



SEC No. 200930354  
File No. \_\_\_\_\_

**DOUBLED DRAGON CORPORATION**  
(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)

**8856 7111**  
(Telephone Number)

**December 31**  
(Fiscal Year ending)

**Form 17-Q for the First Quarter of 2024**  
(Form Type)

**N/A**  
Amendment Designation

**N/A**  
Period Ended Date

**N/A**  
(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **March 31, 2024**
2. Commission identification number **CS200930354** 3. BIR Tax Identification No. **287-191-423-000**
4. Exact name of issuer as specified in its charter: **DoubleDragon Corporation**
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**

**2,345,028,600**

**Preferred Shares**

**100,000,000**

**Total Debt (in Million of Pesos)**

**63,261.82**

11. Are any or all of the securities listed on a Stock Exchange?

Yes ☒ No ☐

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

Stock Exchange: **Philippine Stock Exchange**

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

12. Indicate by check mark whether the registrant:

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

Yes ☒ No ☐ N/A

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

Yes ☒ No ☐ N/A

## **PART I--FINANCIAL INFORMATION**

### **Item 1. Financial Statements.**

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

- a) Unaudited Condensed Consolidated Interim Statements of Comprehensive Income for the three months ended March 31, 2024 and March 31, 2023;
- b) Notes to the Unaudited Condensed Consolidated Interim Financial Statement
- c) Unaudited Condensed Consolidated Interim Statements of Financial Position as of March 31, 2024 and December 31, 2023 (audited);
- d) Unaudited Condensed Consolidated Interim Statements of Changes in Equity for the three months ended March 31, 2024 and March 31, 2023; and
- e) Unaudited Condensed Consolidated Interim Statements of Cash Flows for the three months ended March 31, 2024 and March 31, 2023.

# DOUBLEDRAGON CORPORATION AND SUBSIDIARIES

**UNAUDITED CONDENSED  
INTERIM FINANCIAL STATEMENTS  
As of March 31, 2024 and December 31, 2023 and  
For the Three Months Ended March 31, 2024 and 2023**

**DOUBLEDRAGON CORPORATION AND SUBSIDIARIES**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	(Unaudited) March 31, 2024	(Audited) December 31, 2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	P2,546,928,407	P2,918,467,996
Receivables – net	15,235,026,328	14,295,415,072
Inventories	4,472,128,597	4,522,224,068
Due from related parties	49,356,220	49,356,220
Prepaid expenses and other current assets - net	6,228,668,979	6,248,446,537
<b>Total Current Assets</b>	<b>28,532,108,531</b>	<b>28,033,909,893</b>
<b>Noncurrent Assets</b>		
Receivables - net of current portion	298,601,611	298,601,611
Property and equipment - net	1,328,968,521	1,201,682,700
Goodwill and other intangible assets	1,088,075,161	1,091,535,467
Investment property	148,923,405,539	147,937,015,015
Right-of-use assets - net	-	15,331,566
Deferred tax assets	152,051,783	145,948,729
Other noncurrent assets	2,990,614,910	2,515,921,894
<b>Total Noncurrent Assets</b>	<b>154,781,717,525</b>	<b>153,206,036,982</b>
	<b>P183,313,826,056</b>	<b>P181,239,946,875</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities	P9,309,429,770	P8,420,812,394
Short-term loans payable and current maturities of long-term notes payable, net of debt issue costs	10,060,578,570	15,283,212,952
Customers' deposits	857,630,322	685,020,347
Due to related parties	560,812,383	560,812,383
Dividends payable	242,125,000	486,308,726
Income tax payable	19,356,632	18,038,820
<b>Total Current Liabilities</b>	<b>21,049,932,677</b>	<b>25,454,205,622</b>
<b>Noncurrent Liabilities</b>		
Long-term notes payable - net of current maturities and debt issue costs	35,187,508,588	29,425,257,668
Bonds payable - net of bond issue costs	18,562,209,084	18,553,351,918
Lease liabilities - noncurrent portion	1,225,135,966	1,219,162,429
Deferred tax liabilities	10,774,611,288	10,695,557,305
Customers' deposits - net of current portion	16,047,256	-
Retirement benefits liability	45,795,658	45,795,658
Other noncurrent liabilities	1,425,750,224	1,278,244,992
<b>Total Noncurrent Liabilities</b>	<b>67,237,058,064</b>	<b>61,217,369,970</b>
<b>Total Liabilities</b>	<b>88,286,990,741</b>	<b>86,671,575,592</b>

Forward

	(Unaudited) March 31, 2024	(Audited) December 31, 2023
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Capital stock	<b>P10,237,310,060</b>	P10,237,310,060
Additional paid-in capital	<b>5,540,589,852</b>	5,540,589,852
Retained earnings	<b>37,385,158,812</b>	37,357,785,252
Treasury stock	<b>(391,673,305)</b>	(391,673,305)
Reserves	<b>(402,918,066)</b>	(510,591,641)
	<b>52,368,467,353</b>	52,233,420,218
<b>Non-controlling Interests</b>	<b>42,658,367,962</b>	42,334,951,065
<b>Total Equity</b>	<b>95,026,835,315</b>	94,568,371,283
	<b>P183,313,826,056</b>	P181,239,946,875

**DOUBLEDRAGON CORPORATION AND SUBSIDIARIES**  
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**

	(Unaudited)	
	For the quarters ended March 31	
	2024	2023
<b>INCOME</b>		
Rent income	P919,272,695	P817,615,512
Real estate sales	247,130,140	293,284,387
Hotel revenues	197,340,812	147,586,500
Interest income	17,086,696	6,260,754
Others – net	670,843,370	450,676,345
	<b>2,051,673,713</b>	<b>1,715,423,498</b>
<b>COSTS AND EXPENSES</b>		
Cost of real estate sales	123,359,435	155,024,036
Cost of hotel operations	149,214,382	104,835,390
Selling expenses	41,768,823	27,370,467
General and administrative expenses	539,576,484	407,305,664
Interest expense	530,404,324	460,011,621
	<b>1,384,323,448</b>	<b>1,154,547,178</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>667,350,265</b>	<b>560,876,320</b>
<b>INCOME TAX EXPENSE</b>	<b>74,434,808</b>	<b>40,787,142</b>
<b>NET INCOME/COMPREHENSIVE INCOME</b>	<b>592,915,457</b>	<b>P520,089,178</b>
<b>Net income attributable to:</b>		
Equity holders of the Parent Company	269,498,560	P167,762,706
Non-controlling interest	323,416,897	352,326,472
	<b>P592,915,457</b>	<b>P520,089,178</b>



**DOUBLEDRAGON CORPORATION AND SUBSIDIARIES**  
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**

	<b>Unaudited</b>	
	<b>For the Three Months Ended</b>	
	<b>March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>INCOME</b>		
Rent income	<b>P919,272,695</b>	P817,615,512
Real estate sales	<b>247,130,140</b>	293,284,387
Hotel revenues	<b>197,340,812</b>	147,586,500
Interest income	<b>17,086,696</b>	6,260,754
Others – net	<b>670,843,370</b>	450,676,345
	<b>2,051,673,713</b>	1,715,423,498
<b>COSTS AND EXPENSES</b>		
Cost of real estate sales	<b>123,359,435</b>	155,024,036
Cost of hotel operations	<b>149,214,382</b>	104,835,390
Selling expenses	<b>41,768,823</b>	27,370,467
General and administrative expenses	<b>539,576,484</b>	407,305,664
Interest expense	<b>530,404,324</b>	460,011,621
	<b>1,384,323,448</b>	1,154,547,178
<b>INCOME BEFORE INCOME TAX</b>	<b>667,350,265</b>	560,876,320
<b>INCOME TAX EXPENSE</b>	<b>74,434,808</b>	40,787,142
<b>NET INCOME/COMPREHENSIVE INCOME</b>	<b>592,915,457</b>	P520,089,178
<b>Net income attributable to:</b>		
Equity holders of the Parent Company	<b>269,498,560</b>	167,762,706
Non-controlling interest	<b>323,416,897</b>	352,326,472
	<b>P592,915,457</b>	P520,089,178

