuation of those properties which were not in line with our expectations; and

- We evaluated the adequacy of the financial statements disclosures.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2021, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2021 are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Darwin P. Virocel.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, valid for five (5) years
covering the audit of 2019 to 2023 financial statements
Tax Identification No. 912-535-864
BIR Accreditation No. 08-001987-031-2019
Issued August 7, 2019; valid until August 6, 2022
PTR No. MKT 8854088
Issued January 3, 2022 at Makati City

May 6, 2022
Makati City, Metro Manila

R.G. Manabat & Co.
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Telephone +63 (2) 8885 7000
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Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
DDMP REIT, Inc.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of DDMP REIT, Inc., formerly DD-Meridian Park Development Corp., and its subsidiaries (the "Group") as at December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021, and have issued our report thereon dated May 6, 2022.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies.

This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021 and no material exceptions were noted.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, valid for five (5) years
covering the audit of 2019 to 2023 financial statements
Tax Identification No. 912-535-864
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PTR No. MKT 8854088
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May 6, 2022
Makati City, Metro Manila

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REPORT OF INDEPENDENT AUDITORS TO ACCOMPANY SUPPLEMENTARY INFORMATION FOR FILING WITH THE SECURITIES AND EXCHANGE COMMISSION

The Board of Directors and Stockholders
DDMP REIT, Inc.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

We have audited in accordance with Philippine Standards on Auditing, the financial statements of DDMP REIT, Inc., formerly DD-Meridian Park Development Corp., and its subsidiaries (the "Group") as at December 31, 2021 and 2020 and for each of the three years in the period ended December 31, 2021, and have issued our report thereon dated May 6, 2022.

Our audits were made for the purpose of forming an opinion on the consolidated financial statements of the Group taken as a whole. The supplementary information included in the following accompanying additional components is the responsibility of the Group's management. Such additional components include:

- Map of the Conglomerate
- Supplementary Schedules of Annex 68-J
- Reconciliation of Retained Earnings Available for Dividend Declaration

KPMG

These supplementary information are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements. Such information have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, valid for five (5) years
covering the audit of 2019 to 2023 financial statements
Tax Identification No. 912-535-864
BIR Accreditation No. 08-001987-031-2019
Issued August 7, 2019; valid until August 6, 2022
PTR No. MKT 8854088
Issued January 3, 2022 at Makati City

May 6, 2022
Makati City, Metro Manila

DDMP REIT, INC.
(Formerly DD-Meridian Park Development Corp.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION*

		December 31	
	Note	**2021**	2020
ASSETS			
Current Assets			
Cash and cash equivalents	*5*	**P207,694,318**	P1,088,817,817
Receivables	*6, 15*	**1,971,863,304**	1,553,569,222
Due from related parties	*15*	**5,122,816**	2,356,247
Prepaid expenses and other current assets	*7*	**449,598,186**	724,467,731
Total Current Assets		**2,634,278,624**	3,369,211,017
Noncurrent Assets			
Receivables - net of current portion	*6*	**301,329,219**	-
Property and equipment - net	*8*	**12,650,656**	18,069,828
Investment property	*9*	**45,695,260,832**	41,477,970,085
Finance lease receivable	*15, 16*	**1,110,115,886**	-
Deferred tax asset		**-**	188,172
Other noncurrent assets	*10*	**431,235,925**	488,225,160
Total Noncurrent Assets		**47,550,592,518**	41,984,453,245
		P50,184,871,142	P45,353,664,262
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities	*11*	**P938,100,080**	P984,303,820
Due to related parties	*15*	**-**	400
Income tax payable		**-**	44,923,595
Total Current Liabilities		**938,100,080**	1,029,227,815
Noncurrent Liabilities			
Deferred tax liabilities - net	*17*	**7,911,924,227**	7,876,959,548
Other noncurrent liabilities	*12*	**362,157,530**	931,164,876
Total Noncurrent Liabilities		**8,274,081,757**	8,808,124,424
Total Liabilities		**9,212,181,837**	9,837,352,239
Equity	*18*		
Capital stock		**17,827,465,406**	17,827,465,406
Retained earnings		**23,145,223,899**	17,688,846,617
Total Equity		**40,972,689,305**	35,516,312,023
		P50,184,871,142	P45,353,664,262

*The statement of financial position as at December 31, 2021 refers to the accounts of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) while the statement of financial position at December 31, 2020 refers to the consolidated accounts of the Group. (Note 2)

See Notes to the Consolidated Financial Statements.

DDMP REIT, INC.
(Formerly DD-Meridian Park Development Corp.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME*

			Years Ended December 31	
	Note	**2021**	2020	2019
INCOME				
Unrealized gains from changes in fair values of investment property	*9*	**P5,130,611,601**	P5,383,709,548	P7,781,063,778
Rent income	*15, 16*	**2,176,187,826**	1,912,618,974	1,777,329,973
Interest income	*5,16*	**38,969,820**	20,708,383	5,994,001
Other income	*6, 15, 16*	**353,451,051**	40,697,838	111,481,926
		7,699,220,298	7,357,734,743	9,675,869,678
COST AND EXPENSES				
General and administrative expenses	*14*	**354,050,327**	234,849,773	201,780,385
Interest expense	*12*	**38,174,269**	35,635,069	31,525,024
Marketing expenses	*13*	**29,519,855**	26,477,931	34,053,060
Other expenses	*18*	**87,572,492**	-	-
		509,316,943	296,962,773	267,358,469
INCOME BEFORE INCOME TAX		**7,189,903,355**	7,060,771,970	9,408,511,209
INCOME TAX EXPENSE	*17*	**(15,554,714)**	(1,974,100,543)	(2,717,080,772)
NET INCOME AND TOTAL COMPREHENSIVE INCOME		**P7,174,348,641**	P5,086,671,427	P6,691,430,437
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY	*18*	**P0.40**	P0.29	P0.90

*The statements of comprehensive income for the years ended December 31, 2021, and 2020 refer to the consolidated accounts of the Group while the statements of comprehensive income for the year ended December 31, 2019 refer to the accounts of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) (Note 1)

See Notes to the Consolidated Financial Statements.

DDMP REIT, INC.
(Formerly DD-Meridian Park Development Corp.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY*

			Years Ended December 31	
	Note	**2021**	2020	2019
CAPITAL STOCK - P1 par value	*18*			
Issued and outstanding				
Balance at beginning of year		**P17,827,465,406**	P17,827,465,406	P5,348,274,622
Issuance during the year		**-**	-	12,479,190,784
Balance at end of year		**17,827,465,406**	17,827,465,406	17,827,465,406
Subscribed				
Balance at beginning of year		**-**	-	9,704,165,630
Collection of subscription receivable		**-**	-	2,774,975,154
Additional subscription during the year		**-**	-	50,000
Issuance of shares		**-**	-	(12,479,190,784)
Balance at end of year		**-**	-	-
		17,827,465,406	17,827,465,406	17,827,465,406
RETAINED EARNINGS				
Balance at beginning of year		**17,688,846,617**	13,526,642,281	8,109,875,621
Net income/total comprehensive income for the year		**7,174,348,641**	5,086,671,427	6,691,430,437
Dividends declared	*18*	**(1,718,410,427)**	(923,954,591)	(1,274,663,777)
Other movement	*2*	**439,068**	-	-
Stock issuance cost		**-**	(512,500)	-
Balance at end of year		**23,145,223,899**	17,688,846,617	13,526,642,281
		P40,972,689,305	P35,516,312,023	P31,354,107,687

*The statements of change in equity for the years ended December 31, 2021, and 2020 refer to the consolidated accounts of the Group while the statements of changes in equity for the year ended December 31, 2019 refer to the accounts of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) (Note 1)

See Notes to the Consolidated Financial Statements.

DDMP REIT, INC.
(Formerly DD-Meridian Park Development Corp.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS*

			Years Ended December 31	
	Note	**2021**	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		**P7,189,903,355**	P7,060,771,970	P9,408,511,209
Adjustments for:				
Unrealized gains from changes in fair values of investment property	*9*	**(5,130,611,601)**	(5,383,709,548)	(7,781,063,778)
Interest income	*5,16*	**(38,969,820)**	(20,708,383)	(5,994,001)
Interest expense	*12*	**38,174,269**	35,635,069	31,525,024
Day 1 loss	*6*	**24,216,438**	-	-
Depreciation and amortization	*8, 10, 14*	**6,779,342**	6,707,693	5,899,876
Other income	*9, 16*	**(6,181,505)**	-	-
Operating income before working capital changes		**2,083,310,478**	1,698,696,801	1,658,878,330
Decrease (increase) in:				
Receivables	*20*	**(1,342,082,739)**	(528,814,024)	(292,840,607)
Due from related parties		**(2,766,569)**	92,705,128	(65,164,876)
Prepaid expenses and other current assets		**274,869,545**	67,422,535	(81,374,674)
Increase (decrease) in:				
Accounts payable and other current liabilities		**(27,415,354)**	50,732,563	833,563,901
Due to related parties		**(400)**	(129,635,083)	83,948,414
Other noncurrent liabilities	*20*	**(9,058,803)**	(311,564,029)	197,840,319
Cash generated from operations		**976,856,158**	939,543,891	2,334,850,807
Interest received	*5, 16*	**23,944,612**	20,708,383	1,008,340
Income tax paid		**(25,325,458)**	(232,234,979)	(119,232,118)
Net cash provided by operating activities		**975,475,312**	728,017,295	2,216,627,029
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to investment property	*9, 20*	**(137,140,027)**	(450,046,010)	(1,631,878,092)
Acquisition of:				
Property and equipment	*8*	**(1,060,170)**	(604,298)	(6,997,758)
Computer software licenses	*10*	**-**	-	(1,050,000)
Proceeds from disposal of subsidiaries, net of cash given up	*2*	**439,068**	-	-
Increase in other noncurrent assets	*20*	**(427,255)**	(2,205,113)	(493,650,657)
Net cash used in investing activities		**(138,188,384)**	(452,855,421)	(2,133,576,507)

Forward

				Years Ended December 31
	Note	**2021**	2020	2019
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	*18*	**(P1,718,410,427)**	(P1,397,773,008)	(P1,061,545,300)
Collection of subscription receivable	*18*	**-**	-	2,775,025,154
Payment of stock issuance costs		**-**	(512,500)	-
Net cash provided by (used in) financing activities		**(1,718,410,427)**	(1,398,285,508)	1,713,479,854
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(881,123,499)**	(1,123,123,634)	1,796,530,376
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,088,817,817**	2,211,941,451	415,411,075
CASH AND CASH EQUIVALENTS AT END OF YEAR	*5*	**P207,694,318**	P1,088,817,817	P2,211,941,451

*The statements of cash flows for the years ended December 31, 2021, and 2020 refer to the consolidated accounts of the Group while the statements cash flows for the year ended December 31, 2019 refer to the accounts of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) (Note 1)

See Notes to the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Reporting Entity

DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) (the "Parent Company" or "DDMP") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 27, 2014 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 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 is incorporated primarily to construct DD Meridian Park, a 4.75 hectare ongoing, mixed-use development real estate property situated in Pasay City (Note 9).

As at December 31, 2020 and 2019, the Parent Company is a 70%-owned subsidiary of DoubleDragon Corp. (formerly DoubleDragon Properties Corp.) ("DD" or "Ultimate Parent Company")a domestic corporation primarily engaged in the business of real estate development and real estate investment. DD became a publicly-listed company on April 7, 2014.

On November 11, 2020, the Board of Directors (BOD) and shareholders approved to offer, subject to compliance with existing laws, and the rules and regulations of the SEC, up to 5,942,488,469 secondary common shares, with an over-allotment option up to 594,248,847 secondary common shares through an initial public offering (IPO)at the price up to P2.25 per share. On November 23, 2020, the Parent Company filed its Registration Statement with the SEC covering its IPO.

On November 11, 2020, the BOD and shareholders approved to amend the Parent Company's Articles of Incorporation (AOI). The SEC approved the amendment of the Parent Company's AOI on November 26, 2020. Relevant amendments include:

- Change in the Parent Company's name to DDMP REIT, INC.; and
- Amendment of the primary purpose of the Parent Company. The amended primary purpose of the Parent Company is now to engage in the business of a real estate investment trust (REIT), as provided under Republic Act No. 9856 (the Real Estate Investment Trust Act of 2009), including its implementing rules and regulations (the "REIT Act"), and other applicable laws
- Change of corporate term to perpetual existence;
- Increase in the number of BOD to nine (9) and inclusion of independent directors;
- Compliance with the lock-up requirements under the Listing Rules of the Philippine Stock Exchange, Inc.;
- Removal of the contractual restrictions on the disposition of shares; and
- Inclusion of additional restriction on transfer of shares as provided under REIT Act.

On March 24, 2021, the Parent Company completed its initial public offering and was listed in the Philippine Stock Exchange (“PSE”) under the stock symbol “DDMPR”, as a REIT entity. DD remains as the ultimate parent company and controlling shareholder of DDMP.

On February 10, 2021 the Parent Company sold it’s investments in DDMP REIT Fund Managers, Inc. (DRFMI) and DDMP REIT Property Managers, Inc. (DRPMI) (collectively referred to as the “Subsidiaries”) to DD. The sale resulted in a loss of control and de-consolidation. Due to the disposal, the statement of financial position as at December 31, 2021 refers to the individual statement of financial position of the Parent Company. The statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2021 includes the financial performance of the Subsidiaries from January 1, 2021 to February 10, 2021 and the impact of the disposal.

The financial statements as at and for the years ended December 31, 2021 and 2020 refers to the consolidated financial statements of the Group, comprising the financial statements of the Parent Company and DDMP REIT Fund Managers, Inc. (DRFMI) and DDMP REIT Property Managers, Inc. (DRPMI) (collectively referred to as the “Subsidiaries”) (together with the Parent Company, collectively referred to as the “Group”), while the financial statements for the year ended December 31, 2019 refers to the individual financial statements of the Parent Company.

The Group’s office address is DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park Corner Macapagal Avenue and EDSA Extension, Bay Area, Pasay City, Metro Manila.

2. Basis of Preparation

Statement of Compliance

The accompanying consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). PFRS are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). PFRS consist of PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations.

Authorization for Issuance of the Consolidated Financial Statements

The consolidated financial statements were approved and authorized for issuance by the Board of Directors (BOD) on May 4, 2022.

Basis of Measurement

The consolidated financial statements have been prepared using the historical cost basis of accounting, except for investment property which is measured at fair value.

Functional and Presentation Currency

The consolidated financial statements are presented in Philippine peso, which is the Parent Company’s functional currency. All financial information expressed in Philippine peso has been rounded off to the nearest peso, unless otherwise stated.

Basis of Consolidation
The consolidated financial statements include the accounts of the Parent Company and the Subsidiaries. The equity interests of the Parent Company in the Subsidiaries as at December 31, 2021 and 2020 are as follows:

	Percentage of Ownership	
Subsidiaries	**2021**	2020
DRFMI[(a)]	**-**	100
DRPMI[(a)]	**-**	100

(a) Incorporated on November 19, 2020 and sold on February 10, 2021

DRFMI
DRFMI was incorporated and registered with the SEC on November 19, 2020 primarily to engage in the business of providing fund management services to real estate investment trust (REIT) companies, as provided under Republic Act No. 9856 (the Real Estate Investment Trust Act of 2009) and its implementing rules and regulations.

DRPMI
DRPMI was incorporated and registered with the SEC on November 19, 2020 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 programs in respect of building management, maintenance and improvement; and initiate refurbishments and monitoring of such activities.

On February 10, 2021, the Parent Company sold it's investments in subsidiaries to DD for total consideration of P51,250,000 (Note 1). Related gain, as a result of deconsolidation, amounting to P439,068, was charged directly to Retained Earnings.

A subsidiary is an entity controlled by the Group. The Group controls an entity if, and only if, the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When the Group has less than majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements and the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date when the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances. Intergroup balances and transactions, including intergroup unrealized profits and losses, are eliminated in preparing the consolidated financial statements.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, the Group: (i) derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interests and the cumulative transaction differences recorded in equity; (ii) recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss; and, (iii) reclassify the Parent Company's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The Subsidiaries in 2020 are all domiciled in the Philippines.

3. Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the periods presented in these consolidated financial statements, except for the changes in accounting policies as explained below.

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Group has adopted the following new standards, amendments to standards and interpretations starting January 1, 2021 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Group's consolidated financial statements.

- COVID-19-Related Rent Concessions (Amendment to PFRS 16 Leases)
  The amendments introduce an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. A lessee that applies the practical expedient is not required to assess whether eligible rent concessions are lease modifications, and accounts for them in accordance with other applicable guidance. The practical expedient apply if:

  - the revised consideration is substantially the same or less than the original consideration;
  - the reduction in lease payments relates to payments due on or before June 30, 2021; and
  - no other substantive changes have been made to the terms of the lease.

  Lessees applying the practical expedient are required to disclose that fact, whether they have applied the practical expedient to all eligible rent concessions and, if not, the nature of the contracts to which they have applied the practical expedient; and the amount recognized in profit or loss for the reporting period arising from application of the practical expedient. No practical expedient is provided for lessors.

  A lessee applies the amendments retrospectively, recognizing the cumulative effect of the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Standards Issued but Not Yet Adopted

A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2021. However, the Group has not early adopted the following new or amended standards in preparing these consolidated financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Group's consolidated financial statements.

Effective April 1, 2021

- COVID-19-Related Rent Concessions beyond June 30, 2021 (Amendment to PFRS 16 Leases)
  The amendment extends the practical expedient introduced in the 2020 amendment which simplified how a lessee accounts for rent concessions that are a direct consequence of COVID-19, permitting lessees to apply the practical expedient to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022.

  The amendment is effective for annual reporting periods beginning on or after April 1, 2021. Earlier application is permitted. A lessee applies the amendments retrospectively, recognizing the cumulative effect of the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate. The adoption is mandatory for lessees that chose to apply the practical expedient introduced by the 2020 amendments and may result in reversal of lease modifications that was ineligible for the practical expedient under the 2020 amendments but becomes eligible as a result of the extension.

Effective January 1, 2022

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to PAS 16 Property, Plant and Equipment)
  The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before that asset is available for use. The proceeds before intended use should be recognized in profit or loss, together with the costs of producing those items which are identified and measured in accordance with PAS 2 Inventories.

  The amendments also clarify that testing whether an item of property, plant and equipment is functioning properly means assessing its technical and physical performance rather than assessing its financial performance.

  For the sale of items that are not part of a group's ordinary activities, the amendments require the group to disclose separately the sales proceeds and related production cost recognized in profit or loss and specify the line items in which such proceeds and costs are included in the statement of comprehensive income. This disclosure is not required if such proceeds and cost are presented separately in the statement of comprehensive income.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the group first applies the amendments.

- Onerous Contracts - Cost of Fulfilling a Contract (Amendment to PAS 37 Provisions, Contingent Liabilities and Contingent Assets)
  The amendments clarify that the cost of fulfilling a contract when assessing whether a contract is onerous includes all costs that relate directly to a contract - i.e., it comprises both incremental costs and an allocation of other direct costs.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated. Earlier application is permitted.

- Annual Improvements to PFRS Standards 2018 - 2020. This cycle of improvements contains amendments to four standards:

  - Subsidiary as a First-time Adopter (Amendment to PFRS 1 First-time Adoption of Philippine Financial Reporting Standards). The amendment simplifies the application of PFRS 1 for a subsidiary that becomes a first-time adopter of PFRS later than its parent. The subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent’s date of transition to PFRS.
  - Fees in the ’10 per cent’ Test for Derecognition of Financial Liabilities (Amendment to PFRS 9 Financial Instruments). The amendment clarifies that for the purpose of performing the ’10 per cent’ test for derecognition of financial liabilities, the fees paid net of fees received included in the discounted cash flows include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. It applies to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.
  - Lease Incentives (Amendment to Illustrative Examples accompanying PFRS 16 Leases). The amendment deletes from the Illustrative Example 13 the reimbursement relating to leasehold improvements to remove the potential for confusion because the example had not explained clearly enough the conclusion as to whether the reimbursement would meet the definition of a lease incentive in PFRS 16.
  - Taxation in Fair Value Measurements (Amendment to PAS 41 Agriculture). The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in PAS 41 with those in PFRS 13 Fair Value Measurement. It applies to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

- Reference to the Conceptual Framework (Amendments to PFRS 3). The amendments:

  - updated PFRS 3 so that it now refers to the 2018 Conceptual Framework;

- added a requirement that, for transactions and other events within the scope of PAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, an acquirer applies PAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination; and
- added an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations occurring in reporting periods starting on or after January 1, 2022. Earlier application is permitted.

Effective January 1, 2023

- Classification of Liabilities as Current or Noncurrent (Amendments to PAS 1 Presentation of Financial Statements)
  To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:

  - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
  - clarified that a right to defer settlement exists only if the group complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date; and
  - clarified that settlement of a liability includes transferring a group's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or non-current.

  The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

  In November 2021, the International Accounting Standards Board issued the Exposure Draft, Non-Current Liabilities with Covenants after considering stakeholder feedback on the December 2020 tentative agenda decision issued by the IFRS Interpretations Committee about the amendments. The exposure draft proposes to again amend IAS 1 as follows:

  - Conditions which the entity must comply within twelve months after the reporting period will have no effect on the classification as current or non-current.
  - Additional disclosure requirements will apply to non-current liabilities subject to such conditions to enable the assessment of the risk that the liability could become repayable within twelve months.
  - Separate presentation in the statement of financial position will be required for non-current liabilities for which the right to defer settlement is subject to conditions within 12 months after the reporting period.

  The effective date of the amendments will be deferred to no earlier than January 1, 2024.

  Comments on the Exposure Draft is due on March 21, 2022.

- Definition of Accounting Estimates (Amendments to PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors)
  To clarify the distinction between changes in accounting policies and changes in accounting estimates, the amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an accounting estimate is developed to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remain unchanged. The amendments also provide examples on the application of the new definition.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the amendments are applied.

- Disclosure of Accounting Policies (Amendments to PAS 1 and PFRS Practice Statement 2, Making Materiality Judgments)
  The key amendments to PAS 1 include requiring entities to disclose material accounting policies rather than significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are immaterial and as such need not be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are material to the financial statements. The amendments to PFRS Practice Statement 2 provide guidance and examples on the application of materiality to accounting policy disclosures.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

- Definition of Accounting Estimates (Amendments to PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors).
  The amendments clarify that accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique (estimate or valuation technique) and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in the inputs or measurement techniques are changes in accounting estimates.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. The amendments apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the entity applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to PAS 12 Income Taxes)
  The amendments clarify that that the initial recognition exemption does not apply to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations. The amendments apply for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities will be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other appropriate component of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

Current versus Noncurrent Classification
The Group presents assets and liabilities in the consolidated statements of financial position based on current and noncurrent classification. An asset is current when it is: (a) expected to be realized or intended to be sold or consumed in the normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within 12 months after the reporting period; or (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

A liability is current when: (a) it is expected to be settled in the normal operating cycle; (b) it is held primarily for trading; (c) it is due to be settled within 12 months after the reporting period; or (d) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

Financial Instruments
Date of Recognition
The Group recognizes a financial asset or financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition is done using settlement date accounting.

Initial Recognition of Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized initially at fair value. The initial measurement, except for those designated as fair value through profit or loss (FVPL), includes transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets
The Group classifies its financial assets, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVPL. The classification depends on the contractual cash flow characteristics of the financial assets and the business model of the Group for managing the financial assets.

Subsequent to initial recognition, financial assets are not reclassified unless the Group changes the business model for managing financial assets. All affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

The business model refers to how the Group manages the financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The Group considers the following information in assessing the objective of the business model in which a financial asset is held at a portfolio level, which reflects the way the business is managed information is provided to management.

- the stated policies and objectives for the portfolio and the operations of those policies in practice;

- how the performance of the portfolio is evaluated and reported to the Group's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how employees of the business are compensated; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

For the purposes of assessing the cash flow characteristics of financial assets, "Principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

The Group considers the contractual terms of the instrument in assessing whether the contractual cash flows are solely payments of principal and interest. The assessment includes whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

The Group considers the following in making the assessment:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable rate features;

- prepayment and extension features; and

- terms that limit the Group's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for financial assets acquired at a discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

For purposes of subsequent measurement, financial assets are classified in the following categories: financial assets at amortized cost, financial assets at FVOCI (with or without recycling of cumulative gains and losses) and financial assets at FVPL.

The Group has no financial assets at FVOCI and FVPL as at December 31, 2021 and 2020.

Financial Assets at Amortized Cost. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model with the objective of holding financial assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the financial asset is derecognized, modified or impaired.

The Group's cash and cash equivalents, receivables, due from related parties, finance lease receivables and refundable deposits under "Other noncurrent assets" accounts are included in this category (Notes 5, 6, 10, 15 and 16).

Financial Liabilities
The Group classifies its financial liabilities, at initial recognition, in the following categories: financial liabilities at FVPL and other financial liabilities. The Group determines the classification of its financial liabilities at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group has no financial liabilities at FVPL as at December 31, 2021 and 2020.

Other Financial Liabilities
This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial measurement, other financial liabilities are carried at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability. The effective interest rate amortization is included in "Interest expense" account in the consolidated statements of comprehensive income. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process.

The Group's accounts payable and other current liabilities, dividends payable, due to related parties and other noncurrent liabilities (excluding payables to government agencies and unearned rent income) accounts are included in this category (Notes 11, 12, 15 and 19).

Derecognition of Financial Assets and Financial Liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; and either: (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes the associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Modification of Financial Assets

For a modification of the financial asset that does not result in derecognition, the difference between the present value of the modified cash flows discounted using the original effective interest rate and the present value of the original cash flows, is recognized in profit or loss as a gain or loss from modification. Costs or fees in relation to the modification of the financial asset are recognized as part of the carrying amount of the asset and amortized over the remaining term of the instrument. A modification of the original financial asset that results in derecognition of the financial asset, requires the recognition of a new financial asset in line with the general requirements for the initial recognition (i.e. at fair value plus transaction costs).

Impairment of Financial Assets

The Group recognizes allowance for ECL on financial assets at amortized cost. ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive), discounted at the effective interest rate of the financial asset, and reflects reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

The Group recognizes an allowance for impairment based on either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group recognizes lifetime ECLs for receivables that do not contain significant financing component. The Group uses provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the borrowers and the economic environment.

At each reporting date, the Group assesses whether financial assets at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;

(e) the disappearance of an active market for that financial asset because of financial difficulties; or

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Group considers a financial asset to be in default when a counterparty fails to pay its contractual obligations, or there is a breach of other contractual terms, such as covenants.

The Group directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering the contractual cash flows on a financial asset, either partially or in full. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The ECLs on financial assets at amortized cost are recognized as allowance for impairment losses against the gross carrying amount of the financial asset, with the resulting impairment losses (or reversals) recognized in profit or loss.

Classification of Financial Instruments between Debt and Equity
From the perspective of the issuer, a financial instrument is classified as debt instrument if it provides for a contractual obligation to:

- deliver cash or another financial asset to another entity;
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the consolidated statements of financial position.

Fair Value Measurements
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible to the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Prepaid Expenses and Other Current Assets
Prepaid expenses represent expenses not yet incurred but already paid in cash. These are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are recognized in profit or loss as they are consumed in operations or expire with the passage of time. These typically comprise prepayments for taxes.

Prepaid expenses are classified in the consolidated statements of financial position as current assets when the cost of goods or goods related to the prepaid expenses are expected to be incurred within one year. Otherwise, prepaid expenses are classified as noncurrent assets.

Other current assets represent resources that are expected to be used up within one year after the reporting date. These typically comprise advances to contractors and suppliers, input value-added tax (VAT), etc.

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation and amortization and any accumulated impairment in value. Such cost includes the cost of replacing part of the property and equipment at the time the cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day servicing.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Expenditures incurred after the asset has been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as expense in the period the costs are incurred. Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the items can be measured reliably.

Depreciation and amortization, which commence when the assets are available for their intended use, are computed using the straight-line method over the following estimated useful lives of the assets:

	Useful Life in Years
Project showroom	5
Equipment	5 to 10
Furniture and fixtures	5

The remaining useful lives, residual values, and depreciation and amortization methods are reviewed and adjusted periodically, if appropriate, to ensure that such periods and methods of depreciation and amortization are consistent with the expected pattern of economic benefits from the items of property and equipment.

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Fully depreciated assets are retained in the accounts until they are no longer in use.

An item of property and equipment is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal of an item of property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period of retirement and disposal.

Computer Software Licenses

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software. Costs associated with maintaining computer software are expensed as incurred. Capitalized costs are amortized on a straight-line basis over an estimated useful life of five years as the lives of computer software licenses are considered limited.

The carrying amount of computer software licenses is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Computer software licenses is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period of retirement and disposal.

Investment Property

Investment property consists of properties held to earn rentals and/or for capital appreciation. Initially, investment property is measured at cost including certain transaction costs. Subsequent to initial recognition, investment property, is stated at fair value, which reflects market conditions at the reporting date. The fair value of investment property is determined by independent real estate valuation experts based on recent real estate transactions and listings with similar characteristics and location to those of the Group's investment property. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise.

Investment property of the Group is mainly composed of land, building and construction-in-progress.

Investment property is derecognized either when it is disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement and disposal of investment property is recognized in profit or loss in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of the owner-occupation or commencement of development with a view to sell.

For a transfer from investment property to owner-occupied property or real estate inventories, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

Impairment of Non-financial Assets

The carrying amounts of non-financial assets reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, and if the carrying amount exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less costs of disposal and value in use. The fair value less costs of disposal is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Provisions

Provisions are recognized when: (a) the Group has a present obligation (legal or constructive) as a result of past events; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received. The amount recognized for the reimbursement shall not exceed the amount of the provision. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Capital Stock

Capital stock is measured at par value for all shares issued. When the Group issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued. Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as deduction from equity, net of any tax effects.

Retained Earnings

Retained earnings represent the accumulated net income or losses, net of any dividend distributions and other capital adjustments.

Operating Segments

The reporting format of the Group's operating segment is determined based on the Group's risks and rates of return which are affected predominantly by differences in the services rendered. The Group has one business segment, which is related to its leasing business.

Basic and Diluted Earnings Per Common Share (EPS)

Basic EPS is computed by dividing the net income for the period attributable to equity holders of the Group by the weighted average number of issued and outstanding common shares during the period, with retroactive adjustment for any stock dividends declared. Diluted EPS is computed by dividing net income for the year attributable to common equity holders of the Group by the weighted average number of common shares issued and outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares.

Revenue Recognition

The Group recognizes revenue from contracts with customers when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenues exclude value-added tax (VAT) and other fees collected on behalf of other parties.

The transfer of control can occur over time or at a point in time. Revenue is recognized at a point in time unless one of the following criteria is met, in which case it is recognized over time: (a) the customer simultaneously receives and consumes the benefits as the Group performs its obligations; (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its mall, retail and spaces, wherein it is acting as agent.

The following specific recognition criteria must also be met before revenue is recognized:

Mall Fees

Mall fees includes electricity and water, net of related cost, service fees and interest and penalty charges billed to tenants. Electricity and water charges are recognized when the corresponding expenses are incurred. Services fee, interest and penalty charges are recognized when earned and incurred in accordance with the terms of the agreements. Mall fees are presented as part of the "Other income" account in the consolidated statements of comprehensive income.

Common Usage Service Area (CUSA)

CUSA charges from various charges to tenants are recognized when earned and incurred in accordance with the terms and agreements.

Revenue from Other Sources

Rent Income

Rent income from investment property is recognized on a straight-line basis over the lease term and terms of the lease, respectively or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract.

Interest Income
Interest income is recognized as it accrues using the effective interest method. Interest income from banks which is presented net of final tax is recognized when earned. Interest income from finance lease is recognized as it accrues taking into account the effective yield on finance lease asset.

Other Income
Other income consists of income other than those generated in the ordinary course of business. This is recognized on an accrual basis.

Expense Recognition
Expenses are recognized when they are incurred and are reported in the consolidated financial statements in the periods to which they relate.

Expenses are also recognized when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability that can be measured reliably has arisen. Expenses are recognized on the basis of a direct association between costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition as an asset.

Leases
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use:

- the Group has the right to obtain substantially all the economic benefits from use of the identified asset; and

- the Group has the right to direct the use of the identified asset.

The Group as Lessor
The Group determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is classified as an operating lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the recognition exemption, it classifies the sublease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies PFRS 15, *Revenue from Contracts with Customers,* to allocate the consideration in the contract.

Group as Lessor - Operating Lease
Leases where the Group does not transfer substantially all the risks and benefits of the ownership of the assets are classified as operating leases. Rent income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in revenue due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Group as Lessor - Finance Lease
A lease is classified as a finance lease if the Group transfers substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group shall recognize assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value accruing to the Group. The Group shall use the interest rate implicit in the lease to measure the net investment in the lease. Initial direct costs are included in the measurement of the receivable. The Group derecognizes the underlying asset and recognizes the difference between its carrying amount and the finance lease receivable in profit or loss. Finance income is recognized over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease.

<u>Taxes</u>
Current Tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and the carryforward tax benefits of the net operating loss carry-over (NOLCO) to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carryforward tax benefits of NOLCO can be utilized. Deferred tax, however, is not recognized when it arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize deferred tax asset in full, the future taxable profits, adjusted for reversals of existing temporary differences, are considered based on the business plan of the Group.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

VAT

Revenues, expenses and assets are recognized net of the amount of VAT. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of “Prepaid expenses and other current assets” or “Accounts payable and other current liabilities” account in the consolidated statements of financial position.

Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed in the notes to the consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable.

Distributable Income

Under the Revised Implementing Rules and Regulations of REIT Act of 2009, the income distributable by the REIT shall be adjusted by deducting the following unrealized or non-actual gains and losses:

(i) Unrealized foreign exchange gains, except those attributable to cash and cash equivalents;
(ii) Fair value adjustment or the gains arising from marked-to-market valuation which are not yet realized;
(iii) Fair value adjustment of investment property resulting to gain;
(iv) The amount of recognized deferred tax asset that reduced the amount of income tax expense and increased the net income and retained earnings, until realized;
(v) Adjustment due to a deviation from any of the prescribed accounting standard which results to gain; and
(vi) Other unrealized gains or adjustments to the income as a result of certain transactions accounted for under the Philippine Financial Reporting Standards.

Non-actual expenses / losses that are allowed to be added back to distributable income shall be limited to the following items:

(i) Depreciation on revaluation increment (after tax);
(ii) Adjustment due to from any of the prescribed accounting standard which results to a loss; and
(iii) Loss on fair value adjustment of investment property (after tax).

The Group is required to declare 90% of the distributable income.

Events After the Reporting Date
Post year-end events that provide evidence of conditions that existed at the end of the reporting date (adjusting events) are recognized in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses reported in the consolidated financial statements at the reporting date. However, uncertainty about these judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognized in the period in which the judgments and estimates are revised and in any future period affected.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effects on the amounts recognized in the financial statements:

Determination of whether the Group is acting as a Principal or an Agent
The Group is a principal if it controls the specified good or service before it is transferred to a customer. The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party and the Group does not control the good or service before it is transferred to the customer.

The Group assesses its revenue arrangements against the following indicators to help determine whether it is acting as a principal or an agent:

- Whether the Group has primary responsibility for providing the services;
- Whether the Group has inventory risk; and
- Whether the Group has discretion in establishing prices.

The contract for the mall retail spaces and office spaces leased out by the Group to its tenants includes the right to charge for the electricity usage, water usage and CUSA expenses.

For the electricity and water usage, the Group determined that it is acting as an agent because the promise of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility company, and not the real estate developer, is primary responsible for the provisioning of the utilities while the Group, administers the leased spaces and coordinates with the utility companies to ensure that tenants have access to these utilities. The Group does not have the discretion on the pricing of the services provided since the price is based on the actual rate charged by the utility providers.

For CUSA expenses such as security, maintenance and all other common area expenses, the Group acts as a principal. This is because it is the Group who retains the right to direct the service provider of CUSA as it chooses the party responsible to provide the services to the leased premises. The right to the services mentioned never transfers to the tenant and the Group has the discretion on how to price the CUSA.

Finance Lease - Group as Lessor. DDMP entered into a building lease agreement with DD Tower, Inc. (DDTI), a related party under common control, for the lease of its building where the DD Tower Office is situated.

DDMP has determined that it transfers all the significant risks and rewards of ownership on the basis that the lease term is substantially equal to the economic life of the leased asset and therefore is accounted for as a finance lease (Note 16).

Finance lease receivable amounted to P1,110,115,886 as at December 31, 2021 (Note 16).

Operating Lease - Group as Lessor. The Group has various lease agreements for its corporate offices and commercial spaces included in its investment property under operating lease agreements. The Group assessed that the substance of the arrangement is dependent on the use of specific asset and conveys the right to use the asset to various tenants and has concluded to contain a leasing agreement. The Group assessed that it retains the risk and rewards of ownership and therefore is accounted for as an operating lease (Note 16). Total rent income is disclosed in Note 16.

Impairment on Non-financial Assets
PFRS require that an impairment review be performed on non-financial assets when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Determining the recoverable amount of assets requires estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of recoverable amounts reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment loss could have a material adverse impact on the Group's financial performance.

There were no impairment indicators on the Group's property and equipment and computer software licenses as at December 31, 2021 and 2020 based on management's assessment.

The combined carrying amounts of property and equipment and computer software licenses amounted to P P13,475,656 and P19,194,828 as at December 31, 2021 and 2020, respectively (Notes 8 and 10).

Distinction between Investment Property and Property and Equipment
The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Property and equipment generate cash flows that are attributable not only to property but also to the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions cannot be sold separately at the reporting date, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. The Group considers each property separately in making its judgment.

Provisions and Contingencies
The Group, in the ordinary course of business, sets up appropriate provisions for its present legal or constructive obligations, if any, in accordance with its policies on provisions and contingencies. In recognizing and measuring provisions, management takes risk and uncertainties into account.

No provision for probable losses arising from legal contingencies was recognized in the Group's consolidated financial statements as at December 31, 2021 and 2020.

Estimates and Assumptions
The key estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the Group's consolidated financial statements. Actual results could differ from such estimates.

Assessment for ECL on Receivables. The Group, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates over a two-year period for receivables, which composed of rent receivable, receivable from tenants, accrued interest and others. The Group also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Group then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions.

The Group has assessed that the forward-looking default rate component of its ECL on rent receivable is not material because majority of receivables are normally collected within one to two months. Moreover, based on management's assessment, current conditions and forward-looking information does not indicate a significant increase in credit risk exposure of the Group from its trade and other receivables.

The assessment of the correlation between historical observed default rates, forecast economic conditions (inflation and interest rates) and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Receivables directly written-off in 2021 and 2020 amounted to P52,508,535 and P33,362,360, respectively (Note 14). The allowance for impairment loss on receivables amounted to P20,769,796 and nil as of December 31, 2021 and 2020. The carrying amount of receivables amounted to P2,273,192,523 and P1,553,569,222 as of December 31, 2021 and 2020, respectively (Note 6).

Assessment for ECL on Other Financial Assets at Amortized Cost. The Group determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- actual or expected external and internal credit rating downgrade;
- existing or forecasted adverse changes in business, financial or economic conditions; and
- actual or expected significant adverse changes in the operating results of the borrower.

The Group also considers financial assets at day one to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

The Group has assessed that the ECL on other financial assets at amortized cost is not material because majority of the transactions with respect to these financial assets were entered into by the Group only with reputable banks and counterparties with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized for the years ended December 31, 2021 and 2020.

The carrying amounts of other financial assets at amortized cost are as follows:

	Note	**2021**	2020
Finance lease receivable		**P1,110,115,886**	P -
Cash and cash equivalents*	*5*	**207,684,318**	1,088,805,817
Due from related parties	*16*	**5,122,816**	2,356,247
Refundable deposits**	*10*	**15,335,239**	14,907,984
		P1,338,258,259	P1,106,070,048

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

Estimating Useful Lives of Property and Equipment and Computer Software Licenses
The Group estimates the useful lives of property and equipment and computer software licenses based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and computer software licenses are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of property and equipment and computer software licenses is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property and equipment and computer software licenses would increase recorded depreciation and amortization expenses and decrease noncurrent assets.

Property and equipment, net of accumulated depreciation, amounted to P12,650,656 and P18,069,828 as at December 31, 2021 and 2020, respectively. Accumulated depreciation of property and equipment amounted to P20,880,796 and P14,401,454 as at December 31, 2021 and 2020, respectively (Note 8).

Computer software licenses, net of accumulated amortization, amounted to P825,000 and P1,125,000 as at December 31, 2021 and 2020, respectively. Accumulated amortization of computer software licenses amounted to P675,000 and P375,000 as at December 31, 2021 and 2020, respectively (Note 10).

Fair Value Measurement of Investment Property
The Group carries its investment property at fair value, with changes in fair value being recognized in profit or loss. The Group engages independent valuation specialists to determine the fair value. For the investment property, the appraisers used a valuation technique based on comparable market data available for such property.

Investment property amounted to P45,695,260,832 and P41,477,970,085 as at December 31, 2021 and 2020, respectively. Unrealized gain from changes in fair values of investment property recognized in profit or loss amounted to P5,130,611,601, P5,383,709,548 and P7,781,063,778 in 2021, 2020 and 2019, respectively (Note 9).

Realizability of Deferred Taxes
The Group reviews its deferred taxes at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred taxes to be utilized. The Group reviews its projected performance in assessing the sufficiency of future taxable income.

Recognized deferred tax asset amounted to P46,599,000 and P47,236,703 as at December 31, 2021 and 2020, respectively (Note 17).

5. Cash and Cash Equivalents

This account consists of:

	Note	**2021**	2020
Cash on hand and in banks		**P207,694,318**	P579,784,386
Short-term placements		**-**	509,033,431
	19	**P207,694,318**	P1,088,817,817

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. Interest income from cash in banks and short-term placements amounted to P824,424, P20,708,383, P5,994,001 in 2021, 2020 and 2019, respectively.

6. Receivables

This account consists of:

	Note	**2021**	2020
Rent receivable	*15,16*	**P1,944,581,397**	P1,342,123,223
Non-trade receivable	*15*	**29,117,971**	192,219,259
Receivables from tenants		**17,784,338**	17,792,480
Accrued interest		**-**	120,188
Others		**1,149,394**	1,314,072
		1,992,633,100	1,553,569,222
Less: Allowance for impairment loss		**20,769,796**	-
	19	**P1,971,863,304**	P1,553,569,222

Rent receivable pertains to receivables arising from the lease of office and commercial spaces relating to the Group's operations. These are generally collectible within thirty (30) days. This account consists mainly of accrued rentals 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, Leases amounting to P729,330,709 and P747,440,316, as at December 31, 2021 and 2020, respectively, and receivable from related parties amounting to P2,999,859 and P2,651,039 as at December 31, 2021 and 2020, respectively (Note 16). Included also in the balance is the receivable from Philippine Offshore Gaming Operator (POGO) tenants, in which the payment terms were restructured in 2021. Based on restructuring agreement with certain POGO tenants, payment terms of overdue receivables were restructured as follows:

	2021	
	Gross Amount	**Present Value**
Within one year	**P177,205,926**	**P174,308,397**
After one year but not more than five years	**322,648,128**	**301,329,219**
Total gross payment	**499,854,054**	**475,637,616**
Less implicit interest	**24,216,438**	**-**
Present value of payments	**P475,637,616**	**P475,637,616**

These receivables are collectible in equal installments starting January 31, 2022 until December 30, 2024 subject to 6.4% implicit interest. Day 1 loss from discounting of receivables amounted to P24,216,438 and was netted under "Other income" account in the consolidated statements of comprehensive income.

Interest charged from overdue accounts amounted to P356,003,734 and P5,234,755 in 2021 and 2020, respectively. There was no interest charged in 2019.

Receivables from tenants include utilities, common usage service area fees and other charges billed to tenants which are due within thirty (30) days upon billing.

Non-trade receivable represents mostly reimbursable costs chargeable to DoubleDragon Property Management Corp. (DDPMC) such as the monthly electricity and water charges and supply and installation of other utility equipment which amounted to P28,320,556 and P180,588,928 as at December 31, 2021 and 2020, respectively. These are generally collectible within (30) days upon billing (Note 15d).

Provision for impairment loss on rent receivable in 2021 amounted to P20,769,796. Receivables directly written-off in 2021 and 2020 amounted to P52,508,535 and P33,362,360, respectively (Note14). These pertain to discounts and rental waivers granted to tenants due to COVID-19 pandemic. There were no receivables written off in 2019.

7. Prepaid Expenses and Other Current Assets

This account consists of:

	2021	2020
Input VAT - net	**P198,410,651**	P474,723,081
Prepaid real property taxes	**154,949,685**	207,560,850
Prepaid tax	**95,502,507**	35,470,056
Other current asset	**735,343**	6,713,744
	P449,598,186	P724,467,731

Input VAT represents accumulated input taxes from purchases of goods and services which can be applied against future output VAT.

Prepaid real property taxes pertain to payments made as at December 31, 2021 and 2020 for real property taxes of building and machinery and equipment applicable to the subsequent periods.

8. Property and Equipment - net

The movements and balances of this account consists of:

	Project Showroom	**Equipment**	**Furniture and Fixtures**	**Total**
Cost				
January 1, 2020	P605,968	P20,877,233	P10,383,783	P31,866,984
Additions	-	254,462	349,836	604,298
December 31, 2020	605,968	21,131,695	10,733,619	32,471,282
Additions	-	1,043,207	16,963	1,060,170
December 31, 2021	**605,968**	**22,174,902**	**10,750,582**	**33,531,452**
Accumulated Depreciation				
January 1, 2020	294,586	5,592,431	2,106,744	7,993,761
Depreciation	121,194	4,177,455	2,109,044	6,407,693
December 31, 2020	415,780	9,769,886	4,215,788	14,401,454
Depreciation	121,194	4,211,425	2,146,723	6,479,342
December 31, 2021	**536,974**	**13,981,311**	**6,362,511**	**20,880,796**
Carrying Amount				
December 31, 2020	P190,188	P11,361,809	P6,517,831	P18,069,828
December 31, 2021	**P68,994**	**P8,193,591**	**P4,388,071**	**P12,650,656**

Depreciation recognized in profit and loss under "General and administrative expenses" account amounted to P6,479,342, P6,407,693 and P5,824,876 in 2021, 2020 and 2019, respectively (Note 14).

9. Investment Property

The movements and balances of this account consists of:

	Land	Construction in Progress	Buildings	Total
January 1, 2020	P11,561,545,557	P528,015,140	P25,391,841,271	P37,481,401,968
Additions	-	605,341,277	-	605,341,277
Adjustments	-	-	(1,992,482,708)	(1,992,482,708)
Unrealized gain from changes in fair values of investment property	207,078,667	-	5,176,630,881	5,383,709,548
December 31, 2020	11,768,624,224	1,133,356,417	28,575,989,444	41,477,970,085
Additions	-	182,964,238	11,292,279	194,256,517
Disposal (Note 16)	-	(1,088,788,985)	-	(1,088,788,985)
Adjustments	-	-	(18,788,386)	(18,788,386)
Unrealized gain from changes in fair values of investment property	517,696,667	-	4,612,914,934	5,130,611,601
December 31, 2021	**P12,286,320,891**	**P227,531,670**	**P33,181,408,271**	**P45,695,260,832**

The Group's investment property mainly relates to the Group's DD Meridian Park property (Note 1).

The Group's investment property is stated at fair value, which has been determined based on valuations performed by an accredited independent appraiser.

The following table provides the fair value hierarchy of the Group's investment property as at December 31, 2021 and 2020:

	Level 2	
	2021	2020
Land	**P12,286,320,891**	P11,768,624,224
Buildings	**33,408,939,941**	29,709,345,861
	P45,695,260,832	P41,477,970,085

Valuation Techniques and Significant Unobservable Inputs
The fair values of the investment property were arrived at using the Market Data Approach for land and buildings.

The fair value of the land was arrived at using the Market Data Approach. This approach considers the sale of similar or substitute property, registered within the vicinity, and the related market data. The estimated value is established by process involving comparison. The property being valued is then compared with sales of similar property that have been transacted in the market. Listings and offerings may also be considered. The unobservable inputs to determine the market value of the property are the following: location characteristics, size and shape of the lot and bulk discount.

The fair value of the building was arrived at using the Market Approach. In this approach, the value of the building was based on sales and listings of comparable property registered within the vicinity. The technique of this approach requires the adjustment of comparable property by reducing reasonable comparative sales and listings to a common denominator. This was done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties to be used as bases of comparison are situated within the immediate vicinity of the subject property. The comparison was premised on the factors of time, corner influence, road influence, unit area/size, unit location, unit improvements, building location, building features/amenities, bargaining allowance and others.

The fair values of land and building are sensitive to the changes in the sales price and listings of comparable property. A significant increase/decrease in the price per square meter of comparable land and buildings will result to a significant increase/decrease in profit or loss. A 10% increase/decrease in the sales price/listing price will result to increase/decrease in profit or loss amounting to P3,353,500,662 and P5,596,594,500 for the years ended December 31, 2021 and 2020, respectively.

The carrying amount of the construction in-progress approximates its fair value as at December 31, 2021 and 2020. The Group expects the fair value of the construction in-progress to be reliably measurable upon completion of the construction.

The Group recognized unrealized gains from changes in fair values of investment property amounting to P5,130,611,601, P5,383,709,548 and P7,781,063,778 in 2021, 2020 and 2019, respectively.

Cost of investment property was adjusted in 2021 and 2020 for amortization of letting fees and because of cost savings from finalization of actual cost from the contractors, respectively.

Rent income (including aircon charges) amounted to P2,176,187,826, P1,912,618,974 and P1,777,329,973 in 2021, 2020 and 2019, respectively, which is shown as part of "Rent income" account in the consolidated statements of comprehensive income. The operating lease commitments of the Group as a lessor are fully disclosed in Note 16.

Related CUSA (net of direct operating costs), included under "Rent income" account, amounted to P223,097,413 in 2021.

The total direct operating expense recognized in profit or loss arising from the Group's investment property that generated rent income amounted to P241,105,306.62, P166,341,026 and P133,335,081 in 2021, 2020 and 2019, respectively.

Concentration Risk

In 2021, 2020 and 2019, rent income from Philippine Offshore Gaming Operator (POGO) and Philippine Amusement and Gaming Corp (PAGCOR)-accredited Business Process Outsourcing (BPO) businesses represents about 58%, 48% and 47% of the total rent income, respectively. As at December 31, 2021 and 2020, receivables from these businesses represents about 67% and 54% of the total rent receivables, respectively.

During the year, due to COVID-19 pandemic, the Group has seen a significant decline in its collection of its receivables from its POGO tenants. To manage this, the Group entered into restructuring agreements with certain POGO tenants (Note 6). As of December 31, 2021, none of the POGOs and PAGCOR-accredited BPOs pre-terminated their lease contracts.

10. Other Noncurrent Assets

This account consists of:

	Note	2021	2020
Advances to contractors		**P415,075,686**	P472,192,176
Refundable deposits	*19*	**15,335,239**	14,907,984
Computer software licenses - net		**825,000**	1,125,000
		P431,235,925	P488,225,160

Advances to contractors represent amounts paid as downpayments to contractors and suppliers for the construction of the Group's investment property. These advances are nonfinancial in nature and are expected to be fulfilled by delivery of goods and services.

Refundable deposits pertain to non-interest-bearing deposits paid to and held by the Group's utility service providers which are refundable at the end of the contract.

The computer software licenses have been built, installed or supplied by the manufacturer ready to operate or require some customization based on the Group's specific requirements.

The movements and balances of the "Computer software licenses - net" account consist of:

	Note	2021	2020
Cost		**P1,500,000**	P1,500,000
Accumulated Amortization			
Balance at beginning of year		**375,000**	75,000
Amortization for the year	*14*	**300,000**	300,000
Balance at end of year		**675,000**	375,000
		P825,000	P1,125,000

11. Accounts Payable and Other Current Liabilities

This account consists of:

	Note	2021	2020
Trade payables		**P111,319,855**	P126,286,574
Accrued expenses:			
Project costs		**684,000,850**	725,079,841
Others		**19,578,646**	6,011,993
Retention payable - current portion	*12*	**65,967,914**	84,286,295
Construction bond		**32,006,679**	36,947,165
Withholding tax payable		**25,226,136**	5,691,952
	19	**P938,100,080**	P984,303,820

Trade payables and accrued project costs are liabilities arising from services provided by the contractors and subcontractors. These are non-interest bearing and are normally settled within thirty (30) days.

Construction bond pertains to the cash deposit made by the tenants which function as security during fit-out period. Any damage to the leased property during the fit-out will be deducted from the construction bond and the balance will be refunded to the tenant.

12. Other Noncurrent Liabilities

This account consists of:

	Note	**2021**	2020
Unearned rent income	*19*	**P292,087,476**	298,495,422
Security deposits	*19*	**69,945,278**	619,048,115
Deferred output VAT		**124,776**	13,621,339
		P362,157,530	P931,164,876

Retention payable pertains to amount retained by the Group from its payment for the contractors' progress billings which are released after the expiration of the project's warranty period. This serves as the Group's security to cover cost of contractors' noncompliance with the construction of the Group's project.

Security deposits account pertains to deposits collected from tenants for the lease of the Group's investment property. These deposits are non-interest bearing and refundable at the end of the lease term. Security deposits are discounted using the effective annual interest rates ranging from 5.21% to 5.78% that are specific to the tenor of the deposits. Interest expense for the amortization of discount on security deposits amounted to P38,174,269, P35,635,069, and P31,525,024 in 2021, 2020 and 2019, respectively.

The details of security deposits follow:

	Note	**2021**	2020
Security deposits		**P200,546,825**	P771,937,567
Less discount on security deposits		**130,601,547**	152,889,452
	19	**P69,945,278**	P619,048,115

The movement in the unamortized discount on security deposits follows:

	2021	2020
Balance at beginning of period	**P152,889,452**	P186,799,458
Additions - net	**15,886,364**	1,725,063
Accretion	**(38,174,269)**	(35,635,069)
Balance at end of period	**P130,601,547**	P152,889,452

Unearned rent income pertains to advance rentals which will be applied as payment of rent for more than twelve months after reporting date. The account also includes the difference between the discounted value and face values of security deposits because of discounting the security deposits. Additional rent income from the amortization on a straight-line basis over the lease term amounted to P38,942,918, P38,872,524 and P35,772,929 in 2021, 2020 and 2019, respectively.

13. Marketing Expenses

This account consists of:

	2021	2020	2019
Commission	**P22,853,222**	P22,853,222	P19,630,744
Marketing	**6,666,633**	3,624,709	14,422,316
	P29,519,855	P26,477,931	P34,053,060

14. General and Administrative Expenses

This account consists of:

	Note	**2021**	2020	2019
Taxes and licenses		**P172,552,144**	P180,631,619	P140,735,783
Impairment loss on receivables	*6*	**73,278,331**	33,362,360	-
Outsourced services		**40,709,934**	-	-
Electricity and water		**23,585,002**	-	-
Property maintenance	*15*	**21,329,916**	676,454	289,338
Insurance		**8,293,443**	6,668,924	4,978,690
Depreciation and amortization	*8, 10*	**6,779,342**	6,707,693	5,899,876
Office expenses		**2,147,721**	3,525,980	35,472,433
Professional fees		**1,917,849**	1,993,036	1,021,250
Director’s fees		**1,840,000**	-	-
Association dues		**1,219,808**	-	1,131,147
Salaries and wages		**-**	982,191	2,051,733
Miscellaneous		**396,837**	301,516	10,200,135
		P354,050,327	P234,849,773	P201,780,385

Impairment loss on receivables pertains to discounts and rental waivers granted to tenants due to COVID-19 pandemic (Note 6).

15. Related Party Transactions

The Group, in the normal course of business, has transactions with its related parties as follows:

Category	Year	Ref	Amount of Transaction	Outstanding Balance: Due from Related Parties	Outstanding Balance: Due to Related Parties	Outstanding Balance: Accounts Payable	Outstanding Balance: Receivables	Terms and Conditions
Ultimate Parent Company								
Rent	**2021**	*a*	**P86,818,600**	**P -**	**P -**	**P -**	**P -**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2020	*a*	82,684,585	-	-	-	26,396,307	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*a*	83,709,839	-	-	-	-	Demandable; non-interest bearing; unsecured; payable in cash
Reimbursements	2019	*b*	95,061,375	95,061,375	-	-	-	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
Entity under Common Control								
Common usage and service	**2021**	*c*	**3,462,116**	**-**	**-**	**-**	**-**	**Demandable; non-interest bearing; unsecured; payable in cash**
	2020	*c*	50,931,810	-	400	-	-	Demandable; non-interest bearing; unsecured; payable in cash
	2019	*c*	85,890,980	-	129,635,483	-	-	Demandable; non-interest bearing; unsecured; payable in cash
Reimbursements	**2021**	*d*	**6,651,962**	**-**	**-**	**-**	**28,320,556**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
	2020	*d*	P59,376,586	-	-	-	180,588,928	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*d*	50,939,254	-	-	-	121,212,342	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
Rent	**2021**	*e*	**1,110,115,886**	**-**	**-**	**-**	**1,110,115,886**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
Reimbursements	**2021**	*d*	**2,139,329**	**5,122,816**	**-**	**-**	**-**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
	2020	*d*	2,983,487	2,356,247	-	-	-	Demandable; non-interest bearing; unsecured; payable in cash no impairment
Management fees	**2021**	*f*	**16,085,845**	**-**	**-**	**7,113,234**	**-**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
Other Related Parties								
Rent	**2021**	*e*	**29,585,696**	**-**	**-**	**-**	**6,452,923**	**Demandable; non-interest bearing; unsecured; payable in cash no impairment**
	2020	*e*	19,099,774	-	-	-	2,651,039	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*e*	25,335,873	-	-	-	1,654,796	Demandable; non- interest bearing; unsecured; payable in cash; no impairment
	2021			**P5,122,816**	**P -**	**P7,113,234**	**P1,144,889,365**	
	2020			P2,356,247	P400	P -	P209,636,274	
	2019			P95,061,375	P129,635,483	P -	P122,867,138	

a. *Lease of Corporate Office*
The Group entered into a lease agreement with DD for the lease of 10th and 11th floors of Tower 1 DoubleDragon Plaza, which serve as the headquarters of the Group. This lease provides for fixed monthly rent, subject to 5% escalation rate starting year two. The term of the lease is five years subject to renewal (Note 16).

b. Reimbursements

The amount pertains to reimbursement of operating expenses initially paid by the Parent Company. This consists of expenses incurred on print and multimedia and transportation expenses. These are generally trade-related, noninterest-bearing and settled within one year.

c. Common Usage and Service

These are payments to DDPMC received from tenants for the payment of their common usage area charges that are credited to the Group's accounts.

d. Reimbursements

The Group charges reimbursable costs, such as the monthly electricity and water charges and supply and installation of other utility equipment, to DDPMC (Note 6).

e. Rent Agreements

The Group entered into contracts with various entities under Jollibee Foods Corporation (JFC) and other related parties, for lease of its Mall spaces. These leases generally provide for either fixed monthly rent, subject to escalation rates, or a certain percentage of gross sales. The terms of the leases are for periods ranging from 5 to 15 years. The fixed monthly rent shall escalate by an average rate of 5% each year. Tenants are also billed with other charges such as fixed share in advertisement and promotions and interest and penalties on default payments (Note 6).

On November 19, 2020, the Group entered into 99-year lease agreements, beginning January 1, 2021, with DDTI for the lease of DD Tower Property. Lease rate for DD Tower is P2,500,000 quarterly, subject to escalation, for 99 years for its land and P5,750,000 quarterly, subject to escalation, for 99 years for its building (Note 16).

f. Management fees

On November 19, 2020, the Parent Company entered into a fund management agreement with DRFMI starting 2021. The agreement is valid for five (5) years and shall automatically be renewed for successive 5-year term thereafter, until and unless earlier terminated. As fund manager, DRFMI is entitled to receive a fixed management fee of P3,600,000 annually plus other fees.

On the same date, the Company entered into a property management agreement with DRPMI. The agreement is valid for five (5) years and shall automatically be renewed for successive 5-year term thereafter, until and unless earlier terminated. As property manager, DRPMI is entitled to receive a fee equivalent to 6% of the quarterly CUSA fees received from the tenants of the Properties but shall not exceed 1% of the net asset value of the properties managed.

During 2021, the total amount of management fees charged to the Parent Company, recorded in "Property maintenance" under "General and administrative expenses" account amounted to P2,700,000 for DRFMI and P13,385,845 for DRPMI.

g. Key Management Compensation

There is no information with respect to compensation and benefits of key management officers and personnel to be disclosed in accordance with PAS 24, *Related Party Disclosures,* since the administrative and finance functions of the Group were administered by DD at no cost to the Group.

There have been no guarantees/collaterals provided or received for any related party receivables or payables. For the years ended December 31, 2021 and 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Except when indicated above, all outstanding related party balances are to be settled in cash.

Related Party Transactions and Balances Eliminated During Consolidation
The terms, conditions, balances and the volume of related party transactions which were eliminated during consolidation are as follows:

Intercompany Advances
Outstanding intercompany advances amounted to:

	2021	2020
Advances	**P -**	P627,240

Total advances made by the Parent Company to the subsidiaries amounted to P627,240 as of December 31, 2020. These advances pertain to unsecured, interest and non-interest-bearing advances granted to subsidiaries for working capital requirements. These are to be settled in cash.

16. Leases

Group as Lessor - Operating Lease
The Group leases out corporate offices and commercial spaces included in its investment property under operating lease agreements. The leases generally provide for either fixed monthly rent subject to escalation rates or a certain percentage of gross sales. The terms of the leases are for periods ranging from 5 to 10 years. The fixed monthly rent shall escalate by an average of five (5%) to ten (10%) each year.

DDMP also has a lease arrangement with DDTI for the lease of its land for total consideration of P2,500,000 quarterly, subject to escalation, for 99 years.

Rent income (including aircon charges) amounted to P2,176,187,826, P1,912,618,974 and P1,777,329,973 in 2021, 2020 and 2019, respectively. Rent income based on variable considerations amounted to P13,464,499, P13,569,949 and P28,646,567 in 2021, 2020 and 2019, respectively.

CUSA (net of direct operating costs), included under "Rent income" account, amounted to P223,097,413 in 2021.

The scheduled maturities of noncancellable minimum future rental collections are as follows:

	2021	2020
Less than one year	**P1,802,082,338**	P1,806,044,087
Between one and five years	**3,234,806,919**	4,788,607,837
More than five years	**240,367,318**	496,646,776
	P5,277,256,575	P7,091,298,700

Details of minimum future rental collections for between one and five years are as follows:

	2021	2020
Between one to two years	**P1,425,667,450**	P1,810,164,319
Between two to three years	**927,849,983**	1,421,327,541
Between three to four years	**631,237,649**	923,169,624
Between four to five years	**250,051,837**	633,946,353
	P3,234,806,919	P4,788,607,837

Group as Lessor - Finance Lease
In 2021, DDMP entered into a lease agreement with DDTI for its building for a consideration of P5,750,000 quarterly, subject to escalation, for 99 years. The agreement is accounted for as "Finance lease", in accordance with PFRS 16, *Leases*.

Interest income earned using implicit rate of 4.98% in 2021 amounted to P38,145,396.

As a result of the finance lease agreement, DDMP derecognized the related building recorded under "Investment property" account with the carrying amount of P1,088,788,985 and recognized gain amounting to P6,181,505 (Note 9).

The table below summarizes the future minimum lease payments under finance lease with the present value of minimum lease payments:

	Minimum Lease Payments
Within one year	**P23,000,000**
After one year but not more than five years	**92,761,300**
More than five years	**14,584,211,185**
Total minimum lease payment	**14,699,972,485**
Less amounts representing finance charges	**13,589,856,599**
Present value of minimum lease payments	**P1,110,115,886**

Details of minimum future rental collections for between one and five years are as follows:

	2021
Between one to two years	**P23,000,000**
Between two to three years	**23,000,000**
Between three to four years	**23,000,000**
Between four to five years	**23,761,300**
	P92,761,300

Concentration Risk
As at December 31, 2021 and 2020, 42% of the total gross leasable area are leased by POGO and PAGCOR-accredited BPOs. As of December 31, 2021, none of the POGOs and PAGCOR-accredited BPOs pre-terminated their lease contracts.

17. Income Taxes

As REIT entity, DDMP is entitled to the following:

a. Exemption from the 2% minimum corporate income tax;
b. Exemption from VAT and documentary stamp tax on the transfer of property in exchange of its shares;
c. Deduction of dividend distribution from its taxable income, and
d. Fifty percent (50%) of the standard DST rate on the transfer of real property into the Company, including the sale or transfer of any security interest thereto.

The components of the income tax expense are as follows:

	2021	2020	2019
Current	**P -**	P245,031,289	P185,460,084
Deferred	**1,347,791,270**	1,729,069,254	2,531,620,688
Adjustments due to Corporate Recoverability and Tax Incentives for Enterprises (CREATE) Act	**(1,332,236,556)**	-	-
	P15,554,714	P1,974,100,543	P2,717,080,772

The deferred taxes, after set-offs, are reported in the consolidated statements of financial position as follows:

	2021	2020
Deferred tax assets	**P -**	(P188,172)
Deferred tax liabilities	**7,911,924,227**	7,876,959,548
	P7,911,924,227	P7,876,771,376

Movements in the net deferred tax liability follow:

2021

	January 1, 2021	**Adjustments Due to CREATE**	**Charged to Profit or Loss/ Others**	**December 31, 2021**
Unearned rent income	**P47,016,290**	**(P7,836,049)**	**(P1,167,575)**	**P38,012,666**
Accrued expenses	**32,241**	**(5,374)**	**2,505,357**	**2,532,224**
Discounting of rent receivables	**-**	**-**	**6,054,110**	**6,054,110**
Unrealized gains on fair value of investment property	**(7,425,078,733)**	**1,237,513,123**	**(1,282,652,901)**	**(7,470,218,511)**
Accrued rent income	**(224,232,094)**	**37,372,015**	**4,527,402**	**(182,332,677)**
Depreciation expense of depreciable investment property	**(274,697,252)**	**45,782,876**	**(70,470,900)**	**(299,385,276)**
Finance lease	**-**	**-**	**(6,585,475)**	**(6,585,475)**
Unrealized forex	**-**	**-**	**(1,288)**	**(1,288)**
NOLCO	**188,172**	**-**	**(188,172)**	**-**
	(P7,876,771,376)	**P1,312,826,591**	**(P1,347,979,442)**	**(P7,911,924,227)**

2020

	January 1, 2020	Charged to Profit or Loss	December 31, 2020
Unearned rent income	P91,331,222	(P44,314,932)	P47,016,290
Accrued expenses	120,000	(87,759)	32,241
Unrealized gains on fair value of investment property	(5,809,965,868)	(1,615,112,865)	(7,425,078,733)
Accrued rent income	(211,901,640)	(12,330,454)	(224,232,094)
Depreciation expense of depreciable investment property	(217,285,836)	(57,411,416)	(274,697,252)
NOLCO	-	188,172	188,172
	(P6,147,702,122)	(P1,729,069,254)	(P7,876,771,376)

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

	2021	2020	2019
Income before income tax	**P7,189,903,355**	P7,060,771,970	P9,408,511,209
Income tax at the statutory income tax rate of 25% in 2021, 30% in 2020 and 2019	**P1,797,475,839**	P2,118,231,591	P2,822,553,363
Income tax effects of:			
Effect of change in tax rate	**(1,332,236,556)**	-	-
Optional standard deduction	**(144,390,989)**	(136,793,547)	(102,400,019)
Nontaxable income	**(9,845,497)**	(11,661,757)	(10,731,879)
Nondeductible expense	**9,653,334**	10,690,521	9,457,507
Interest income subjected to final tax	**(206,106)**	(6,212,515)	(1,798,200)
Dividends	**(338,338,552)**	-	-
Unrecognized NOLCO	**33,443,241**	-	-
Stock issuance cost	**-**	(153,750)	-
	P15,554,714	P1,974,100,543	P2,717,080,772

Management did not recognize deferred tax asset on NOLCO amounting to P33,443,241 since management believes that it is not probable that sufficient future taxable income will be available to allow part or all of the said deferred tax assets to be utilized.

