



Valuation Report

## Project Viserion

Fairness Opinion on the Mandatory Tender Offer for  
a Consumer-focused Retail Company

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# Executive Summary



## Executive Summary

- On April 15, 2025, the board of directors of DoubleDragon Corporation (“DD”) approved the acquisition of 2.66 billion common shares of MerryMart Consumer Corp. (“MM”) from Injap Investments, Inc. (“Injap”) at PHP0.48 per share for a total consideration of PHP1.28 billion, representing 35 percent of MM’s total issued and outstanding capital stock (the “Transaction”). The Transaction will be paid 50 percent using DD common shares priced at PHP9.30 per share and 50 percent in cash, amounting to PHP637.97 million. The DD shares to be issued as payment will come from previously unissued shares and are still to be listed.
- As the Transaction involves control of more than 35 percent of the outstanding voting shares of MM, the Securities Regulation Code and its Implementing Rules and Regulations require a mandatory tender offer of MM shares held by the public to be conducted by DD. The MM shares held by the public will be acquired at the same valuation and payment structure (50 percent in cash and 50 percent in DD common shares) approved for the Transaction.
- DD and MM are both listed in the Philippine Stock Exchange (“PSE”). DD is primarily engaged in the business of real estate development and other real-estate business ventures while MM is engaged in the operation of retail stores in the supermarket and household essentials category. On the other hand, Injap is a holding company, and the parent company of DD, with interests in real estate, retail, hospitality, and food service sectors.
- FTI Consulting Philippines, Inc. (“FTI Consulting”) conducted a valuation study of DD and MM shares (collectively, the “Shares”) in accordance with the International Valuation Standards (“IVS”) to determine the fairness of the proposed exchange ratio of DD shares for each MM share. We considered different methodologies under the Income Approach and Market Approach to value the Shares. Detailed discussion of the different valuation methodologies considered in this valuation exercise is presented in *Valuation Approach* section of this report.
- The Valuation Date is 31 March 2025, with the Philippine Peso (“PHP”) as the Valuation Currency. Market Value (also referred to as “Fair Value”) is the basis of value used in this engagement. Market Value is defined in the IVS as the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

# Executive Summary

## Valuation Considerations and Limitations

- In performing our valuation analysis, we relied on financial and non-financial information provided by DD's and MM's management. We have assumed, without independent verification, that such information is accurate, complete, and not misleading in all material respects. We did not perform an audit, review, or verification procedures on the information provided. Accordingly, we do not express an opinion or any form of assurance on the reliability of such information.
- The valuation was based, in part, on financial projections and other forward-looking information prepared by DD's and MM's management. Forecasts were prepared on a consolidated basis, per property and revenue stream basis. These forecasts reflect managements' best estimates and assumptions as of the Valuation Date. We have undertaken certain analyses including sensitivities of the underlying assumptions of the financial forecasts by checking against historical performance and other data sourced from our independent research.
- The valuation analyses performed and described in this report were based solely on information that was known or could reasonably have been knowable as of the Valuation Date. This is based on business, general economic, market and other conditions as they exist and can be reasonably evaluated by FTI Consulting as of the Valuation Date indicated in this report. Subsequent events that could affect the conclusions set forth in this report include adverse changes in industry performance or market conditions and changes to the business, financial condition and results of operations of the subject companies. Unanticipated events and circumstances may occur, and actual results may vary from those assumed. The variations may be material. FTI Consulting is under no obligation to update, revise or reaffirm this report after the date hereof or prior to the closing of any transaction.
- The valuation approaches and methods considered and applied were selected based on their appropriateness given the nature of the subject companies. Each method involves inherent limitations and requires the application of professional judgment.
- The application of the Market Approach using the Comparable Public Companies Method ("CPCM") is subject to certain limitations. In the case of MM, while the CPCM was performed as a corroborative analysis, the resulting indications of value were not considered reliable or meaningful due to company-specific factors, particularly its current earnings profile relative to the selected comparable companies. Accordingly, the CPCM was not relied upon in determining the market value, and greater weight was placed on alternative valuation approaches deemed more appropriate and representative of the subject companies' underlying economic fundamentals in accordance with IFRS 13 Fair Value Measurement.

