

 DDMP REIT FUND MANAGERS, INC.

 DDMP REIT, INC.

**PERFORMANCE REPORT FOR THE  
THIRD QUARTER OF 2021**

November 15, 2021

This document was prepared by DDMP REIT FUND MANAGERS, INC for DDMP REIT, INC. (“DDMPR” or the “Company”) in compliance with the reportorial requirements of the REIT Implementing Rules & Regulations under Republic Act No. 9856.

**PERFORMANCE REPORT FOR THE  
THIRD QUARTER OF 2021**

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## I. PROPERTY PORTFOLIO

DDMP REIT, INC's property portfolio consists of 3 operational office buildings with retail components in DD Meridian Park. 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.

<b>Building</b>	<b>DoubleDragon Plaza</b>	<b>DoubleDragon Center East</b>	<b>DoubleDragon Center West</b>
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	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)

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.

<b>Building (under Construction)</b>	<b>DoubleDragon Tower</b>	<b>Ascott-DD Meridian Park</b>
Expected completion	2021	2022
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	Office GLA: 37,958 sq.m. Retail GLA: 2,786 sq.m.	Number of keys: 349

## II. FINANCIAL PERFORMANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 (UNAUDITED)

### A. Interim Statement of Comprehensive Income for Nine Months Ended September 30, 2021

	Total	Properties under Construction				
		DoubleDragon Plaza	DoubleDragon Center East	DoubleDragon Center West	DoubleDragon Tower	Ascott-DD Meridian Park
Rent income and CUSA	1,552.87	1,170.25	211.42	163.70	7.50	-
Interest income	27.18	-	-	-	27.18	-
Other income	225.36	136.87	47.57	1.30	39.62	-
Revenue	1,805.41	1,307.12	258.99	165.00	74.30	-
General and administrative expenses	147.03	117.19	12.45	11.14	3.65	2.60
Interest expense	27.12	15.01	9.53	2.58	-	-
Marketing expenses	17.25	11.31	4.55	1.39	-	-
Cost & Expenses	191.40	143.51	26.53	15.11	3.65	2.60
Net Operating Income	1,614.01	1,163.61	232.46	149.89	70.65	(2.60)
Interest income	0.75					
Other Income	0.01					
Less:						
Head Office expenses	(13.56)					
REIT listing expenses	(87.57)					
Income before income tax	1,513.64					
Income tax benefit	1,254.19					
Net Income	2,767.83					

### B. Revenue and Net Operating Income Contribution of Operational Properties

	DoubleDragon Plaza	DoubleDragon Center East	DoubleDragon Center West
Revenue Contribution	72.40%	14.35%	9.14%
Net Operating Income Contribution	72.09%	14.40%	9.29%

**C. Interim Statement of Cash Flows for the Nine Months Ended September 30, 2021 (PHP)**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Income before income tax	1,513,631,848
Adjustments for:	
Interest expense	27,128,160
Interest income	(27,925,877)
Depreciation and amortization	5,078,114
Unrealized gains from changes in fair values of investment property	-
Operating income before working capital changes	1,517,912,245
Decrease (increase) in:	
Receivables	219,266,948
Due from related parties	2,983,487
Prepaid expenses and other current assets	256,631,641
Increase (decrease) in:	
Accounts payable and other current liabilities	(58,314,246)
Due to related parties	(400)
Other noncurrent liabilities	(8,767,052)
Cash generated from operations	1,929,712,623
Interest received	746,422
Income tax paid	(83,132,671)
Net cash provided by operating activities	1,847,326,374
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Additions to investment property	(161,065,575)
Sale of subsidiaries	51,250,000
Decrease in other noncurrent assets	53,891,527
Finance lease	(1,093,398,747)
Acquisition of property and equipment	(594,644)
Net cash used in investing activities	(1,149,917,439)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Dividends paid	(1,219,241,397)
Net cash used in financing activities	(1,219,241,397)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(521,832,462)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>1,037,567,817</b>
<b>CASH AND CASH EQUIVALENTS AT PERIOD OF YEAR</b>	<b>515,735,355</b>