The Group's NOLCO, which can be deducted against future taxable income, is as follows:

Year Incurred	**Amount**	**Expired**	**Balance**	**Expiry Year**
2021	P133,772,664	P -	P133,772,664	2026

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulation (RR) No. 25-2020 to implement Section 4 (bbbb) of RA No. 11494, otherwise known as the Bayanihan to Recover as One Act, relative to NOLCO which provides that the net operating loss of a business or enterprise for taxable years 2020 and 2021 shall be carried over as a deduction from gross income for the next 5 consecutive taxable years immediately following the year of such loss.

The CREATE Act, which seeks to reduce the corporate income tax rates and to rationalize the current fiscal incentives by making it time-bound, targeted and performance-based, was passed into law on March 26, 2021. One of the key provisions of the CREATE Law is an immediate 5% to 10% point cut in the regular corporate income tax rate and 1% point cut in the minimum corporate income tax rate starting July 1, 2020.

The impact on the December 31, 2020 consolidated financial statements of the Group were recognized as at and for the year ended December 31, 2021 as follows:

	Increase (Decrease)
LIABILITIES AND EQUITY	
Income tax payable	**(P19,409,965)**
Deferred tax liabilities	**(1,312,826,591)**
Retained earnings	**1,332,236,556**
	P -
Provision for Income Tax	
Current	**(P19,409,965)**
Deferred	**(1,312,826,591)**
	(P1,332,236,556)

18. Equity/Earnings Per Share/Distributable Income

Capital Stock

The composition of the Parent Company's capital stock as at December 31, 2021 and 2020 are as follows:

	2021		2020	
	Number of Shares	**Amount**	Number of Shares	Amount
CAPITAL STOCK - P1 par value Authorized - 17,830,000,000 shares Issued and outstanding	**17,827,465,406**	**P17,827,465,406**	17,827,465,406	P17,827,465,406

On October 16, 2014, DD entered into an Investment and Shareholders Agreement (ISA) with Benedicto V. Yujuico (BVY), wherein the parties would contribute cash and parcels of land (the "Property"), respectively, that would result in a 70% and 30% interests to DD and BVY. In compliance with the ISA, DD initially invested P3.12 billion and BVY contributed the Property with third-party appraised value of P7.27 billion as determined by an accredited independent appraiser, of which P5.35 billion is treated as payment for BVY's subscribed shares. DD made an additional subscription amounting to P9.36 billion to maintain its 70% equity interest.

In 2019, DD subscribed to an additional 50,000 shares to the Parent Company. The Parent Company collected subscriptions receivable from DD amounting to P2,775,025,154 and P925,008,385 in 2019 and 2018, respectively. Upon full collection, 12,479,190,784 shares were issued to DD.

On November 23, 2020, the Parent Company filed its Registration Statement with the SEC for the registration of up to 5,942,488,469 secondary common shares, with an over-allotment option up to 594,248,847 secondary common shares through an IPO at the price up to P2.25 per share.

On March 24, 2021, in accordance with the certificate of permit to offer securities for sale issued by the SEC, 6,536,737,316 secondary common shares of the Parent Company with par value of P1 were registered and offered for sale at an offer price of P2.25 per share.

Related listing expenses recorded under "Other expenses" account in the consolidated statements of comprehensive income amounted to P87,572,492.

EPS

EPS is computed as follows:

	2021	2020	2019
Net income attributable to the equity holders of the Parent Company	**P7,174,348,641**	P5,086,671,427	P6,691,430,437
Weighted average number of shares	**17,827,465,406**	17,827,465,406	7,428,139,753
Basic/Diluted EPS	**P0.40**	P0.29	P0.90

As at December 31, 2021, 2020, and 2019, the Parent Company has no dilutive debt or equity instruments.

Dividends

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

2021

Type of Dividend	**Date of Declaration**	**Date of Record**	**Date of Payment**	**Per Share**	**Amount**
Cash dividend	April 14, 2021	April 28, 2021	May 10, 2021	**0.020478**	**P365,056,218**
Cash dividend	May 14, 2021	May 28, 2021	June 10, 2021	**0.020136**	**358,973,843**
Cash dividend	August 16, 2021	August 31, 2021	September 13, 2021	**0.027778**	**495,211,334**
Cash dividend	November 15, 2021	November 29, 2021	December 13, 2021	**0.028000**	**499,169,032**
Total					**P1,718,410,427**

2020

Type of Dividend	Date of Declaration	Date of Record	Date of Payment	Per Share	Amount
Cash dividend	March 31, 2020	March 31, 2020	June 5, 2020	P0.02000	P326,242,617
Cash dividend	June 30, 2020	June 30, 2020	August 15, 2020	P0.01580	281,673,953
Cash dividend	November 11, 2020	September 30, 2020	November 11, 2020	P0.01773	316,038,021
Total					P923,954,591

2019

Type of Dividend	Date of Declaration	Date of Record	Date of Payment	Per Share	Amount
Cash dividend	March 15, 2019	May 15, 2019	May 15, 2019	P0.0122	P217,138,529
Cash dividend	June 28, 2019	June 28, 2019	August 15, 2019	0.0133	237,461,839
Cash dividend	September 30, 2019	September 30, 2019	November 18, 2019	0.0186	331,590,857
Cash dividend	December 28, 2019	December 28, 2019	June 5, 2020	0.0274	488,472,552
Total					P1,274,663,777

Distributable Income
Details of the distributable income of the Parent Company as at December 31, 2021 is shown below:

	2021
Net income of the Parent Company:	**P7,174,348,641**
Fair value adjustments of investment property resulting to gain (after tax)	**(3,847,958,701)**
Adjustment in deferred tax due to change in rate	**(1,312,826,591)**
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	**40,995,139**
	P2,054,558,488

Out of the 2021 distributable income, P1,353,354,209 was already declared and paid as of December 31, 2021. On May 4, 2022, the BOD of the Parent Company approved the declaration of dividends to common shareholders on record as of May 19, 2022 amounting to P0.027814 per share, equivalent to P495,853,123. The dividends is payable on May 31, 2022.

19. 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

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 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 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 the counterparty fails to perform their contractual obligations. The risk arises principally from the Group's cash in banks and short-term placements, receivables, due from related parties and refundable deposits. The Group manages credit risk by dealing with recognized and creditworthy financial institutions. The objective is to reduce the risk of loss through default by counterparties.

As at December 31, 2021 and 2020, receivables from POGO and PAGCOR-accredited BPOs businesses represents about 54% and 26% of the total rent receivables, respectively. As of December 31, 2021 and 2020, none of the POGOs and PAGCOR-accredited BPOs pre-terminated their lease contracts, and rent receivables from these tenants are not credit-impaired.
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date follows:

	Note	**2021**	2020
Cash and cash equivalents*	*5*	**P207,684,318**	P1,088,805,817
Receivables (current and noncurrent)	*6*	**2,273,192,523**	1,553,569,222
Finance lease receivables	*16*	**1,110,115,886**	-
Due from related parties	*15*	**5,122,816**	2,356,247
Refundable deposits**	*10*	**15,335,239**	14,907,984
		P3,611,450,782	P2,659,639,270

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

The table below presents the summary of 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.

2021

	Financial Assets at Amortized Cost			
	12-month ECL	**Lifetime ECL - not credit impaired**	**Lifetime ECL - credit impaired**	**Total**
Cash and cash equivalents*	**P207,684,318**	**P -**	**P -**	**P207,684,318**
Receivables (current and noncurrent)	**382,505,817**	**1,869,916,910**	**20,769,796**	**2,273,192,523**
Finance lease receivables	**1,110,115,886**	**-**	**-**	**1,110,115,886**
Due from related parties	**5,122,816**	**-**	**-**	**5,122,816**
Refundable deposits**	**15,335,239**	**-**	**-**	**15,335,239**
	P1,720,764,076	**P1,869,916,910**	**P20,769,796**	**P3,611,450,782**

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

2020

	Financial Assets at Amortized Cost			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Cash and cash equivalents*	P1,088,805,817	P -	P -	P1,088,805,817
Receivables	211,445,999	1,342,123,223	-	1,553,569,222
Due from related parties	2,356,247	-	-	2,356,247
Refundable deposits**	14,907,984	-	-	14,907,984
	P1,317,516,047	P1,342,123,223	P -	P2,659,639,270

**Excluding cash on hand amounting to P333,318 as at December 31, 2020.*
***This is presented as part of "Other noncurrent assets" account.*

The following is the aging analysis per class of financial assets as at December 31, 2021:

	Note	Neither Past Due nor Impaired	Past Due but not Impaired	Impaired	Total
Cash and cash equivalents*	5	**P207,684,318**	**P -**	**P -**	**P207,684,318**
Receivables (current and noncurrent)	6	**1,932,709,446**	**319,713,281**	**20,769,796**	**2,273,192,523**
Finance lease receivables	16	**1,110,115,886**	**-**	**-**	**1,110,115,886**
Due from related parties	15	**5,122,816**	**-**	**-**	**5,122,816**
Refundable deposits**	10	**15,335,239**	**-**	**-**	**15,335,239**
		P3,270,967,705	**P319,713,281**	**P20,769,796**	**P3,611,450,782**

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

Past due receivables are aging from 180 days to more than 360 days.

In 2020, the Group's financial assets are neither past due nor impaired.

The Group assessed the credit quality of cash in banks and short-term placements as high grade since these are deposited in a reputable bank with low probability of insolvency.

Credit risk arising from rental income is primarily managed through a tenant selection process and requiring lessees security deposits and advance rentals which helps reduce the Group's credit risk exposure in case of defaults. Further, lessees are required to issue post-dated checks, which provide additional credit enhancement.

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables and other receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The security deposits, advance rent and estimated value of the lessees' leasehold improvements are considered in the assessment of the credit loss for past due receivables.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The total loss allowance based is P20.8 million and nil as of December 31, 2021 and 2020, respectively

The Group did not provide any allowance relating to receivable from related parties in prior year. There are also no ECL recognized in the current year for related party receivables since there are no history of default payments. This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

The Group assessed the credit quality of cash in banks and short-term placements as high grade since these are deposited in a reputable bank with low probability of insolvency.

Receivables were assessed as high grade as there is no current history of default. Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts.

The credit risk for refundable deposits is considered negligible since the counterparties are reputable entities with high quality external credit ratings.

Liquidity Risk
Liquidity risk pertains to the risk that the Group will encounter difficulty to meet payment obligations when they fall under normal and stress circumstances.

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 set up required cash reserves as necessary in accordance with internal requirements.

The following are the contractual maturities of financial liabilities, excluding the impact of netting agreements:

		As at December 31, 2021				
	Note	**Carrying Amount**	**Contractual Cash Flows**	**1 Year or Less**	**1 Year - 5 Years**	**More than 5 Years**
Financial Liabilities						
Accounts payable and other current liabilities	*11*	**P938,100,080**	**P938,100,080**	**P938,100,080**	**P -**	**P -**
Security deposits*	*12*	**69,945,278**	**200,546,825**	**48,181,130**	**132,902,567**	**19,463,128**
		P1,008,045,358	**P1,138,646,905**	**P986,281,210**	**P132,902,567**	**P19,463,128**

**This is presented as part of "Other noncurrent liabilities" account.*

		As at December 31, 2020				
	Note	Carrying Amount	Contractual Cash Flows	1 Year or Less	1 Year - 5 Years	More than 5 Years
Financial Liabilities						
Accounts payable and other current liabilities	*11*	P984,303,820	P984,303,820	P984,303,820	P -	P -
Due to related parties	*15*	400	400	400	-	-
Security deposits*	*12*	619,048,115	771,937,567	-	569,896,866	202,040,701
		P1,603,352,335	P1,756,241,787	P984,304,220	P569,896,866	P202,040,701

**This is presented as part of "Other noncurrent liabilities" account.*

Fair Values
The following methods and assumptions were used to estimate the fair values of each class of financial instruments for which it is practicable to estimate such values:

Cash and Cash Equivalents, Receivables, Due from Related Parties, Accounts Payable and Other Current Liabilities and Due to Related Parties
The carrying amounts of the Group's financial assets and liabilities such as cash and cash equivalents, receivables, due from related parties, accounts payable and other current liabilities and due to related parties approximate their fair values due to the relatively short-term nature of these financial instruments.

Finance Lease Receivables. The fair value of finance lease receivable is based on the discounted value of expected future cash flows. The carrying amounts of finance lease receivables approximate their fair values.

Refundable Deposits/Retention Payable
The carrying amounts of refundable deposits and retention payable approximate their fair values since the impact of discounting is immaterial.

Security Deposits
Security deposits are reported at their present values, which approximate fair values.

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 has overall responsibility for monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Group's external environment and the risks underlying the Group's business operations and industry.

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 total equity, as presented in the statements of financial position. The Group is not subject to externally imposed capital requirements.

20. Note to Consolidated Statements of Cash Flows

Additions to investment property include noncash additions from recoupment of advances to contractors amounting to P57,116,490 and P155,295,267 in 2021 and 2020.

Movement in receivables and other noncurrent liabilities in 2021 includes application of security deposits amounting to P598,122,812.

Except for the dividends paid, there are no other movements in the financing activities.

21. Other Matters

a. Corona Virus Disease (COVID-19)

The Group believes that the COVID-19 outbreak has not materially and adversely affected its operations. The Group's properties have continued to be operational and have enjoyed consistently high occupancy rates thus earning stable rental revenues.

Most of the Group's office lease agreements have tenancy periods of between three (3) to ten (10) years and covered by security deposits and advance rentals. In addition to rentals, the Group bills CUSA fee for the maintenance and upkeep of the buildings.

The Group granted concessions to certain retail tenants; rental discounts for all food tenants and MSME retail tenants; and the deferral of rental payments in accordance with the Bayanihan Act and the Bayanihan 2 Act. The Group also provided waiver of interest and penalties to tenants during the ECQ and MECQ period and granted installment payments. The Group also granted the application of advance rents and security deposits to current rental payments to certain tenants. It has also entered restructuring of its receivables from its various tenants (Note 6).

The Group's operations have remained uninterrupted with stringent monitoring in place covering the workplace. The Group continues to remain vigilant in upholding the health and safety of its employees. The Group 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.

b. Impact of the Russian Federation - Ukraine Conflict

In relation to the ongoing conflict between the Russian Federation and Ukraine, the management sees a minimal impact on the Group's costs, in relation to the increase in oil and gas prices.

The extent to which the ongoing conflict will affect will depend on future developments, including the actions and decisions taken or not taken by the Organization of the Petroleum Exporting Countries (OPEC) and other oil producing countries, international community, and the Philippine government which are highly uncertain and cannot be determined nor quantified as at the report date.

The significant adverse changes in economic conditions and the political or business environment developed as a direct consequence of events occurring after the reporting date - i.e., the Russian Federation invasion of Ukraine and the resulting implementation of economic sanctions by the international community, have no impact and do not require adjustment in the Group's consolidated financial statements as at and for the year ended December 31, 2021.

c. Events after the Reporting Date

On May 4, 2022, the BOD approved a regular cash dividend to the common shareholders in the gross amount of P495,853,123 or P0.027814 per share. The regular dividends will be paid to all Common Shareholders on record as of May 19, 2022 and will be paid on May 31, 2022.

C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C S 2 0 1 4 2 0 9 9 2

COMPANY NAME

DDMP REIT, INC.
(A SuBsidiary of
Doubledragon Properties Corp.)

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

DD Headquarters, 10th Floor
Tower 1, DoubleDragon Plaza
DD Meridian Park Corner
Macapagal Avenue & EDSA
Extension, Bay Area
Pasay City, Metro Manila

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S		

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
	8856-7111	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
8	1st Wednesday of May	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Rizza Marie Joy J. Sia	rmjs@doubledragon.com.ph	8856-7111	

CONTACT PERSON's ADDRESS

DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park Corner Macapagal Avenue & EDSA Extension, Bay Area, Pasay City, Metro Manila, Philippines

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

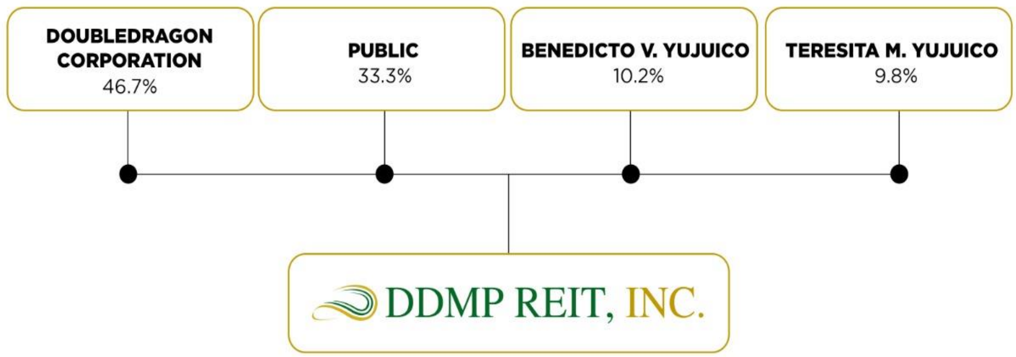
DDMP REIT, INC.
KEY PERFORMANCE INDICATORS

The following are the major financial ratios of the Company for the years ended December 31, 2021, 2020 and 2019.

Key Financial Ratios	**2021**	**2020**
Recurring Income (in P millions)	2,176.2	1,912.6
Recurring Income Contribution(1)	28.3%	26.0%
Current Ratio(2)	2.81	3.27
Return on Assets(3)	14.3%	11.2%
Return on Equity(4)	18.8%	15.2%
Asset to Equity(5)	1.22	1.28
Solvency Ratio(6)	0.78	0.52
Earnings per share(7)	0.40	0.29
Book Value per share(8)	2.30	1.99
Debt to Equity Ratio(9)	-	-
Interest Rate Coverage Ratio(10)	-	-

Notes:
(1) Recurring income is composed of rental income. Recurring income contribution measures the stability of the Company's income source.
(2) Current ratio is derived by dividing current assets by current liabilities at the end of a given period. Current ratio measures the Company's ability to pay short-term obligations.
(3) Return on assets is derived by dividing the Company's net income by total assets.
(4) Return on equity is derived by dividing net income by average shareholders' equity.
(5) Asset to equity ratio is derived by dividing total assets by shareholders' equity.
(6) Solvency Ratio is derived by the total of net income, amortization, and depreciation by total liabilities.
(7) Earnings per share is derived by dividing net profit attributable less dividends on preferred shares by weighted outstanding shares.
(8) Book value per share is derived by dividing equity attributable to parent less preferred by outstanding shares.
(9) Debt to equity ratio is derived by dividing total interest-bearing debt by total stockholders equity
(10) Interest rate coverage ratio is derived by dividing earnings before interest and taxes by interest paid

DDMP REIT, INC.
Conglomerate Map
December 31, 2021



DDMP REIT, INC.
SCHEDULE A - FINANCIAL ASSETS
FOR THE PERIOD ENDED DECEMBER 31, 2021

Name of Issuing entity and association of each issue (i)	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet (ii) (PhP)	Valued based on market quotation at end of reporting period (iii) (PhP)	Income received and accrued (PhP)
Cash and cash equivalents	N/A	207,694,318	207,694,318	824,424
Receivables	N/A	3,383,308,409	3,383,308,409	-
Due from related parties	N/A	5,122,816	5,122,816	-
Refundable deposits	N/A	15,335,239	15,335,239	-

DDMP REIT, INC.
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS
FOR THE PERIOD ENDED DECEMBER 31, 2021

Name and Designation of debtor (i)	Balance at beginning of period (PhP)	Additions (PhP)	Amounts collected (ii) (PhP)	Amounts written off (iii) (PhP)	Current (PhP)	Not Current (PhP)	Balance at end of period (PhP)
DoubleDragon Corporation (Parent Company)	2,356,247	-	2,356,247	-	-	-	-
DDMP REIT Fund Managers, Inc. (Under common control)	-	1,000,700	-	-	1,000,700	-	1,000,700
DDMP REIT Property Managers, Inc. (Under common control)	-	513,200	-	-	513,200	-	513,200
DD Tower Inc. (Under common control)	-	13,000	-	-	13,000	-	13,000
DDMP Service Residences Inc (Under common control)	-	13,000	-	-	13,000	-	13,000
DD Meridian Tower (Under common control)	-	3,582,916	-	-	3,582,916	-	3,582,916

DDMP REIT, INC.
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2021

Name and Designation of debtor (i)	Balance at beginning of period (PhP)	Additions (PhP)	Amounts eliminated (ii) (PhP)	Amounts written off (iii) (PhP)	Current (PhP)	Not Current (PhP)	Balance at end of period (PhP)
NONE	-	-	-	-	-	-	-

DDMP REIT, INC.
SCHEDULE D - INTANGIBLE ASSETS - OTHER ASSETS
FOR THE PERIOD ENDED DECEMBER 31, 2021

Description (i)	Beginning balance (PhP)	Additions at cost (ii) (PhP)	Charged to cost and expenses (PhP)	Charged to other accounts (PhP)	Other changes additions (deductions) (iii) (PhP)	Ending balance (PhP)
Computer software	1,125,000	-	300,000	-	-	825,000

DDMP REIT, INC.
SCHEDULE E - LONG-TERM DEBT
FOR THE PERIOD ENDED DECEMBER 31, 2021

Title of Issue and type of obligation (i)	Amount authorized by indenture (PhP)	Amount shown under caption "Current portion of long-term debt" in related balance sheet (ii) (PhP)	Amount shown under caption "Long-Term Debt" in related balance sheet (iii) (PhP)
NONE	-	-	-

DDMP REIT, INC.
SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES
FOR THE PERIOD ENDED DECEMBER 31, 2021

Name of related party (i)	Balance at beginning of period (PhP)	Balance at end of period (ii) (PhP)
NONE	-	-

DDMP REIT, INC.
SCHEDULE G - GUARANTEES OF SECURITES OF OTHER ISSUERS
FOR THE PERIOD ENDED DECEMBER 31, 2021

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding (i)	Amount owned by person for which statement is filed	Nature of guarantee (ii)
N/A	N/A	N/A	N/A	N/A

DDMP REIT, INC.
SCHEDULE H - CAPITAL STOCK
FOR THE PERIOD ENDED DECEMBER 31, 2021

Title of Issue (i)	Number of Shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties (ii)	Directors, officers and employees	Others (iii)
Common shares	17,830,000,000	17,827,465,406	-	17,827,465,396	10	-

**RECONCILATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
AS OF DECEMBER 31, 2021**

DDMP REIT, INC.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

Unappropriated Retained Earnings, beginning		**P17,689,285,685**
Adjustments:(see adjustments in previous year's reconciliation)		**(17,324,229,350)**
Unappropriated Retained Earnings, as adjusted, beginning		**365,056,335**
Add: **Net income actually earned/realized during the period**		
Net Income during the period closed to Retained Earnings	P7,174,348,641	
Less: **Non-actual/unrealized income net of tax:**		
Equity in net income of associates	-	
Unrealized foreign exchange gain (except those attributable to Cash and Cash Equivalents)	-	
Unrealized actuarial gain (loss)	-	
Fair value adjustments (mark-to-market gains)	-	
Fair value adjustments of Investment Property resulting to gain	(3,847,958,701)	
Adjustment due to deviation from PFRS - gain		
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	40,995,139	
Adjustment to deferred tax due to change in rate	(1,312,826,591)	
Sub-total		**(5,119,790,153)**
Add: **Non-actual losses**		
Depreciation on revaluation increment (after tax)	-	
Adjustment due to deviation from PFRS - loss	-	
Loss on fair value adjustment of investment property (after tax)	-	
Sub-total	-	
Net Income actually earned during the period		**2,054,558,488**
Add (Less):		
Dividends declarations during the period	(1,718,410,427)	
Appropriations of Retained Earnings during the Period		
Reversal of appropriations	-	
Effects of prior period adjustments	-	
Treasury shares	-	
Sub-total		**(1,718,410,427)**
TOTAL RETAINED EARNINGS, END OF THE YEAR AVAILABLE FOR DIVIDEND		**P701,204,396**

DDMP REIT, INC.
COMPUTATION OF PUBLIC OWNERSHIP
AS OF DECEMBER 31, 2021

	Direct	Indirect	Total Direct and Indirect Shares	% to Total Issued and Outstanding Shares
Number of Common Shares Issued and Outstanding	17,827,465,406	-	17,827,465,406	100.0%
Directors				
Edgar J. Sia II	1	-	1	0.0%
Tony Tan Caktiong	1	-	1	0.0%
Ferdinand J. Sia	1	-	1	0.0%
William Tan Untiong	1	888,000	888,001	0.0%
Jesus Emmanuel M. Yujuico	1	-	1	0.0%
Jaime Rafael M Yujuico	1	-	1	0.0%
Antonio L. Go	1	-	1	0.0%
Edgardo G. Lacson	1	4,444,000	4,444,001	0.0%
Rene J. Buenaventura	1	-	1	0.0%
Subtotal	**9**	**5,332,000**	**5,332,009**	**0.0%**
Officers				
			-	0.0%
Ferdinand J. Sia (same as above)	-	-	-	0.0%
William Tan Untiong (same as above)	-	-	-	0.0%
Rizza Marie J. Sia-Javelona	-	-	-	0.0%
Yolyvic L. Onato	-	74,000	74,000	0.0%
Joselito L. Barrera, Jr.	-	460,000	460,000	0.0%
			-	0.0%
			-	0.0%
Subtotal	**-**	**534,000**	**534,000**	**0.0%**
Principal/Substantial Stockholders				
DoubleDragon Properties Corp.	8,319,493,851	4	8,319,493,855	46.7%
Benedicto V. Yujuico	1,811,304,830	3	1,811,304,833	10.2%
Teresita M. Yujuico	1,754,178,253	-	1,754,178,253	9.8%
Subtotal	**11,884,976,934**	**7**	**11,884,976,941**	**66.7%**
Lock up Shares				
DoubleDragon Properties Corp. (same as above)	-	-	-	0.0%
Benedicto V. Yujuico (same as above)	-	-	-	0.0%
Teresita M. Yujuico (same as above)	-	-	-	
Edgar J. Sia II (same as above)	-	-	-	
Tony Tan Caktiong (same as above)	-	-	-	
Ferdinand J. Sia (same as above)	-	-	-	0.0%
William Tan Untiong (same as above)	-	-	-	0.0%
Jesus Emmanuel M. Yujuico (same as above)	-	-	-	0.0%
Jaime Rafael M Yujuico (same as above)	-	-	-	0.0%
Antonio L. Go (same as above)	-	-	-	0.0%
Edgardo G. Lacson (same as above)	-	-	-	
Rene J. Buenaventura (same as above)	-	-	-	0.0%
Subtotal	**-**	**-**	**-**	**0.0%**
Total Shares held by Directors, Officers, Principal/Substantial Stockholders and Affiliates	**11,884,976,943**	**5,866,007**	**11,890,842,950**	**66.7%**
Total Number of Shares Owned by the Public			**5,936,622,456**	**33.3%**

DDMP REIT, INC.

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of **DDMP REIT, Inc.** (formerly DD-Meridian Park Development Corp.) (the **"Company"**), is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2021 and 2020, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors (BOD) is responsible for overseeing the Company's financial reporting process.

The BOD reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

R.G. Manabat & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature____________________________
Edgar J. Sia II, Chairman

Signature____________________________
Ferdinand J. Sia, President

Signature____________________________
Rizza Marie Joy S. Javelona, Treasurer

Signed this 4th day of May 2022

Doc. No. 254;
Page No. 53;
Book No. 1;
Series of 2022

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

DoubleDragon Headquarters
10th Floor Tower 1 DoubleDragon Plaza, DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila, 1302 Philippines
Tel +632 8856 7111 Fax +632 8856 9111 Email: info@doubledragon.com.ph

DoubleDragon

DDMP REIT, INC.

(formerly DD-MERIDIAN PARK DEVELOPMENT CORP.)
(A Subsidiary of DoubleDragon Corporation)

SEPARATE FINANCIAL STATEMENTS
December 31, 2021 and 2020

With Independent Auditors' Report

R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
DDMP REIT, INC.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

Opinion

We have audited the separate financial statements of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) (the "Company"), a subsidiary of DoubleDragon Corporation, which comprise the separate statements of financial position as at December 31, 2021 and 2020, and the separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at December 31, 2021 and 2020, and its unconsolidated financial performance and its unconsolidated cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Separate the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the separate financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic separate financial statements taken as a whole. The supplementary information in Note 23 to the basic separate financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic separate financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic separate financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic separate financial statements taken as a whole.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, valid for five (5) years
covering the audit of 2019 to 2023 financial statements
Tax Identification No. 912-535-864
BIR Accreditation No. 08-001987-031-2019
Issued August 7, 2019; valid until August 6, 2022
PTR No. MKT 8854088
Issued January 3, 2022 at Makati City

May 6, 2022
Makati City, Metro Manila

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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING
WITH THE BUREAU OF INTERNAL REVENUE

The Board of Directors and Stockholders
DDMP REIT, INC.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

We have audited the accompanying separate financial statements of DDMP REIT, INC. (formerly DD-Meridian Park Development Corp.) (the "Company"), a subsidiary of DoubleDragon Corporation, as at and for the year ended December 31, 2021, on which we have rendered our report dated May 6, 2022.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, valid for five (5) years
covering the audit of 2019 to 2023 financial statements
Tax Identification No. 912-535-864
BIR Accreditation No. 08-001987-031-2019
Issued August 7, 2019; valid until August 6, 2022
PTR No. MKT 8854088
Issued January 3, 2022 at Makati City

May 6, 2022
Makati City, Metro Manila

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

DDMP REIT, INC.
(formerly DD-Meridian Park Development Corp.)
(A Subsidiary of DoubleDragon Corporation)

SEPARATE STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	**2021**	2020
ASSETS			
Current Assets			
Cash and cash equivalents	*5*	**P207,694,318**	P1,037,567,817
Receivables	*6, 17*	**1,971,863,304**	1,553,569,222
Due from related parties	*16*	**5,122,816**	2,983,487
Prepaid expenses and other current assets	*7*	**449,598,186**	724,467,731
Total Current Assets		**2,634,278,624**	3,318,588,257
Noncurrent Assets			
Receivables - net of current portion	*6, 17*	**301,329,219**	-
Investments in subsidiaries	*8*	**-**	51,250,000
Property and equipment - net	*9*	**12,650,656**	18,069,828
Investment property	*10*	**45,695,260,832**	41,477,970,085
Finance lease receivable	*16, 17*	**1,110,115,886**	-
Other noncurrent assets	*11*	**431,235,925**	488,225,160
Total Noncurrent Assets		**47,550,592,518**	42,035,515,073
		P50,184,871,142	P45,354,103,330
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities	*12*	**P938,100,080**	P984,303,820
Due to related parties	*16*	**-**	400
Income tax payable		**-**	44,923,595
Total Current Liabilities		**938,100,080**	1,029,227,815
Noncurrent Liabilities			
Deferred tax liabilities - net	*18*	**7,911,924,227**	7,876,959,548
Other noncurrent liabilities	*13*	**362,157,530**	931,164,876
Total Noncurrent Liabilities		**8,274,081,757**	8,808,124,424
Total Liabilities		**9,212,181,837**	9,837,352,239
Equity			
Capital stock	*19*	**17,827,465,406**	17,827,465,406
Retained earnings		**23,145,223,899**	17,689,285,685
Total Equity		**40,972,689,305**	35,516,751,091
		P50,184,871,142	P45,354,103,330

See Notes to the Separate Financial Statements.

DDMP REIT, INC.
(formerly DD-Meridian Park Development Corp.)
(A Subsidiary of DoubleDragon Corporation)

SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31	
	Note	**2021**	2020
INCOME			
Unrealized gains from changes in fair values of investment property	*10*	**P5,130,611,601**	P5,383,709,548
Rent income	*10, 13, 16, 17*	**2,176,187,826**	1,912,618,974
Interest income	*5*	**38,969,820**	20,708,383
Other income	*6, 16, 6*	**353,451,051**	40,697,838
		7,699,220,298	7,357,734,743
COST AND EXPENSES			
General and administrative expenses	*15*	**354,050,327**	234,735,033
Interest expense	*13*	**38,174,269**	35,635,069
Marketing expenses	*14*	**29,519,855**	26,477,931
Other expenses	*19*	**87,572,492**	-
		509,316,943	296,848,033
INCOME BEFORE INCOME TAX		**7,189,903,355**	7,060,886,710
INCOME TAX EXPENSE	*18*	**15,554,714**	(1,974,288,715)
NET INCOME AND TOTAL COMPREHENSIVE INCOME		**P7,174,348,641**	P5,086,597,995

See Notes to the Separate Financial Statements.