# Executive Summary

## Summary of Findings

The Shares were valued using the Discounted Cash Flows (“DCF”) method under the Income Approach as the primary method. The Volume Weighted Average Pricing (“VWAP”) method was used as a cross-check. Based on the preliminary valuation analyses performed, the estimated range of market values of the Shares are within **PHP20,966 million to PHP28,973 million** or **PHP8.94 to PHP12.36** on a per share basis for DD and **PHP2,599 million to PHP4,238 million** or **PHP0.34 to PHP0.56** on a per share basis for MM as of 31 March 2025.

In PHP millions, except for the per share values and exchange ratios	DoubleDragon Corporation				MerryMart Consumer Corporation			
	Equity Value		Value per Share <sup>1</sup>		Equity Value		Value per share <sup>2</sup>	
	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate
<b>Discounted Cash Flows Method</b>	20,966	28,973	8.94	12.36	2,599	4,238	0.34	0.56
<i>Cross-check:</i>								
<i>VWAP Method</i>	21,885	24,418	9.33	10.41	3,459	5,490	0.46	0.72
<b>RANGE OF EST. MARKET VALUES</b>	<b>20,966</b>	<b>28,973</b>	<b>8.94</b>	<b>12.36</b>	<b>2,599</b>	<b>4,238</b>	<b>0.34</b>	<b>0.56</b>

[1] DD’s value per share was derived using 2,345 million shares outstanding as of the Valuation Date.

[2] MM’s value per share was derived using 7,595 million shares outstanding as of the Valuation Date.

Source: FTI Consulting Analysis

The background of the slide is a collage of various items including a plastic water bottle, an orange, tomatoes, spaghetti, a metal can, and a plastic bag, all set against a dark blue, textured background. The text 'Market Overview' is centered in white.

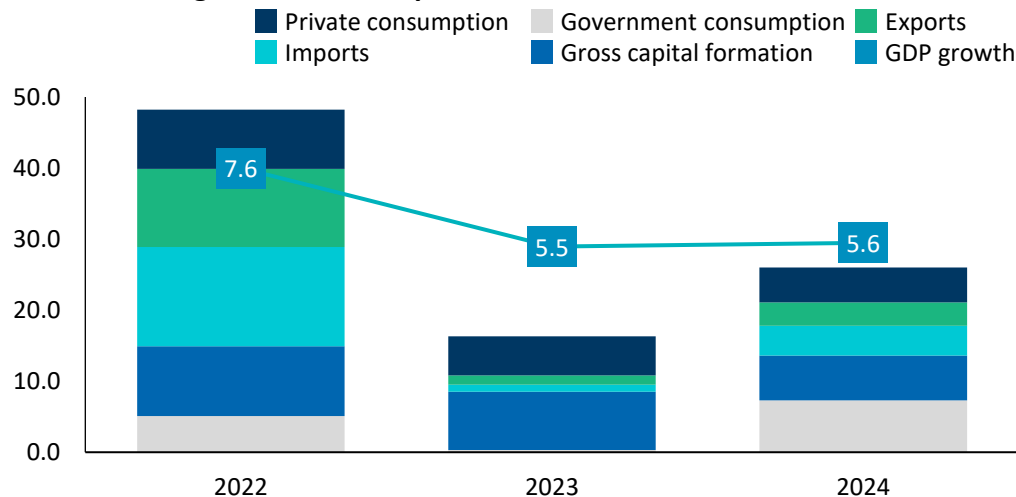
# Market Overview

# Economic Overview Philippines

**Growth of Philippine economy has been steady despite heightened global trade tensions, supported by stable domestic consumption underpinned by eased inflationary pressures and strong labor market.**

- Real GDP grew 5.6 percent in full-year 2024, slightly above the 5.5 percent growth in 2023 but below the government’s revised 6.0–6.5 percent target, marking the second consecutive year of below-target GDP growth.
- On the demand side, household final consumption expenditure (“HFCE”) grew 4.8 percent in 2024 from 5.6 percent in 2023, reflecting the pass-through of prior inflationary pressures on household purchasing power.
- The Development Budget Coordination Committee (“DBCC”) set a GDP growth target of 6.0 to 8.0 percent for 2025 and 2026.