**DOUBLEDRAGON CORPORATION**  
**UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31**

	2024		2023	
	Number of Shares	Amount (PHP)	Number of Shares	Amount (PHP)
<b>CAPITAL STOCK</b>				
Authorized				
Common Shares - P0.10 par value - February 10, 2014; P1 par value - April 10, 2013; P100 par value - 2012	5,000,000,000	500,000,000	5,000,000,000	500,000,000
Preferred Shares - P100 par value - April 14, 2016	200,000,000	20,000,000,000	200,000,000	20,000,000,000
Issued and outstanding				
Balance at March 31 - common shares	2,373,100,600	237,310,060	2,373,100,600	237,310,060
Balance at March 31 - preferred shares	100,000,000	10,000,000,000	100,000,000	10,000,000,000
<b>Balance at March 31</b>		<b>10,237,310,060</b>		<b>10,237,310,060</b>
<b>ADDITIONAL PAID-IN CAPITAL</b>		<b>5,540,589,852</b>		<b>5,540,589,852</b>
<b>RETAINED EARNINGS</b>				
Balance at beginning of year		37,357,785,252		29,610,178,785
Net income for the period		269,498,560		167,762,706
Dividends declared		(242,125,000)		(165,000,000)
<b>Balance at March 31</b>		<b>37,385,158,812</b>		<b>29,612,941,491</b>
<b>RESERVES</b>		<b>(402,918,066)</b>		<b>(79,957,722)</b>
<b>LESS: TREASURY SHARES</b>				
Common shares	(28,072,000)	(391,673,305)	(28,072,000)	(391,673,305)
<b>NON-CONTROLLING INTEREST</b>				
Balance at beginning of year		42,334,951,065		36,689,126,859
Net income for the period		323,416,897		352,326,472
<b>Balance at March 31</b>		<b>42,658,367,962</b>		<b>37,041,453,331</b>
		<b>95,026,835,315</b>		<b>81,960,663,707</b>

**DOUBLEDragon CORPORATION AND SUBSIDIARIES**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**

	<b>Unaudited</b>	
	<b>Three Months Ended March 31</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>P667,350,265</b>	P560,876,320
Adjustments for:		
Interest expense	<b>530,404,324</b>	460,011,621
Depreciation and amortization	<b>24,210,994</b>	23,935,809
Interest income	<b>(17,086,696)</b>	(6,260,754)
Impairment loss on receivables	<b>21,547,186</b>	277,704
Operating income before working capital changes	<b>1,226,426,073</b>	1,038,840,700
Decrease (Increase) in:		
Receivables	<b>(775,999,222)</b>	(813,153,306)
Inventories	<b>50,095,471</b>	(29,415,327)
Prepaid expenses and other current assets	<b>19,777,558</b>	118,828,197
Increase (Decrease) in:		
Accounts payable and other current liabilities	<b>954,400,205</b>	(920,251,052)
Customers' deposits	<b>172,609,975</b>	154,258,937
Due to related parties	<b>-</b>	(9,500,001)
Cash generated from (absorbed by) operations	<b>1,647,310,060</b>	(460,391,852)
Interest received	<b>17,086,696</b>	6,260,754
Interest paid	<b>(1,303,792,141)</b>	(962,640,991)
Net cash provided by (used in) operating activities	<b>360,604,615</b>	(1,416,772,089)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to:		
Investment property	<b>(438,094,899)</b>	(255,928,962)
Property and equipment	<b>(22,321,619)</b>	(52,996,399)
Other intangible assets	<b>-</b>	(8,705)
Decrease (Increase) in other noncurrent assets	<b>(277,344,528)</b>	64,586,683
Net cash used in investing activities	<b>(737,761,046)</b>	(244,347,383)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from:		
Availment of notes, net of debt issue costs	<b>4,164,620,000</b>	6,276,000,000
Payments of:		
Notes and loans	<b>(3,672,694,382)</b>	(539,795,215)
Dividends	<b>(486,308,776)</b>	(411,548,130)
Increase (decrease) in other noncurrent liabilities	<b>-</b>	(184,152,579)
Net cash provided (used) by financing activities	<b>5,616,842</b>	5,140,504,076
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(371,539,589)</b>	3,479,384,604
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,918,467,996</b>	5,547,000,190
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>P2,546,928,407</b>	P9,026,384,794

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**DOUBLEDragon CORPORATION AND SUBSIDIARIES**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL**  
**STATEMENTS**

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**1. Reporting Entity**

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

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

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

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**2. Basis of Preparation**

The condensed consolidated interim financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34, Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2022. The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements in accordance with Philippine Financial Reporting Standards (PFRS), and should be read in conjunction with the audited consolidated financial statements of DoubleDragon Corporation and Subsidiaries (collectively referred to as the “Group”) as at and for the year ended December 31, 2022. The audited consolidated financial statements are available upon request from the Group’s registered office at DD Meridian Park Bay Area, Corner Macapagal Avenue and EDSA Extension Boulevard, Brgy. 76 Zone 10, San Rafael, Pasay City, Metro Manila.

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

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### 3. Summary of Significant Accounting Policies

Except as described below, the accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements as of and for the year ended December 31, 2022. The following changes in accounting policies are also expected to be reflected in the Company's financial statements as of and for the year ended December 31, 2023.

**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, 2023 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Company's financial statements.

#### *Effective January 1, 2023*

- *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.

- *Definition Disclosure of Accounting Policies (Amendments to PAS 1 Presentation of Financial Statements and PFRS Practice Statement 2 Making Materiality Judgements).* The amendments are intended to help companies provide useful accounting policy disclosures. The key amendments to PAS 1 include:
  - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves 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 themselves material to a entity's financial statements.

The amendments to PFRS Practice Statement 2 includes guidance and additional examples on the application of materiality to accounting policy disclosures.

The amendments are effective from January 1, 2023. Earlier application is permitted.

- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to PAS 12 Income Taxes)*. The amendments clarify 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.

*Effective January 1, 2024*

- *Lease Liability in a Sale and Leaseback (Amendments to PFRS 16 Leases)*. The amendments confirm the following:
  - On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and- leaseback transaction.
  - After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. For example, the seller-lessee could determine the lease payments to be deducted from the lease liability as expected lease payments or as equal periodic payments over the lease term, with the difference between those payments and amounts actually paid recognized in profit or loss.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Under PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, a seller- lessee will need to apply the amendments retrospectively to sale-and- leaseback transactions entered into or after the date of initial application of PFRS 16.

- *Classification of Liabilities as Current or Noncurrent - 2020 amendments and Non-Current Liabilities with Covenants - 2022 amendments (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 only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
- provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
- clarified that settlement of a liability includes transferring an entity'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 noncurrent.

The amendments will apply retrospectively for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Entities that have early applied the 2020 amendments may retain application until the 2022 amendments are applied. Entities that will early apply the 2020 amendments after issue of the 2022 amendments must apply both amendments at the same time.

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

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to PFRS 10 Consolidated Financial Statements and PAS 28 Investments in Associates and Joint Ventures).* The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

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

Deferral of the following provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry and IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23)

- *PIC Q&A 2018-12-D.* The mismatch between the percentage of completion of the Group's real estate projects and right to an amount of consideration based on the schedule of payments, as stated in the contract to sell, would constitute a significant financing component.

Interest income is recognized if the percentage of completion of real estate projects is higher than the right to an amount of consideration while interest expense is recognized if the latter is higher.

On October 25, 2018 and February 8, 2019, the SEC en banc, through the issuance of SEC Memorandum Circular No. 14, Series of 2018 and SEC Memorandum Circular No. 3, Series of 2019, respectively, decided to provide a relief to the real estate industry by deferring the application of the above PIC Q&As for a period of three (3) years.

- The IFRIC Agenda Decision (March 2019 IFRIC Update) clarified whether borrowing costs may be capitalized in relation to the construction of a residential multi-unit real estate development which are sold to customers prior to start of construction or completion of the development. Under the March 2019 IFRIC Update, the Committee clarified that the related assets that might be recognized in the Group's financial statements (i.e., installment contract receivable, contract asset, or inventory) will not qualify as a qualifying asset and the corresponding borrowing cost may no longer be capitalized.

On February 21, 2020, the SEC, thru its memorandum circular No. 4, series of 2020, defers the implementation of March 2019 IFRIC Update until December 31, 2020.