**D. Distributable Income and Dividends as of September 30, 2021**

	<b>September 30, 2021</b>
Net income of the Parent Company	<b>P2,767,825,330</b>
Fair value adjustments of investment Property resulting to gain (after tax)	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	<b>(46,171,706)</b>
Adjustment in deferred tax due in change in corporate income tax rate	<b>(1,312,826,591)</b>
Distributable Income for the nine months ended September 30, 2021	<b>1,408,827,033</b>
Distributable Income as of January 1, 2021	<b>365,056,335</b>
Less:	
Dividends declared for the nine months ended September 30, 2021	<b>(1,219,241,396)</b>
	<b>P554,641,972</b>

**2021 Dividends**

Dividends Paid May 10, 2021	365,056,218
Dividends Paid June 10, 2021	358,973,844
Dividends Paid September 13, 2021	495,211,334
<b>Total Dividends Paid as of September 30, 2021</b>	<b>1,219,241,396</b>
Dividends for payment December 13, 2021	499,169,031
<b>Total Dividends for 2021</b>	<b>1,718,410,427</b>

DDMPR cash dividends from third quarter earnings of 2021 is PHP 499.17 million and will be paid on December 13, 2021.

**E. Key Performance Indicators as of September 30, 2021**

Current Ratio	3.77
Asset to Equity	1.23
Debt to Equity Ratios	N/A (no debt)
On Gross Basis	-
On Net Basis	-
Acid Test Ratio	3.23
Return on Equity	7.63%
Net Income to Revenue	153.24%
Revenue Growth	-71.61%
Income Growth	-37.32%
Core Revenue Growth	19.6%
Core Income Growth	+171.68%
EBITDA	PHP 1,545.8 million
Solvency Ratio	0.33
Interest Coverage Ratio	N/A (no debt)

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

**Current Ratio** = Current Assets divided by Current Liabilities

**Asset to Equity Ratio** = Total Assets divided by Total Stockholders' Equity

**Debt to Equity Ratio**

(Gross Basis) = Total Interest Bearing Short Term and Long-Term Debt divided by Total Equity

(Net Basis) = Total Interest Bearing ShortTerm and Long-Term Debt less Cash and Cash Equivalent divided by Total Equity

**Return on Equity** = Net Income Attributable to Owners of the Parent divided by Average Equity Attributable to the Owners of the Parent

**Net Income to Revenue** = Net Income Attributable to Owners of the Parent divided by Total Revenue

**Revenue Growth** = Total Revenue (Current Period) less Total Revenue (Prior Period) divided by Total Revenue (Prior Period)

**Income Growth** = Net Income Attributable to Owners of the Parent (Current Period) less Net Income Attributable to Owners of the Parent (Prior Period) divided by Net Income Attributable to Owners of the Parent (Prior Period)

**Core Revenue Growth** = Total Revenue excluding FV Gains (Current Period) less Total Revenue excluding FV Gains (Prior Period) divided by Total Revenue excluding FV Gains (Prior Period)

**Core Income Growth** = Net Income Attributable to Owners of the Parent excluding FV Gains (Current Period) less Net Income Attributable to Owners of the Parent excluding FV Gains (Prior Period) divided by Net Income Attributable to Owners of the Parent excluding FV Gains (Prior Period)

**EBITDA** = Net Income plus Depreciation and Amortization plus Interest Expense

**Acid Test Ratio** = Cash plus Accounts Receivable plus Marketable Securities divided by Current Liabilities

**Solvency Ratio** = Net Income plus Depreciation and Amortization divided by Total Liabilities

**Interest Coverage Ratio** = Earnings Before Interest and Taxes divided by Interest Paid

## F. Borrowings

As of September 30, 2021, the Company has no bank borrowings or intercompany debts.