**Real GDP Growth by Expenditure from 2021 to 4Q25 Including GDP Growth, All Figures in Growth percent YoY**



Source: PSA

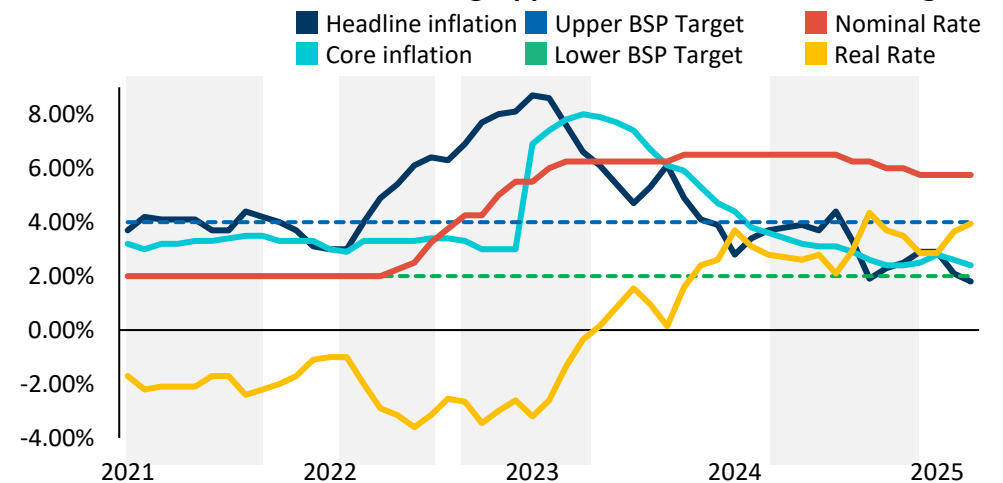
Sources: Philippine Statistics Authority, ASEAN+3 Macroeconomic Research (“AMRO”)

Note: The bigger economic risk for the Philippines is indirect effect—slower global demand weakening domestic consumption and investment—depending on how other key partners (ASEAN+3 and the EU) perform. Moreover, external uncertainty weighed on private investment.

**Headline inflation continued to decelerate in early 2025, easing to 2.1 percent year-on-year in February 2025 from 2.9 percent in January 2025, bringing the two-month average to 2.5 percent.**

- In its February 2025 monetary policy meeting, the BSP Monetary Board kept the target reverse repurchase rate steady at 5.75 percent, opting to monitor the impact of global policy developments on the domestic economy before easing further.
- This followed three consecutive 25-basis-point cuts delivered in August, October, and December 2024, which cumulatively brought the policy rate down by 75 basis points from the 6.50 percent peak.
- The BSP’s risk-adjusted inflation forecast at the February 2025 meeting stood at 3.5 percent for 2025 and 3.7 percent for 2026.

**Monthly Headline and Core Inflation and Nominal and Real Interest Rates from Jan 2021 to Mar 2025, Including Upper and Lower Bound BSP Targets**