DDMP REIT, INC.
(formerly DD-Meridian Park Development Corp.)
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SEPARATE STATEMENTS OF CHANGES IN EQUITY

		Years Ended December 31	
	Note	**2021**	2020
CAPITAL STOCK - P1 par value Authorized - 17,830,000,000 shares Issued and outstanding - 17,827,465,406 shares	*19*	**P17,827,465,406**	P17,827,465,406
RETAINED EARNINGS			
Balance at beginning of year		**17,689,285,685**	13,526,642,281
Net income/total comprehensive income for the year		**7,174,348,641**	5,086,597,995
Dividends declared	*19*	**(1,718,410,427)**	(923,954,591)
Balance at end of year		**23,145,223,899**	17,689,285,685
		P40,972,689,305	P35,516,751,091

See Notes to the Separate Financial Statements.

DDMP REIT, INC.
(formerly DD-Meridian Park Development Corp.)
(A Subsidiary of DoubleDragon Corporation)

SEPARATE STATEMENTS OF CASH FLOWS

		Years Ended December 31	
	Note	**2021**	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		**P7,189,903,355**	P7,060,886,710
Adjustments for:			
Unrealized gains from changes in fair values of investment property	*10*	**(5,130,611,601)**	(5,383,709,548)
Interest income	*5,17*	**(38,969,820)**	(20,708,383)
Interest expense	*13*	**38,174,269**	35,635,069
Day 1 loss	*6*	**24,216,438**	-
Depreciation and amortization	*9, 11, 15*	**6,779,342**	6,707,693
Other income	*10, 17*	**(6,181,505)**	-
Operating income before working capital changes		**2,083,310,478**	1,698,811,541
Decrease (increase) in:			
Receivables		**(1,342,082,739)**	(528,814,024)
Due from related parties		**(2,139,329)**	92,077,888
Prepaid expenses and other current assets		**274,869,545**	67,422,535
Increase (decrease) in:			
Accounts payable and other current liabilities		**(27,415,354)**	50,732,563
Due to related parties		**(400)**	(129,635,083)
Other noncurrent liabilities		**(9,058,803)**	(311,564,029)
Cash generated from operations		**977,483,398**	939,031,391
Interest received	*5*	**23,944,612**	20,708,383
Income tax paid		**(25,513,630)**	(232,234,979)
Net cash provided by operating activities		**975,914,380**	727,504,795
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to investment property	*10, 21*	**(137,140,027)**	(450,046,010)
Acquisition of property and equipment	*9*	**(1,060,170)**	(604,298)
Proceeds from disposal (additions) of investments in subsidiaries	*8*	**51,250,000**	(51,250,000)
Increase in other noncurrent assets		**(427,255)**	(2,205,113)
Net cash used in investing activities		**(87,377,452)**	(504,105,421)
CASH FLOWS FROM A FINANCING ACTIVITY			
Dividends paid	*19*	**(1,718,410,427)**	(1,397,773,008)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(829,873,499)**	(1,174,373,634)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,037,567,817**	2,211,941,451
CASH AND CASH EQUIVALENTS AT END OF YEAR	*5*	**P207,694,318**	P1,037,567,817

See Notes to the Separate Financial Statements.

DDMP REIT, INC.
(formerly DD-Meridian Park Development Corp.)
(A Subsidiary of DoubleDragon Corporation)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. Reporting Entity

DDMP REIT, INC. (formerly DD-Meridian Park Development Corp. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 27, 2014 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 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 Company is incorporated primarily to construct DD Meridian Park, a 4.75-hectare ongoing, mixed-use development real estate property situated in Pasay City (Note 10).

As at December 31, 2020 and 2019, the Company is a 70%-owned subsidiary of DoubleDragon Corporation, formerly DoubleDragon Properties Corp., ("DD" or "Ultimate Parent Company"), a domestic corporation primarily engaged in the business of real estate development and real estate investment. DD became a publicly-listed company on April 7, 2014.

On November 11, 2020, the Board of Directors (BOD) and shareholders approved to offer, subject to compliance with existing laws, and the rules and regulations of the SEC, up to 5,942,488,469 secondary common shares, with an over-allotment option up to 594,248,847 secondary common shares through an initial public offering at the price up to P2.25 per share. On November 23, 2020, the Company filed its Registration Statement with the SEC covering its initial public offering (IPO).

On November 11, 2020, the BOD and shareholders approved to amend the Company's Articles of Incorporation (AOI). The SEC approved the amendment of the Company's AOI on November 26, 2020. Relevant amendments include:

- Change in the Company's name to DDMP REIT, INC.; and
- Amendment of the primary purpose of the Company. The amended primary purpose of the Company is now to engage in the business of a real estate investment trust (REIT), as provided under Republic Act No. 9856 (the Real Estate Investment Trust Act of 2009), including its implementing rules and regulations (the "REIT Act"), and other applicable laws
- Change of corporate term to perpetual existence;
- Increase in the number of BOD to nine (9) and inclusion of independent directors;
- Compliance with the lock-up requirements under the Listing Rules of the Philippine Stock Exchange, Inc.;
- Removal of the contractual restrictions on the disposition of shares; and
- Inclusion of additional restriction on transfer of shares as provided under REIT Act.

On March 24, 2021, the Company completed its initial public offering and was listed in the Philippine Stock Exchange ("PSE") under the stock symbol "DDMPR", as a REIT entity. DD remains as the ultimate parent company and controlling shareholder of DDMP.

The Company's office address is DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park Corner Macapagal Avenue and EDSA Extension, Bay Area, Pasay City, Metro Manila.

2. Basis of Preparation

Statement of Compliance
The accompanying separate financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). PFRS are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). PFRS consist of PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations.

Authorization for Issuance of the Separate Financial Statements
The separate financial statements were approved and authorized for issuance by the Board of Directors (BOD) on May 4, 2022.

Basis of Measurement
The separate financial statements have been prepared using the historical cost basis of accounting, except for investment property which is measured at fair value.

The Company also prepares and issues consolidated financial statements for the same period as the separate financial statements presented in accordance with PFRS. Such consolidated financial statements provide information about the economic activities of the Company and its subsidiaries. The consolidated financial statements can be obtained from the Company's business address.

Functional and Presentation Currency
The separate financial statements are presented in Philippine peso, which is the Company's functional currency. All financial information expressed in Philippine peso has been rounded off to the nearest peso, unless otherwise stated.

3. Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the periods presented in these separate financial statements, except for the changes in accounting policies as explained below.

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Company has adopted the following new standards, amendments to standards and interpretations starting January 1, 2021 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Company's separate financial statements.

- COVID-19-Related Rent Concessions (Amendment to PFRS 16 Leases)
  The amendments introduce an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. A lessee that applies the practical expedient is not required to assess whether eligible rent concessions are lease modifications, and accounts for them in accordance with other applicable guidance. The practical expedient apply if:

  - the revised consideration is substantially the same or less than the original consideration;
  - the reduction in lease payments relates to payments due on or before June 30, 2021; and
  - no other substantive changes have been made to the terms of the lease.

  Lessees applying the practical expedient are required to disclose that fact, whether they have applied the practical expedient to all eligible rent concessions and, if not, the nature of the contracts to which they have applied the practical expedient; and the amount recognized in profit or loss for the reporting period arising from application of the practical expedient. No practical expedient is provided for lessors.

  A lessee applies the amendments retrospectively, recognizing the cumulative effect of the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Standards Issued but Not Yet Adopted

A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2021. However, the Company has not early adopted the following new or amended standards in preparing these separate financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Company's separate financial statements.

Effective April 1, 2021

- COVID-19-Related Rent Concessions beyond June 30, 2021 (Amendment to PFRS 16 Leases)
  The amendment extends the practical expedient introduced in the 2020 amendment which simplified how a lessee accounts for rent concessions that are a direct consequence of COVID-19, permitting lessees to apply the practical expedient to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022.

The amendment is effective for annual reporting periods beginning on or after April 1, 2021. Earlier application is permitted. A lessee applies the amendments retrospectively, recognizing the cumulative effect of the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate. The adoption is mandatory for lessees that chose to apply the practical expedient introduced by the 2020 amendments and may result in reversal of lease modifications that was ineligible for the practical expedient under the 2020 amendments but becomes eligible as a result of the extension.

Effective January 1, 2022

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to PAS 16 Property, Plant and Equipment)
  The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before that asset is available for use. The proceeds before intended use should be recognized in profit or loss, together with the costs of producing those items which are identified and measured in accordance with PAS 2 Inventories.

  The amendments also clarify that testing whether an item of property, plant and equipment is functioning properly means assessing its technical and physical performance rather than assessing its financial performance.

  For the sale of items that are not part of a company's ordinary activities, the amendments require the company to disclose separately the sales proceeds and related production cost recognized in profit or loss and specify the line items in which such proceeds and costs are included in the statement of comprehensive income. This disclosure is not required if such proceeds and cost are presented separately in the statement of comprehensive income.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

- Onerous Contracts - Cost of Fulfilling a Contract (Amendment to PAS 37 Provisions, Contingent Liabilities and Contingent Assets). The amendments clarify that the cost of fulfilling a contract when assessing whether a contract is onerous includes all costs that relate directly to a contract - i.e., it comprises both incremental costs and an allocation of other direct costs.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated. Earlier application is permitted.

- Annual Improvements to PFRS Standards 2018 - 2020. This cycle of improvements contains amendments to four standards:

  - Subsidiary as a First-time Adopter (Amendment to PFRS 1 First-time Adoption of Philippine Financial Reporting Standards). The amendment simplifies the application of PFRS 1 for a subsidiary that becomes a first-time adopter of PFRS later than its parent. The subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the financial statements of the parent, based on the parent's date of transition to PFRS.
  - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (Amendment to PFRS 9 Financial Instruments). The amendment clarifies that for the purpose of performing the '10 per cent' test for derecognition of financial liabilities, the fees paid net of fees received included in the discounted cash flows include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. It applies to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.
  - Lease Incentives (Amendment to Illustrative Examples accompanying PFRS 16 Leases). The amendment deletes from the Illustrative Example 13 the reimbursement relating to leasehold improvements to remove the potential for confusion because the example had not explained clearly enough the conclusion as to whether the reimbursement would meet the definition of a lease incentive in PFRS 16.
  - Taxation in Fair Value Measurements (Amendment to PAS 41 Agriculture). The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in PAS 41 with those in PFRS 13 Fair Value Measurement. It applies to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

- Reference to the Conceptual Framework (Amendments to PFRS 3). The amendments:

  - updated PFRS 3 so that it now refers to the 2018 Conceptual Framework;
  - added a requirement that, for transactions and other events within the scope of PAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, an acquirer applies PAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination; and
  - added an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

  The amendments are effective for business combinations occurring in reporting periods starting on or after January 1, 2022. Earlier application is permitted.

Effective January 1, 2023

- Classification of Liabilities as Current or Noncurrent (Amendments to PAS 1 Presentation of Financial Statements). To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:
  - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
  - clarified that a right to defer settlement exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date; and
  - clarified that settlement of a liability includes transferring a company's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or non-current.

  The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

  In November 2021, the International Accounting Standards Board issued the Exposure Draft, Non-Current Liabilities with Covenants after considering stakeholder feedback on the December 2020 tentative agenda decision issued by the IFRS Interpretations Committee about the amendments. The exposure draft proposes to again amend IAS 1 as follows:

  - Conditions which the entity must comply within twelve months after the reporting period will have no effect on the classification as current or non-current.
  - Additional disclosure requirements will apply to non-current liabilities subject to such conditions to enable the assessment of the risk that the liability could become repayable within twelve months.
  - Separate presentation in the statement of financial position will be required for non-current liabilities for which the right to defer settlement is subject to conditions within 12 months after the reporting period.
  - The effective date of the amendments will be deferred to no earlier than January 1, 2024.

- Definition of Accounting Estimates (Amendments to PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors). To clarify the distinction between changes in accounting policies and changes in accounting estimates, the amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an accounting estimate is developed to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remain unchanged. The amendments also provide examples on the application of the new definition.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the amendments are applied.

- Disclosure of Accounting Policies (Amendments to PAS 1 and PFRS Practice Statement 2, Making Materiality Judgments).
  The key amendments to PAS 1 include requiring entities to disclose material accounting policies rather than significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are immaterial and as such need not be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are material to the financial statements. The amendments to PFRS Practice Statement 2 provide guidance and examples on the application of materiality to accounting policy disclosures.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

- Definition of Accounting Estimates (Amendments to PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors). The amendments clarify that accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique (estimate or valuation technique) and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in the inputs or measurement techniques are changes in accounting estimates.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. The amendments apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the entity applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to PAS 12 Income Taxes). The amendments clarify that that the initial recognition exemption does not apply to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations. The amendments apply for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities will be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other appropriate component of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

Current versus Noncurrent Classification
The Company presents assets and liabilities in the separate statements of financial position based on current and noncurrent classification. An asset is current when it is: (a) expected to be realized or intended to be sold or consumed in the normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within 12 months after the reporting period; or (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

A liability is current when: (a) it is expected to be settled in the normal operating cycle; (b) it is held primarily for trading; (c) it is due to be settled within 12 months after the reporting period; or (d) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

Financial Instruments
Date of Recognition
The Company recognizes a financial asset or financial liability in the separate statements of financial position when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition is done using settlement date accounting.

Initial Recognition of Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized initially at fair value. The initial measurement, except for those designated as fair value through profit or loss (FVPL), includes transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets
The Company classifies its financial assets, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVPL. The classification depends on the contractual cash flow characteristics of the financial assets and the business model of the Company for managing the financial assets.

Subsequent to initial recognition, financial assets are not reclassified unless the Company changes the business model for managing financial assets. All affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

The business model refers to how the Company manages the financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The Company considers the following information in assessing the objective of the business model in which a financial asset is held at a portfolio level, which reflects the way the business is managed information is provided to management.

- the stated policies and objectives for the portfolio and the operations of those policies in practice;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how employees of the business are compensated; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

For the purposes of assessing the cash flow characteristics of financial assets, "Principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

The Company considers the contractual terms of the instrument in assessing whether the contractual cash flows are solely payments of principal and interest. The assessment includes whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. The Company considers the following in making the assessment:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for financial assets acquired at a discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

For purposes of subsequent measurement, financial assets are classified in the following categories: financial assets at amortized cost, financial assets at FVOCI (with or without recycling of cumulative gains and losses) and financial assets at FVPL.

The Company has no financial assets at FVOCI and FVPL as at December 31, 2021 and 2020.

Financial Assets at Amortized Cost. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model with the objective of holding financial assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the financial asset is derecognized, modified or impaired.

The Company's cash and cash equivalents, receivables, due from related parties, finance lease receivables and refundable deposits under "Other noncurrent assets" accounts are included in this category (Notes 5, 6, 11, 16 and 20).

Financial Liabilities
The Company classifies its financial liabilities, at initial recognition, in the following categories: financial liabilities at FVPL and other financial liabilities. The Company determines the classification of its financial liabilities at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company has no financial liabilities at FVPL as at December 31, 2021 and 2020.

Other Financial Liabilities
This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial measurement, other financial liabilities are carried at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability. The effective interest rate amortization is included in "Interest expense" account in the separate statements of comprehensive income. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process.

The Company's accounts payable and other current liabilities, dividends payable, due to related parties and other noncurrent liabilities (excluding payables to government agencies and unearned rent income) accounts are included in this category (Notes 12, 13, 16 and 20).

Derecognition of Financial Assets and Financial Liabilities
Financial Assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; and either: (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes the associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Modification of Financial Assets
For a modification of the financial asset that does not result in derecognition, the difference between the present value of the modified cash flows discounted using the original effective interest rate and the present value of the original cash flows, is recognized in profit or loss as a gain or loss from modification. Costs or fees in relation to the modification of the financial asset are recognized as part of the carrying amount of the asset and amortized over the remaining term of the instrument. A modification of the original financial asset that results in derecognition of the financial asset, requires the recognition of a new financial asset in line with the general requirements for the initial recognition (i.e. at fair value plus transaction costs).

Impairment of Financial Assets
The Company recognizes allowance for ECL on financial assets at amortized cost. ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive), discounted at the effective interest rate of the financial asset, and reflects reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

The Company recognizes an allowance for impairment based on either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company recognizes lifetime ECLs for receivables that do not contain significant financing component. The Company uses provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the borrowers and the economic environment.

At each reporting date, the Company assesses whether financial assets at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;

(e) the disappearance of an active market for that financial asset because of financial difficulties; or

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Company considers a financial asset to be in default when a counterparty fails to pay its contractual obligations, or there is a breach of other contractual terms, such as covenants.

The Company directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering the contractual cash flows on a financial asset, either partially or in full. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The ECLs on financial assets at amortized cost are recognized as allowance for impairment losses against the gross carrying amount of the financial asset, with the resulting impairment losses (or reversals) recognized in profit or loss.

Classification of Financial Instruments between Debt and Equity

From the perspective of the issuer, a financial instrument is classified as debt instrument if it provides for a contractual obligation to:

- deliver cash or another financial asset to another entity;
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the separate statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the separate statements of financial position.

Fair Value Measurements
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the separate financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3: inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognized in the separate financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Prepaid Expenses and Other Current Assets
Prepaid expenses represent expenses not yet incurred but already paid in cash. These are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are recognized in profit or loss as they are consumed in operations or expire with the passage of time. These typically comprise prepayments for taxes.

Prepaid expenses are classified in the separate statements of financial position as current assets when the cost of goods or goods related to the prepaid expenses are expected to be incurred within one year. Otherwise, prepaid expenses are classified as noncurrent assets.

Other current assets represent resources that are expected to be used up within one year after the reporting date. These typically comprise advances to contractors and suppliers, input value-added tax (VAT), etc.

Investments in Subsidiaries
The Company's investments in shares of stock of subsidiaries are accounted for under the cost method. The investments are carried in the separate statements of financial position at cost less any impairment in value. The Company recognizes dividend from a subsidiary in its separate statements of comprehensive income when its right to receive the dividend is established.

A subsidiary is an entity controlled by the Company. In accordance with PFRS 10, *Separate Financial Statements*, the Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity.

The equity interests of the Company in the subsidiaries as at December 31, 2021 and 2020 are as follows (Note 8):

	Percentage of Ownership	
Subsidiaries	**2021**	2020
DDMP REIT Fund Managers, Inc. (DRFMI)[a]	**-**	100
DDMP REIT Property Managers, Inc. (DRPMI)[a]	**-**	100

(a) Incorporated on November 19, 2020 and sold on February 10, 2021

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation and amortization and any accumulated impairment in value. Such cost includes the cost of replacing part of the property and equipment at the time the cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day servicing.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Expenditures incurred after the asset has been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as expense in the period the costs are incurred. Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the items can be measured reliably.

Depreciation and amortization, which commence when the assets are available for their intended use, are computed using the straight-line method over the following estimated useful lives of the assets:

	Useful Life in Years
Project showroom	5
Equipment	5 to 10
Furniture and fixtures	5

The remaining useful lives, residual values, and depreciation and amortization methods are reviewed and adjusted periodically, if appropriate, to ensure that such periods and methods of depreciation and amortization are consistent with the expected pattern of economic benefits from the items of property and equipment.

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Fully depreciated assets are retained in the accounts until they are no longer in use. An item of property and equipment is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal of an item of property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period of retirement and disposal.

Computer Software Licenses

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software. Costs associated with maintaining computer software are expensed as incurred. Capitalized costs are amortized on a straight-line basis over an estimated useful life of five years as the lives of computer software licenses are considered limited.

The carrying amount of computer software licenses is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Computer software licenses is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period of retirement and disposal.

Investment Property

Investment property consists of properties held to earn rentals and/or for capital appreciation. Initially, investment property is measured at cost including certain transaction costs. Subsequent to initial recognition, investment property, is stated at fair value, which reflects market conditions at the reporting date. The fair value of investment property is determined by independent real estate valuation experts based on recent real estate transactions and listings with similar characteristics and location to those of the Company's investment property. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise.

Investment property of the Company is mainly composed of land, building and construction-in-progress.

Investment property is derecognized either when it is disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement and disposal of investment property is recognized in profit or loss in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of the owner-occupation or commencement of development with a view to sell.

For a transfer from investment property to owner-occupied property or real estate inventories, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

Impairment of Non-financial Assets

The carrying amounts of non-financial assets reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, and if the carrying amount exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less costs of disposal and value in use. The fair value less costs of disposal is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Provisions

Provisions are recognized when: (a) the Company has a present obligation (legal or constructive) as a result of past events; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received. The amount recognized for the reimbursement shall not exceed the amount of the provision. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Capital Stock

Capital stock is measured at par value for all shares issued. When the Company issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued. Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as deduction from equity, net of any tax effects.

Retained Earnings

Retained earnings represent the accumulated net income or losses, net of any dividend distributions and other capital adjustments.

Revenue Recognition

The Company recognizes revenue from contracts with customers when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenues exclude value-added tax (VAT) and other fees collected on behalf of other parties.

The transfer of control can occur over time or at a point in time. Revenue is recognized at a point in time unless one of the following criteria is met, in which case it is recognized over time: (a) the customer simultaneously receives and consumes the benefits as the Company performs its obligations; (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

The Company assesses its revenue arrangements to determine if it is acting as principal or agent. The Company has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its mall, retail and spaces, wherein it is acting as agent.

The following specific recognition criteria must also be met before revenue is recognized:

Mall Fees

Mall fees includes electricity and water, net of related cost, service fees and interest and penalty charges billed to tenants. Electricity and water charges are recognized when the corresponding expenses are incurred. Services fee, interest and penalty charges are recognized when earned and incurred in accordance with the terms of the agreements. Mall fees are presented as part of the "Other income" account in the statements of comprehensive income.

Common Usage Service Area (CUSA)

CUSA charges from various charges to tenants are recognized when earned and incurred in accordance with the terms and agreements.

Revenue from Other Sources

Rent Income

Rent income from investment property is recognized on a straight-line basis over the lease term and terms of the lease, respectively or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract.

Interest Income

Interest income is recognized as it accrues using the effective interest method. Interest income from banks which is presented net of final tax is recognized when earned. Interest income from finance lease is recognized as it accrues taking into account the effective yield on finance lease asset.

Other Income

Other income consists of income other than those generated in the ordinary course of business. This is recognized on an accrual basis.

Expense Recognition

Expenses are recognized when they are incurred and are reported in the separate financial statements in the periods to which they relate.

Expenses are also recognized when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability that can be measured reliably has arisen. Expenses are recognized on the basis of a direct association between costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition as an asset.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use:

- the Company has the right to obtain substantially all the economic benefits from use of the identified asset; and

- the Company has the right to direct the use of the identified asset.

Company as Lessor

The Company determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is classified as an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Company applies the recognition exemption, it classifies the sublease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies PFRS 15, *Revenue from Contracts with Customers,* to allocate the consideration in the contract.

Company as Lessor - Operating Lease

Leases where the Company does not transfer substantially all the risks and benefits of the ownership of the assets are classified as operating leases. Rent income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in revenue due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Company as Lessor - Finance Lease
A lease is classified as a finance lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Company shall recognize assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value accruing to the Company. The Company shall use the interest rate implicit in the lease to measure the net investment in the lease. Initial direct costs are included in the measurement of the receivable. The Company derecognizes the underlying asset and recognizes the difference between its carrying amount and the finance lease receivable in profit or loss. Finance income is recognized over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease.

<u>Taxes</u>
Current Tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and the carryforward tax benefits of the net operating loss carry-over (NOLCO) to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and the carryforward tax benefits of NOLCO can be utilized. Deferred tax, however, is not recognized when it arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize deferred tax asset in full, the future taxable profits, adjusted for reversals of existing temporary differences, are considered based on the business plan of the Company.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

VAT
Revenues, expenses and assets are recognized net of the amount of VAT. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of “Prepaid expenses and other current assets” or “Accounts payable and other current liabilities” account in the separate statements of financial position.

<u>Related Parties</u>
Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.
<u>Contingencies</u>
Contingent liabilities are not recognized in the separate financial statements. These are disclosed in the notes to the separate financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the separate financial statements but are disclosed in the notes to the separate financial statements when an inflow of economic benefits is probable.

<u>Distributable Income</u>
Under the Revised Implementing Rules and Regulations of REIT Act of 2009, the income distributable by the REIT shall be adjusted by deducting the following unrealized or non-actual gains and losses:

(i) Unrealized foreign exchange gains, except those attributable to cash and cash equivalents;
(ii) Fair value adjustment or the gains arising from marked-to-market valuation which are not yet realized;
(iii) Fair value adjustment of investment property resulting to gain;
(iv) The amount of recognized deferred tax asset that reduced the amount of income tax expense and increased the net income and retained earnings, until realized;
(v) Adjustment due to a deviation from any of the prescribed accounting standard which results to gain; and
(vi) Other unrealized gains or adjustments to the income as a result of certain transactions accounted for under the Philippine Financial Reporting Standards.

Non-actual expenses / losses that are allowed to be added back to distributable income shall be limited to the following items:

(i) Depreciation on revaluation increment (after tax);
(ii) Adjustment due to from any of the prescribed accounting standard which results to a loss; and
(iii) Loss on fair value adjustment of investment property (after tax).

The Company is required to declare 90% of the distributable income.

Events After the Reporting Date
Post year-end events that provide evidence of conditions that existed at the end of the reporting date (adjusting events) are recognized in the separate financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the separate financial statements when material.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the separate financial statements in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses reported in the separate financial statements at the reporting date. However, uncertainty about these judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognized in the period in which the judgments and estimates are revised and in any future period affected.

Judgments
In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effects on the amounts recognized in the separate financial statements:

Determination of whether the Company is acting as a Principal or an Agent
The Company is a principal if it controls the specified good or service before it is transferred to a customer. The Company is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party and the Company does not control the good or service before it is transferred to the customer.

The Company assesses its revenue arrangements against the following indicators to help determine whether it is acting as a principal or an agent:

- Whether the Company has primary responsibility for providing the services;
- Whether the Company has inventory risk; and
- Whether the Company has discretion in establishing prices.

The contract for the mall retail spaces and office spaces leased out by the Company to its tenants includes the right to charge for the electricity usage, water usage and CUSA expenses.

For the electricity and water usage, the Company determined that it is acting as an agent because the promise of the Company to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility company, and not the real estate developer, is primary responsible for the provisioning of the utilities while the Company, administers the leased spaces and coordinates with the utility companies to ensure that tenants have access to these utilities. The Company does not have the discretion on the pricing of the services provided since the price is based on the actual rate charged by the utility providers.

For CUSA expenses such as security, maintenance and all other common area expenses, the Company acts as a principal. This is because it is the Company who retains the right to direct the service provider of CUSA as it chooses the party responsible to provide the services to the leased premises. The right to the services mentioned never transfers to the tenant and the Company has the discretion on how to price the CUSA.

Finance Lease - Company as Lessor. DDMP entered into a building lease agreement with DD Tower, Inc. (DDTI), a related party under common control, for the lease of its building where the DD Tower Office is situated.

DDMP has determined that it transfers all the significant risks and rewards of ownership on the basis that the lease term is substantially equal to the economic life of the leased asset and therefore is accounted for as a finance lease (Note 16).

Finance lease receivable amounted to P1,110,115,886 as at December 31, 2021 (Note 17).

Operating Lease - Company as Lessor. The Company has various lease agreements for its corporate offices and commercial spaces included in its investment property under operating lease agreements. The Company assessed that the substance of the arrangement is dependent on the use of specific asset and conveys the right to use the asset to various tenants and has concluded to contain a leasing agreement. The Company assessed that it retains the risk and rewards of ownership and therefore is accounted for as an operating lease (Note 17). Total rent income is disclosed in Note 17.

Impairment on Non-financial Assets
PFRS require that an impairment review be performed on non-financial assets when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Determining the recoverable amount of assets requires estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of recoverable amounts reflected in the separate financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment loss could have a material adverse impact on the Company's financial performance.

There were no impairment indicators on the Company's investments in subsidiaries, property and equipment and computer software licenses as at December 31, 2020 and 2019 based on management's assessment.

The combined carrying amounts of investments in subsidiaries, property and equipment and computer software licenses amounted to P13,475,656 and P70,444,828 as at December 31, 2021 and 2020, respectively (Notes 8, 9 and 11).

Distinction between Investment Property and Property and Equipment
The Company determines whether a property qualifies as an investment property. In making its judgment, the Company considers whether the property generates cash flows largely independent of the other assets held by an entity. Property and equipment generate cash flows that are attributable not only to property but also to the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions cannot be sold separately at the reporting date, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. The Company considers each property separately in making its judgment.

Provisions and Contingencies
The Company, in the ordinary course of business, sets up appropriate provisions for its present legal or constructive obligations, if any, in accordance with its policies on provisions and contingencies. In recognizing and measuring provisions, management takes risk and uncertainties into account.

No provision for probable losses arising from legal contingencies was recognized in the Company's separate financial statements as at December 31, 2021 and 2020.

Estimates and Assumptions
The key estimates and assumptions used in the separate financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the Company's separate financial statements. Actual results could differ from such estimates.

Assessment for ECL on Receivables. The Company, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates over a two-year period for receivables, which composed of rent receivable, receivable from tenants, accrued interest and others. The Company also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Company then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions.

The Company has assessed that the forward-looking default rate component of its ECL on rent receivable is not material because majority of receivables are normally collected within one to two months. Moreover, based on management's assessment, current conditions and forward-looking information does not indicate a significant increase in credit risk exposure of the Company from its trade and other receivables.

The assessment of the correlation between historical observed default rates, forecast economic conditions (inflation and interest rates) and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Receivables directly written-off in 2021 and 2020 amounted to P52,508,535 and P33,362,360, respectively (Note15). The allowance for impairment loss on receivables amounted to P20,769,795 and nil as of December 31, 2021 and 2020. The carrying amount of receivables amounted to P2,273,192,523 and P1,553,569,222 as of December 31, 2021 and 2020, respectively (Note 6).

Assessment for ECL on Other Financial Assets at Amortized Cost. The Company determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- actual or expected external and internal credit rating downgrade;
- existing or forecasted adverse changes in business, financial or economic conditions; and
- actual or expected significant adverse changes in the operating results of the borrower.

The Company also considers financial assets at day one to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

The Company has assessed that the ECL on other financial assets at amortized cost is not material because majority of the transactions with respect to these financial assets were entered into by the Company only with reputable banks and counterparties with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized for the years ended December 31, 2021 and 2020.

The carrying amounts of other financial assets at amortized cost are as follows:

	Note	**2021**	2020
Finance lease receivable		**P1,110,115,886**	P -
Cash and cash equivalents*	*5*	**207,684,318**	1,037,555,817
Due from related parties	*16*	**5,122,816**	2,983,487
Refundable deposits**	*11*	**15,335,239**	14,907,984
		P1,338,258,259	P1,055,447,288

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

Estimating Useful Lives of Property and Equipment and Computer Software Licenses
The Company estimates the useful lives of property and equipment and computer software licenses based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and computer software licenses are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of property and equipment and computer software licenses is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property and equipment and computer software licenses would increase recorded depreciation and amortization expenses and decrease noncurrent assets.

Property and equipment, net of accumulated depreciation, amounted to P12,650,656 and P18,069,828 as at December 31, 2021 and 2020, respectively. Accumulated depreciation of property and equipment amounted to P20,880,798 and P14,401,454 as at December 31, 2021 and 2020, respectively (Note 9).

Computer software licenses, net of accumulated amortization, amounted to P825,000 and P1,125,000 as at December 31, 2021 and 2020, respectively. Accumulated amortization of computer software licenses amounted to P675,000 and P375,000 as at December 31, 2021 and 2020, respectively (Note 11).

Fair Value Measurement of Investment Property
The Company carries its investment property at fair value, with changes in fair value being recognized in profit or loss. The Company engages independent valuation specialists to determine the fair value. For the investment property, the appraisers used a valuation technique based on comparable market data available for such property.

Investment property amounted to P45,695,260,832 and P41,477,970,085 as at December 31, 2021 and 2020, respectively. Unrealized gain from changes in fair values of investment property recognized in profit or loss amounted to P5,130,611,601 and P5,383,709,548 in 2021 and 2020, respectively (Note 10).

Realizability of Deferred Taxes
The Company reviews its deferred taxes at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred taxes to be utilized. The Company reviews its projected performance in assessing the sufficiency of future taxable income.

Recognized deferred tax asset amounted to P46,599,000 and P46,599,000 as at December 31, 2021 and 2020, respectively (Note 18).

5. Cash and Cash Equivalents

This account consists of:

	Note	**2021**	2020
Cash on hand and in banks		**P207,694,318**	P528,534,386
Short-term placements		**-**	509,033,431
	20	**P207,694,318**	P1,037,567,817

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 Company and earn annual interest at the respective short-term placement rates. Interest income from cash in banks and short-term placements amounted to P824,424 and P20,708,383 in 2021 and 2020, respectively.