On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

After the deferral period, the Group will adopt PIC Q&A No. 2018-12 and any subsequent amendments thereto retrospectively or as the SEC will later prescribe.

The Group availed of the SEC relief on the accounting for significant financing component of PIC Q&A 2018-12-D and IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23). Had this provision been adopted, the Group assessed that the impact would have been as follows:

- Adoption of PIC Q&A 2018-12-D would have impacted interest income, interest expense, revenue from real estate sales, installment contract receivables and deferred taxes for all years presented and the opening balance of retained earnings. These would have impacted the cash flows from operations and cash flows from financing activities for all years presented.
- Adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) would have impacted real estate inventory, interest expense and cost of real estate sales for all years presented and the opening balance of retained earnings. These would have impacted the cash flows from operations.

The Group is still in the process of assessing the impact of these deferred provisions.



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#### **4. Use of Judgments and Estimates**

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

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those the applied to the consolidated financial statements as at and for the year ended December 31, 2022.

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#### **5. Segment Information**

##### Operating Segments

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

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

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

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

The Group has three significant reportable segments for 2021 and 2020, namely the real estate development, leasing, and hospitality. Leasing segment is presented into three sub-segments, which composed of retail, office and industrial.

##### Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist primarily of operating cash, receivables, real estate inventories, prepaid expenses and other current assets, property and equipment and computer software licenses, net of accumulated depreciation and amortization, investment property and other noncurrent assets. Segment liabilities include all operating liabilities and consist

primarily of accounts payable and other current liabilities, customers' deposits and other noncurrent liabilities. Segment assets and liabilities do not include deferred taxes.

Inter-segment Transactions

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

Major Customer

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

## Operating Segments

Analyses of financial information by business segment follow:

**March 31, 2024**

	Real Estate Development	Retail Leasing	Office Leasing	Industrial Leasing	Hospitality	Others	Eliminations	Consolidated
<b>Revenue</b>								
External revenues	P274,758,177	P115,667,184	P467,924,635	P39,158,343	P192,882,348	P961,283,026	P -	P2,051,673,713
Inter-segment	-	108,523,645	147,641,698	-	4,458,464	841,329,570	(1,101,953,377)	-
<b>Total Revenue</b>	<b>P274,758,177</b>	<b>P224,190,829</b>	<b>P615,566,333</b>	<b>P39,158,343</b>	<b>P197,340,812</b>	<b>P1,802,612,596</b>	<b>(P1,101,953,377)</b>	<b>P2,051,673,713</b>
<b>Segment Results</b>	<b>P131,788,436</b>	<b>P47,098,033</b>	<b>P399,440,397</b>	<b>P33,557,668</b>	<b>P22,300,180</b>	<b>P121,452,052</b>	<b>(P162,721,309)</b>	<b>P592,915,457</b>
<b>Total Comprehensive Income Attributable to</b>								
Equity holders of the Parent	P -	P -	P -	P -	P -	P -	P -	P269,498,560
Non-controlling interests	-	-	-	-	-	-	-	323,416,897
	<b>P -</b>	<b>P -</b>	<b>P -</b>	<b>P -</b>	<b>P -</b>	<b>P -</b>	<b>P -</b>	<b>P592,915,457</b>
<b>Segment Assets</b>	<b>P9,275,807,201</b>	<b>P85,370,676,282</b>	<b>P82,232,289,766</b>	<b>P9,204,936,493</b>	<b>P9,539,891,022</b>	<b>P86,878,500,621</b>	<b>(P99,188,275,329)</b>	<b>P183,313,826,056</b>
<b>Segment Liabilities</b>	<b>P10,466,245,624</b>	<b>P84,649,784,901</b>	<b>P17,658,751,083</b>	<b>P1,383,567,621</b>	<b>P9,749,903,903</b>	<b>P42,329,000,632</b>	<b>(P77,950,263,023)</b>	<b>P88,286,990,741</b>
<b>Other Information</b>								
Capital expenditures	P9,509,864	P114,207,194	P181,135,973	P73,263,381	P82,300,106	P -	P -	P460,416,518
Depreciation and amortization	P1,331,099	P2,053,820	P484,536	P -	P7,281,197	P537,717	P12,522,625	P24,210,994

December 31, 2023

	Real Estate Development	Retail Leasing	Office Leasing	Industrial Leasing	Hospitality	Others	Eliminations	Consolidated
Revenue								
External revenues	P1,425,351,895	P8,407,527,475	P10,965,679,449	P375,198,567	P655,938,416	P2,912,184,115	P -	P24,741,879,917
Inter-segment	-	720,488,862	209,732,882	-	15,733,654	3,976,664,918	(4,922,620,316)	-
Total Revenue	P1,425,351,895	P9,128,016,337	P11,175,412,331	P375,198,567	P671,672,070	P6,888,849,033	(P4,922,620,316)	P24,741,879,917
Segment Results	P260,575,561	P3,900,655,595	P13,802,830,020	P320,405,337	P771,234,835	(P1,359,373,480)	(P1,768,968,365)	P15,927,359,503
Total Comprehensive Income Attributable to								
Equity holders of the Parent	P -	P -	P -	P -	P -	P -	P -	P9,251,261,972
Non-controlling interests	-	-	-	-	-	-	-	6,676,097,531
	P -	P -	P -	P -	P -	P -	P -	P15,927,359,503
Segment Assets	P10,852,060,542	P74,102,860,421	P90,898,000,048	P9,154,475,890	P12,798,896,117	P82,397,482,782	(P98,963,828,925)	P181,239,946,875
Segment Liabilities	P3,736,381,755	P58,694,052,790	P8,156,114,640	P926,140,162	P10,273,980,064	P82,719,868,212	(P77,834,962,031)	P86,671,575,592
Other Information								
Capital expenditures	P227,273,520	P400,753,506	P896,988,845	P93,484,071	P2,172,923,567	P -	P -	P3,791,423,509
Depreciation and amortization	P10,107,816	P14,327,127	P14,829,089	P -	P38,726,982	P97,252,623	(P25,879,177)	P149,364,460

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

## 6. Cash and Cash Equivalents

This account consists of:

	March 31, 2024	December 31, 2023
Cash on hand	<b>P224,784,452</b>	P227,544,231
Cash in banks	<b>2,322,143,955</b>	2,128,208,928
Short-term placements	-	562,714,837
	<b>P2,546,928,407</b>	P2,918,467,996

Cash in banks earn annual interest at the respective bank deposit rates. Short-term placements are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn annual interest at the respective short-term placement rates. Total interest income from cash in banks and short-term placements amounted to P0.32 million and P1.74 million for the three months ended March 31, 2024 and 2023, respectively.

## 7. Receivables

This account consists of:

	March 31 2024	December 31, 2023
Installment contracts receivable	<b>P3,398,065,679</b>	P3,344,028,359
Rent receivable	<b>11,789,088,685</b>	10,859,574,039
Receivables from:		
Contractors	<b>159,360,329</b>	159,360,329
Tenants	<b>66,697,576</b>	59,878,306
Condominium corporation and unit owners	<b>89,654,791</b>	89,091,171
Hotel operations	<b>77,365,117</b>	127,697,511
Leasehold rights' buyers	<b>346,848,421</b>	355,050,959
Advances to employees	<b>36,714,653</b>	28,436,133
Others	<b>62,319,404</b>	64,386,768
	<b>16,026,114,655</b>	15,087,503,575
Less allowance for impairment loss	<b>791,088,327</b>	792,088,503
	<b>P15,235,026,328</b>	P14,295,415,072

Installment contracts receivable from real estate buyers pertains to receivables from the sale of condominium and subdivision units. These receivables are collectible in monthly installments over a period of one to five years. These non-interest bearing installment contracts receivable are discounted using effective annual interest rates ranging from 5.00% to 10.00% that are specific to the tenor of the installment contracts receivable. Titles to real estate properties are not transferred to the buyers until full payment has been made.

Rent receivable pertains to receivables arising from the lease of commercial and

office spaces relating to the Group's CityMall, CentralHub and DD Meridian Park operations. These are generally collectible within 30 days. This account also consists 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.