Source: PSA

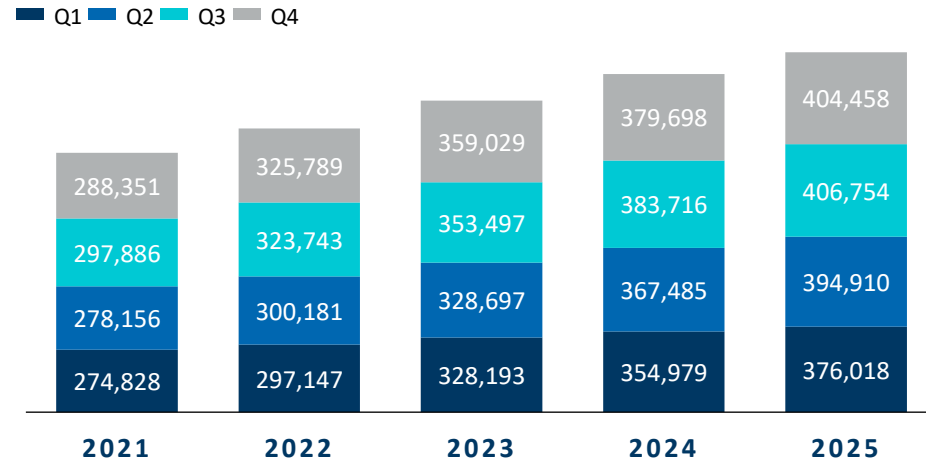
# Market Overview

## The Philippine Property Sector

### The Philippine Property Sector

- The Philippine real estate market is scaling from USD94.4 billion in 2025 to USD135.9 billion by 2034 with a 4.12 percent growth rate. This expansion is powered by infrastructure like the Luzon Economic Corridor and a strategic shift toward transit-oriented developments. Each segment is evolving to integrate climate resilience and mixed-use functionality within newly accessible regional growth corridors.
- The industry remains anchored by a 44 percent residential share prioritizing climate resilience while commercial mixed-use hubs and a USD25.9 billion industrial logistics sector expand along transit corridors to accelerate land appreciation in provincial growth centers.

### Seasonally Adjusted Gross Value Added (“GVA”) in Real Estate and Ownership of Dwellings, at Constant 2018 Prices in PHP millions

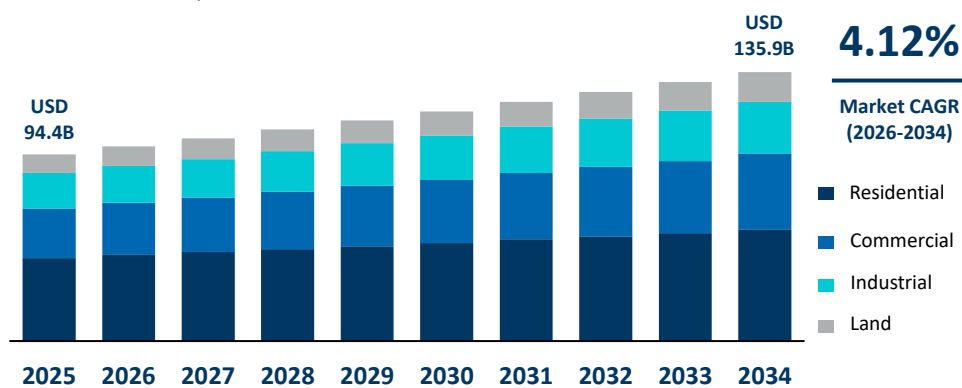


Source: Philippine Statistics Authority

- As seen from the rising GVA, the Philippine property market is generally growing, propelled by tempered condominium launches, the entry of foreign retailers in malls, and increase in Electric Vehicle, F&B, and semiconductors retailers.
- Per Colliers in 2025, Metro Manila’s residential market is rebounding, driven by two consecutive quarters of stronger net take-up mostly from the affordable to mid-income segment. Meanwhile, malls maintain strong occupancy thanks to proactive space refreshes and heavy retail capital expenditures, while the office market shows strong recovery driven by rising transactions, fewer space surrenders, and solid pre-leasing.

### Philippine Real Estate Market Forecast Size, By Property, 2025-2034 (USD Billion)

Source: IMARC Group



Sources: IMARC Group, Philippine Statistics Authority

Chart visualization above is an estimation mirrored to IMARC Group’s report on ‘Philippines Real Estate Market Size, Share, Trends, and Forecast by Property, Business, Mode, and Region, 2026-2034’ published on their website.