6. Receivables

This account consists of:

	Note	**2021**	2020
Rent receivable	*17*	**P1,944,581,397**	P1,342,123,223
Non-trade receivable	*16*	**29,117,971**	192,219,259
Receivables from tenants		**17,784,338**	17,792,480
Accrued interest		**-**	120,188
Others		**1,149,394**	1,314,072
		1,992,633,100	1,553,569,222
Less: Allowance for impairment loss		**20,769,796**	-
	20	**P1,971,863,304**	P1,553,569,222

Rent receivable pertains to receivables arising from the lease of office and commercial spaces relating to the Company's operations. These are generally collectible within thirty (30) days. This account consists mainly of accrued rentals 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, Leases amounting to P729,330,709 and P747,440,316, as at December 31, 2021 and 2020, respectively, and receivable from related parties amounting to P2,999,859 and P2,651,039 as at December 31, 2021 and 2020, respectively (Note 17). Included also in the balance is the receivable from Philippine Offshore Gaming Operator (POGO) tenants, in which the payment terms were restructured in 2021. Based on restructuring agreement with certain POGO tenants, payment terms of overdue receivables were restructured as follows:

	2021	
	Gross Amount	**Present Value**
Within one year	**P177,205,926**	**P174,308,397**
After one year but not more than five years	**322,648,128**	**301,329,219**
Total gross payment	**499,854,054**	**475,637,616**
Less implicit interest	**24,216,438**	**-**
Present value of payments	**P475,637,616**	**P475,637,616**

These receivables are collectible in equal installments starting January 31, 2022 until December 30, 2024 subject to 6.4% implicit interest. Day 1 loss from discounting of receivables amounted to P24,216,438 and was netted under "Other income" account in the separate statements of comprehensive income.

Interest charged from overdue accounts amounted to P356,003,734 and P5,234,755 in 2021 and 2020, respectively.

Receivables from tenants include utilities, common usage service area fees and other charges billed to tenants which are due within thirty (30) days upon billing.

Non-trade receivable represents mostly reimbursable costs chargeable to DoubleDragon Property Management Corp. (DDPMC) such as the monthly electricity and water charges and supply and installation of other utility equipment which amounted to P28,320,556 and P180,588,928 as at December 31, 2021 and 2020. These are generally collectible within (30) days upon billing (Note 16).

Provision for impairment loss on rent receivable in 2021 amounted to P20,769,796. Receivables directly written-off in 2021 and 2020 amounted to P52,508,535 and P33,362,360, respectively (Note15). These pertain to discounts and rental waivers granted to tenants due to COVID-19.

7. Prepaid Expenses and Other Current Assets

This account consists of:

	2021	2020
Input VAT - net	**P198,410,651**	P474,723,081
Prepaid real property taxes	**154,949,685**	207,560,850
Prepaid tax	**95,502,507**	35,470,056
Other current asset	**735,343**	6,713,744
	P449,598,186	P724,467,731

Input VAT represents accumulated input taxes from purchases of goods and services which can be applied against future output VAT.

Prepaid real property taxes pertain to payments made as at December 31, 2021 and 2020 for real property taxes of building and machinery and equipment applicable to the subsequent periods.

8. Investment in Subsidiaries

Details of the Company's investments in subsidiaries are shown below:

	2021	2020
At cost:		
DRFMI	**P -**	P50,000,000
DRPMI	**-**	1,250,000
	P -	P51,250,000

DRFMI

DRFMI was incorporated and registered with the SEC on November 19, 2020 primarily to engage in the business of providing fund management services to real estate investment trust (REIT) companies, as provided under Republic Act No. 9856 (the Real Estate Investment Trust Act of 2009) and its implementing rules and regulations.

The summarized financial information of DRFMI follow:

	2021	2020
Current asset	**P53,250,384**	P50,000,000
Noncurrent asset	**34,500**	181,005
Current liability	**1,685,185**	603,350
Net income/total comprehensive income	**2,022,044**	77,655

DRPMI
DRPMI was incorporated and registered with the SEC on November 19, 2020 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 programs in respect of building management, maintenance and improvement; and initiate refurbishments and monitoring of such activities.

The summarized financial information of DRPMI follow:

	2021	2020
Current asset	**P15,360,729**	P1,250,000
Noncurrent asset	**34,500**	7,167
Current liability	**13,267,994**	23,890
Net income/Total comprehensive income	**893,959**	4,223

On February 10, 2021 the Company sold it's investments in DDMP REIT Fund Managers, Inc. (DRFMI) and DDMP REIT Property Managers, Inc. (DRPMI) to DD for total consideration amounting to P51,250,000.

9. Property and Equipment - net

The movements and balances of this account consists of:

	Project Showroom	**Equipment**	**Furniture and Fixtures**	**Total**
Cost				
January 1, 2020	P605,968	P20,877,233	P10,383,783	P31,866,984
Additions	-	254,462	349,836	604,298
December 31, 2020	605,968	21,131,695	10,733,619	32,471,282
Additions	-	1,043,207	16,963	1,060,170
December 31, 2021	**605,968**	**22,174,902**	**10,750,582**	**33,531,452**
Accumulated Depreciation				
January 1, 2020	294,586	5,592,431	2,106,744	7,993,761
Depreciation	121,194	4,177,455	2,109,044	6,407,693
December 31, 2020	415,780	9,769,886	4,215,788	14,401,454
Depreciation	121,194	4,211,425	2,146,723	6,479,342
December 31, 2021	**536,974**	**13,981,311**	**6,362,511**	**20,880,796**
Carrying Amount				
December 31, 2020	P190,188	P11,361,809	P6,517,831	P18,069,828
December 31, 2021	**P68,994**	**P8,193,591**	**P4,388,071**	**P12,650,656**

Depreciation recognized in profit and loss under "General and administrative expenses" account amounted to P6,479,342 and P6,407,693 in 2021 and 2020, respectively (Note 15).

10. Investment Property

The movements and balances of this account consists of:

	Land	Construction in Progress	Buildings	Total
January 1, 2020	P11,561,545,557	P528,015,140	P25,391,841,271	P37,481,401,968
Additions	-	605,341,277	-	605,341,277
Adjustments	-	-	(1,992,482,708)	(1,992,482,708)
Unrealized gain from changes in fair values of investment property	207,078,667	-	5,176,630,881	5,383,709,548
December 31, 2020	11,768,624,224	1,133,356,417	28,575,989,444	41,477,970,085
Additions	-	182,964,238	11,292,279	194,256,517
Transfer to finance lease	-	(1,088,788,985)	-	(1,088,788,985)
Adjustments	-	-	(18,788,386)	(18,788,386)
Unrealized gain from changes in fair values of investment property	517,696,667	-	4,612,914,934.00	5,130,611,601
December 31, 2021	**P12,286,320,891**	**P227,531,670**	**P33,181,408,271**	**P45,695,260,832**

The Company's investment property is stated at fair value, which has been determined based on valuations performed by an accredited independent appraiser.

The following table provides the fair value hierarchy of the Company's investment property as at December 31, 2021 and 2019:

	Level 2	
	2021	2020
Land	**P12,286,320,891**	P11,768,624,224
Buildings	**33,408,939,941**	29,709,345,861
	P45,695,260,832	P41,477,970,085

Valuation Techniques and Significant Unobservable Inputs
The fair values of the investment property were arrived at using the Market Data Approach for land and buildings.

The fair value of the land was arrived at using the Market Data Approach. This approach considers the sale of similar or substitute property, registered within the vicinity, and the related market data. The estimated value is established by process involving comparison. The property being valued is then compared with sales of similar property that have been transacted in the market. Listings and offerings may also be considered. The unobservable inputs to determine the market value of the property are the following: location characteristics, size and shape of the lot and bulk discount.

The fair value of the building was arrived at using the Market Approach. In this approach, the value of the building was based on sales and listings of comparable property registered within the vicinity. The technique of this approach requires the adjustment of comparable property by reducing reasonable comparative sales and listings to a common denominator. This was done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties to be used as bases of comparison are situated within the immediate vicinity of the subject property. The comparison was premised on the factors of time, corner influence, road influence, unit area/size, unit location, unit improvements, building location, building features/amenities, bargaining allowance and others.

The fair values of land and building are sensitive to the changes in the sales price and listings of comparable property. A significant increase/decrease in the price per square meter of comparable land and buildings will result to a significant increase/decrease in profit or loss. A 10% increase/decrease in the sales price/listing price will result to increase/decrease in profit or loss amounting to P3,353,500,662 and P5,596,594,500 for the years ended December 31, 2021 and 2020, respectively.

The carrying amount of the construction in-progress approximates its fair value as at December 31, 2021 and 2020. The Company expects the fair value of the construction in-progress to be reliably measurable upon completion of the construction.

The Company recognized unrealized gains from changes in fair values of investment property amounting to P5,130,611,601 and P5,383,709,548 in 2021 and 2020, respectively.

Cost of investment property was adjusted in 2021 and 2020 for amortization of letting fees and because of cost savings from finalization of actual cost from the contractors, respectively .

Rent income (including aircon charges) amounted to P2,176,187,826 and P1,912,618,974 in 202 and 2020, respectively, which is shown as part of "Rent income" account in the separate statements of comprehensive income. The operating lease commitments of the Company as a lessor are fully disclosed in Note 17.

Related CUSA (net of direct operating costs), included under "Rent income" account, amounted to P223,097,413 in 2021.

The total direct operating expense recognized in profit or loss arising from the Company's investment property that generated rent income amounted to P241,105,306.62 and P166,341,026 in 2021 and 2020, respectively.

Concentration Risk

In 2021, 2020 and 2019, rent income from Philippine Offshore Gaming Operator (POGO) and Philippine Amusement and Gaming Corp (PAGCOR)-accredited Business Process Outsourcing (BPO) businesses represents about 58%, 48% and 47% of the total rent income, respectively. As at December 31, 2021 and 2020, receivables from these businesses represents about 67% and 54% of the total rent receivables, respectively.

During the year, due to COVID-19 pandemic, the Company has seen a significant decline in its collection of its receivables from its POGO tenants. To manage this, the Company entered into restructuring agreements with certain POGO tenants (Note 6). As of December 31, 2021, none of the POGOs and PAGCOR-accredited BPOs pre-terminated their lease contracts.

11. Other Noncurrent Assets

This account consists of:

	Note	**2021**	2020
Advances to contractors		**P415,075,686**	P472,192,176
Refundable deposits	*20*	**15,335,239**	14,907,984
Computer software licenses - net		**825,000**	1,125,000
		P431,235,925	P488,225,160

Advances to contractors represent amounts paid as downpayments to contractors and suppliers for the construction of the Company's investment property. These advances are nonfinancial in nature and are expected to be fulfilled by delivery of goods and services.

Refundable deposits pertain to non-interest bearing deposits paid to and held by the Company's utility service providers which are refundable at the end of the contract.

The computer software licenses have been built, installed or supplied by the manufacturer ready to operate or require some customization based on the Company's specific requirements.

The movements and balances of the "Computer software licenses - net" account consist of:

	Note	**2021**	2020
Cost			
Balance at beginning of year		**P1,500,000**	P1,500,000
Additions		**-**	-
Balance at end of year		**1,500,000**	1,500,000
Accumulated Amortization			
Balance at beginning of year		**375,000**	75,000
Amortization for the year	*15*	**300,000**	300,000
Balance at end of year		**675,000**	375,000
		P825,000	P1,125,000

12. Accounts Payable and Other Current Liabilities

This account consists of:

	Note	**2021**	2020
Trade payables		**P111,319,855**	P126,286,574
Accrued expenses:			
Project costs		**684,000,850**	725,079,841
Others		**19,578,646**	6,011,993
Retention payable - current portion	*13*	**65,967,914**	84,286,295
Construction bond		**32,006,679**	36,947,165
Withholding tax payable		**25,226,136**	5,691,952
	20	**P938,100,080**	P984,303,820

Trade payables and accrued project costs are liabilities arising from services provided by the contractors and subcontractors. These are non-interest bearing and are normally settled within thirty (30) days.

Construction bond pertains to the cash deposit made by the tenants which function as security during fit-out period. Any damage caused to the leased property during the fit-out will be deducted from the construction bond and the balance will be refunded to the tenant.

13. Other Noncurrent Liabilities

This account consists of:

	Note	**2021**	2020
Unearned rent income		**P292,087,476**	298,495,422
Security deposits	*20*	**69,945,278**	619,048,115
Deferred output VAT		**124,776**	13,621,339
		P362,157,530	P931,164,876

Retention payable pertains to amount retained by the Company from its payment for the contractors' progress billings which are released after the expiration of the project's warranty period. This serves as the Company's security to cover cost of contractors' noncompliance with the construction of the Company's project.

Security deposits account pertains to deposits collected from tenants for the lease of the Company's investment property. These deposits are non-interest bearing and refundable at the end of the lease term. Security deposits are discounted using the effective annual interest rates ranging from 5.21% to 5.78% that are specific to the tenor of the deposits. Interest expense for the amortization of discount on security deposits amounted to P38,174,269 and P35,635,069 in 2021 and 2020, respectively.

The details of security deposits follow:

	Note	**2021**	2020
Security deposits		**P200,546,825**	P771,937,567
Less discount on security deposits		**130,601,547**	152,889,452
	20	**P69,945,278**	P619,048,115

The movement in the unamortized discount on security deposits follows:

	2021	2020
Balance at beginning of period	**P152,889,452**	P186,799,458
Additions - net	**15,886,364**	1,725,063
Accretion	**(38,174,269)**	(35,635,069)
Balance at end of period	**P130,601,547**	P152,889,452

Unearned rent income pertains to advance rentals which will be applied as payment of rent for more than twelve months after reporting date.The account also includes the difference between the discounted value and face values of security deposits as a result of discounting the security deposits. Rent income adjustments from the amortization on a straight-line basis over the lease term amounted to P38,942,918 and P38,872,524 in 2021 and 2020, respectively.

14. Marketing Expenses

This account consists of:

	2021	2020
Commission	**P22,853,222**	P22,853,222
Marketing	**6,666,633**	3,624,709
	P29,519,855	P26,477,931

15. General and Administrative Expenses

This account consists of:

	Note	**2021**	2020
Taxes and licenses		**P172,552,144**	P180,516,879
Impairment loss on receivables	*6*	**73,278,331**	33,362,360
Outsourced services		**40,709,934**	-
Electricity and water		**23,585,002**	-
Property maintenance		**21,329,916**	676,454
Insurance		**8,293,443**	6,668,924
Depreciation and amortization	*9, 11*	**6,779,342**	6,707,693
Office expenses		**2,147,721**	3,525,980
Professional fees		**1,917,849**	1,993,036
Director's fees		**1,840,000**	-
Association dues		**1,219,808**	-
Salaries and wages		**-**	982,191
Miscellaneous		**396,837**	301,516
		P354,050,327	P234,735,033

Impairment loss on receivables pertains to discounts and rental waivers granted to tenants due to COVID-19.

16. Related Party Transactions

The Company, in the normal course of business, has transactions with its related parties as follows:

				Outstanding Balance				
Category	Year	Ref	Amount of Transaction	Due from Related Parties	Due to Related Parties	Accounts Payable	Receivables	Terms and Conditions
Ultimate Parent Company								
Rent	**2021**	*a*	**P86,818,600**	**P -**	**P -**	**P -**	**P -**	Demandable; non-interest bearing; unsecured; payable in cash
	2020	*a*	82,684,585	-	-	-	26,396,307	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*a*	83,709,839	-	-	-	-	Demandable; non-interest bearing; unsecured; payable in cash
Reimbursements	2019	*b*	95,061,375	95,061,375	-	-	-	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
Entity under Common Control								
Common usage and service	**2021**	*c*	**3,462,116**	**-**	**-**	**-**	**-**	Demandable; non-interest bearing; unsecured; payable in cash
	2020	*c*	50,931,810	-	400	-	-	Demandable; non-interest bearing; unsecured; payable in cash
	2019	*c*	85,890,980	-	129,635,483	-	-	Demandable; non-interest bearing; unsecured; payable in cash
Reimbursements	**2021**	*d*	**6,651,962**	**-**	**-**	**-**	**28,320,556**	Demandable; non-interest bearing; unsecured; payable in cash no impairment
	2020	*d*	P59,376,586	-	-	-	180,588,928	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*d*	50,939,254	-	-	-	121,212,342	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
Rent	**2021**	*e*	**1,110,115,886**	**-**	**-**	**-**	**1,110,115,886**	Demandable; non-interest bearing; unsecured; payable in cash no impairment
Reimbursements	**2021**	*d*	**2,139,329**	**5,122,816**	**-**	**-**	**-**	Demandable; non-interest bearing; unsecured; payable in cash no impairment
	2020	*d*	2,983,487	2,356,247	-	-	-	Demandable; non-interest bearing; unsecured; payable in cash no impairment
Management fees	**2021**	*f*	**16,085,845**	**-**	**-**	**7,113,234**	**-**	Demandable; non-interest bearing; unsecured; payable in cash no impairment
Other Related Parties								
Rent	**2021**	*e*	**29,585,696**	**-**	**-**	**-**	**6,452,923**	Demandable; non-interest bearing; unsecured; payable in cash no impairment
	2020	*e*	19,099,774	-	-	-	2,651,039	Demandable; non-interest bearing; unsecured; payable in cash; no impairment
	2019	*e*	25,335,873	-	-	-	1,654,796	Demandable; non- interest bearing; unsecured; payable in cash; no impairment
	2021			**P5,122,816**	**P -**	**P7,113,234**	**P1,144,889,365**	
	2020			P2,356,247	P400	P -	P209,636,274	
	2019			P95,061,375	P129,635,483	P -	P122,867,138	

a. *Lease of Corporate Office*
The Company entered into a lease agreement with DD for the lease of 10th and 11th floors of Tower 1 DoubleDragon Plaza, which serve as the headquarters of the Company. This lease provides for fixed monthly rent, subject to 5% escalation rate starting year two. The term of the lease is five years subject to renewal (Note 17).

b. *Reimbursements*
The amount pertains to reimbursement of operating expenses initially paid by the Company. This consists of expenses incurred on print and multimedia and transportation expenses. These are generally trade-related, noninterest-bearing and settled within one year.

c. *Common Usage and Service*
These are payments to DDPMC received from tenants for the payment of their common usage area charges that are credited to the Company's accounts.

d. *Reimbursements*
The Company charges reimbursable costs, such as the monthly electricity and water charges and supply and installation of other utility equipment, to DDPMC (Note 6).

e. *Rent Agreements*
The Company entered into contracts with various entities under Jollibee Foods Corporation (JFC) and other related parties, for lease of its Mall spaces. These leases generally provide for either fixed monthly rent, subject to escalation rates, or a certain percentage of gross sales. The terms of the leases are for periods ranging from 5 to 15 years. The fixed monthly rent shall escalate by an average rate of 5% each year. Tenants are also billed with other charges such as fixed share in advertisement and promotions and interest and penalties on default payments (Note 6).

On November 19, 2020, the Company entered into 99-year lease agreements, beginning January 1, 2021, with DDTI for the lease of DD Tower Property. Lease rate for DD Tower is P2,500,000 quarterly, subject to escalation, for 99 years for its land and P5,750,000 quarterly, subject to escalation, for 99 years for its building (Note 17).

f. *Management Fees*
On November 19, 2020, the Company entered into a fund management agreement with DRFMI starting 2021. The agreement is valid for five (5) years and shall automatically be renewed for successive 5-year term thereafter, until and unless earlier terminated. As fund manager, DRFMI is entitled to receive a fixed management fee of P3,600,000 annually plus other fees.

On the same date, the Company entered into a property management agreement with DRPMI. The agreement is valid for five (5) years and shall automatically be renewed for successive 5-year term thereafter, until and unless earlier terminated. As property manager, DRPMI is entitled to receive a fee equivalent to 6% of the quarterly CUSA fees received from the tenants of the Properties but shall not exceed 1% of the net asset value of the properties managed.

During 2021, the total amount of management fees charged to the Company, recorded in "Property maintenance" under "General and administrative expenses" account amounted to P2,700,000 for DRFMI and P13,385,845 for DRPMI.

g. *Key Management Compensation*

There is no information with respect to compensation and benefits of key management officers and personnel to be disclosed in accordance with PAS 24, *Related Party Disclosures,* since the administrative and finance functions of the Company were administered by DD at no cost to the Company.

There have been no guarantees/collaterals provided or received for any related party receivables or payables. For the years ended December 31, 2021 and 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Except when indicated above, all outstanding related party balances are to be settled in cash.

17. Leases

Company as Lessor - Operating Lease

The Company leases out corporate offices and commercial spaces included in its investment property under operating lease agreements. The leases generally provide for either fixed monthly rent subject to escalation rates or a certain percentage of gross sales. The terms of the leases are for periods ranging from 5 to 10 years. The fixed monthly rent shall escalate by an average of five (5%) to ten (10%) each year.

DDMP also has a lease arrangement with DDTI for the lease of its land for total consideration of P2,500,000 quarterly, subject to escalation, for 99 years.

Rent income (including aircon charges) amounted to P2,176,187,826, P1,912,618,974 and P1,777,329,973 in 2021, 2020 and 2019, respectively. Rent income based on variable considerations amounted to P13,464,499, P13,569,949 and P28,646,567 in 2021, 2020 and 2019, respectively.

CUSA (net of direct operating costs), included under "Rent income" account, amounted to P223,097,413 in 2021.

The scheduled maturities of noncancellable minimum future rental collections are as follows:

	2021	2020
Less than one year	**P1,802,082,338**	P1,806,044,087
Between one and five years	**3,234,806,919**	4,788,607,837
More than five years	**240,367,318**	496,646,776
	P5,277,256,575	P7,091,298,700

Details of minimum future rental collections for between one and five years are as follows:

	2021	2020
Between one to two years	**P1,425,667,450**	P1,810,164,319
Between two to three years	**927,849,983**	1,421,327,541
Between three to four years	**631,237,649**	923,169,624
Between four to five years	**250,051,837**	633,946,353
	P3,234,806,919	P4,788,607,837

Company as Lessor - Finance Lease

In 2021, DDMP entered into a lease agreement with DDTI for its building for a consideration of P5,750,000 quarterly, subject to escalation, for 99 years. The agreement is accounted for as "Finance lease", in accordance with PFRS 16, *Leases*.

Interest income earned using implicit rate of 4.98% in 2021 amounted to P38,145,396.

As a result of the finance lease agreement, DDMP derecognized the related building recorded under "Investment property" account with the carrying amount of P1,088,788,985 and recognized gain amounting to P6,181,505 (Note 10).

The table below summarizes the future minimum lease payments under finance lease with the present value of minimum lease payments:

	Minimum Lease Payments
Within one year	**P23,000,000**
After one year but not more than five years	**92,761,300**
More than five years	**14,584,211,185**
Total minimum lease payment	**14,699,972,485**
Less amounts representing finance charges	**13,589,856,599**
Present value of minimum lease payments	**P1,110,115,886**

Details of minimum future rental collections for between one and five years are as follows:

	2021
Between one to two years	**P23,000,000**
Between two to three years	**23,000,000**
Between three to four years	**23,000,000**
Between four to five years	**23,761,300**
	P92,761,300

Concentration Risk

As at December 31, 2021 and 2020, 42% of the total gross leasable area are leased by POGO and PAGCOR-accredited BPOs. As of December 31, 2021, none of the POGOs and PAGCOR-accredited BPOs pre-terminated their lease contracts.

18. Income Taxes

As REIT entity, DDMP is entitled to the following:

a. Exemption from the 2% minimum corporate income tax;
b. Exemption from VAT and documentary stamp tax on the transfer of property in exchange of its shares;
c. Deduction of dividend distribution from its taxable income, and
d. Fifty percent (50%) of the standard DST rate on the transfer of real property into the Company, including the sale or transfer of any security interest thereto.

The components of the income tax expense are as follows:

	2021	2020
Current	**P -**	P245,031,289
Deferred	**1,347,791,270**	1,729,257,426
Adjustments due to Corporate Recoverability and Tax Incentives for Enterprises (CREATE) Act	**(1,332,236,556)**	-
	P15,554,714	P1,974,288,715

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

	2021	2020
Income before income tax	**P7,189,903,355**	P7,060,886,710
Income tax at the statutory income tax rate of 25% and 30%	**P1,797,475,839**	P2,118,266,013
Income tax effects of:		
Effect of change in tax rate	**(1,332,236,556)**	-
Optional standard deduction	**(144,390,989)**	(136,793,547)
Nontaxable income	**(9,735,730)**	(11,661,757)
Nondeductible expense	**9,543,567**	10,690,521
Interest income subjected to final tax	**(206,106)**	(6,212,515)
Dividends	**(338,338,552)**	-
Unrecognized Net Operating Loss Carryover (NOLCO)	**33,443,241**	-
	P15,554,714	P1,974,288,715

Management did not recognize deferred tax asset on NOLCO amounting to P33,443,241 since management believes that it is not probable that sufficient future taxable income will be available to allow part or all of the said deferred tax assets to be utilized.

Movements in the net deferred tax liability follow:

2021

	January 1, 2021	**Adjustments due to CREATE**	**Charged to Profit or Loss**	**December 31, 2021**
Unearned rent income	**P47,016,290**	**(P7,836,049)**	**(P1,167,575)**	**P38,012,666**
Accrued expenses	**32,241**	**(5,374)**	**2,505,357**	**2,532,224**
Discounting of receivable	**-**	**-**	**6,054,110**	**6,054,110**
Unrealized gains on fair value of investment property	**(7,425,078,733)**	**1,237,513,123**	**(1,282,652,901)**	**(7,470,218,511)**
Accrued rent income	**(224,232,094)**	**37,372,015**	**4,527,402**	**(182,332,677)**
Depreciation expense of depreciable investment property	**(274,697,252)**	**45,782,876**	**(70,470,900)**	**(299,385,276)**
Finance lease	**-**	**-**	**(6,585,475)**	**(6,585,475)**
Unrealized forex	**-**	**-**	**(1,288)**	**(1,288)**
	(P7,876,959,548)	**P1,312,826,591**	**(P1,347,791,270)**	**(P7,911,924,227)**

2020

	January 1, 2019	Charged to Profit or Loss	December 31, 2019
Unearned rent income	P91,331,222	(P44,314,932)	P47,016,290
Accrued expenses	120,000	(87,759)	32,241
Unrealized gains on fair value of investment property	(5,809,965,868)	(1,615,112,865)	(7,425,078,733)
Accrued rent income	(211,901,640)	(12,330,454)	(224,232,094)
Depreciation expense of depreciable investment property	(217,285,836)	(57,411,416)	(274,697,252)
	(P6,147,702,122)	(P1,729,257,426)	(P7,876,959,548)

The Company's NOLCO, which can be deducted against future taxable income, is as follows:

Year Incurred	Amount	Expired	Balance	Expiry Year
2021	P133,772,664	P -	P133,772,664	2026

Management did not recognize deferred tax asset on NOLCO amounting to P33,443,241 since management believes that it is not probable that sufficient future taxable income will be available to allow part or all of the said deferred tax assets to be utilized.

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulation (RR) No. 25-2020 to implement Section 4 (bbbb) of RA No. 11494, otherwise known as the Bayanihan to Recover as One Act, relative to NOLCO which provides that the net operating loss of a business or enterprise for taxable years 2020 and 2021 shall be carried over as a deduction from gross income for the next 5 consecutive taxable years immediately following the year of such loss.

The CREATE Act, which seeks to reduce the corporate income tax rates and to rationalize the current fiscal incentives by making it time-bound, targeted and performance-based, was passed into law on March 26, 2021. One of the key provisions of the CREATE Law is an immediate 5% to 10% point cut in the regular corporate income tax rate and 1% point cut in the minimum corporate income tax rate starting July 1, 2020.

The impact on the December 31, 2020 financial statements of the Company were recognized as at and for the year ended December 31, 2021 as follows:

	Increase (Decrease)
LIABILITIES AND EQUITY	
Income tax payable	**(P19,409,965)**
Deferred tax liabilities	**(1,312,826,591)**
Retained earnings	**1,332,236,556**
	P -
Provision for Income Tax	
Current	**(P19,409,965)**
Deferred	**(1,312,826,591)**
	(P1,332,236,556)

19. Equity

Capital Stock

The composition of the Company's capital stock as at December 31, 2021 and 2020 are as follows:

	2021		2020	
	Number of Shares	**Amount**	Number of Shares	Amount
CAPITAL STOCK - P1 par value Authorized - 17,830,000,000 shares Issued and outstanding	**17,827,465,406**	**P17,827,465,406**	17,827,465,406	P17,827,465,406

On October 16, 2014, DD entered into an Investment and Shareholders Agreement (ISA) with Benedicto V. Yujuico (BVY), wherein the parties would contribute cash and parcels of land (the "Property"), respectively, that would result in a 70% and 30% interests to DD and BVY. In compliance with the ISA, DD initially invested P3.12 billion and BVY contributed the Property with third-party appraised value of P7.27 billion as determined by an accredited independent appraiser, of which P5.35 billion is treated as payment for BVY's subscribed shares. DD made an additional subscription amounting to P9.36 billion to maintain its 70% equity interest.

In 2019, DD subscribed to an additional 50,000 shares to the Company. The Company collected subscriptions receivable from DD amounting to P2,775,025,154 and P925,008,385 in 2019 and 2018, respectively. Upon full collection, 12,479,190,784 shares were issued to DD.

On November 23, 2020, the Company filed its Registration Statement with the SEC for the registration of up to 5,942,488,469 secondary common shares, with an over-allotment option up to 594,248,847 secondary common shares through an IPO at the price up to P2.25 per share.

On March 24, 2021, in accordance with the certificate of permit to offer securities for sale issued by the SEC, 6,536,737,316 secondary common shares of the Company with par value of P1 were registered and offered for sale at an offer price of P2.25 per share.

Related listing expenses recorded under "Other expenses" account in the separate statements of comprehensive income amounted to P87,572,492.

Dividends

The summary of dividend declarations of the Company are as follows:

2021

Type of Dividend	**Date of Declaration**	**Date of Record**	**Date of Payment**	**Per Share**	**Amount**
Cash dividend	April 14, 2021	April 28, 2021	May 10, 2021	**0.020478**	**P365,056,218**
Cash dividend	May 14, 2021	May 28, 2021	June 10, 2021	**0.020136**	**358,973,843**
Cash dividend	August 16, 2021	August 31, 2021	September 13, 2021	**0.027778**	**495,211,334**
Cash dividend	November 15, 2021	November 29, 2021	December 13, 2021	**0.028000**	**499,169,032**
Total					**P1,718,410,427**

2020

Type of Dividend	Date of Declaration	Date of Record	Date of Payment	Per Share	Amount
Cash dividend	March 31, 2020	March 31, 2020	June 5, 2020	P0.02000	P326,242,617
Cash dividend	June 30, 2020	June 30, 2020	August 15, 2020	P0.01580	281,673,953
Cash dividend	November 11, 2020	September 30, 2020	November 11, 2020	P0.01773	316,038,021
Total					P923,954,591

Distributable Income
Details of the distributable income of the Company as at December 31, 2021 is shown below:

	2021
Net income of the Company:	**P7,174,348,641**
Fair value adjustments of investment property resulting to gain (after tax)	**(3,847,958,701)**
Adjustment in deferred tax due to change in rate	**(1,312,826,591)**
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	**40,995,139**
	P2,054,558,488

Out of the 2021 distributable income, P1,353,354,209 was already declared and paid as of December 31, 2021. On May 4, 2022, the BOD of the Company approved the declaration of dividends to common shareholders on record as of May 19, 2022 amounting to P0.027814 per share, equivalent to P495,853,123. The dividends is payable on May 31, 2022.

20. Financial Risk and Capital Management Objectives and Policies

Objectives and Policies
The Company has significant exposure to the following financial risks primarily from its use of financial instruments:

- Credit Risk
- Liquidity Risk

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

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

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

The Company's risk management policies are established to identify and analyze the risks faced by the Company, 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 Company's activities. All risks faced by the Company 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 Company's operations and forecasted results. The Company, 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 Company'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 Company's operations and capital expenditures.

Credit Risk
Credit risk represents the risk of loss the Company would incur if the counterparty fails to perform their contractual obligations. The risk arises principally from the Company's cash in banks and short-term placements, receivables, due from related parties and refundable deposits. The Company manages credit risk by dealing with recognized and creditworthy financial institutions. The objective is to reduce the risk of loss through default by counterparties.

As at December 31, 2021 and 2020, receivables from POGO and PAGCOR-accredited BPOs businesses represents about 54% and 26% of the total rent receivables, respectively. As of December 31, 2021 and 2020, none of the POGOs and PAGCOR-accredited BPOs pre-terminated their lease contracts, and rent receivables from these tenants are not credit-impaired. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date follows:

	Note	**2021**	2020
Cash and cash equivalents*	*5*	**P207,684,318**	P1,037,555,817
Receivables (current and noncurrent)	*6*	**2,273,192,523**	1,553,569,222
Finance lease receivables		**1,110,115,886**	-
Due from related parties	*16*	**5,122,816**	2,983,487
Refundable deposits**	*11*	**15,335,239**	14,907,984
		P3,611,450,782	P2,609,016,510

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

The table below presents the summary of the Company'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.