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

Other income includes CUSA and interest and penalties charged to tenant advertising income, retail and restaurant sales and other charges

## 8. Prepaid expenses and other current assets - net

This account consists of:

	March 31, 2024	December 31, 2023
Input VAT – net	<b>P2,162,887,834</b>	P2,252,395,076
Advances to contractors and suppliers	<b>1,870,473,481</b>	1,807,179,442
Creditable withholding taxes	<b>666,964,416</b>	601,179,748
Prepaid expenses:		
Taxes	<b>1,330,907,258</b>	1,349,198,246
Commission	<b>5,403,631</b>	12,737,482
Insurance	<b>13,011,318</b>	9,998,412
Others	<b>111,614,401</b>	107,733,475
Refundable deposits	<b>10,094,437</b>	8,741,876
Other current assets	<b>57,312,203</b>	99,282,780
	<b>P6,228,668,979</b>	P6,248,446,537

## 9. Goodwill and Intangible Assets

This account consists of:

	March 31, 2024	December 31, 2023
Hotel101 brand	<b>P664,300,000</b>	P664,300,000
Goodwill	<b>350,377,742</b>	350,377,742
Franchise rights	<b>35,254,778</b>	39,163,752
Computer software licenses – net	<b>7,960,523</b>	8,770,482
Concession right	<b>23,933,650</b>	24,263,719
Others	<b>6,248,468</b>	4,659,772
	<b>P1,088,075,161</b>	P1,091,535,467

The recoverable amount of the cash-generating unit was determined to be higher than its carrying amount as at March 31, 2024 and December 31, 2023. Hence, management assessed that there is no impairment loss in the value of goodwill for the three months ended March 31, 2024 and 2023.

## 10. Investment Property

This account consists of:

	March 31, 2024	December 31, 2023
Land	<b>P31,231,448,567</b>	P31,194,347,423
Building	<b>101,810,464,564</b>	101,207,446,360
Right-of-use assets – land	<b>1,318,929,926</b>	1,322,601,062
Construction in progress	<b>14,562,562,482</b>	14,212,620,170
	<b>P148,923,405,539</b>	P147,937,015,015

The following table provides the fair value hierarchy of the Group's investment property as at March 31, 2024 and December 31, 2023:

		Level 2	
		March 31, 2024	December 31, 2023
Date of Valuation			
Land	Various	<b>P31,553,055,293</b>	P31,553,055,293
Commercial	Various	<b>55,013,756,578</b>	54,027,366,054
Corporate/office	Various	<b>62,356,593,668</b>	62,356,593,668
		<b>P148,923,405,539</b>	P147,937,015,015

The Group recognized unrealized gains from changes in fair values of investment property amounting to nil for the three months ended March 31, 2024 and 2023, respectively.

## 11. Short-term and Long-term Debts

### Notes Payable

Details of the account are as follows:

	March 31, 2024	December 31, 2023
Balance at beginning of the year	<b>P45,077,772,952</b>	P41,483,322,832
Availments	<b>4,164,620,000</b>	7,597,200,000
Payments	<b>(3,672,694,382)</b>	(4,002,749,880)
	<b>45,569,698,570</b>	45,077,772,952
Less short-term notes and current portion of long-term notes	<b>10,060,578,570</b>	15,283,212,952
Noncurrent portion	<b>35,509,120,000</b>	29,794,560,000
Less unamortized debt issue costs	<b>321,611,412</b>	369,302,332
	<b>P35,187,508,588</b>	P29,425,257,668

The long-term debt agreements contain, among others, covenants relating to maintenance of certain financial ratios, working capital requirements, restrictions on loans and guarantees, disposal of a substantial portion of assets, capital expenditures, significant changes in the ownership, payments of dividends and redemption of capital stock.

The Group is in compliance with the covenants of the debt agreements as at March 31, 2024 and December 31, 2023.

### Bonds Payable

Details of the account are as follows:

	<b>March 31, 2024</b>	December 31, 2023
Balance at beginning and end of year	<b>P18,615,000,000</b>	P15,000,000,000
Availments	-	3,615,000,000
	<b>18,615,000,000</b>	18,615,000,000
Less unamortized debt issue costs	<b>52,790,916</b>	61,648,082
	<b>P18,562,209,084</b>	P18,553,351,918

### **12. Other noncurrent liabilities**

This account consists of:

	<b>March 31, 2024</b>	December 31, 2023
Security deposits - net of current	<b>P262,371,829</b>	P273,196,848
Unearned rent income	<b>156,362,047</b>	124,276,990
Deferred output VAT - net	<b>905,853,819</b>	779,608,627
Retention payable - net of current	<b>101,162,529</b>	101,162,527
	<b>P1,425,750,224</b>	P1,278,244,992

### **13. Income Taxes**

Income tax expense (benefit) consists of:

	For the three months ended	
		March 31
	<b>2024</b>	2023
Current	<b>P1,483,879</b>	P429,307
Deferred	<b>72,950,929</b>	40,357,835
	<b>P74,434,808</b>	P40,787,142

On November 26, 2020, the Corporate Recovery and Tax Incentives for Enterprises ("CREATE") Bill was approved by the Senate of the Philippines. Under the CREATE Bill, domestic corporations will be subjected to 25% or 20% income tax depending on the amount of total assets or total amount of taxable income. In addition, MCIT shall be computed at 1% of gross income for a period of three years. The changes in the income tax rates shall retrospectively become effective beginning July 1, 2020.

President Rodrigo Duterte signed into law on March 26, 2021 the CREATE Act to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It takes effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.



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**14. Basic and Diluted Earnings Per Share**

Basic and diluted earnings per share for the three months ended March 31, 2024 and 2023 are computed as follows:

	<b>For the three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Net income attributable to equity holders of the Parent Company	<b>P269,498,560</b>	P167,762,706
Dividends on preferred shares for the period	<b>(242,125,000)</b>	(161,945,000)
Net income attributable to common shareholders of the Parent Company (a)	<b>P27,373,560</b>	P5,817,706
Weighted average number of common shares outstanding (b)	<b>2,345,028,600</b>	2,345,028,600
Dilutive shares arising from stock options	-	-
Adjusted weighted average number of common shares for diluted EPS (c)	<b>2,345,028,600</b>	2,345,028,600
Basic earnings per common share attributable to equity holders of the Parent Company (a/b)	<b>P0.0117</b>	P0.0025
Diluted earnings per common share attributable to equity holders of the Parent Company (a/c)	<b>P0.0117</b>	P0.0025

## 15. Equity

The authorized capital stock of the Parent Company consists of:

	March 31, 2024	December 31, 2023
<b>Authorized Capital Stock</b>		
Common - P0.10 par value	<b>P500,000,000</b>	P500,000,000
Preferred - P100 par value	<b>20,000,000,000</b>	20,000,000,000
<b>Number of Shares Authorized for Issued</b>		
Common	<b>5,000,000,000</b>	5,000,000,000
Preferred	<b>200,000,000</b>	200,000,000

Details of the number of subscribed and outstanding shares are as follows:

	March 31, 2024	December 31, 2023
<b>Common</b>		
Subscribed shares at beginning and end of the period	<b>2,373,100,600</b>	2,373,100,600
Treasury shares	<b>(28,072,000)</b>	(28,072,000)
Outstanding shares at the end of the period	<b>2,345,028,600</b>	2,345,028,600
<b>Preferred</b>		
Balance at beginning and end of the period	<b>100,000,000</b>	100,000,000

### Retained Earnings

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

Type of Dividend	Share Class	Date of Declaration	Date of Record	Date of Payment	Dividend Per Share	Total
Regular Cash Dividend	Preferred	March 16, 2023	March 30, 2023	April 14, 2023	P1.61945	P161.95 million
Regular Cash Dividend	Common	May 15, 2023	June 8, 2023	July 5, 2023	0.2624	615.34 million
Regular Cash Dividend	Preferred	June 16, 2023	July 3, 2023	July 14, 2023	2.42125	242.13 million
Regular Cash Dividend	Preferred	September 15, 2023	September 29, 2023	October 16, 2023	2.42125	242.13 million
Regular Cash Dividend	Preferred	December 14, 2023	December 29, 2023	January 15, 2024	2.42125	242.13 million
Regular Cash Dividend	Preferred	March 16, 2024	March 30, 2023	April 15, 2024	2.42125	242.13 million