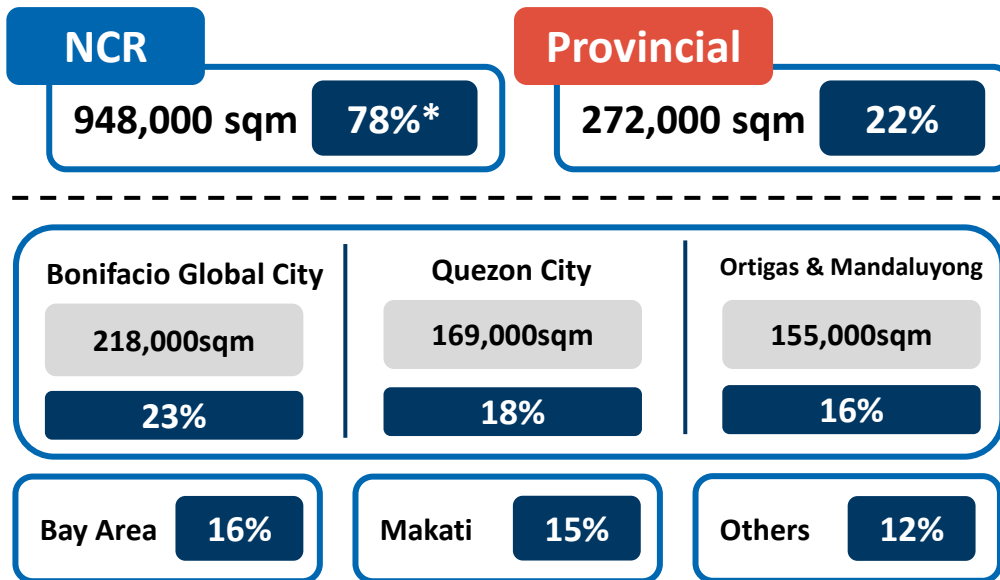
# Market Overview

## The Philippine Office Sector

### The Philippine Office Sector – Demand Breakdown by Location

Source: Leechiu

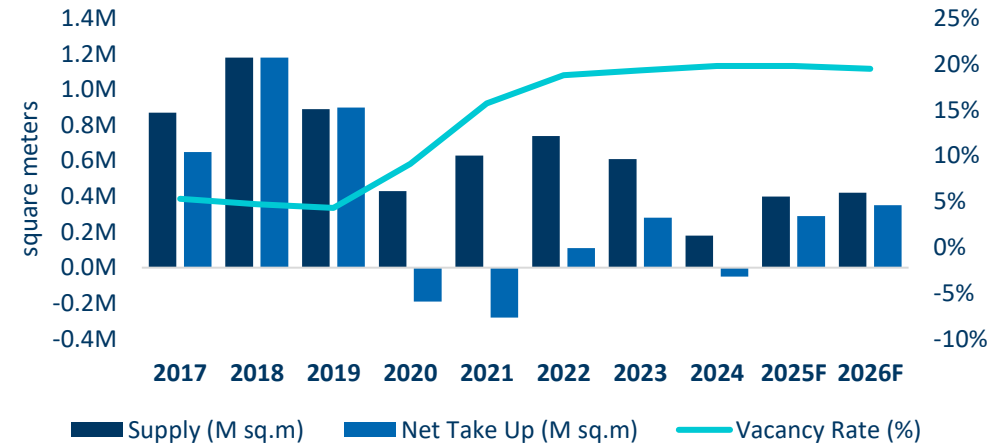
#### Philippine Property Demand Between NCR and Provincial as of 1Q25



- Data from Leechiu Property Consultants shows that Metro Manila accounts for 948,000 sqm or 78 percent of total office demand in the Philippines, highlighting its dominance as the country's business hub. Bonifacio Global City leads with 23 percent (218,000 sqm) and strong 73% YoY growth, followed by Quezon City with 18 percent, largely driven by the IT-BPM sector. Ortigas Center and Mandaluyong account for 16%, while the Manila Bay Area and Makati hold 16 percent and 15 percent, respectively, showing that office demand is increasingly spread across multiple business districts.