2021

	Financial Assets at Amortized Cost			
	12-month ECL	**Lifetime ECL - not credit impaired**	**Lifetime ECL - credit impaired**	**Total**
Cash and cash equivalents*	**P207,684,318**	**P -**	**P -**	**P207,684,318**
Receivables (current and noncurrent)	**382,505,817**	**1,869,916,910**	**20,769,796**	**2,273,192,523**
Finance lease receivables	**1,110,115,886**	**-**	**-**	**1,110,115,886**
Due from related parties	**5,122,816**	**-**	**-**	**5,122,816**
Refundable deposits**	**15,335,239**	**-**	**-**	**15,335,239**
	P1,720,764,076	**P1,869,916,910**	**P20,769,796**	**P3,611,450,782**

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

2020

	Financial Assets at Amortized Cost			
	12-month ECL	Lifetime ECL - not Credit Impaired	Lifetime ECL - Credit Impaired	Total
Cash and cash equivalents*	P1,037,555,817	P -	P -	P1,037,555,817
Receivables	211,445,999	1,342,123,223	-	1,553,569,222
Due from related parties	2,983,487	-	-	2,983,487
Refundable deposits**	14,907,984	-	-	14,907,984
	P1,266,893,287	P1,342,123,223	P -	P2,609,016,510

**Excluding cash on hand amounting to P12,000 as at December 31, 2020.*
***This is presented as part of "Other noncurrent assets" account.*

The following is the aging analysis per class of financial assets as at December 31, 2021:

	Note	Neither Past Due nor Impaired	Past Due but not Impaired	Impaired	Total
Cash and cash equivalents*	5	**P207,684,318**	**P -**	**P -**	**P207,684,318**
Receivables (current and noncurrent)	6	**1,932,709,446**	**319,713,281**	**20,769,796**	**2,273,192,523**
Finance lease receivables	17	**1,110,115,886**	**-**	**-**	**1,110,115,886**
Due from related parties	16	**5,122,816**	**-**	**-**	**5,122,816**
Refundable deposits**	11	**15,335,239**	**-**	**-**	**15,335,239**
		P3,270,967,705	**P319,713,281**	**P20,769,796**	**P3,611,450,782**

**Excluding cash on hand amounting to P10,000 and P12,000 as at December 31, 2021 and 2020, respectively.*
***This is presented as part of "Other noncurrent assets" account.*

The Company assessed the credit quality of cash in banks and short-term placements as high grade since these are deposited in a reputable bank with low probability of insolvency.

Past due receivables are aging from 180 days to more than 360 days.

In 2020, the Company's financial assets are neither past due nor impaired.

The Company assessed the credit quality of cash in banks and short-term placements as high grade since these are deposited in a reputable bank with low probability of insolvency.

Credit risk arising from rental income is primarily managed through a tenant selection process and requiring lessees security deposits and advance rentals which helps reduce the Company's credit risk exposure in case of defaults. Further, lessees are required to issue post-dated checks, which provide additional credit enhancement.

The Company applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables and other receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The security deposits, advance rent and estimated value of the lessees' leasehold improvements are considered in the assessment of the credit loss for past due receivables.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The total loss allowance based on expected credit loss amounted to P20.8 million and nil as of December 31, 2021, and 2020, respectively.

The Company did not provide any allowance relating to receivable from related parties in prior year. There are also no ECL recognized in the current year for related party receivables since there are no history of default payments. This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

The Company assessed the credit quality of cash in banks and short-term placements as high grade since these are deposited in a reputable bank with low probability of insolvency.

Receivables were assessed as high grade as there is no current history of default. Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts.

The credit risk for refundable deposits is considered negligible since the counterparties are reputable entities with high quality external credit ratings.

Liquidity Risk

Liquidity risk pertains to the risk that the Company will encounter difficulty to meet payment obligations when they fall under normal and stress circumstances.

The Company 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 Company's future and contingent obligations and set up required cash reserves as necessary in accordance with internal requirements.

The following are the contractual maturities of financial liabilities, excluding the impact of netting agreements:

		As at December 31, 2021				
	Note	**Carrying Amount**	**Contractual Cash Flows**	**1 Year or Less**	**1 Year - 5 Years**	**More than 5 Years**
Financial Liabilities						
Accounts payable and other current liabilities	*12*	**P938,100,080**	**P938,100,080**	**P938,100,080**	**P -**	**P -**
Security deposits*	*13*	**69,945,278**	**200,546,825**	**48,181,130**	**132,902,567**	**19,463,128**
		P1,008,045,358	**P1,138,646,905**	**P986,281,210**	**P132,902,567**	**P19,463,128**

**This is presented as part of "Other noncurrent liabilities" account.*

		As at December 31, 2020				
	Note	Carrying Amount	Contractual Cash Flows	1 Year or Less	1 Year - 5 Years	More than 5 Years
Financial Liabilities						
Accounts payable and other current liabilities	*12*	P984,303,820	P984,303,820	P984,303,820	P -	P -
Due to related parties	*16*	400	400	400	-	-
Security deposits*	*13*	619,048,115	771,937,567	-	569,896,866	202,040,701
		P1,603,352,335	P1,756,241,787	P984,304,220	P569,896,866	P202,040,701

**This is presented as part of "Other noncurrent liabilities" account.*

Fair Values

The following methods and assumptions were used to estimate the fair values of each class of financial instruments for which it is practicable to estimate such values:

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

The carrying amounts of the Company's financial assets and liabilities such as cash and cash equivalents, receivables, due from related parties, accounts payable and other current liabilities and due to related parties approximate their fair values due to the relatively short-term nature of these financial instruments.

Refundable Deposits/Retention Payable

The carrying amounts of refundable deposits and retention payable approximate their fair values since the impact of discounting is immaterial.

Security Deposits

Security deposits are reported at their present values, which approximate fair values.

Capital Management

The Company'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 Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The BOD has overall responsibility for monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry.

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 Company defines capital as total equity, as presented in the separate statements of financial position. The Company is not subject to externally-imposed capital requirements.

21. Note to Statements of Cash Flows

Additions to investment property include noncash additions from recoupment of advances to contractors amounting to P57,116,490 and P155,295,267 in 2021 and 2020.

Movement in receivables and other noncurrent liabilities in 2021 includes application of security deposits amounting to P598,122,812.
Except for the dividends paid, there are no other movements in the financing activities.

22. Other Matters

a. Corona Virus Disease (COVID-19)

   The Company believes that the COVID-19 outbreak has not materially and adversely affected its operations. The Company's properties have continued to be operational and have enjoyed consistently high occupancy rates thus earning stable rental revenues.

   Most of the Company's office lease agreements have tenancy periods of between three (3) to ten (10) years and covered by security deposits and advance rentals. In addition to rentals, the Company bills CUSA fee for the maintenance and upkeep of the buildings.

   The Company granted concessions to certain retail tenants; rental discounts for all food tenants and MSME retail tenants; and the deferral of rental payments in accordance with the Bayanihan Act and the Bayanihan 2 Act. The Company also provided waiver of interest and penalties to tenants during the ECQ and MECQ period and granted installment payments. The Company also granted the application of advance rents and security deposits to current rental payments to certain tenants. It has also entered restructuring of its receivables from its various tenants (Note 6).

The Company's operations have remained uninterrupted with stringent monitoring in place covering the workplace. 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.

b. Impact of the Russian Federation - Ukraine Conflict

In relation to the ongoing conflict between the Russian Federation and Ukraine, the management sees a minimal impact on the Company's costs, in relation to the increase in oil and gas prices.

The extent to which the ongoing conflict will affect will depend on future developments, including the actions and decisions taken or not taken by the Organization of the Petroleum Exporting Countries (OPEC) and other oil producing countries, international community, and the Philippine government which are highly uncertain and cannot be determined nor quantified as at the report date.

The significant adverse changes in economic conditions and the political or business environment developed as a direct consequence of events occurring after the reporting date - i.e., the Russian Federation invasion of Ukraine and the resulting implementation of economic sanctions by the international community, have no impact and do not require adjustment in the Company's financial statements as at and for the year ended December 31, 2021.

c. Events after the Reporting Date

On May 4, 2022, the BOD approved a regular cash dividend to the common shareholders in the gross amount of P495,853,123 or P0.027814 per share. The regular dividends will be paid to all Common Shareholders on record as of May 19, 2022 and will be paid on May 31, 2022.

23. Supplementary Information Required by the Bureau of Internal Revenue

In addition to the disclosures mandated under PFRS, and such other standards and/or conventions as may be adopted, the Company is required by the BIR to provide in the notes to the financial statements, certain supplementary information for the taxable year. The amounts relating to such information may not necessarily be the same with those amounts disclosed in the financial statements which were prepared in accordance with PFRS. The following is the supplementary tax information for the taxable year ended December 31, 2020:

The company is a VAT-registered company with VAT output tax declaration of P 116,458,197 based on the amount of gross receipts amounting to P 970,484,972.

The company has no exempt sales pursuant to the provisions of Section 109 (P) of the Tax Code.

A. Value-added Tax (VAT)

1. Output VAT	**P116,458,197**
Basis of the Output VAT:	
Vatable sales	**P970,484,972**
Exempt sales	**-**
	P970,484,972
2. Input VAT	
Beginning of the year	**P574,435,192**
Current year's domestic purchases:	
a. Goods other than for resale or manufacture	**634,121**
b. Services lodged under other accounts	**44,989,357**
c. Capital goods subject to amortization	**495,395**
d. Capital goods not subject to amortization	**-**
e. Input Tax on sales to gov't closed to expense	**-**
f. Input VAT allocable to exempt sales	**-**
g. VAT withheld on sales to government	**8,951,954**
	629,506,019
Output VAT application	**116,458,197**
Balance at the end of the year	**P513,047,822**

B. Withholding Taxes

Tax on compensation and benefits	**P -**
Creditable withholding taxes	**9,192,805**
Final withholding taxes	**82,623,653**
	P91,816,458

C. All Other Taxes (Local and National)

Other taxes paid during the year recognized under "Taxes and licenses" account under General and Administrative Expenses	
Real property tax	**P153,416,502**
License and permit fees	**17,046,941**
Documentary stamp tax	**1,364,090**
Others	**724,611**
	P172,552,144

Information on landed cost of imports and amount of custom duties and tariff fees paid or accrued and amount of excise taxes are not applicable since there are no transactions that the Company would be subjected to these taxes.

D. Tax Cases and Assessments

As of December 31, 2021, the Company has no pending tax cases nor has received tax assessment notices from the BIR.

C O V E R   S H E E T

For

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C S 2 0 1 4 2 0 9 9 2

COMPANY NAME

DDMP REIT, INC.

(A Subsidiary of DoubleDragon Corporation)

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

DD Headquarters, 10th Floor Tower 1, DoubleDragon Plaza DD Meridian Park Corner Macapagal Avenue & EDSA Extension, Bay Area Pasay City, Metro Manila

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S		

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
	8856-7111	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
8	1st Wednesday of May	December 31

CONTACT PERSON INFORMATION

The designated contact person *MUST* be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Rizza Marie Joy J. Sia	rmjs@doubledragon.com.ph	8856-7111	

CONTACT PERSON's ADDRESS

DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park Corner Macapagal Avenue & EDSA Extension, Bay Area, Pasay City, Metro Manila, Philippines

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

DOUBLEDRAGON PROPERTIES CORP.

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

KPMG

R.G. Manabat & Co.
The KPMG Center, 9/F
6787 Ayala Avenue, Makati City
Philippines 1226
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

The Board of Directors and Stockholders
DoubleDragon Properties Corp.
DD Meridian Park Bay Area
Corner Macapagal Avenue and EDSA Extension Boulevard
Brgy 76 Zone 10, San Rafael, Pasay City, Metro Manila

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Double Dragon Properties Corp. (the "Company") from the *Initial Public* Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditors' report of factual findings on the accuracy of the information being represented by the Company relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from the Company.

2. Compare the net proceeds received in the Quarterly Progress Report to the bank statement and journal voucher noting the date received and amount recorded.

3. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the Offering Circular ("Prospectus") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

4. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the Prospectus.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

KPMG

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

April 15, 2021
Makati City, Metro Manila

SUBSCRIBED AND SWORN TO, before me this 19th day of April 2021, affiant exhibiting to me his PRC ID No. 0094495 (CPA) and valid until 12/17/2022.

Doc. No. 78;
Page No. 17;
Book No. 1;
Series of 2021

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Quarterly Progress Report for the first quarter ended March 31, 2021. No exceptions noted.

2. We have compared the net proceeds received in the Quarterly Progress Report with the bank statements and journal voucher and noted no exceptions. The net proceeds was received on March 24, 2021 and agreed with the amount recorded. The net proceeds is equivalent to the gross proceeds less disbursement for price stabilization activities and IPO expenses amounting P935,943,059.25 and P346,526,083.78, respectively.

3. We have compared the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the Prospectus and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by the Company and based on the above procedures, the table below lists the details of the disbursements made during the first quarter ended March 31, 2021, from the P9,012,904,501.97 net IPO proceeds.

Net proceeds received	P9,012,904,501.97
Less:	
Disbursements for Robinsons DoubleDragon Square	336,527,662.59
Disbursements for Jollibee Tower	603,945,356.77
Total Disbursements	940,473,019.36
Remaining Proceeds as of March 31, 2021	P8,072,431,482.61

   Relative to the actual disbursements for the period, the following procedures were also performed:

   a. Compared and agreed the actual disbursements for the quarter ended March 31, 2021 submitted by the Company to the PSE to the related supporting documents which includes bank account passbooks, official receipts, collection receipts and bank deposit slips. No exceptions noted.

   b. Checked the details of the disbursements made as shown above to the related supporting documents and noted that the total of P940,473,019.36 was disbursed for the capital expenditures for Robinsons DoubleDragon Square and Jollibee Tower. Such transactions and amounts thereof were agreed to the related vouchers official receipts and reflected in the bank statements.

4. We have obtained written management representation and noted that there were no reallocations made on the Company's planned use of proceeds from the IPO or any changes in the work program as disclosed in the Prospectus.

DOUBLEDRAGON PROPERTIES CORP.

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

KPMG

R.G. Manabat & Co.
The KPMG Center, 9/F
6787 Ayala Avenue, Makati City
Philippines 1226
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

The Board of Directors and Stockholders
DoubleDragon Properties Corp.
DD Meridian Park Bay Area
Corner Macapagal Avenue and EDSA Extension Boulevard
Brgy 76 Zone 10, San Rafael, Pasay City, Metro Manila

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by DoubleDragon Properties Corp. (the "Company") from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditors' report of factual findings on the accuracy of the information being represented by the Company relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from the Company.

2. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

3. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

KPMG

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

July 15, 2021
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this ___ day of JUL 15 2021 in Makati City, Metro Manila, affiant exhibiting to me his PRC ID No. 0094495 (CPA), which expires on 12/17/2022.

Doc No. 326;
Page No. 15;
Book No. III;
Series of 2021.

MARIA ELYANNA D. VALDEZ
NOTARY PUBLIC
ROLL NO. 69907
MAKATI CITY, PHILIPPINES

ATTY. MARIA ELYANNA D. VALDEZ
Notary Public for Makati City
Appointment No. M-205
Valid until 12/31/2021
Roll No. 69907
PTR No. MKT 8774493; Makati City
IBP Lifetime No. 016903; Quezon City
MCLE Compliance No. VI- 0009137 valid until 04/14/20
The KPMG Center, 9/F, 6787 Ayala Ave. Makati City

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Quarterly Progress Report for the second quarter ended June 30, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by the Company and based on the above procedures, the table below lists the details of the disbursements made during the second quarter ended June 30, 2021, from the P10,295.4 million Offering proceeds.

Balance as of March 31, 2021	P8,072,431,482
Less:	
Disbursements for CentralHub Industrial Centers Inc.	967,630,219
Disbursements for Jollibee Tower	234,153,742
Disbursements for Documentary stamp taxes	31,198,102
Total Disbursements	1,232,982,063
Remaining Proceeds as of June 30, 2021	P6,839,449,419

   Relative to the actual disbursements for the period, we have compared and agreed the actual disbursements for the quarter ended June 30, 2021 submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the total of P1.2 billion was disbursed for CentralHub and Jollibee Tower and for the payment of documentary stamp taxes. No exceptions noted.

3. We have obtained written management representation and noted that there were no reallocations made on the Company's planned use of proceeds from the IPO or any changes in the work program as disclosed in the REIT Plan. Such representation was verified to be correct based on the result of work performed above.

DOUBLEDRAGON PROPERTIES CORP.

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

KPMG

R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1226

Telephone	+63 (2) 8885 7000
Fax	+63 (2) 8894 1985
Internet	www.home.kpmg/ph
Email	ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

The Board of Directors and Stockholders
DoubleDragon Properties Corp.
DD Meridian Park Bay Area
Corner Macapagal Avenue and EDSA Extension Boulevard
Brgy. 76 Zone 10, San Rafael, Pasay City, Metro Manila

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by DoubleDragon Properties Corp. (the "Company") from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditors' report of factual findings on the accuracy of the information being represented by the Company relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from the Company.

2. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

3. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years covering the audit of 2019 to 2023 financial statements

October 14, 2021
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this ___ day of ___________ in Makati City, Metro Manila, affiant exhibiting to me his PRC ID No. 0094495 (CPA), which expires on 12/17/2022.

Doc No. 474;
Page No. 94;
Book No. II;
Series of 2021

MARIA ELYANNA D. VALDEZ
NOTARY PUBLIC
ROLL NO. 69907
MAKATI CITY, PHILIPPINES

ATTY. MARIA ELYANNA D. VALDEZ
Notary Public for Makati City
Appointment No. M-305
Valid until 12/31/2021
Roll No. 69907
PTR No. MKT8534403; Makati City
IBP Lifetime No. 016903; Quezon City
MCLE Compliance No. VI- 0009137 valid until 04/14/2022
The KPMG Center, 9/F, 6787 Ayala Ave. Makati City

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Quarterly Progress Report for the third quarter ended September 30, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by the Company and based on the above procedures, the table below lists the details of the disbursements made during the third quarter ended September 30, 2021, from the P10,295.4 million Offering proceeds.

Balance as of June 30, 2021	P6,839,449,419
Less: Disbursements for Jollibee Tower	71,002,994
Remaining Proceeds as of September 30, 2021	P6,768,446,425

   Relative to the actual disbursements for the period, we have compared and agreed the actual disbursements for the quarter ended September 30, 2021 submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the total of P71 million was disbursed for Jollibee Tower. No exceptions noted.

3. We have obtained written management representation and noted that there were no reallocations made on the Company's planned use of proceeds from the IPO or any changes in the work program as disclosed in the REIT Plan. Such representation was verified to be correct based on the result of work performed above.

DDMP REIT, INC.

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

KPMG

R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1226
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

The Board of Directors and Stockholders
DDMP REIT, INC.
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by DoubleDragon Corporation (the "Company") from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditors' report of factual findings on the accuracy of the information being represented by the Company relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from the Company.

2. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

3. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

KPMG

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

January 15, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
PASAY CITY ~~Makati City~~) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 15th day of January 2022 in PASAY CITY ~~Makati City~~, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

Doc No. 450
Page No. 91
Book No. 6
Series of 2022.

ERIKA ESTEL G. CUSI
Notary Public for Pasay
Until December 31, 2021
Commission No.
BM No. 63306
IBP Lifetime Member No. 012614 03/28/2014
PTR No. 7696607 01/03/2022/Pasay City
DoubleDragon Headquarters, 10th Floor, Tower 1
DoubleDragon Plaza, DD Meridian Park
Cor. Macapagal Avenue & EDSA Ext., Bay Area, Pasay City
WITH FURTHER EXTENSION OF NOTARIAL
COMMISSION UNTIL 30 JUNE 2022

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Quarterly Progress Report for the fourth quarter ended December 31, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by the Company and based on the above procedures, the table below lists the details of the disbursements made during the fourth quarter ended December 31, 2021, from the P10,295.4 million Offering proceeds.

Balance as of September 30, 2021	P6,768,446,425
Less:	
Disbursements for CentralHub Industrial Centers Inc.	632,346,760
Disbursements for Hotel of Asia	40,000,000
Total Disbursements	672,346,760
Remaining Proceeds as of December 31, 2021	P6,096,099,665

   Relative to the actual disbursements for the period, we have compared and agreed the actual disbursements for the quarter ended December 31, 2021 submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the portion of the proceeds allocated for the CentralHub and Hotel of Asia projects have been disbursed by the Company to various advances for construction-related expenditures totaling to P632.3 million and P40 million, respectively. No exceptions noted.

3. We have obtained written management representation and noted that there were no reallocations made on the Company's planned use of proceeds from the IPO or any changes in the work program as disclosed in the REIT Plan. Such representation was verified to be correct based on the result of work performed above.

DDMP REIT, INC.

REPORT OF FACTUAL FINDINGS ON THE
APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED
FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1226
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

The Board of Directors and Stockholders
DDMP REIT, INC.
DD Meridian Park Bay Area
Corner Macapagal Avenue and EDSA Extension Boulevard
Brgy 76 Zone 10, San Rafael, Pasay City, Metro Manila

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by DoubleDragon Corporation (the "Company") from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditors' report of factual findings on the accuracy of the information being represented by the Company relating to the use of proceeds from the Offering whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, *Engagements to Perform Agreed-upon Procedures Regarding Financial Information.*

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Annual Progress Report from the Company.

2. Compare the list of all the disbursements in the Annual Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

3. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of the Company taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

January 28, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 28th day of January 2022 in Makati City, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

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Book No. 1
Series of 2022.

REGIDOR A. BONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Annual Progress Report for the year ended December 31, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Annual Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by the Company and based on the above procedures, the table below lists the details of the disbursements made during the year ended December 31, 2021, from the P10,295.4 million net Offering proceeds.

Gross Proceeds	**10,295,373,645**
Less: 2021 Disbursements	
Disbursements for Stabilization Activities	935,943,059
Disbursements for IPO expenses	377,724,186
Disbursements for Robinsons DoubleDragon	336,527,663
Disbursements for Jollibee Tower	909,102,093
Disbursements for CentralHub Industrial Centers, Inc.	1,599,976,979
Disbursements for Hotel of Asia	40,000,000
Total 2021 Disbursements	4,199,273,980
Remaining proceeds as of the end of 2021	**6,096,099,665**

   Relative to the actual disbursements for the year, we have compared and agreed the actual disbursements for the year ended December 31, 2021 submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the portion of the proceeds allocated for the Robinsons DoubleDragon, Jollibee Tower, CentralHub and Hotel of Asia projects have been disbursed by the Company to various advances for construction related expenditures totaling to P336.5 million, P909.1 million, P1,600.0 million and P40.0 million, respectively. We have also noted that portion of the proceeds were allocated for expenses related to IPO and price stabilization activities totaling to P1,313.7 million. No exceptions noted.

3. We have obtained written management representation and noted that there were no reallocations made on the Company's planned use of proceeds from the IPO or any changes in the work program as disclosed in the REIT Plan. Such representation was verified to be correct based on the result of work performed above.

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AGREED-UPON PROCEDURES REPORT

April 07, 2022

The Board of Directors and Stockholders
DoubleDragon Corporation
DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza
DD Meridian Park Corner Macapagal Avenue & EDSA Extension
Bay Area, Pasay City, Metro Manila

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting the management of DoubleDragon Corporation (the "Company") to comply with the requirement of the Philippine Stock Exchange (PSE) for the Company to submit an external auditors' report of factual findings on the accuracy of the information being represented by the Company relating to the use of proceeds from the secondary offer received by the Company from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. This report is intended solely for the Company, DDMP REIT and PSE, and should not be used by, or distributed to, any other parties.

Responsibilities of Management and Directors

The Company's management and Directors have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company's management and Directors are responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical and independence requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines.

Our firm applies Philippine Standard on Quality Control (PSQC) 1, Quality *Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements,* and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company.

1. Obtain and check the mathematical accuracy of the Final Disbursements Report from the Company.

2. Compare the net proceeds received in the Final Disbursement Report to the bank statement and journal voucher noting the date received and amount recorded.

3. Compare the list of all the disbursements in the Final Disbursements Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook, and letter of instructions.

4. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

Because the above procedures do not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures or had we performed an audit or review of the in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

April 07, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 7th day of April 2022 in Makati City, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

Doc No. 229
Page No. 49
Book No. 1
Series of 2022.

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the Company's Final Disbursements Report as at March 24, 2022. No exceptions noted.

2. We have compared the net proceeds received in the Final Disbursement Report with the bank statements and journal voucher and noted no exceptions. The net proceeds were received on March 24, 2021, and agreed with the amount recorded.

3. We have compared the list of all the disbursements in the Final Disbursements Report with the schedule of use of proceeds from the IPO in the Amended Reinvestment Plan dated March 22, 2022, and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by the Company and based on the above procedures, the table below lists the details of the proceeds and disbursements made.

Gross Proceeds	**P10,295,373,645**
Less: Disbursements	
Disbursements for Stabilization Activities	935,943,059
Disbursements for IPO expenses	346,526,084
Disbursements for Documentary Stamp Tax	31,198,103
Disbursements for March 24,2021 to December 31, 2021	2,885,606,734
Disbursements for CityMall Commercial Centers Inc. and its other subsidiaries	2,264,934,474
Disbursements for Hotel of Asia, Inc.	3,236,864,458
Disbursements for DD HappyHomes Residential Centers	335,214,289
Disbursements for DDMP Serviced Residences, Inc.	124,336,444
Disbursements for Green Coast Development PH Corp.	134,750,000
Total Disbursements	**P10,295,373,645**
Remaining Proceeds as of March 24, 2022	**P-**

   Relative to the actual disbursements, we have performed the following procedures:

   a. Compared and agreed the actual disbursements for the covered period, submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. No exceptions noted.

   b. Checked the details of the disbursements made as shown above to the related supporting documents and noted that the portion of the proceeds allocated for expenses relative to the IPO amounted to P1,282,469,143. No exceptions noted.

   c. Compared the disbursements for documentary stamp taxes amounting to P31,198,103 to the related check vouchers and official receipts. No exceptions noted.

   d. We observed that disbursements from March 24, 2021 to December 31, 2021 were included in the Final Disbursement Report. These disbursements form part of the total capital expenditures reported in the previously issued Factual Findings Report dated January 28, 2022. No exceptions noted.

e. We have noted that the portion of the proceeds allocated for the CityMall and its other subsidiaries, Hotel of Asia, DD HappyHomes, DDMP Serviced Residences and Green Coast Development projects have been disbursed by the Company to its subsidiaries as advances for construction-related expenditures totaling to P2,264,934,474, P3,236,864,458, P335,214,289, P124,336,444 and P134,750,000 respectively. No exceptions noted.

4. We have obtained written management representation and noted that there were reallocations made on the Company's planned use of proceeds from the IPO. We have noted that the entities and related projects below were included in the Amended Reinvestment Plan, and amounts disbursed to these companies have not exceeded the amended Reinvestment Plan. Such representation was verified to be correct based on the result of work performed above. Such reallocation is presented below:

Projects	**Allocation per amended Reinvestment plan**
CityMall Commercial Centers Inc.	P1,680,915,759
CM-Northtown Davao, Inc.	366,792,790
DD HappyHomes Residential Centers Inc.	335,214,289
DDMP Serviced Residences, Inc	124,336,444
Green Coast Development PH Corp.	134,750,000
Hotel of Asia, Inc	3,236,864,458
Prime DDG Commercial Centers Inc	217,225,925
Total	**P6,096,099,665**

BENEDICTO V. YUJUICO

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, *INC.*

KPMG

R.G. Manabat & Co.
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Philippines 1226
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Fax +63 (2) 8894 1985
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Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

Benedicto V. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Benedicto V. Yujuico (BVY) from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for BVY to submit an external auditors' report of factual findings on the accuracy of the information being represented by BVY relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from BVY.

2. Compare the net proceeds received in the Quarterly Progress Report to the bank statement and journal voucher noting the date received and amount recorded.

3. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the Offering Circular ("Prospectus") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on BVY's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of BVY taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

April 15, 2021
Makati City, Metro Manila

SUBSCRIBED AND SWORN TO, before me this 19th day of April 2021, affiant exhibiting to me his PRC ID No. 0094495 (CPA) and valid until 12/17/2022.

Doc. No. 77;
Page No. 17;
Book No. 1;
Series of 2021

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the BVY's Quarterly Progress Report for the first quarter ended March 31, 2021. No exceptions noted.

2. We have compared the net proceeds received in the Quarterly Progress Report with the bank statements and journal voucher and noted no exceptions. The net proceeds was received on March 24, 2021 and agreed with the amount recorded. The net proceeds is equivalent to the gross proceeds less disbursement for price stabilization activities and IPO expenses amounting P203,771,792.25 and P77,235,202.35, respectively.

3. We noted that there were no disbursements made in Quarterly Progress Report.

   As presented by BVY and based on the above procedures, the table below lists the details of the disbursements made during the first quarter ended March 31, 2021, from the P1,960,482,731.40 net IPO proceeds.

Net proceeds received	P1,960,482,731.40
Less:	
Total Disbursements	-
Remaining Proceeds as of March 31, 2021	P1,960,482,731.40

BENEDICTO V. YUJUICO

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

R.G. Manabat & Co.
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Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

Benedicto V. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Benedicto V. Yujuico (BVY) from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for BVY to submit an external auditors' report of factual findings on the accuracy of the information being represented by BVY relating to the use of proceeds from the Offering whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from BVY.

2. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

KPMG

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on BVY's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of BVY taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years covering the audit of 2019 to 2023 financial statements

July 15, 2021
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this JUL 15 2021 day of ______ in Makati City, Metro Manila, affiant exhibiting to me his PRC ID No. 0094495 (CPA) which expires on 12/17/2022.

Doc No. 328;
Page No. 15;
Book No. III;
Series of 2021.

MARIA ELYANNA D. VALDEZ
NOTARY PUBLIC
ROLL NO. 69907
MAKATI CITY, PHILIPPINES

ATTY. MARIA ELYANNA D. VALDEZ
Notary Public for Makati City
Appointment No. M-205
Valid until 12/31/2021
Roll No. 69907
PTR No. MKT 8554493; Makati City
IBP Lifetime No. 016903; Quezon City
MCLE Compliance No. VI- 0009137 valid until 04/14/2022
The KPMG Center, 9/F, 6787 Ayala Ave. Makati City

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the BVY's Quarterly Progress Report for the second quarter ended June 30, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents.

   As presented by the BVY and based on the above procedures, the table below lists the details of the disbursements made during the second quarter ended June 30, 2021, from the P1,960.5 million net Offering proceeds.

Net proceeds as of March 31, 2021	P1,960,482,731.40
Less:	
Investment to CentralHub Industrial Centers Inc.	1,953,690,336.90
Documentary stamp tax	6,792,394.50
Total	1,960,482,731.40
Net proceeds as of June 30, 2021	P -

   Relative to the actual disbursements for the period, we have compared and agreed the actual disbursements for the quarter ended June 30, 2021 submitted by BVY to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the proceeds have been disbursed by BVY for its investment to CentralHub and for the payment of documentary stamp tax totaling P2.0 billion and P6.8 million, respectively. No exceptions noted.

BENEDICTO V. YUJUICO

**REPORT OF FACTUAL FINDINGS ON THE
APPLICATION OF PROCEEDS FROM SECONDARY OFFER
RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT,
INC.**

R.G. Manabat & Co.
The KPMG Center, 6/F
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REPORT OF FACTUAL FINDINGS

Benedicto V. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Benedicto V. Yujuico (BVY) from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for BVY to submit an external auditors' report of factual findings on the accuracy of the information being represented by BVY relating to the use of proceeds from the Offering whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, *Engagements to Perform Agreed-upon Procedures Regarding Financial Information.*

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Annual Progress Report from BVY.

2. Compare the list of all the disbursements in the Annual Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

3. Obtain written management representation as to any reallocation (or absences thereof) on the planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the use of the proceeds from the IPO and items specified above and do not extend to any financial statements of BVY or DDMP REIT taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years covering the audit of 2019 to 2023 financial statements

January 28, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 28th day of January 2022 in Makati City, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

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Book No. 1
Series of 2022.

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 – 11/13/2018

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of BVY's Annual Progress Report for the year ended December 31, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Annual Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents. No exceptions noted.

   Based on the above procedures, the table below lists the details of the disbursements made during the year ended December 31, 2021, from the P2,241.5 million net Offering proceeds.

Gross Proceeds	**2,241,489,726**
Less: 2021 Disbursements	
Disbursements for Stabilization Activities	203,771,792
Disbursements for IPO expenses	77,235,202
Disbursements for Documentary stamp taxes	6,792,395
Disbursements for CentralHub Industrial Centers Inc.	1,953,690,337
Total 2021 Disbursements	2,241,489,726
Remaining proceeds as of the end of 2021	**-**

   Relative to the actual disbursements for the year, we have compared and agreed the actual disbursements for the year ended December 31, 2021 submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the proceeds allocated for BVY have been disbursed by BVY for IPO and stabilization activities-related expenses, documentary stamp taxes, and investments to CentralHub totaling to P281.0 million, P6.8 million, and P1,953.7 million respectively. No exceptions noted.

3. We have obtained written management representation and noted that there were no reallocations made on BVY's planned use of proceeds from the IPO or any changes in the work program as disclosed in the REIT Plan. Such representation was verified to be correct based on the result of work performed above.

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AGREED-UPON PROCEDURES REPORT

April 7, 2022

Benedicto V. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting Benedicto V. Yuico (BVY) to comply with the requirement of the Philippine Stock Exchange (PSE) for BVY to submit an external auditors' report of factual findings on the accuracy of the information being represented by BVY relating to the use of proceeds from the secondary offer received by BVY from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. This report is intended solely for BVY, DDMP REIT and PSE, and should not be used by, or distributed to, any other parties.

Responsibilities of BVY

BVY has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

BVY is responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves performing the procedures that have been agreed with BVY, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical and independence requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines.

Our firm applies Philippine Standard on Quality Control (PSQC) 1, Quality *Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements,* and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with BVY.

1. Obtain and check the mathematical accuracy of the Final Disbursements Report from BVY.

2. Compare the net proceeds received in the Final Disbursement Report to the bank statement and journal voucher noting the date received and amount recorded.