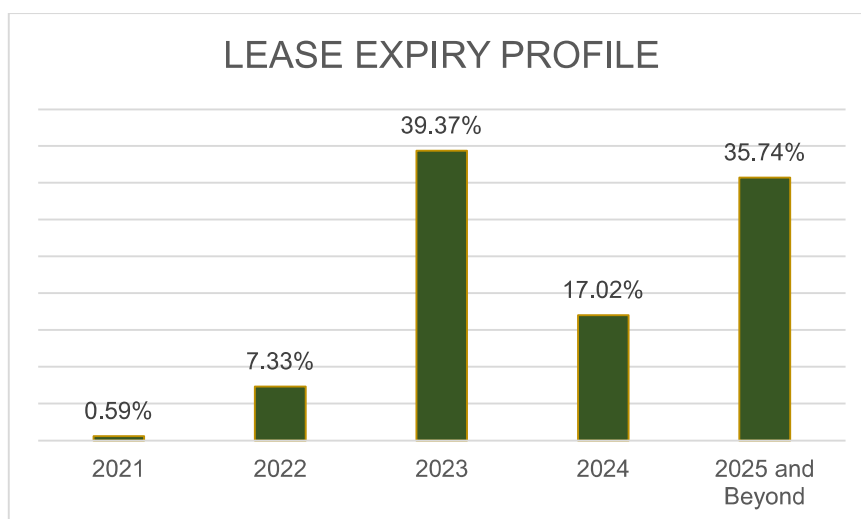
## III. OPERATIONAL STATISTICS AS OF SEPTEMBER 30, 2021

	<b>DoubleDragon Plaza</b>	<b>DoubleDragon Center East</b>	<b>DoubleDragon Center West</b>
Valuation	₱29,007.4 million	₱2,931.9 million	₱3,450.2 million
WALE (years)	3.12	2.78	2.38
Rental Income for the nine months ended September 30, 2021	₱1,106.3 million	₱191.3 million	₱153.6 million
Rental Contribution for the nine months ended September 30, 2021	75.84%	13.11%	10.53%

### A. Occupancy Rate

Building	GLA in sqm.	Occupied Area	Occupancy Rate
DoubleDragon Plaza	139,239.41	136,259.69	97.86%
DoubleDragon Center East	16,197.20	16,197.20	100.00%
DoubleDragon Center West	16,815.02	15,844.79	94.23%
<b>Total</b>	<b>172,251.63</b>	<b>168,301.68</b>	<b>97.71%</b>

### B. Lease Expiry



## IV. OTHER METRICS

### A. Office Industry Benchmark

All of DDMPR's properties perform better than the industry average in terms of occupancy rate and average lease rate per sqm.

	<b>DoubleDragon Plaza</b>	<b>DoubleDragon Center East</b>	<b>DoubleDragon Center West</b>
Occupancy Rate	97.86%	100.00%	94.23%
Average Lease Rate (Monthly PHP/sqm)	743.42 – 1,593.63	1,306.80	875.05 – 1,603.97

Metro Manila Property Benchmarks for Q3 2021:

	<b>Q3 2021</b>
Averaged Lease Rate	Php 744 / sqm
Vacancy Rate	13.90%
Occupancy	86.10%

Source: Colliers Quarterly | Property Market Report – Office | Q3 2021 | Philippines dated October 29, 2021



**B. Net Asset Value and Market Capitalization**

Net Asset Value as of September 30, 2021

Net Asset Value	37,065.34 Million
Net Asset Value per share	2.08

Market Capitalization as of September 30, 2021

Market capitalization	32,089.44 Million
Market Price per share	1.80

**CERTIFICATION**


The Performance Report was prepared and assembled under our supervision in accordance with existing rules of Securities and Exchange Commission. The information and data provided herein are complete, true and correct to the basis of our knowledge and/or based on authentic records.

By:

**DDMP REIT FUND MANAGERS, INC.**

Fund Manager of DDMP REIT, INC.

  
Pearl Anne A. Escote  
 Attorney-in-fact

  
Marriana H. Yulo  
 Attorney-in-fact

SUBSCRIBED AND SWORN to before me this NOV 16 2021 at Pasay City, Philippines, affiant/s exhibited to me their identification :

Name	ID Number	Issued at/Expiry Date
PEARL ANNE A. ESCOTE	PASPORT NO. P628904B	DFA MANILA / 19 JAN 2031
MARRIANA H. YULO	PASPORT NO. P7881601A	DFA MANILA / 10 JUL 2028

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