### Metro Manila supply, demand and vacancy forecast (in sqm)

Source: Colliers



- Between 2017 and 2019, the market maintained a record-low vacancy of 4.3 percent as net take-up peaked at 1.18 million sq.m in 2018. This shifted in 2020 as demand turned negative, hitting a trough of -0.28 million sq.m in 2021 and pushing vacancy to a 15.7 percent surge.
- Based on Colliers report, the impact of the POGO exit is now negligible. While overall vacancy is projected to peak at 19.8 percent in 2025, prime districts like BGC and Makati remain tighter at 9 percent to 15 percent. The return of major pre-leasing activity for the first time since 2022 shows that long-term confidence is growing.
- Bolstered by Global Capability Centers ("GCCs"), Leechiu Property Consultants reported that 2025 leasing demand reached 1.22 million sq.m., a 10 percent year-on-year increase. This controlled supply and steady absorption are projected to stabilize vacancy levels, easing the rate from a 19.8 percent peak in 2025 to 19.5 percent by 2026.

Sources: Leechiu, Colliers

# Industry Overview

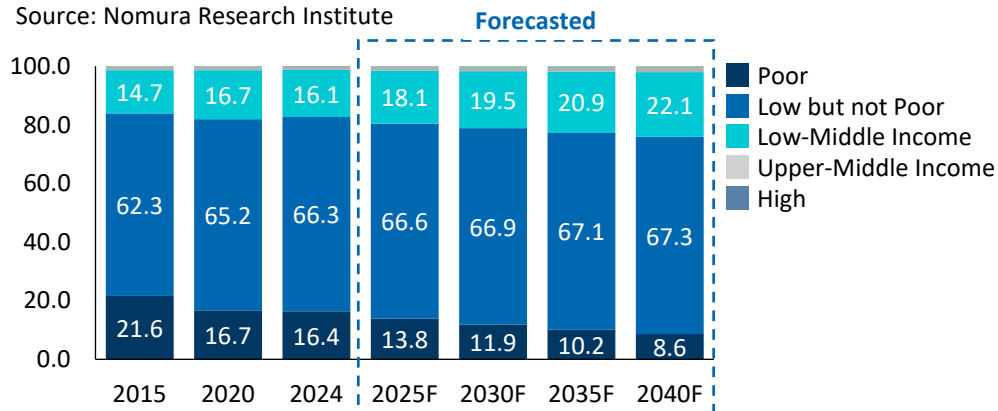
## Philippines – Property Leasing Sector

The leasing space in the Philippines shows mixed trends, with retail and industrial warehouse leasing showing robust growth, hotels experiencing mixed results, and commercial leasing still recovering. E-commerce, flexible co-working and green spaces, and poverty reduction are influencing the space.

- **E-commerce has reshaped retail and industrial leasing**, with harder-to-digitize experiential tenants like restaurants, gyms, fitness centers, and recreational activities filling mall spaces while logistics storage and warehouse demand surges for quick e-commerce delivery.
- **Flex, co-working, and green commercial leasing spaces are seeing rising demand.** Hybrid work models drive short-term flexible leases, with Manila leading as APAC's fastest-growing flex workspace market. Meanwhile, multinational tenants are increasingly demanding LEED or BERDE-certified buildings, with 7 out of 10 occupiers preferring to pay a premium.
- **Poverty reduction is expanding the Philippine consumer base.** Poor households are projected to shrink from 21.6 percent to 8.6 percent by 2040, broadening the consumer base for retail, housing, and services across provincial areas.

### Proportion of Filipino Households as per Economic Class (in percent)

Source: Nomura Research Institute



### Retail Leasing



- Despite e-commerce growth, Metro Manila mall vacancies fell from 13.1 percent in 1Q25 to 11.4 percent in 3Q25, the lowest since 1Q21, with foreign home furnishing and personal accessory brands entering the market.
- Mall foot traffic is projected to rise in 2026, supported by easing interest rates and continued mall expansion outside Metro Manila.

### Commercial Leasing



- Office vacancy rates improved slightly to 19.4 percent in 2025, from a record 19.8 percent in 2024, following the POGO ban.
- New office supply continues to enter the market, with net absorption gradually improving as BPO expansions and domestic occupiers take up former POGO-leased spaces.