3. Compare the list of all the disbursements in the Final Disbursements Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

4. Obtain written representation as to any reallocation (or absences thereof) on the planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

KPMG

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

Because the above procedures do not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures or had we performed an audit or review in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years covering the audit of 2019 to 2023 financial statements

April 07, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 7th day of April 2022 in Makati City, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

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Book No. 1
Series of 2022

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of BVY's Final Disbursements Report as at March 24, 2022. No exceptions noted.

2. We have compared the net proceeds received in the Final Disbursement Report with the bank statements and journal voucher and noted no exceptions. The net proceeds was received on March 24, 2021 and agreed with the amount recorded.

3. We have compared the list of all the disbursements in the Final Disbursements Report with the schedule of use of proceeds from the IPO in the Amended Reinvestment Plan dated March 22, 2022 and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by BVY and based on the above procedures, the table below lists the details of the proceeds and disbursements made.

Gross Proceeds	P2,241,489,726
Less:	
Disbursements for Stabilization Activities	203,771,792
Disbursements for IPO expenses	77,235,202
Disbursements for Documentary stamp taxes	6,792,395
Disbursements from March 24, 2021 to December 31, 2021	1,953,690,337
Total Disbursements	P2,241,489,726
Remaining Proceeds as of March 24, 2022	P-

   Relative to the actual disbursements, we have performed the following procedures:

   a. Compared and agreed the actual disbursements for the covered period, submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. No exceptions noted.

   b. Checked the details of the disbursements made as shown above to the related supporting documents and noted that the portion of the proceeds allocated for expenses relative to the IPO amounted to P281,006,994. No exceptions noted.

   c. Compared the disbursements for documentary stamp taxes amounting to P6,792,395 to the related check vouchers and official receipts. No exceptions noted.

   d. We observed that disbursements from March 24, 2021 to December 31, 2021 were included in the Final Disbursement Report. These disbursements form part of the total capital expenditures reported in the previously issued Factual Findings Report dated January 28, 2022. No exceptions noted.

4. We have obtained written management representation and noted that there were no reallocations made on the Company's planned use of proceeds from the IPO, and amounts disbursed to these companies have not exceeded the amended Reinvestment Plan.

TERESITA M. YUJUICO

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

KPMG

R.G. Manabat & Co.
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Philippines 1226
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Fax +63 (2) 8894 1985
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Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

Teresita M. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Teresita M. Yujuico (TMY) from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for TMY to submit an external auditors' report of factual findings on the accuracy of the information being represented by TMY relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from TMY.

2. Compare the net proceeds received in the Quarterly Progress Report to the bank statement and journal voucher noting the date received and amount recorded.

3. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the Offering Circular ("Prospectus") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

KPMG

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an *audit or review* of the financial statements in accordance with PSA and PSRE, other matters might have come *to our attention* that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the TMY's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of the TMY taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

April 15, 2021
Makati City, Metro Manila

SUBSCRIBED AND SWORN TO, before me this 19th day of April 2021, affiant exhibiting to me his PRC ID No. 0094495 (CPA) and valid until 12/17/2022.

Doc. No. 76;
Page No. 17;
Book No. 1;
Series of 2021

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 - 11/13/2018

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the TMY's Quarterly Progress Report for the first quarter ended March 31, 2021. No exceptions noted.

2. We have compared the net proceeds received in the Quarterly Progress Report with the bank statements and journal voucher and noted no exceptions. The net proceeds was received on March 24, 2021 and agreed with the amount recorded. The net proceeds is equivalent to the gross proceeds less disbursement for price stabilization activities and IPO expenses amounting P197,345,054.25 and P74,799,288.34, respectively.

3. We noted that there were no disbursements made in Quarterly Progress Report.

   As presented by the TMY and based on the above procedures, the table below lists the details of the disbursements made during the first quarter ended March 31, 2021, from the P1,898,651,247.31 net IPO proceeds.

Net proceeds received	P1,898,651,247.31
Less:	
Total Disbursements	-
Remaining Proceeds as of March 31, 2021	P1,898,651,247.31

TERESITA M. YUJUICO

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

R.G. Manabat & Co.
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Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF FACTUAL FINDINGS

Teresita M. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Teresita M. Yujuico (TMY) from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for TMY to submit an external auditors' report of factual findings on the accuracy of the information being represented by TMY relating to the use of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, Engagements to Perform Agreed-upon Procedures Regarding Financial Information.

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Quarterly Progress Report from TMY.

2. Compare the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

KPMG

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on TMY's use of the proceeds from the IPO and items specified above and do not extend to any financial statements of TMY taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

July 15, 2021
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this JUL 15 2021 day of in Makati City, Metro Manila, affiant exhibiting to me his PRC ID No. 0094495 (CPA) which expires on 12/17/2022.

Doc No. 327;
Page No. 15;
Book No. 18;
Series of 2021.

MARIA ELYANNA D. VALDEZ
NOTARY PUBLIC
ROLL NO. 69907
MAKATI CITY, PHILIPPINES

ATTY. MARIA ELYANNA D. VALDEZ
Notary Public for Makati City
Appointment No. M-205
Valid until 12/31/2021
Roll No. 69907
PTR No. MKT 8554493; Makati City
IBP Lifetime No. 016903; Quezon City
MCLE Compliance No. VI- 0009137 valid until 04/14/20
The KPMG Center, 9/F, 6787 Ayala Ave. Makati City

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of the TMY's Quarterly Progress Report for the second quarter ended June 30, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Quarterly Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents.

   As presented by TMY and based on the above procedures, the table below lists the details of the disbursements made during the second quarter ended June 30, 2021, from the P1,898.7 million net Offering proceeds.

Net proceeds as of March 31, 2021	P1,898,651,247.31
Less:	
Investment to CentralHub Industrial Centers Inc.	1,892,073,078.31
Documentary stamp tax	6,578,169.00
Total	1,898,651,247.31
Remaining Proceeds as of June 30, 2021	P -

   Relative to the actual disbursements for the period, we have compared and agreed the actual disbursements for the quarter ended June 30, 2021 submitted by TMY to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the proceeds have been disbursed by TMY for its investment to CentralHub and for the payment of documentary stamp tax totaling P1.9 billion and P6.6 million, respectively. No exceptions noted.

TERESITA M. YUJUICO

REPORT OF FACTUAL FINDINGS ON THE APPLICATION OF PROCEEDS FROM SECONDARY OFFER RECEIVED FROM THE INITIAL PUBLIC OFFERING OF DDMP REIT, INC.

R.G. Manabat & Co.
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REPORT OF FACTUAL FINDINGS

Teresita M. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber Park
Bagumbayan, Quezon City
Metro Manila, Philippines

We have performed the procedures agreed with you and enumerated below with respect to the Progress Report on the application of proceeds from the secondary offer received by Teresita M. Yujuico (TMY) from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. The procedures were performed solely to comply with the requirement of the Philippine Stock Exchange (PSE) for TMY to submit an external auditors' report of factual findings on the accuracy of the information being represented by TMY relating to the use of proceeds from the IPO whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with Philippine Standard on Related Services (PSRS) 4400, *Engagements to Perform Agreed-upon Procedures Regarding Financial Information.*

The agreed-upon procedures are summarized as follows:

1. Obtain and check the mathematical accuracy of the Annual Progress Report from TMY.

2. Compare the list of all the disbursements in the Annual Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

3. Obtain written management representation as to any reallocation (or absences thereof) on the planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until November 21, 2023
SEC Accreditation No. 0003-SEC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by SEC Accreditation No. 0004-FR-5)
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

The procedures that we performed did not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), thus, we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the use of the proceeds from the IPO and items specified above and do not extend to any financial statements of TMY or DDMP REIT, Inc. taken as a whole.

R.G. MANABAT & CO.

Darwin P. Virocel
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years
covering the audit of 2019 to 2023 financial statements

January 28, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 28th day of January 2022 in Makati City, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

Doc No. 198
Page No. 41
Book No. 1
Series of 2022.

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
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PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No. VI-0014735 – 11/13/2018

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of TMY's Annual Progress Report for the year ended December 31, 2021. No exceptions noted.

2. We have compared the list of all the disbursements in the Annual Progress Report with the schedule of planned use of proceeds from the IPO in the REIT Plan and agreed the amounts to the related supporting documents. No exceptions noted.

   Based on the above procedures, the table below lists the details of the disbursements made during the year ended December 31, 2021, from the P2,170.8 million net Offering proceeds.

Gross Proceeds	**2,170,795,590**
Less: 2021 Disbursements	
Disbursements for Stabilization Activities	197,345,054
Disbursements for IPO expenses	74,799,289
Disbursements for Documentary stamp taxes	6,578,169
Disbursements for CentralHub Industrial Centers Inc.	1,892,073,078
Total 2021 Disbursements	2,170,795,590
Remaining proceeds as of the end of 2021	**-**

   Relative to the actual disbursements for the year, we have compared and agreed the actual disbursements for the year ended December 31, 2021 submitted to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. We have noted that the proceeds allocated for TMY have been disbursed by TMY for IPO and stabilization activities-related expenses, documentary stamp taxes and investments to CentralHub totaling to P272.1 million, P6.6 million and P1,892.1 million respectively. No exceptions noted.

3. We have obtained written management representation and noted that there were no reallocations made on TMY's planned use of proceeds from the IPO or any changes in the work program as disclosed in the REIT Plan. Such representation was verified to be correct based on the result of work performed above.

R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1226
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

AGREED-UPON PROCEDURES REPORT

April 07, 2022

Teresita M. Yujuico
30th Floor, IBM Plaza Building, Eastwood City Cyber
Park Bagumbayan, Quezon City
Metro Manila, Philippines

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting Teresita M. Yujuico (TMY) to comply with the requirement of the Philippine Stock Exchange (PSE) for TMY to submit an external auditors' report of factual findings on the accuracy of the information being represented by TMY relating to the use of proceeds from the secondary offer received by TMY from the Initial Public Offering ("IPO") of DDMP REIT, Inc. (the "DDMP REIT") on March 24, 2021. This report is intended solely for TMY, DDMP REIT and PSE, and should not be used by, or distributed to, any other parties.

Responsibilities of TMY

TMY has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

TMY is responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves performing the procedures that have been agreed with TMY, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical and independence requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines.

Our firm applies Philippine Standard on Quality Control (PSQC) 1, Quality *Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements,* and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

1. Obtain and check the mathematical accuracy of the Final Disbursements Report from TMY.

2. Compare the net proceeds received in the Final Disbursement Report to the bank statement and journal voucher noting the date received and amount recorded.

3. Compare the list of all the disbursements in the Final Disbursements Report with the schedule of planned use of proceeds from the IPO in the REIT Plan ("REIT Plan") and agree the amounts to the related supporting documents such as memorandum of agreements, invoices, deposit slips, passbook and letter of instructions.

4. Obtain written management representation as to any reallocation (or absences thereof) on the Company's planned use of proceeds or any change in the work program as disclosed in the REIT Plan.

KPMG

The results of the procedures performed are summarized in Annex A, which is an integral part of this report.

Because the above procedures do not constitute either an audit or review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standard on Review Engagements (PSRE), we do not express any assurance on the use of proceeds from the IPO based on the said standards.

Had we performed additional procedures, or had we performed an audit or review in accordance with PSA and PSRE, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

R.G. MANABAT & CO.

DARWIN P. VIROCEL
Partner
CPA License No. 0094495
SEC Accreditation No. 94495-SEC, Group A, effective for five (5) years covering the audit of 2019 to 2023 financial statements

April 07, 2022
Makati City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Makati City) S.S.

I, Darwin P. Virocel, a Partner of R.G. Manabat & Co., do solemnly swear that all matters set forth in the above report are true and correct to the best of my knowledge.

Darwin P. Virocel
Partner

SUBSCRIBED AND SWORN TO before me, this 7th day of April 2022 in Makati City, Metro Manila, affiant exhibiting to me his PRC Professional Identification Card as Certified Public Accountant with Registration No. 0094495, which expires on December 17, 2022.

Doc No. 230
Page No. 48
Book No. 1
Series of 2022

REGIDOR A. PONFERRADA
NOTARY PUBLIC FOR MAKATI CITY
Appt. No. M-54, Until 31 December 2022
Level 17, 6750 Ayala Office Tower
6750 Ayala Avenue, Makati City
PTR No. 8531351, 01/05/2021, Makati City
IBP Lifetime Member Roll No. 08626, Quezon City
Roll of Attorneys No. 57102
MCLE Compliance No VI-0014735 - 11/13/2018

KPMG

Summary of Results of Agreed-Upon Procedures Performed
Annex A

We report the results of our work as follows:

1. We have obtained and checked the mathematical accuracy of TMY's Final Disbursements Report as at March 24, 2022. No exceptions noted.

2. We have compared the net proceeds received in the Final Disbursement Report with the bank statements and journal voucher and noted no exceptions. The net proceeds was received on March 24, 2021 and agreed with the amount recorded.

3. We have compared the list of all the disbursements in the Final Disbursements Report with the schedule of use of proceeds from the IPO in the Amended Reinvestment Plan dated March 22, 2022 and agreed the amounts to the related supporting documents. No exceptions noted.

   As presented by TMY and based on the above procedures, the table below lists the details of the proceeds and disbursements made.

Gross Proceeds	P2,170,795,590
Less:	
Disbursements for Stabilization Activities	197,345,054
Disbursements for IPO expenses	74,799,289
Disbursements for Documentary stamp taxes	6,578,169
Disbursements from March 24, 2021 to December 31, 2021	1,892,073,078
Total Disbursements	P2,170,795,590
Remaining Proceeds as of March 24, 2022	P-

   Relative to the actual disbursements, we have performed the following procedures:

   a. Compared and agreed the actual disbursements for the covered period, submitted by the Company to the PSE to the related supporting documents, which includes the bank account passbooks, related check vouchers, official receipts, collection receipts and bank deposit slips. No exceptions noted.

   b. Checked the details of the disbursements made as shown above to the related supporting documents and noted that the portion of the proceeds allocated for expenses relative to the IPO totaling to P272,144,343. No exceptions noted.

   c. Compared the disbursements for documentary stamp taxes amounting to P6,578,169 to the related check vouchers and official receipts. No exceptions noted.

   d. We observed that disbursements from March 24, 2021 to December 31, 2021 were included in the Final Disbursement Report. These disbursements form part of the total capital expenditures reported in the previously issued Factual Findings Report dated January 28, 2022. No exceptions noted

4. We have obtained written representation and noted that there no were reallocations made on the Company's planned use of proceeds from the IPO, and amounts disbursed to these companies have not exceeded the amended Reinvestment Plan.

GENERAL INFORMATION SHEET (GIS)

FOR THE YEAR **2021**

STOCK CORPORATION

GENERAL INSTRUCTIONS:

1. FOR USER CORPORATION: THIS GIS SHOULD BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THE ANNUAL STOCKHOLDERS' MEETING. **DO NOT LEAVE ANY ITEM BLANK.** WRITE "N.A." IF THE INFORMATION REQUIRED IS NOT APPLICABLE TO THE CORPORATION OR "NONE" IF THE INFORMATION IS NON-EXISTENT. IF THE ANNUAL STOCKHOLDERS' MEETING IS HELD ON A DATE OTHER THAN THAT STATED IN THE BY-LAWS, THE GIS SHALL BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS AFTER THE ELECTION OF THE DIRECTORS, TRUSTEES AND OFFICERS OF THE CORPORATION AT THE ANNUAL MEMBERS' MEETING.
2. IF NO MEETING IS HELD, THE CORPORATION SHALL SUBMIT THE GIS NOT LATER THAN JANUARY 30 OF THE FOLLOWING YEAR. HOWEVER, SHOULD AN ANNUAL STOCKHOLDERS' MEETING BE HELD THEREAFTER, A NEW GIS SHALL BE SUBMITTED/FILED.
3. THIS GIS SHALL BE ACCOMPLISHED IN ENGLISH AND CERTIFIED AND SWORN TO BY THE **CORPORATE SECRETARY** OF THE CORPORATION.
4. THE SEC SHOULD BE TIMELY APPRISED OF RELEVANT CHANGES IN THE SUBMITTED INFORMATION AS THEY ARISE. FOR CHANGES RESULTING FROM ACTIONS THAT AROSE BETWEEN THE ANNUAL MEETINGS, THE CORPORATION SHALL SUBMIT AMENDED GIS CONTAINING THE NEW INFORMATION TOGETHER WITH A COVER LETTER SIGNED THE CORPORATE SECRETARY OF THE CORPORATION. THE AMENDED GIS AND COVER LETTER SHALL BE SUBMITTED WITHIN SEVEN (7) DAYS AFTER SUCH CHANGE OCCURED OR BECAME EFFECTIVE.
5. SUBMIT FOUR (4) COPIES OF THE GIS TO THE RECEIVING SECTION AT THE SEC MAIN OFFICE, OR TO SEC SATELLITE OFFICES OR EXTENSION OFFICES. ALL COPIES SHALL UNIFORMLY BE ON A4 OR LETTER-SIZED PAPER. THE PAGES OF ALL COPIES SHALL USE ONLY ONE SIDE
6. **ONLY THE GIS ACCOMPLISHED IN ACCORDANCE WITH THESE INSTRUCTIONS SHALL BE CONSIDERED AS HAVING BEEN FILED.**
7. THIS GIS MAY BE USED AS EVIDENCE AGAINST THE CORPORATION AND ITS RESPONSIBLE DIRECTORS/OFFICERS FOR ANY VIOLATION OF EXISTING LAWS, RULES AND REGULATIONS.

=============================== PLEASE PRINT LEGIBLY ===================================

CORPORATE NAME: DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)			**DATE REGISTERED:** 10/27/2014
BUSINESS/TRADE NAME: DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)			**FISCAL YEAR END:** December 31
SEC REGISTRATION NUMBER: CS201420992			
DATE OF ANNUAL MEETING PER BY-LAWS: LAST FRIDAY OF THE MONTH OF AUGUST EACH YEAR			**CORPORATE TAX IDENTIFICATION NUMBER (TIN)** 008-893-096
ACTUAL DATE OF ANNUAL MEETING: DECEMBER 13, 2021			**WEBSITE/URL ADDRESS:** http://ddmpreit.com/
COMPLETE PRINCIPAL OFFICE ADDRESS: DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park, corner Macapagal Avenue & EDSA Extension, Bay Area, Pasay City			**E-MAIL ADDRESS:**
COMPLETE BUSINESS ADDRESS: DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park, corner Macapagal Avenue & EDSA Extension, Bay Area, Pasay City			**FAX NUMBER:** (02) 8856-9111
OFFICIAL E-MAIL ADDRESS	**ALTERNATE E-MAIL ADDRESS**	**OFFICIAL MOBILE NUMBER**	**ALTERNATE MOBILE NUMBER**
joselito.barrera@doubledragon.com.ph	jacqueline.gomez@doubledragon.com.ph		
NAME OF EXTERNAL AUDITOR & ITS SIGNING PARTNER: R.G. Manabat & Co./Darwin P. Virocel		**SEC ACCREDITATION NUMBER (if applicable):** 1386-AR, Group A	**TELEPHONE NUMBER(S):** (02) 8856-7111
PRIMARY PURPOSE/ACTIVITY/INDUSTRY PRESENTLY ENGAGED IN: 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 4726 (otherwise known as The Condominium Act) as amended; 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 Corporation or belonging to them, to construct, erect and manage or administer buildings such as condominiums, apartment, hotels, restaurants, stores or other structures now or hereafter erected on any land owned, held or occupied and mortgage. Sell, lease or otherwise dispose of lands or interests in lands and buildings or other structures at any time for such other lawful, commercial and charitable purpose as may be deem proper for the Corporation. (as amended on 4 March 2011)		**INDUSTRY CLASSIFICATION:** REAL ESTATE	**GEOGRAPHICAL CODE:** N/A

============================== INTERCOMPANY AFFILIATIONS ======================================

PARENT COMPANY	SEC REGISTRATION NO.	ADDRESS
DoubleDragon Corporation (Formerly DoubleDragon Properties Corp.)	CS200930354	DD Headquarters, 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park, corner Macapagal Avenue & EDSA Extension, Bay Area, Pasay City
SUBSIDIARY/AFFILIATE	**SEC REGISTRATION NO.**	**ADDRESS**

NOTE: USE ADDITIONAL SHEET IF NECESSARY

GENERAL INFORMATION SHEET
STOCK CORPORATION
================================ PLEASE PRINT LEGIBLY ================================

Corporate Name: DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)

A. Is the Corporation a covered person under the Anti Money Laundering Act (AMLA), as amended? (Rep. Acts. 9160/9164/10167/10365) ○ Yes ◉ No

Please check the appropriate box:

1.
☐ a. Banks
☐ b. Offshore Banking Units
☐ c. Quasi-Banks
☐ d. Trust Entities
☐ e. Non-Stock Savings and Loan Associations
☐ f. Pawnshops
☐ g. Foreign Exchage Dealers
☐ h. Money Changers
☐ i. Remittance Agents
☐ j. Electronic Money Issuers
☐ k. Financial Institutions which Under Special Laws are subject to Bangko Sentral ng Pilipinas' (BSP) supervision and/or regulation, including their subsidiaries and affiliates.

2.
☐ a. Insurance Companies
☐ b. Insurance Agents
☐ c. Insurance Brokers
☐ d. Professional Reinsurers
☐ e. Reinsurance Brokers
☐ f. Holding Companies
☐ g. Holding Company Systems
☐ h. Pre-need Companies
☐ i. Mutual Benefit Association
☐ j. All Other Persons and entities supervised and/or regulated by the Insurance Commission (IC)

3.
☐ a. Securities Dealers
☐ b. Securities Brokers
☐ c. Securities Salesman
☐ d. Investment Houses
☐ e. Investment Agents and Consultants
☐ f. Trading Advisors
☐ g. Other entities managing Securities or rendering similar services
☐ h. Mutual Funds or Open-end Investment Companies
☐ i. Close-end Investment Companies
☐ j. Common Trust Funds or Issuers and other similar entities
☐ k. Transfer Companies and other similar entities
☐ l. Other entities administering or otherwise dealing in currency, commodities or financial derivatives based there on
☐ m. Entities administering of otherwise dealing in valuable objects
☐ n. Entities administering or otherwise dealing in cash Substitutes and other similar monetary instruments or property supervised and/or regulated by the Securities and Exchange Commission (SEC)

4. ☐ Jewelry dealers in precious metals, who, as a business, trade in precious metals

5. ☐ Jewelry dealers in precious stones, who, as a business, trade in precious stone

6. Company service providers which, as a business, provide any of the following services to third parties:
☐ a. acting as a formation agent of juridical persons
☐ b. acting as (or arranging for another person to act as) a director or corporate secretary of a company, a partner of a partnership, or a similar position in relation to other juridical persons
☐ c. providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement
☐ d. acting as (or arranging for another person to act as) a nominee shareholder for another person

7. Persons who provide any of the following services:
☐ a. managing of client money, securities or other assets
☐ b. management of bank, savings or securities accounts
☐ c. organization of contributions for the creation, operation or management of companies
☐ d. creation, operation or management of juridical persons or arrangements, and buying and selling business entities

8. ☐ None of the above

Describe nature of business:

B. Has the Corporation complied with the requirements on Customer Due Diligence (CDD) or Know Your Customer (KYC), record-keeping, and submission of reports under the AMLA, as amended, since the last filing of its GIS? ○ Yes ◉ No

GENERAL INFORMATION SHEET
STOCK CORPORATION

================================== PLEASE PRINT LEGIBLY ==================================

CORPORATE NAME:	DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)

CAPITAL STRUCTURE

AUTHORIZED CAPITAL STOCK

	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (PhP) (No. of shares X Par/Stated Value)
	COMMON	17,830,000,000	1	17,830,000,000.00
	TOTAL	17,830,000,000	TOTAL P	17,830,000,000.00

SUBSCRIBED CAPITAL

FILIPINO	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
		COMMON	17,589,234,206		1	17,589,234,206	98.66%
		TOTAL	17,589,234,206	TOTAL	TOTAL P	17,589,234,206.00	98.66%

FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
		COMMON	238,231,200		1.00	238,231,200.00	1.34%
Percentage of Foreign Equity :		TOTAL	238,231,200	TOTAL	TOTAL P	238,231,200.00	
					TOTAL SUBSCRIBED P	17,827,465,406	1.34%

PAID-UP CAPITAL

FILIPINO	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
		COMMON	17,827,405,406	1	17,827,465,406	100%
		TOTAL	17,827,405,406	TOTAL P	17,827,465,406.00	100%

FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
0.00 %		TOTAL		TOTAL P		
				TOTAL PAID-UP P	17,827,465,406.00	100%

NOTE: USE ADDITIONAL SHEET IF NECESSARY

* Common, Preferred or other classification

** Other than Directors, Officers, Shareholders owning 10% of outstanding shares.

GENERAL INFORMATION SHEET

STOCK CORPORATION

================================ PLEASE PRINT LEGIBLY ================================

CORPORATE NAME: DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)

DIRECTORS / OFFICERS

NAME/CURRENT RESIDENTIAL ADDRESS	NATIONALITY	INC'R	BOARD	GENDER	STOCK HOLDER	OFFICER	EXEC. COMM.	TAX IDENTIFICATION NUMBER
1. EDGAR J. SIA II	FILIPINO	Y	C	M	Y	Chairman		192-003-450
2. TONY TAN CAKTIONG	FILIPINO	Y	M	M	Y	Co-Chairman		111-391-733
3. FERDINAND J. SIA	FILIPINO	Y	M	M	Y	President		917-782-960
4. RIZZA MARIE JOY S. JAVELONA	FILIPINO	Y	N	F	N	Treasurer		286-871-120
5. WILLIAM TAN UNTIONG	FILIPINO	N	M	M	Y	Corporate Secretary		111-391-779
6. JOSEPH C. TANBUNTIONG	FILIPINO	N	N	M	N	Assistant Corporate Secretary		301-643-744
7. JESUS EMMANUEL YUJUICO	FILIPINO	N	M	M	Y	Director		136-614-744
8. JAIME RAFAEL YUJUICO	FILIPINO	N	M	M	Y	Director		228-649-060
9. ANTONIO L. GO	FILIPINO	N	I	M	Y	Independent Director		100-929-712
10. EDGARDO G. LACSON	FILIPINO	N	I	M	Y	Independent Director		127-418-012
11. RENE J. BUENAVENTURA	FILIPINO	N	I	M	Y	Independent Director		123-371-000
12. YOLYVIC L. ONATO	FILIPINO	N	N	F	Y	Investor Relations Officer		486-076-853
13. JOSELITO L. BARRERA JR.	FILIPINO	N	N	M	Y	Compliance Officer		200-606-836
14 ***NOTHING FOLLOWS***								
15.								

INSTRUCTION:

FOR SEX COLUMN, PUT "F" FOR FEMALE, "M" FOR MALE.

FOR BOARD COLUMN, PUT "C" FOR CHAIRMAN, "M" FOR MEMBER, "I" FOR INDEPENDENT DIRECTOR.

FOR INC'R COLUMN, PUT "Y" IF AN INCORPORATOR, "N" IF NOT.

FOR STOCKHOLDER COLUMN, PUT "Y" IF A STOCKHOLDER, "N" IF NOT.

FOR OFFICER COLUMN, INDICATE PARTICULAR POSITION IF AN OFFICER, FROM VP UP INCLUDING THE POSITION OF THE TREASURER, SECRETARY, COMPLIANCE OFFICER AND/OR ASSOCIATED PERSON.

FOR EXECUTIVE COMMITTEE, INDICATE "C" IF MEMBER OF THE COMPENSATION COMMITTEE; "A" FOR AUDIT COMMITTEE; "N" FOR NOMINATION

GENERAL INFORMATION SHEET
STOCK CORPORATION

=============================== PLEASE PRINT LEGIBLY ===============================

CORPORATE NAME:	**DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)**		
TOTAL NUMBER OF STOCKHOLDERS:	**13**	**NO. OF STOCKHOLDERS WITH 100 OR MORE SHARES EACH:**	**3**
TOTAL ASSETS BASED ON LATEST AUDITED FINANCIAL STATEMENTS:	**₱**		**45,354,103,330.00**

STOCKHOLDER'S INFORMATION

NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	**SHARES SUBSCRIBED**				**AMOUNT PAID (PhP)**	**TAX IDENTIFICATION NUMBER**
	TYPE	**NUMBER**	**AMOUNT (PhP)**	**% OF OWNER-SHIP**		
1 **DOUBLEDRAGON CORPORATION (FORMERLY DOUBLEDRAGON PROPERTIES CORP.)** Filipino 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park, corner Macapagal Ave. and EDSA Extension, Bay Area, Pasay City, Metro Manila	Common	7,903,519,158	7,903,519,158	44.33%	7,903,519,158.00	287-191-423
	TOTAL	**7,903,519,158**	**7,903,519,158.00**			
2. **BENEDICTO V. YUJUICO** Filipino	Common	1,720,739,589	1,720,739,589.00	9.65%	1,720,739,589.00	129-389-277
	TOTAL	**1,720,739,589**	**1,720,739,589.00**			
3. **TERESITA M. YUJUICO** Filipino	Common	1,666,469,340	1,666,469,340.00	9.35%	1,666,469,340.00	172-685-894
	TOTAL	**1,666,469,340**	**1,666,469,340.00**			
4. **PCD NOMINEE CORP. (F)** Filipino	Common	6,291,762,116	6,291,762,116.00	35.29%	6,291,762,116.00	004-774-849
	TOTAL	**6,291,762,116**	**6,291,762,116.00**			
5. **PCD NOMINEE CORP. (NF)** Foreign	Common	238,231,200	238,231,200.00	1.34%	238,231,200.00	004-774-849
	TOTAL	**238,231,200**	**238,231,200.00**			
6. **OTHER STOCKHOLDERS** Filipino	Common	6,744,003	6,744,003	0.04%	6,744,003.00	
	TOTAL	**6,744,003**	**6,744,003.00**			
7. *****NOTHING FOLLOWS*****	Common					
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL			17,827,465,406.00	**100.00%**	**17,827,465,406.00**	
			TOTAL AMOUNT OF PAID-UP CAPITAL			

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

Note: For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.

GENERAL INFORMATION SHEET
STOCK CORPORATION

=================================== PLEASE PRINT LEGIBLY =================================

CORPORATE NAME:	DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)		
TOTAL NUMBER OF STOCKHOLDERS:	13	NO. OF STOCKHOLDERS WITH 100 OR MORE SHARES EACH:	3
TOTAL ASSETS BASED ON LATEST AUDITED FS:		₱	45,354,103,330.00

STOCKHOLDER'S INFORMATION

NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (PhP)	TAX IDENTIFCATION NUMBER
	TYPE	NUMBER	AMOUNT (PhP)	% OF OWNER-SHIP		
8.	Common					
	TOTAL					
9.	Common					
	TOTAL					
10.						
	TOTAL					
11.						
	TOTAL					
12.						
	TOTAL					
13.						
	TOTAL					
14.						
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL			17,827,465,406.00	100.00%		
			TOTAL AMOUNT OF PAID-UP CAPITAL			

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

Note: *For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.*

GENERAL INFORMATION SHEET
STOCK CORPORATION

=================================== PLEASE PRINT LEGIBLY =================================

CORPORATE NAME:	DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)		
TOTAL NUMBER OF STOCKHOLDERS:	13	NO. OF STOCKHOLDERS WITH 100 OR MORE SHARES EACH:	3
TOTAL ASSETS BASED ON LATEST AUDITED FS:	₱		45,354,103,330.00

STOCKHOLDER'S INFORMATION

NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (PhP)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (PhP)	% OF OWNER-SHIP		
15.						
	TOTAL					
16.						
	TOTAL					
17.						
	TOTAL					
18.						
	TOTAL					
19.						
	TOTAL					
20.						
	TOTAL					
21. OTHERS (Indicate the number of the remaining stockholders)						
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL			17,827,465,406.00	100.00%	17,827,465,406.00	
		TOTAL AMOUNT OF PAID-UP CAPITAL				

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

Note: *For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.*

GENERAL INFORMATION SHEET
STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME: DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.)

1. INVESTMENT OF CORPORATE FUNDS IN ANOTHER CORPORATION	AMOUNT (PhP)	DATE OF BOARD RESOLUTION
1.1 STOCKS		
1.2 BONDS/COMMERCIAL PAPER (Issued by Private Corporations)		
1.3 LOANS/ CREDITS/ ADVANCES		
1.4 GOVERNMENT TREASURY BILLS		
1.5 OTHERS		

2. INVESTMENT OF CORPORATE FUNDS IN ACTIVITIES UNDER ITS SECONDARY PURPOSES (PLEASE SPECIFY:)	DATE OF BOARD RESOLUTION	DATE OF STOCKHOLDERS RATIFICATION

3. TREASURY SHARES	NO. OF SHARES	% AS TO THE TOTAL NO. OF SHARES ISSUED

4. UNRESTRICTED/UNAPPROPRIATED RETAINED EARNINGS AS OF END OF LAST FISCAL YEAR P17,689,285,685.00

5. DIVIDENDS DECLARED DURING THE IMMEDIATELY PRECEDING YEAR:

TYPE OF DIVIDEND	AMOUNT (PhP)	DATE DECLARED
5.1 CASH	346,183,915.25	April 14, 2021
	120,293,210.11	May 14, 2021
	304,240,633.82	August 16, 2021
	474,567,823.80	November 15, 2021
5.2 STOCK		
5.3 PROPERTY		
TOTAL	P	

6. ADDITIONAL SHARES ISSUED DURING THE PERIOD:

DATE	NO. OF SHARES	AMOUNT

SECONDARY LICENSE/REGISTRATION WITH SEC AND OTHER GOV'T AGENCY:

NAME OF AGENCY:	SEC	B S P	I C
TYPE OF LICENSE/REGN.			
DATE ISSUED:			
DATE STARTED OPERATIONS:			

TOTAL ANNUAL COMPENSATION OF DIRECTORS DURING THE PRECEDING FISCAL YEAR (in PhP)	TOTAL NO. OF OFFICERS	TOTAL NO. OF RANK & FILE EMPLOYEES	TOTAL MANPOWER COMPLEMENT

NOTE: USE ADDITIONAL SHEET IF NECESSARY

I, **WILLIAM TAN UNTIONG,** Corporate Secretary of **DDMP REIT, INC. (FORMERLY DD-MERIDIAN PARK DEVELOPMENT CORP.),** declare under penalty of perjury that all matters set forth in this GIS have been made in good faith, duly verified by me and to the best of my knowledge and belief are true and correct.