### Dividends of Subsidiaries

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

Subsidiary	Share Class	Date of Declaration	Date of Record	Date of Payment	Dividend Per Share	Total
DDMPR	Common	April 17, 2023	May 5, 2023	May 31, 2023	0.0227	P403.967 million
DDMPR	Common	May 15, 2023	June 19, 2023	July 13, 2023	0.0254	452.62 million
DDMPR	Common	September 29, 2023	November 6, 2023	November 29, 2023	0.0255	454.18 million
DDMPR	Common	December 13, 2023	January 22, 2024	February 14, 2024	0.0257	457.84 million
CMGBI	Common	April 17, 2023	April 28, 2023	May 19, 2023	0.0770	26.31 million
HOA	Common	June 1, 2023	June 7, 2023	June 7, 2023	275.8000	148.93 million
CMDCI	Common	April 27, 2023	April 28, 2023	May 19, 2023	0.04070	21.69 million
CMDZI	Common	April 27, 2023	April 28, 2023	May 23, 2023	0.04255	22.69 million
CMTMI	Common	April 27, 2023	April 28, 2023	May 22, 2023	0.03050	18.61 million
CMMBI	Common	April 27, 2023	April 28, 2023	May 3, 2023	5.3100	45.30 million
H101MC	Common	May 31, 2023	June 1, 2023	June 5, 2023	1,054.0000	65.88 million
H101MC	Common	June 6, 2022	June 6, 2022	June 30, 2022	2,431.0000	151.94 million
HOA	Common	May 31, 2022	May 31, 2022	June 16, 2022	205.5000	110.97 million
CMDCI	Common	May 15, 2022	May 15, 2022	June 15, 2022	0.0297	15.83 million
CMDZI	Common	May 15, 2022	May 15, 2022	May 26, 2022	0.0313	16.68 million
CMGBI	Common	May 3, 2022	May 15, 2022	June 9, 2022	0.0630	21.87 million
CMMBI	Common	May 15, 2022	May 15, 2022	June 10, 2022	0.0455	30.33 million
CMTMI	Common	May 15, 2022	May 15, 2022	June 23, 2022	0.0328	20.02 million
DDMPR	Common	May 19, 2022	May 19, 2022	May 30, 2022	0.0278	495.95 million
DDMPR	Common	June 8, 2022	June 8, 2022	June 29, 2022	0.0279	496.82 million
DDMPR	Common	August 31, 2022	August 31, 2022	September 22, 2022	0.0273	486.67 million
DDMPR	Common	December 13, 2022	December 13, 2022	January 9, 2023	0.0273	486.20 million
CMDZI	Common	April 16, 2021	April 30, 2021	April 23, 2021	0.0327	17.45 million
CMTMI	Common	April 16, 2021	April 30, 2021	May 3, 2021	0.0043	2.64 million
CMGBI	Common	April 16, 2021	April 30, 2021	May 21, 2021	0.0533	365.06 million

CMMBI	Common	April 16, 2021	April 30, 2021	May 26, 2021	3.5100	18.21 million
DDMPR	Common	April 14, 2021	April 28, 2021	May 10, 2021	0.0203	23.4 million
DDMPR	Common	May 14, 2021	May 28, 2021	June 10, 2021	0.0201	358.97 million
DDMPR	Common	August 16, 2021	August 31, 2021	September 13, 2021	0.0278	495.21 million
DDMPR	Common	October 15, 2021	October 29, 2021	December 13, 2021	0.0278	495.21 million

## 16. Financial Risk and Capital Management Objectives and Policies

### Objectives and Policies

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

- Credit Risk
- Liquidity Risk
- Interest Rate Risk

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

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

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

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

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

### Credit Risk

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

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

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

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

	March 31, 2024	December 31, 2023
Cash and cash equivalents*	<b>P2,322,143,955</b>	P2,690,923,765
Receivables**	<b>15,533,627,939</b>	14,594,016,683
Due from related parties	<b>49,356,220</b>	49,356,220
Derivative asset designated as cash flow hedge***	<b>218,508,293</b>	164,675,467
Refundable deposits***	<b>193,450,032</b>	194,815,658
	<b>P18,317,086,439</b>	P17,693,787,793

\*Excluding "Cash on hand" account.

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

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

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

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

March 31, 2024	Financial Assets at Amortized Cost				Derivative Asset	Total
	12-month ECL	Lifetime ECL - not	Lifetime ECL - credit			
		credit impaired	impaired			
Cash and cash equivalents (excluding cash on hand)	P2,322,143,955	P -	P -	P -	P2,322,143,955	
Receivables*	234,464,247	15,299,163,692	791,088,327	-	16,324,716,266	
Due from related parties	49,356,220	-	-	-	49,356,220	
Derivative asset**	-	-	-	218,508,293	218,508,293	
Refundable deposits***	193,450,032	-	-	-	193,450,032	
	P2,799,414,454	P15,299,163,692	P791,088,327	P218,508,293	P19,108,174,766	

December 31, 2023	Financial Assets at Amortized Cost				Derivative Asset	Total
	12-month ECL	Lifetime ECL - not	Lifetime ECL - credit			
		credit impaired	impaired			
Cash and cash equivalents (excluding cash on hand)	P2,690,923,765	P -	P -	P -	P2,690,923,765	
Receivables*	756,203,666	13,837,813,017	792,088,503	-	15,386,105,186	
Due from related parties	49,356,220	-	-	-	49,356,220	
Derivative asset**	-	-	-	164,675,467	164,675,467	
Refundable deposits***	194,815,658	-	-	-	194,815,658	
	P3,691,299,309	P13,837,813,017	P792,088,503	P164,675,467	P18,485,876,296	

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

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

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

The following is the aging analysis per class of financial assets as at March 31, 2024 and December 31, 2023:

March 31, 2024	Neither Past Due nor Impaired	Past Due but not Impaired			Impaired	Total
		1 to 90 Days	91 to 360 Days	More than 360 Days		
Cash and cash equivalents	P2,322,143,955	P -	P -	P -	P -	P2,322,143,955
Receivables*	12,252,592,407	1,406,512,983	1,716,234,240	158,288,309	791,088,327	16,324,716,266
Due from related parties	49,356,220	-	-	-	-	49,356,220
Derivative asset designated as cash flow hedge***	218,508,293	-	-	-	-	218,508,293
Refundable deposits**	193,450,032	-	-	-	-	193,450,032
	P15,036,050,907	P1,406,512,983	P1,716,234,240	P158,288,309	P791,088,327	P19,108,174,766

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

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

December 31, 2023	Neither Past Due nor Impaired	Past Due but not Impaired			Impaired	Total
		1 to 90 Days	91 to 360 Days	More than 360 Days		
Cash and cash equivalents*	P2,690,923,765	P -	P -	P -	P -	P2,690,923,765
Receivables**	1,149,767,534	3,010,390,663	4,178,828,449	5,956,428,426	792,088,503	15,087,503,575
Due from related parties	49,356,220	-	-	-	-	49,356,220
Derivative asset***	164,675,467	-	-	-	-	164,675,467
Refundable deposits****	194,815,658	-	-	-	-	194,815,658
	P4,249,538,644	P3,010,390,663	P4,178,828,449	P5,956,428,426	P792,088,503	P18,187,274,685

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

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

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

	March 31, 2024			Total
	High Grade	Medium Grade	Low Grade	
Cash and cash equivalents*	P2,322,143,955	P -	P -	P2,322,143,955
Receivables**	13,631,240,969	1,744,098,661	158,288,309	15,533,627,939
Due from related parties	49,356,220	-	-	49,356,220
Derivative asset***	218,508,293	-	-	218,508,293
Refundable deposits***	193,450,032	-	-	193,450,032
	P16,414,699,469	P1,744,098,661	P158,288,309	P18,317,086,439

\*Excluding "Cash on hand" account.

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

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

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

	December 31, 2023			Total
	High Grade	Medium Grade	Low Grade	
Cash and cash equivalents*	P2,690,923,765	P -	P -	P2,690,923,765
Receivables**	10,477,136,702	3,166,673,229	950,206,753	14,594,016,684
Due from related parties	49,356,220	-	-	49,356,220
Derivative asset***	164,675,467	-	-	164,675,467
Refundable deposits****	194,815,658	-	-	194,815,658
	P13,576,907,812	P3,166,673,229	P950,206,753	P17,693,787,794

\*Excluding "Cash on hand" account.