I hereby attest that all the information in this GIS are being submitted in compliance with the rules and regulations of the Securities and Exchange Commission (SEC) the collection, processing, storage and sharing of said information being necessary to carry out the functions of public authority for the performance of the constitutionally and statutorily mandated functions of the SEC as a regulatory agency.

I further attest that I have been authorized by the Board of Directors/Trustees to file this GIS with the SEC.

I understand that the Commission may place the corporation under delinquent status for failure to submit the reportorial requirements three (3) times, consecutively or intermittently, within a period of five (5) years (*Section 177, RA No. 11232*).

Done this ______ day of FEB 0 9 2022, 20 ____ in PASAY CITY.

WILLIAM TAN UNTIONG
(Signature over printed name)

SUBSCRIBED AND SWORN TO before me in Pasay, City on FEB 0 9 2022 by affiant who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of his Philippine Passport No. P4278187B issued at DFA, NCR on January 2, 2020.

NOTARY PUBLIC

ERIKA ESTEL G. CUSI
Notary Public for Pasay
Until December 31, 2021
Commission No.
Roll No. 63306
IBP Lifetime Member No. 012614 03/28/2014
PTR No. 7696507 01/03/2022/Pasay City
DoubleDragon Headquarters, 10th Floor, Tower 1
DoubleDragon Plaza, DD Meridian Park
Cor. Macapagal Avenue & EDSA Ext., Bay Area, Pasay Ci

WITH FURTHER EXTENSION OF NOTARIAL COMMISSION UNTIL 30 JUNE 2022

Doc. No.: 52
Page No.: 12
Book No.: 7
Series of 2022

SUSTAINABILITY REPORT

Contextual Information

Company Details	
Name of Organization	**DDMP REIT, INC,** formerly named DD MERIDIAN PARK DEVELOPMENT CORP. ("DDMPR" or the "Company")
Location of Headquarters	10th Floor, Tower 1, DoubleDragon Plaza, EDSA Extension corner Macapagal Avenue, Pasay City
Location of Operations	DD Meridian Park Bay Area, Macapagal Avenue corner EDSA Extension Pasay City
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	DDMPR and its subsidiaries, namely: DDMP REIT Fund Managers, Inc and DDMP REIT Property Managers Inc.
Business Model, including Primary Activities, Brands, Products, and Services	Leasing of office and commercial spaces, and the maintenance of its common areas.
Reporting Period	January 1, 2021 – December 31, 2021
Highest Ranking Person responsible for this report	Joselito L. Barrera, Jr. – Chief Compliance Officer

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.[1]
The experience brought in by key executive and managerial personnel of the Company complemented by interaction and close dealings with customers, regulators, suppliers and other stakeholders (collectively "stakeholders") contributed largely to the determination of the factors which are key to the operations of the Company. The following steps were undertaken: • Understanding the Sustainability Context. • Consultations and Dialogue with Stakeholders. • Identifying Material Topics. • Measuring Performance and Defining Management Approaches. We referred to the UN Sustainable Development Goals as our reference to evaluate our impact to environment, economy, and society is linked to delivering on specific SDG targets.

[1] See GRI 102-46 (2016) for more guidance.

ECONOMIC

The Company's property portfolio consists of the following six office towers with retail components in DD Meridian Park that meet the Company's investment criteria. 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. DD Meridian Park is being developed as an office-led mixed-use development. The land on which these respective buildings are built form part of the Company's asset portfolio and is owned by the Company.

- **DoubleDragon Plaza**, consisting 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. DoubleDragon Plaza has approximately 139,240 sq.m. of Gross Leasable Area. The ground floor retail area has 11,377 sq.m. of Gross Leasable Area dedicated to established food concepts, basic services, a supermarket and a themed food hall. In addition, DoubleDragon Plaza has 1,946 parking spaces (including lifts). DoubleDragon Plaza commenced operations in 2017.

- **DoubleDragon Center East** is a commercial property in DD Meridian Park consisting of an 11-storey tower with a retail area on the ground floor, parking on the basement and 2nd levels, and offices from the 3rd to the 11th levels. DoubleDragon Center East has approximately 16,197 sq.m. of Gross Leasable Area. The ground floor retail area has 1,073 sq.m. of Gross Leasable Area dedicated to established food concepts and banks. In addition, DoubleDragon Center East has 62 parking spaces (including lifts). DoubleDragon Center East commenced full operations in 2019; and

- **DoubleDragon Center West** is a commercial property in DD Meridian Park consisting of an 11-storey tower with a retail area on the ground floor, parking on the basement and 2nd levels, and offices from the 3rd to the 11th levels. DoubleDragon Center West has approximately 16,815 sq.m. of Gross Leasable Area. The ground floor retail area has 1,126 sq.m. of Gross Leasable Area dedicated to established food concepts, banks and a financial service company. In addition, DoubleDragon Center West has 74 parking spaces (including lifts). DoubleDragon Center West commenced full operations in 2019.

In addition to the above commercial properties, the Company owns the underlying land of DD Meridian Park on a free-hold basis.

Economic Performance

Direct Economic Value Generated and Distributed

	Amount	Units
Direct economic value generated (revenue)	7,660,250,478.00	PhP
Direct economic value distributed:		
a. Operating costs	211,018,038.00	PhP
b. Employee wages and benefits	0.00	PhP
c. Payments to suppliers, other operating costs	138,200,197.00	Php
d. Dividends given to stockholders and interest payments to loan providers	1,718,410,427.00	PhP
e. Taxes given to government	172,552,144.00	PhP
f. Investments to community (e.g. donations, CSR)	0	PhP

In pursuit of the Company's mission, around PhP138.3 million was used by the Company as payment to its suppliers and contractors which are contracted for the construction of either office buildings, community malls, hotels or storage facilities. Except for the ongoing construction of office buildings in Metro Manila, majority construction activities are located outside of Metro Manila. This is the amount reinvested by the Company for growth.

P1,718 Billion went to investors as dividends.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has been committed since its inception for the development Meridian Park Bay Area. The Company remitted business and real property taxes to the local governments where its properties are located. These local taxes support local development and the delivery of services, such as the Special	Company Personnel, Community, Suppliers, Investors, Creditors, Government	In making business decisions, the Company continues to improve the economic value it delivers, and manages its impact on the environment and society. The Company prioritizes inclusive growth across all areas and sectors. The management focuses on contributing this on all its development and projects. Value is given on local employment,

Education Fund for then local school boards. .		contractors, suppliers, businesses and raw materials. Adequate internal control structures are in place to ensure check and balance among departments in the Company. The Financial Statements are reviewed by an audit committee adept in that field, before it is presented before the Board for approval. The Company files and submits its quarterly and annual financial reports to the relevant regulatory agencies, and posts the same on the Company website. The Company also grows its leasing portfolio to achieve income growth for the benefit of all its stakeholders. It allocates budget for its corporate social responsibility (CSR) programs, as approved by the board and management. In making business decisions, DDMPR continues to improve the economic value it delivers, and manages its impact on the environment and society.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Foreign exchange devaluation, inflation of prices affecting cost and expenses, and emerging regulations affecting the Philippine Real Estate industry, are risks that were identified in 2021.	Suppliers, Investors, Government	To mitigate the risk, most of the key contacts involving construction and the supply of big ticket items are, peso-denominated, on turn key and generally not subject to escalation. Except for contract for maintenance and security services, other contacts for operations and maintenance for a

		definite term, are subject to escalation.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Improving Company performance in 2021 will lead to more distributed growth and create more value for its stakeholders.	Suppliers, Investors, the Community and Government	Capital expenditures for community malls, industrial storage facilities and hotels are expended for projects located mostly outside Metro Manila for a more inclusive growth.

Climate-related risks and opportunities[2]

DDMPR is aware that climate-related risks and opportunities may have material effect to the operations of the Company as it pursues its mission. Natural catastrophes directly affect Company operations. Its effects can manifest in delays in project timeline, property downtime and business disruption, costs of repair or replaced damage or destroyed assets and costs for maintenance due to wear and tear on or damage to buildings.

The Company is in the process of conceptualizing a framework to better understand this topic and its financial and operational effect to the Company. Once a firm understanding has issue has been obtained, a strategy can be developed to address these risks and to capitalize any opportunities.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Professional contractors and suppliers are chosen based on their capacity to fulfill our requirements for accreditation, competitiveness of their offer,	Suppliers and contractors	DDMPR requires in its procurement process that accreditation, business or corporate documents (e.g. SEC and DTI Registration, BIR registration, Business Permits, Audited Financial

[2] Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

historical performance, and results of background checking, among others. The Company in sourcing local contractors and suppliers, works with and prioritizes the local pool of contractors, and suppliers to meet the construction standards in the process, design and materials. DDMPR supports and works together with the contractors, suppliers, and local government in continuously improving and raising the standards of the construction process in every project.		Statements) would be submitted by potential suppliers for them to be considered, including its corporate profile and list of previous engagements or clients. These documents are reviewed and vetted.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Stakeholders may not completely follow the communications that are conveyed on the Company's Anti-corruption policies.	Suppliers	The Company ensures the inclusion of the discussion of the Anti-Corruption Policies of the Company during on the job orientation and during the annual general assembly where material policies are reintroduced to all employees. Likewise, appropriate rules are included in the Code of Conduct for employees who failed to enforce the standards set by the Company for performance.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Better relations with local suppliers and achieve higher standards of practices for procurement. Uniform design of our community malls may provide additional efficiencies for our suppliers and may result to a favorable pricing.	Suppliers	Synergy of all procurement teams within the Group to negotiate prices of key goods and services as one block. The Parent Company of DDMPR also invests in the employees who service DDMPR by providing them necessary trainings to

		further improve their skills for procurement.

Anti-corruption

Training on Anti-corruption Policies and Procedures

DDMPR has organic employees and its operational manpower were served by the Property Manager and its Parent Company. The information below pertained to employees of the Property Manager or the Parent Company who are seconded to serve the needs of DDMPR.

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	N/A	%
Percentage of employees that have received anti-corruption training	100	%

The Company believes that corruption can undermine its pursuit for better value of goods and services to flow from and to key stakeholders, i.e. suppliers, government, and providers of capital. Risks can exist in key areas such as in procurement, and those personnel whose functions include to directly transacts with government.

DDMPR's policy against corruption is implemented though specific prohibition statements incorporated in the Company's code of conduct and in all contracts particularly the supply and delivery of goods and services.

This policy is likewise discussed in every orientation for new employees and annual employee general assembly.

The following policies are in place to prevent or detect corruption and to hold those who committed accountable:

- Conflict of Interest
- Conduct of Business and Fair Dealings
- Prohibition on Solicitation/Receipt of Gifts from Third Parties
- Compliance with Laws and Regulations
- Respect for Trade Secrets/Use of Non-public Information
- Protection of Data Privacy
- Use of Company Funds and Assets
- Employment and Labor Laws and Policies

- Whistleblowing
- Related Party Transactions

Violation of any provision of these policies as determined through a due process may result in disciplinary action, including dismissal and reimbursement for any loss to the Company that result from the employee's action. If appropriate, a violation may result in legal action against the employee or referral to the appropriate government authorities.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company acknowledges fraud and corruption curtailment is part of good governance and management practice. These policies are in compliance to the principles and practices set out by the Company's Manual on Corporate Governance.	Employees of management company, Suppliers, Government Regulators	The Company and its parent company have a Whistleblowing Policy, Prohibition on Solicitation/Receipt of Gifts from Third Parties and other policies that are communicated to its employees during job orientations and tackled every annual corporate general assembly of the Company. These policies are either posted in the Company's website or incorporated in various contracts entered by the Company.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Stakeholders may not completely comply with the established provisions of the Company's Anti-corruption policies.	Employees of management company, Suppliers, Investors	The Company ensures the inclusion of the discussion of the Anti-Corruption Policies of the Company during on the job orientation and during the annual general assembly where material policies are reintroduced to all employees. Likewise, appropriate rules are included in the Code of Conduct for employees who failed to enforce the standards set by the Company for performance.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified.		

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There was no case of corruption within or against the Company in the reporting year. The Company credits this impact on regular and positive reinforcement of Company values of fair and legal business dealings within its employees and other stakeholders.	Employees of management company, Suppliers and Government	The Company ensures the inclusion of the discussion of the Anti-Corruption Policies of the Company during on the job orientation and during the annual general assembly where material policies are reintroduced to all employees. Likewise, appropriate rules are included in the Code of Conduct for employees who failed to meet the standards set by the Company for performance. There are also sufficient internal control structures to minimize if not prevent and detect corruption.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The risk that the Company policy is not well-communicated and practiced on and by all stakeholders, may allow the possibility of a stakeholder not carrying them out. This would affect the Company's operations and its engagement with the suppliers, undermining the Company standards towards equitable and fair business dealings.	Employees, Suppliers and Government	Continuous reminders of the policy in place through reorientation program be conducted. Checks and balances procedures be set up in each department for the policies against corruption be continuously implemented.

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
No significant opportunities identified.		

Impact of COVID 19

The Company believes that the COVID-19 outbreak has not materially and adversely affected its operations. The Company's Properties, DoubleDragon Plaza, DoubleDragon Center East and DoubleDragon Center West have continued to be operational. The Company anticipates that its rent income for the fourth quarter of 2020 will remain stable as a majority of its lease contracts have fixed rates, and are covered for the duration of their lease terms by postdated checks, ample security deposits and advance rentals. For the nine months ended September 30, 2020, the Company's rental income of ₱1,452.03 million is already 81.7% of the 2019 full year rental income of the Company.

In compliance with the Government's mandate to support micro, small and medium enterprises ("**MSME**s") and other tenants during the COVID-19 pandemic, the Company granted the following concessions to its tenants: the waiver of interest and penalties during the ECQ and MECQ period; rental discounts for all food tenants and MSME retail tenants; and the deferral of rental payments in accordance with the Bayanihan Act and the Bayanihan 2 Act. These concessions were granted subject to conditions like the applicable tenant's commitment to settle any rental arrears, continuous operation of retail tenants and the receipt of post-dated checks for the rent deferral or installment payments.

The Company also granted the application of advance rents to current rental payments to certain tenants subject to the receipt of a replacement check for the replenishment of advance rental within 2021.

The Company stopped the operations of Islas Pinas, a food hall in DoubleDragon Plaza, during the implementation of ECQ in Metro Manila. The Company intends to lease out the area previously occupied by Islas Pinas in 2021.

Despite this challenging business environment brought about by the COVID-19 pandemic, the Company does not expect any going concern issue affecting its business operations, and considers the events surrounding the COVID-19 outbreak to not have any material impact on its financial position and performance.

The Company has also taken and continues to take the following measures for the protection of its employees, guests and clientele:

- strict observance of social distancing at all times inside the Company's headquarters which was designed with a minimum one meter distance in between employees' workspaces;

- 70% alcohol solution and sanitizers are provided free of charge in essential areas of the Company's commercial, office buildings and hotels;
- temperature monitoring is conducted at the entrances of all the Company's office towers including the Company's headquarters;
- provisions were given to all the Company's personnel for the purchase of multivitamins, hygiene products and other necessities to boost the immune system and promote good health and proper hygiene;
- reduced and alternate break schedules for the Company's headquarters to minimize the flow of personnel entering and exiting simultaneously; and
- personnel have been encouraged to hold meetings and interviews virtually and share important announcements via email instead of physically congregating.

The Company's operations have remained uninterrupted with stringent monitoring in place covering the production of personnel. 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.

ENVIRONMENT

As a real-estate Company engaging primarily in leasing activities, during the operational phase, most of the resources herein are consumed by the Company's tenants. The Company's consumption is limited to the maintenance of the facilities and their common areas.

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	1,087	GJ
Energy consumption (gasoline)	N/A	GJ
Energy consumption (LPG)	5,222.06	GJ
Energy consumption (diesel)	2,050.75	GJ
Energy consumption (electricity)	21,735,838.50	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	N/A	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	N/A	GJ

Energy reduction (electricity)	N/A	kWh
Energy reduction (gasoline)	N/A	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Energy consumption comes mostly from operations, particularly on electricity, LPG, water , and fuel for generator set use.	Employees, tenants and customers	The Company's buildings-, DoubleDragon Plaza, DoubleDragon East and DoubleDragon West were designed and built with energy efficient features and have secured Leadership in Energy and Environmental Design (LEED) Certification. DoubleDragon Plaza utilizes eco-friendly devices and systems such as solar power, LED lights, optimization of natural lighting, modern waste treatment facilities and rainwater harvesting systems. In addition, the Management Company trained its operations staff on energy management measures which include the proper maintenance and operation of diesel generator sets. Regular preventive maintenance measures and cleaning of facilities are in place to improve equipment performance and efficiency.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
No identified significant risks yet.		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
When certain buildings of the Company obtain the status of	Tenants, suppliers	The Company continues to explore methods to reduce energy

Contestability, this will allow the Company the option to choose where to source its energy needs.		consumption, promote sustainable development through green technology without sacrificing quality of service to our tenants.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	N/A	Cubic meters
Water consumption	147,866	Cubic meters
Water recycled and reused	N/A	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
The Company sources its water from utility companies supplying water to a particular area where a facility is located. Water is primarily used in operations as a cleansing agent.	Tenants, customers, employees and community	Although bulk of the water are consumed by the Company's tenants and customers, for water to be consumed economically, the Company does the following measures: • For common area cleaning, the Company minimizes the use of water through proper scheduling of floor wash downs or cleanings. • Proper training of personnel on water conservation. Ensuring the presence and training of the pollution control officers of every project or development. • Regular maintenance of all pipes, valves, and pumps • Education drive and reminders for tenants and their personnel on water conservation.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
During summer time, there are particular regions in the	Tenants, employees, customers, the	The Company may consider obtaining water from alternative

country that experience water shortages.	community and the Company itself.	sources like hauling bulk water through other sustainable means.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Although water as a resource remain finite and scarce, there are new technologies and methods that maximize use of water.	Tenants, customers and the Company itself	The Company may explore avenues for recycling water and consider facilities for rainwater collection, waste water treatment and recycling facility.

Materials used by the organization

Disclosure	**Quantity**	**Units**
Materials used by weight or volume		
• renewable	N/A	kg/liters
• non-renewable	N/A	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	N/A	%

The Company has obtained the services of general contractors on a turn-key basis for the construction of its hotels, community malls and industrial storage facilities. Under this set-up, the general contractor has absolute control on the means and methods for the construction of the buildings, including how resources are utilized.

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
N/A	*N/A*	*N/A*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	*N/A*	*N/A*
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	*N/A*	*N/A*

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	
Habitats protected or restored	N/A	ha
IUCN[3] Red List species and national conservation list species with habitats in areas affected by operations	N/A	

None of the Company's operational sites are located within protected areas.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
N/A	*N/A*	*N/A*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	*N/A*	*N/A*
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
N/A	*N/A*	*N/A*

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	7.08	Tonnes CO_2e
Energy indirect (Scope 2) GHG Emissions	N/A	Tonnes CO_2e
Emissions of ozone-depleting substances (ODS)	N/A	Tonnes

[3] International Union for Conservation of Nature

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Most of the scope 1 GHG emissions were the result of operation of generator sets either for maintenance runs or for provision of temporary. power to Company buildings and its tenants during power interruption or shortage.	Tenants, customers and the community.	The Company is participating in trainings and seminars of the Department of Energy and Natural Resources on reduction of emission of Greenhouse Gases. Also, the Company has utilized solar panels to augment its power requirements in some of its community malls and office buildings.

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
No significant risk identified *yet*.		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified yet.		

Air pollutants

Disclosure	Quantity	Units
NO_x	1,867.96	kg
SO_x	1.33	kg
Persistent organic pollutants (POPs)	N/A	kg
Volatile organic compounds (VOCs)	51.46	kg
Hazardous air pollutants (HAPs)	6.88	kg
Particulate matter (PM)	49.56	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company believes that the impact it caused have been controlled and insignificant as	Employees, customers and tenants	The Company complies with the standards set by the government for clean air emissions.

its generator sets which contributes to air pollution are utilized only in cases of power interruptions and maintenance runs.		
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified yet.		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities yet.		

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	316,338	kg
Reusable	N/A	kg
Recyclable	221,548	kg
Composted	N/A	kg
Incinerated	N/A	kg
Residuals/Landfilled	N/A	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Most of the waste collected from various sites came from tenants and customers.	Tenants, customers, and the community	Segregation at the source is encouraged for all the mall and office tenants. Each segregated waste is hauled by a contracted waste disposal contractor to be disposed in proper landfills. Recyclable wastes were sent to Materials Recovery Facilities, which

		are then sorted out and sent to buyers (e.g. junk and scrap buyers). Property management teams are expected to follow their waste management systems to minimize the cost of disposal. The Company also encourages tenants to reduce waste through reuse of materials.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks are identified yet.		

What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities are identified yet.		

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	12,856.00	kg
Total weight of hazardous waste transported	10,284.89	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Most of the hazardous waste collected from various sites came from tenants and customers.	Tenants and customers	Hazardous waste is hauled by a contracted waste disposal contractor duly accredited by the DENR which dispose it in landfills duly identified by the government. Property management teams are tasked to implement and improve

		their waste management systems to minimize the cost of disposal. The Company also encourages tenants to reduce hazardous waste.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks are identified yet.		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified yet.		

Effluents

Disclosure	**Quantity**	**Units**
Total volume of water discharges	103,506.20	Cubic meters
Percent of wastewater recycled	N/A	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
All properties of the Company are equipped with waste water treatment facilities.	Community, employees and government	The Company ensures that its wastewater treatment facilities comply with the regulatory requirements set by the DENR. The Company also considers other different technologies to ensure proper waste management.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**

No significant risks are identified yet.		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities are identified yet.		

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	none	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	none	#
No. of cases resolved through dispute resolution mechanism	none	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The activities that the Company does in pursuit of our mission involves utilization of resources and the discharge of wastes, which can contribute an effect to the environment. It is paramount that the Company comply with requirements set by law. Non-compliance can affect the Company's operations and its reputation.	Employees, the Company and tenants	The Company ensures that all aspects of operations are compliant with the applicable laws. All operating sites are covered by an environment clearance certificates, if such is applicable, or other clearances issued by appropriate government agencies.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**

No significant risks identified yet.		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified yet.		

SOCIAL

DDMPR is managed by a property management Company. The property manager, DDMP REIT PROPERTY MANAGERS, INC., is a corporation, organized under the laws of the Philippines (the "Property Manager"). The Property Manager was incorporated on November 19, 2020, and has its registered office at the 10th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park, Macapagal Ave. cor. EDSA Extension, Barangay 76, City of Pasay, Fourth District, NCR, Philippines, 1302. The Property Manager is 70%-owned by DDPC and 30%-owned by Benedicto V. Yujuico. The Property Manager will perform the day-to-day property management functions of the Properties pursuant to a property management agreement dated November 19, 2020 between the Company and the Property Manager (the "Property Management Agreement"), in accordance with this REIT Plan, and the Company's investment strategies. These functions include managing the execution of new leases and renewing or replacing expiring leases as well as the marketing and promotion of the Properties. In addition, the Property Manager will oversee the overall management of, maintenance and repair of the structure of the Properties; formulation and implementation of policies and programs in respect of building management; maintenance and improvement; secure and administer routine management services, including security control, fire precautions, communication systems and emergency management; and oversee building management operations.

The personnel of the Company and its Property Manager are employees of its parent company, DoubleDragon Corporation. The personnel have been seconded or assigned to attend to tasks for DDMPR. Information in this report on employee matters are not applicable, as the information has been reflected in the Sustainability Report of its parent company, DoubleDragon Corporation.

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees[4]	N/A	
a. Number of female employees	N/A	#
b. Number of male employees	N/A	#
Attrition rate[5]	N/A	rate
Ratio of lowest paid employee against minimum wage	N/A	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	N/A		
PhilHealth	N/A		
Pag-ibig	N/A		
Parental leaves	N/A		
Vacation leaves	N/A		
Sick leaves	N/A		
Medical benefits (aside from PhilHealth))	N/A		
Housing assistance (aside from Pag-ibig)	N/A		
Retirement fund (aside from SSS)	N/A		
Further education support	N/A		
Company stock options	N/A		
Telecommuting	N/A		
Flexible-working Hours	N/A		
(Others) Life Insurance	N/A		

[4] Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)

[5] Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

***Unutilized sick and vacation leaves are convertible to cash. ***Educational support is currently in the form of a compressed working schedule for employees based in DD Headquarters. ****All employees are covered by mandatory benefits set by law.*

Workplace Safety

In 2021, the Company had no incidents resulting to deaths, nor serious injuries involving personnel seconded or assigned to DDMPR.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
N/A	N/A
What are the Risk/s Identified?	**Management Approach**
N/A	N/A

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees	N/A	
a. Female employees	N/A	hours
b. Male employees	N/A	hours
Average training hours provided to employees	N/A	
a. Female employees	N/A	hours/employee
b. Male employees	N/A	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
DDMPR recognizes that training and education form an important part in the development of personnel skills and supporting career development. Likewise the Company also believes that training and education increases personnel efficiency and capabilities	In 2021, the Company dedicated hours on formal of training female personnel assigned. However, informal training primarily comprised of workplace compliance such as on-boarding, regularization, safety, and compliance and was continuously administered by the Human Resources (HR) Department. Each department also holds its own informal training sessions to further familiarize responsibilities with specific roles. In addition, trainings on various upskilling courses is imparted to aid in the technological capabilities of the employees, such as MS Office, SAP, etc. and on new concepts like the Data Privacy, meeting etiquette and others to promote general knowledge of each personnel.

What are the Risk/s Identified?	Management Approach
DDMPR recognizes that constant upskilling is necessary for the growth of the Company as well as for the growth of each individual employee, as existing skills may become obsolete and outdated.	The Company aims to establish a further training policy in 2022 such as increase the hours given as well as further distribute the training courses across departments and functions to expand knowledge and to provide equal access and opportunities for all personnel. In 2022, it will be conducting further training needs analysis in crucial areas of operations in order to provide relevant and quality training programs.
What are the Opportunity/ies Identified?	**Management Approach**
The Company will also look to expand trainings beyond the traditional classroom set up and study the possibility of e-learning courses for employees to undergo so that the personnel can be given higher levels of control on their development .	Performance reviews are scheduled annually to support in career development, promotion and merit enhancement. Those employees who are more capable of performing tasks of higher responsibility may be provided with trainings to equip them with proper tools for their new/added responsibilities.

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
DDMPR understands the vital role of harmonious labor-management relations. This can provide the Company with information from its personnel for management to be able to adjust accordingly to the needs of its people to promote and improve the environment, performance, and the culture of the Company.	All Department Heads and Officers are expected to practice an open-door approach to feedback from personnel. Personnel are encouraged to voice out their concerns and opinions even to the President of the Company. These concerns are read individually. These concerns are considered and acted upon with utmost urgency by

This harmony cultivated by the Company positively affects efficiency and smooth continuity in the business operations and employment.	formal and ad hoc groups. Numerous policy changes have already been implemented using this method with concerns ranging from working hours, overtime, additional facilities, etc. The Company aims to establish and implement extensive consultation efforts and feedback mechanisms to increase engagement further.
What are the Risk/s Identified?	**Management Approach**
No material risks identified yet.	
What are the Opportunity/ies Identified?	**Management Approach**
No opportunities identified yet.	

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	N/A	%
% of male workers in the workforce	N/A	%
Number of employees from indigenous communities and/or vulnerable sector*	N/A	#

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company does not discriminate its personnel on the basis of personal characteristics, such as but not limited to, race, sex, religion, gender orientation, political opinion, and others.	The Company promotes equal opportunity to applicants, without discrimination on the basis of race, sex, religion, gender orientation, or other personal characteristics. The Company also ensures to comply with Philippine labor laws related to diversity; including policies on discrimination and harassment, and unfair treatment in the workplace.
What are the Risk/s Identified?	**Management Approach**
No significant risks identified yet.	
What are the Opportunity/ies Identified?	**Management Approach**
No opportunities identified yet.	

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	N/A	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Work related accidents happen in the place of work. The Company has designed workplaces in a way that minimizes if prevents accidents to happen in workplace. Prior deployment, the Company require a candidate to submit to a physical examination to determine if such candidate is fit for a particular work.	The Company partners with a Health Maintenance Organization (HMO) and ensures its employees' health and wellness by mandating employees to undergo annual physical examinations (staff to officers) and executive check-ups (for department heads and up). Should an accident take place in the workplace, there are trained First-Aiders and an nurses/doctors who provide assistance. Moreover, various sites have partnerships with nearby clinics and hospitals. A personnel can assist in taking the employee to a nearby medical facility for treatment. The Company also sends representatives for Basic Occupational Safety & Health Training, as well as first-aid training.
What are the Risk/s Identified?	**Management Approach**
No risks identified yet.	
What are the Opportunity/ies Identified?	**Management Approach**
No opportunities identified yet.	

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the Company policy
Forced labor	N/A	While the Company does not have a written policy on these subjects, the Company complies with the provisions of labor laws which prohibits forced labor, child labor and ensures protection of human rights.
Child labor	N/A	
Human Rights	N/A	

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

No.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	The Company stipulates in all its contracts a provision that a chosen supplier should be compliant with all laws and regulations, including laws against forced labor, child labor and for the protection of human rights and the environment. Likewise, before engagement, we require all suppliers to produce all applicable clearances, certificates and permits from appropriate government agencies.
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
National ID system	Ground Floor DD Plaza	Employees/personnel of tenants and local residents of Pasay City	n/a	None	none
Vaccination Center	Ground Floor DD Plaza	Employees of tenants and local residents of Pasay City	n/a	None	none

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available:

Not applicable.

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

What are the Risk/s Identified?	Management Approach
No significant risks identified yet.	
What are the Opportunity/ies Identified?	**Management Approach**
DD Plaza Commercial Area at times become venues for public services extended by national and local government agencies , like the passport releasing center of the Department of Foreign Affairs, Covid 19 Vaccination Centers of the Local government of Pasay City. This will help to showcase the facilities of the mall and the services being offered. DDMPR supports local retail suppliers. For the past three (3) years it has provided space in partnership with the DTI, for local retailers a venue to showcase and sell their products around the country.	The Company is in constant talks with the LGUs and local communities of Pasay City for them to conduct events in the activity centers to serve as activity place for the community engagement between government and the communities.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	N/A	N

No survey on customer satisfaction has been conducted by a third party. For our hotel operations, the Company monitors the evaluations and feedbacks of its customers in various hotel booking applications.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	N/A	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The value the Company puts on health and safety allows all the sites to have accessible facilities , generating inclusivity in all the hotels, malls and offices , which has a positive direct effect to its operations.	The Company endeavors to update itself in the progress of accessible facilities and equipment. To ensure the safety and convenience of the customers especially the senior citizens and Persons with Disability (PWD), malls and offices makes sure that (i) there are adequate parking spaces reserved for them, (ii) ensure that escalators and/or elevators are maintained properly, and (iii) senior citizen and PWD- convenient ramps and stairs are available. All office and comfort rooms are properly manned by well trained personnel to maintain cleanliness and sanitation. The Company conducts quarterly evacuation drills to be led by an emergency response team (ERT) assigned to each mall, hotel and office site, together with disaster risk management offices for the cities where the sites are located. The Company also engages security companies that are competent, reliable, and experienced enough in mall security and management. Their performance are regularly assessed as well.

What are the Risk/s Identified?	Management Approach
The Company is exposed to the risk of the occurrence of natural disasters, such as earthquakes and typhoons, which may cause danger to its customers and employees.	Operating and upcoming hotel, mall and office sites are designed to meet international standards, and existing malls have rehabilitation programs to ensure that they are up to date with current standards. The Company assesses and supports disaster preparedness and training. Medical and administrative teams at every project are regularly trained to handle first aid procedures in case of emergencies, such as those resulting from a natural disaster. clinics are also on standby for any emergency, and

	have connections with hospitals near the malls for major emergencies.
What are the Opportunity/ies Identified?	**Management Approach**
No Opportunities identified yet.	

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	N/A	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

Data Privacy and Security

DDMPR collects personal data of its customers, clients and other individuals the Company has transactions with. The personal information that are collected, processed and stored varies depending on the type of information the law requires to support and complete a particular transaction. The Company maintains data on more than 50,000 individuals. This data is stored in and accessed by the department handling the particular transaction and only by an authorized employee. The data is processed in local servers equipped with access controls and logs through specific and designated computers.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Office Space	The Company provides an accessible and convenient location where businesses can operate and contribute to an increased economic activity and promote job creation in the areas where our properties are located.	No Negative impact identified.	
commercial space	We provide a space where merchants market their products. The Commercial Area of DD Plaza has an activity center which can be used by local communities, groups and associations like schools, LGUs for their programs and activities.	No Negative impact identified.	The Company may explore avenues for recycling water and consider facilities for rainwater collection, waste water treatment and recycling facility.

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*