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

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

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

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

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts. The Group performs credit investigation and evaluation of each buyer to establish paying capacity and creditworthiness. The Group will assess the collectibility of its receivables and provide a corresponding allowance provision once the account is considered impaired.

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

### Liquidity Risk

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

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

As at March 31, 2024					
	Carrying Amount	Contractual Cash Flow	1 Year or Less	1 Year - 5 Years	More than 5 Years
<b>Financial Liabilities</b>					
Accounts payable and other current liabilities*	P7,325,498,638	P7,325,498,638	P7,325,498,638	P -	P -
Due to related parties	560,812,383	560,812,383	560,812,383	-	-
Dividends payable	242,125,000	242,125,000	242,125,000	-	-
Notes payable**	45,248,087,158	52,635,265,084	17,610,722,283	35,024,542,801	-
Bonds payable	18,562,209,084	20,489,591,363	13,192,603,291	7,296,988,073	-
Other noncurrent liabilities*	730,170,561	785,801,534	235,123,071	490,162,507	62,616,269
Lease liabilities	1,309,911,875	2,729,768,002	100,314,100	564,031,057	2,064,318,218

\* Excluding statutory obligations and unearned rent income account.

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

As at December 31, 2023					
	Carrying Amount	Contractual Cash Flow	1 Year or Less	1 Year – 5 Years	More than 5 Years
<b>Financial Liabilities</b>					
Accounts payable and other current liabilities*	P6,853,326,927	P6,853,326,927	P6,853,326,927	P -	P -
Due to related parties	560,812,383	560,812,383	560,812,383	-	-
Dividends payable	486,308,726	486,308,726	486,308,726	-	-
Notes payable**	44,708,470,620	52,700,463,506	14,702,119,366	37,998,344,140	-
Bonds payable	18,553,351,918	20,804,318,997	10,807,933,434	9,996,385,563	-
Other noncurrent liabilities*	707,969,279	794,169,357	237,362,103	490,944,023	65,863,231
Lease liabilities	1,309,911,875	2,831,182,427	101,414,424	564,035,360	2,165,732,642

\* Excluding statutory obligations and unearned rent income account.

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

### Interest Rate Risk

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

### Fair Values

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

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

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

#### *Receivables*

The fair values of installment contract receivable and receivables from leasehold rights' buyers from are based on the discounted value of future cash flows using the applicable rates for similar types of instruments. The fair value of other receivables is

approximately equal to their carrying amounts due to the short-term nature of the financial assets.

*Refundable Deposits/Lease Liabilities/Security Deposits*

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

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

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

Capital Management

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

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

The BOD seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group defines capital as equity, which includes capital stock, additional paid-in capital and retained earnings. There were no changes in the Group's approach to capital management as at March 31, 2024 and December 31, 2023. The Group is not subject to externally-imposed capital requirements.

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## **16. Events after Reporting Period**

The following are the events after the reporting date:

- On April 15, 2024, the Board of Directors of DDMP REIT, Inc. approved a regular cash dividend to the common shareholders in the gross amount of P412.47 million or P0.023137 per share. The regular dividends will be paid to all Common Shareholders on record as of May 7, 2024 and will be paid on May 31, 2024.
- On May 15, 2024, the Board of Directors of DDMP REIT, Inc. approved a regular cash dividend to the common shareholders in the gross amount of P418,517,578 or P0.023476 per share. The regular dividends will be paid to all Common Shareholders on record as of June 19, 2024 and will be paid on July 15, 2024.

**DOUBLEDragon CORPORATION AND SUBSIDIARIES**  
**LOANS AND RECEIVABLES**  
**AS OF MARCH 31, 2024**

	Total	Neither past due nor impaired	Past due but not impaired			
			1 - 90 days	91 - 180 days	181 - 360 days	> 360 days
Loans and receivables	15,533,627,939	11,461,504,080	1,406,512,983	954,051,823	762,182,417	949,376,636

**DOUBLEDragon CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31**

	March 31, 2024	March 31, 2023	Horizontal Analysis		Vertical Analysis	
	(Unaudited)	(Unaudited)	Increase (Decrease)		2024	2023
<b>REVENUES</b>						
Rental income	919,272,695	817,615,512	101,657,183	12.4%	44.8%	47.7%
Real estate sales	247,130,140	293,284,387	(46,154,247)	-15.7%	12.0%	17.1%
Hotel revenues	197,340,812	147,586,500	49,754,312	33.7%	9.6%	8.6%
Interest income	17,086,696	6,260,754	10,825,942	172.9%	0.8%	0.4%
Others - net	670,843,370	450,676,345	220,167,025	48.9%	32.7%	26.3%
	2,051,673,713	1,715,423,498	336,250,215	19.6%	100.0%	100.0%
<b>COST AND EXPENSES</b>						
Cost of real estate sales	123,359,435	155,024,036	(31,664,601)	-20.4%	6.0%	9.0%
Cost of hotel operations	149,214,382	104,835,390	44,378,992	42.3%	7.3%	6.1%
Selling expenses	41,768,823	27,370,467	14,398,356	52.6%	2.0%	1.6%
General and administrative expenses	539,576,484	407,305,664	132,270,820	32.5%	26.3%	23.7%
Interest expense	530,404,324	460,011,621	70,392,703	15.3%	25.9%	26.8%
	1,384,323,448	1,154,547,178	229,776,270	19.9%	67.5%	67.3%
<b>INCOME BEFORE INCOME TAX</b>	667,350,265	560,876,320	106,473,945	19.0%	32.5%	32.7%
<b>INCOME TAX BENEFIT (EXPENSE)</b>	(74,434,808)	(40,787,142)	(33,647,666)	82.5%	-3.6%	-2.4%
<b>NET INCOME</b>	592,915,457	520,089,178	72,826,279	14.0%	28.9%	30.3%
<b>Attributable to:</b>						
Equity holders of the Parent Company	269,498,560	167,762,706	101,735,854	60.6%	13.1%	9.8%
Non-controlling interest	323,416,897	352,326,472	(28,909,575)	-8.2%	15.8%	20.5%
	592,915,457	520,089,178	72,826,279	14.0%	28.9%	30.3%



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

### March 31, 2024 versus March 31, 2023 Results of Operations

#### DOUBLEDRAAGON CORPORATION AND SUBSIDIARIES UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE PERIOD ENDED MARCH 31

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)	Horizontal Analysis		Vertical Analysis	
			Increase (Decrease)		2024	2023
REVENUES						
Rental income	919,272,695	817,615,512	101,657,183	12.4%	44.8%	47.7%
Real estate sales	247,130,140	293,284,387	(46,154,247)	-15.7%	12.0%	17.1%
Hotel revenues	197,340,812	147,586,500	49,754,312	33.7%	9.6%	8.6%
Interest income	17,086,696	6,260,754	10,825,942	172.9%	0.8%	0.4%
Others - net	670,843,370	450,676,345	220,167,025	48.9%	32.7%	26.3%
	2,051,673,713	1,715,423,498	336,250,215	19.6%	100.0%	100.0%
COST AND EXPENSES						
Cost of real estate sales	123,359,435	155,024,036	(31,664,601)	-20.4%	6.0%	9.0%
Cost of hotel operations	149,214,382	104,835,390	44,378,992	42.3%	7.3%	6.1%
Selling expenses	41,768,823	27,370,467	14,398,356	52.6%	2.0%	1.6%
General and administrative expenses	539,576,484	407,305,664	132,270,820	32.5%	26.3%	23.7%
Interest expense	530,404,324	460,011,621	70,392,703	15.3%	25.9%	26.8%
	1,384,323,448	1,154,547,178	229,776,270	19.9%	67.5%	67.3%
INCOME BEFORE INCOME TAX	667,350,265	560,876,320	106,473,945	19.0%	32.5%	32.7%
INCOME TAX BENEFIT (EXPENS	(74,434,808)	(40,787,142)	(33,647,666)	82.5%	-3.6%	-2.4%
NET INCOME	592,915,457	520,089,178	72,826,279	14.0%	28.9%	30.3%
Attributable to:						
Equity holders of the Parent Company	269,498,560	167,762,706	101,735,854	60.6%	13.1%	9.8%
Non-controlling interest	323,416,897	352,326,472	(28,909,575)	-8.2%	15.8%	20.5%
	592,915,457	520,089,178	72,826,279	14.0%	28.9%	30.3%

#### Revenues

DoubleDragon Corporation (“DoubleDragon” or “The Company”) reports Consolidated Revenue figures for the first three months of 2024 at ₱2,051.67 million.

DoubleDragon’s rental revenues increased by ₱101.66 million or 12.43% to 919.27 million during the first three months of 2024 compared to ₱817.62 million during the same period last year, increase is due to the combination of rental escalation and new tenants onboarded.

Real estate sales amounting to ₱247.13 million, a decrease ₱46.15 million or -15.7%, for the three months ended March 31, 2024 compared to the same period in 2023, decrease is due to timing of recognition based on construction completion since unit sales from Hotel101-Niseko Hokkaido Japan and Hotel101-Madrid Spain is recognized based on construction completion and Hotel101 Japan is only in full swing construction in April 2024 and Hotel101-Madrid Spain just commenced it construction in May 2024.

Hotel Revenues of ₱197.34 million also contributed 9.6% of the consolidated revenues for the first three months of 2024, an increase of 33.7% from ₱147.59 million posted in the same period in 2023, due to increase in occupancy rate for hotel properties.

The Company's interest income for the first three months of 2024 increased by ₱10.83 million or, 172.9%, to ₱17.09 million, compared to ₱6.26 million in 2023, as a result of the increase interest income from discounting of receivables.

Furthermore, a ₱220.17 million increase, or 48.9%, in Other Income from ₱450.68 million to ₱670.84 million is accounted due to the increase cinema revenues, revenues from ads/amusement charges, concessionaire revenues, admin charges and aircon charges.

### **Cost and Expenses**

Cost of real estate sales amounting to ₱123.36 million, a decrease by ₱31.66 million, -20.4% for the three months ended March 31, 2024 compared to the same period in 2023, the decrease is related additional costs recognized during the period.

Cost of hotel operations amounting to ₱149.21 million increased by ₱44.38 million, 42.3%, for the three months ended March 31, 2024. The increase is due to higher hotel revenues and rent expense.

Selling expenses of ₱41.77 million increased by ₱14.40 million, or 52.6%, from ₱27.37 million from the same period last year due to more efficient marketing campaigns for the period.

General and administrative expenses of ₱539.58 million increased by ₱132.27 million, or 32.5% due to increase in utilities and other mall operations costs and various professional services.

Interest expense amounting to ₱530.40 million was recognized for the three months ended March 31, 2024 – an increase from ₱460.01 million or 15.3% in the same period last year due to lower capitalized borrowing cost for the period.

### **Income before income tax**

The Company's consolidated income before income tax for the three months ended March 31, 2024 is at ₱667.35 million, an increase of ₱106.47 million or 19.0%, from its consolidated income before income tax of ₱560.88 million recorded for the same period in 2023, due to increased Other Income.

### **Income tax expense**

The Company's income tax expense for the first three months is at ₱74.43 million, an increase of ₱33.65 million, or 82.5%, from its income tax expense of ₱40.79 million recorded for the same period in 2023. Increase in income tax expense is the result of higher taxable income from certain subsidiaries.

### **Net Income**

The Company's consolidated net income of ₱592.92 million increased by ₱72.83 million, for the three months ended March 31, 2024 from ₱520.09 million posted for the same period in the previous year .

## March 31, 2024 versus December 31, 2023 Interim Statements of Financial Position

### DOUBLEDragon CORP. AND SUBSIDIARIES UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT PERIOD ENDED MARCH 31, 2024 & DECEMBER 31, 2023

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Horizontal Analysis		Vertical Analysis	
			Increase (Decrease)		2024	2023
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	2,546,928,407	2,918,467,996	(371,539,589)	-12.7%	1.4%	1.6%
Receivables - net	15,235,026,328	14,295,415,072	939,611,256	6.6%	8.3%	7.9%
Inventories	4,472,128,597	4,522,224,068	(50,095,471)	-1.1%	2.4%	2.5%
Due from related parties	49,356,220	49,356,220	-	0.0%	0.0%	0.0%
Prepaid expenses and other current assets - net	6,228,668,979	6,248,446,537	(19,777,558)	-0.3%	3.4%	3.4%
<b>Total Current Assets</b>	<b>28,532,108,531</b>	<b>28,033,909,893</b>	<b>498,198,638</b>	<b>1.8%</b>	<b>15.6%</b>	<b>15.5%</b>
<b>Noncurrent Assets</b>						
Receivables - net of current portion	298,601,611	298,601,611	-	0.0%	0.2%	0.2%
Property and equipment - net	1,328,968,521	1,201,682,700	127,285,821	10.6%	0.7%	0.7%
Goodwill and intangible assets	1,088,075,161	1,091,535,467	(3,460,306)	-0.3%	0.6%	0.6%
Investment property	148,923,405,539	147,937,015,015	986,390,524	0.7%	81.2%	81.6%
Right-of-use assets - net of current portion	-	15,331,566	(15,331,566)	-100.0%	0.0%	0.0%
Deferred tax assets	152,051,783	145,948,729	6,103,054	4.2%	0.1%	0.1%
Other noncurrent assets	2,990,614,910	2,515,921,894	474,693,016	18.9%	1.6%	1.4%
<b>Total Noncurrent Assets</b>	<b>154,781,717,525</b>	<b>153,206,036,982</b>	<b>1,575,680,543</b>	<b>1.0%</b>	<b>84.4%</b>	<b>84.5%</b>
<b>Total Assets</b>	<b>183,313,826,056</b>	<b>181,239,946,875</b>	<b>2,073,879,181</b>	<b>1.1%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Accounts payable and other current liabilities	9,309,429,770	8,420,812,394	888,617,376	10.6%	5.1%	4.6%
Short-term notes payable and current maturities	10,060,578,570	15,283,212,952	(5,222,634,382)	-34.2%	5.5%	8.4%
Customers' deposits	857,630,322	685,020,347	172,609,975	25.2%	0.5%	0.4%
Due to related parties	560,812,383	560,812,383	-	0.0%	0.3%	0.3%
Dividends payable	242,125,000	486,308,726	(244,183,726)	-50.2%	0.1%	0.3%
Income tax payable	19,356,632	18,038,820	1,317,812	7.3%	0.0%	0.0%
<b>Total Current Liabilities</b>	<b>21,049,932,677</b>	<b>25,454,205,622</b>	<b>(4,404,272,945)</b>	<b>-17.3%</b>	<b>11.5%</b>	<b>14.0%</b>
<b>Noncurrent Liabilities</b>						
Long-term notes payable - net of current maturities and debt issue costs	35,187,508,588	29,425,257,668	5,762,250,920	19.6%	19.2%	16.2%
Bonds payable - net of bond issue costs	18,562,209,084	18,553,351,918	8,857,166	0.0%	10.1%	10.2%
Lease liabilities - net of current portion	1,225,135,966	1,219,162,429	5,973,537	0.5%	0.7%	0.7%
Deferred tax liabilities	10,774,611,288	10,695,557,305	79,053,983	0.7%	5.9%	5.9%
Customers' deposits - net of current portion	16,047,256	-	16,047,256	0.0%	0.0%	0.0%
Retirement benefits liability	45,795,658	45,795,658	-	0.0%	0.0%	0.0%
Other noncurrent liabilities	1,425,750,224	1,278,244,992	147,505,232	11.5%	0.8%	0.7%
<b>Total Noncurrent Liabilities</b>	<b>67,237,058,064</b>	<b>61,217,369,970</b>	<b>6,019,688,094</b>	<b>9.8%</b>	<b>36.7%</b>	<b>33.8%</b>
<b>Total Liabilities</b>	<b>88,286,990,741</b>	<b>86,671,575,592</b>	<b>1,615,415,149</b>	<b>1.9%</b>	<b>48.2%</b>	<b>47.8%</b>

<b>Equity</b>						
<b>Equity Attributable to Equity</b>						
<b>Holders of the Parent</b>						
<b>Company</b>						
Capital stock	237,310,060	237,310,060	-	0.0%	0.1%	0.1%
Preferred shares	10,000,000,000	10,000,000,000	-	0.0%	5.5%	5.5%
Additional paid-in capital	5,540,589,852	5,540,589,852	-	0.0%	3.0%	3.1%
Retained earnings	37,385,158,812	37,357,785,252	27,373,560	0.1%	20.4%	20.6%
Treasury stock	(391,673,305)	(391,673,305)	-	0.0%	-0.2%	-0.2%
Retirement benefits liability	(402,918,066)	(510,591,641)	107,673,575	-21.1%	-0.2%	-0.3%
	52,368,467,353	52,233,420,218	135,047,135	0.3%	28.6%	28.8%
<b>Non-controlling interest</b>	<b>42,658,367,962</b>	<b>42,334,951,065</b>	<b>323,416,897</b>	<b>0.8%</b>	<b>23.3%</b>	<b>23.4%</b>
<b>Total Equity</b>	<b>95,026,835,315</b>	<b>94,568,371,283</b>	<b>458,464,032</b>	<b>0.5%</b>	<b>51.8%</b>	<b>52.2%</b>
<b>Total Liabilities and Equity</b>	<b>183,313,826,056</b>	<b>181,239,946,875</b>	<b>2,073,879,181</b>	<b>1.1%</b>	<b>100.0%</b>	<b>100.0%</b>

As of the end of March 31, 2024, Consolidated Total Assets stood at ₱183.31 billion while Total Equity reached ₱95.03 billion.

### **Current Assets**

Cash amounting to ₱2.55 billion as of March 31, 2024, a decrease of ₱371.54 million or -12.7% from ₱2.92 billion as of December 31, 2023. Decrease in cash was due to additions to investment property.

Receivables amounting to ₱15.24 billion as of March 31, 2024, an increase of ₱939.61 million (6.6%) from ₱14.30 billion as of December 31, 2023 due to increase in rent receivable.

Real estate inventories amounting to ₱4.47 billion as of March 31, 2024 decreased by ₱50.10 million (-1.1%) from ₱4.52 billion on December 31, 2023.

### **Noncurrent Assets**

Receivables – net of current portion remains at ₱298.60 million as of March 31, 2024.

Property and equipment – net amounting to ₱1.33 billion as of March 31, 2024 increased by ₱127.29 million (10.6%) from ₱1.20 billion as of December 31, 2023 due to the additions recognized for the period less depreciation.

Investment property amounting to ₱148.92 billion as of March 31, 2024 increased by ₱986.39 million (0.7%) from ₱147.94 billion as of December 31, 2023.

Right-of-use assets - net of current portion amounting to nil as of March 31, 2024 decreased by ₱15.33 million (-100.0%) from ₱15.33 million as of December 31, 2023.

Deferred tax assets amounting to ₱152.05 million as of March 31, 2024 increased by ₱6.10 million, or 4.2% from ₱145.95 million as of December 31, 2023.

Other noncurrent assets amounting to ₱2.99 billion increased by ₱474.69 million, or 18.9% from ₱2.52 billion as of December 31, 2023 due to increase in the noncurrent portion of advances to contractors and suppliers.

### **Current Liabilities**

Accounts payable and other liabilities amounting to ₱9.31 billion as of March 31, 2024, an increase of ₱888.62 million, or 10.6%, from ₱8.42 billion as of December 31, 2023, increase is due to increase in trade payables and withholding tax payable.

Short-term notes payable amounting to ₱10.06 billion as of March 31, 2024, a decrease of ₱5.22 billion, or -34.2%, from ₱15.28 billion as of December 31, 2023 mainly due to additional current portion of long-term loans.

Customers' deposits amounting to ₱857.63 million as of March 31, 2024 increased by ₱172.61 million (25.2%) from ₱685.02 million as of December 31, 2023 due to the increase in deposits from unit buyers of Hotel101 projects.

Dividends payable amounted to ₱242.13 million as of March 31, 2024, a decrease of ₱244.18 million, or -50.2%, from ₱486.31 million as of December 31, 2023. Decrease is due payment of dividends during the period.

Income tax payable amounting to ₱19.36 million as of March 31, 2024 increased by ₱1.32 million, or 7.3%, from ₱18.04 million as of December 31, 2023

### **Noncurrent Liabilities**

Long-term notes payable is at ₱35.19 billion as of March 31, 2024 an increase of 19.6% due to loan availments of the Company during the period. Bonds payable remains at ₱18.56 billion as of March 31, 2024.

Deferred tax liabilities increased by ₱79.05 million (0.7%) to ₱10.77 billion from ₱10.70 billion as of December 31, 2023.

Lease liabilities- net of current portion amounted to ₱1.23 billion as of March 31, 2024, an increase of ₱5.97 million, or 0.5%, from ₱1.22 billion as of December 31, 2023.

Other noncurrent liabilities amounting to ₱1.43 billion as of March 31, 2024, an increase of ₱147.51 million, or 11.5% from ₱1.28 billion as of December 31, 2023, increase is due to the increase in deferred output VAT.

### **Equity**

Equity amounting to ₱95.03 billion as of March 31, 2024, an increase of ₱458.46 million from ₱94.57 billion as of December 31, 2023, due to net income during the period.

### **Key Performance Indicators of the Company**

	<b>Unaudited March 31, 2024</b>	<b>Audited December 31, 2023</b>
Current Ratio	1.36	1.10
Asset to Equity	1.93	1.92
Debt to Equity Ratios		
On Gross Basis	0.67x	0.67x
On Net Basis	0.64x	0.64x
Acid Test Ratio	0.84	0.68

	Unaudited period ending March 31, 2024	Unaudited period ending March 31, 2023
Return on Equity	0.45%	0.38%
Net Income to Revenue	10.70%	9.78%
Revenue Growth	19.60%	0.06%
Income Growth	60.64%	10.83%
Solvency Ratio	0.01	0.01

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

1. Current Ratio  $\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2. Asset to Equity Ratio  $\frac{\text{Total Assets}}{\text{Total Stockholders' Equity}}$
3. Debt to Equity Ratio (Gross Basis)  $\frac{\text{Total Interest Bearing Short-Term and Long-Term Debt}}{\text{Total Equity}}$
4. Debt to Equity Ratio (Net Basis)  $\frac{\text{Total Interest Bearing Short-Term and Long-Term Debt less Cash and Cash Equivalent}}{\text{Total Equity}}$
5. Acid Test Ratio  $\frac{\text{Cash} + \text{Accounts Receivable} + \text{Marketable Securities}}{\text{Current Liabilities}}$
6. Return on Equity  $\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Average Equity Attributable to the Owners of the Parent}}$
7. Net Income to Revenue  $\frac{\text{Net Income Attributable to Owners of the Parent}}{\text{Total Revenue}}$
8. Revenue Growth  $\frac{\text{Total Revenue (Current Period)} - \text{Total Revenue (Prior Period)}}{\text{Total Revenue (Prior Period)}}$
9. Income Growth  $\frac{\text{Net Income Attributable to Owners of the Parent (Current Period)}}{\text{Net Income Attributable to Owners of the Parent (Prior Period)}}$  -1
10. Solvency Ratio  $\frac{\text{Net Income} + \text{Depreciation and Amortization}}{\text{Total Liabilities}}$

## Other Disclosures

DD Group is not aware of any known trends, demands, commitments, events, or uncertainties that will have a material impact on DD Group's liquidity.

DD Group is not aware of any event that will trigger direct or contingent financial obligation that is material to DD Group, including default or acceleration of any obligation.

DD Group has no material off-balance sheet transactions, arrangements, or obligations that were likely to have a current or future material effect on our financial condition, revenues or expenses, results of operations, liquidity or capital expenditures.

DD Group has no material commitments for capital expenditures other than those performed in the ordinary course of trade of business and DD Group's store expansion plan.

DD Group also has no unconsolidated subsidiaries.

DD Group does not have any significant elements of income or loss that did not arise from its continuing operations.

## **PART II--OTHER INFORMATION**

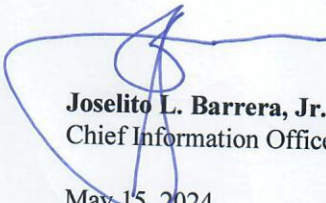
**N/A**



## SIGNATURES


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

Issuer DOUBLEDRAGON CORPORATION

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

Date May 15, 2024

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

Signature and Title  **Gerda Grace C. Galloniga**  
Head, Accounting

Date May 15, 2024