### Industrial Leasing



- Industrial and warehouse stock grew 63 percent, from 9.8M sqm in 2015 to 15.9M sqm in 2025, with a 97.1 percent occupancy rate (2025), signaling a decade-long uptrend.
- Occupancy rates are forecasted to remain elevated, as wholesale and retail trade, transportation and storage, manufacturing, cold chains, and data centers continue to fuel demand.

### Hotels and Hospitality



- Local tourism growth remains muted, with international arrivals up less than 1 percent from 6.4 million (2024) to 6.5 million (2025), still 22 percent below pre-pandemic levels.
- Average daily room rates are expected to grow by 3 percent in 2026 but occupancy rates remain around 60 percent, relying on domestic demand.

Sources: BusinessWorld, Colliers, InsiderPH, JCV Associates, JLL, Nomura Research Institute, PortCalls, PSA, RichestPH, Reuters, Real Estate Asia, Santos Knight Frank

Note: LEED (Leadership in Energy and Environmental Design) is the U.S. Green Building Council's global rating system for sustainable, energy-efficient buildings while BERDE (Building for Ecologically Responsive Design Excellence), is the local voluntary standard assessing energy, water, materials, and indoor quality beyond mandatory codes.

# Market Overview

## Philippine Supermarkets and Convenience Stores

The Philippine supermarket is projected to grow 9.7 percent rising from a value of USD165.4 billion in 2025 to USD287.8 billion by 2031.

- Retail sales of packaged food products in the Philippines increased by 7.2 percent CAGR in the years 2019-2024 with cooking ingredients and meals, and stable foods leading the pack at a CAGR of 9 and 9.2 percent respectively.
- Total Grocery retailers grew by 5.1 percent CAGR. Over the forecast period, Dali and other convenience stores have been threatening smaller local grocers as they have been expanding to rural areas.
- Convenience stores grew rapidly with a 9.2 percent annual growth rate and is set to rise by up to 11.5 percent by 2029. Their growth of 16.8 percent in value terms in 2024 was primarily due to aggressive expansion and through catering to students and young professionals.

### Grocery distribution channels in the Philippines by actual store count, market share, and CAGR

Outlet type	2019		2024		CAGR 2019-2024
	Actual	Share	Actual	Share	
<b>Total - grocery retailers</b>	<b>46,041</b>	<b>100</b>	<b>58,997</b>	<b>100</b>	<b>5.1</b>
Convenience retailers	1,413	3	2,190	3.7	9.2
Supermarkets	9,268	20	11,653	19.8	4.7
Hypermarkets	3,008	7	3,873	6.6	5.2
Discounters	57	0	67	0.1	3.2
Warehouse clubs	723	2	1,180	2	10.3
Food/drink/tobacco specialists	2,080	5	2,600	4.4	4.6
Small local grocers	29,492	64	37,434	63.5	4.9

Sources: Government of Canada, Euromonitor, Mobility foresights

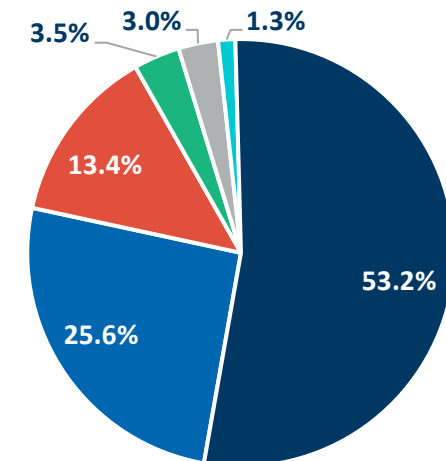
Larger supermarkets continue to expand their reach, constructing new establishments in areas with growing disposable income while also utilizing technology to boost sales.

- Supermarkets are now adopting digital solutions such as artificial intelligence, big data, loyalty platforms, RFID inventory tracking, and RFID inventory tracking to boost efficiency and refine product placing and personalized promotions. By 2031, the market will be digitally enabled, and predictive analytics and robotics will be crucial in inventory and customer management.
- Many Filipino shoppers still prefer the flexibility to purchase individual items at their convenience, hence, small local grocers such as 'sari-sari' stores remain as a cornerstone in the retail industry. Large companies such as Coca-Cola and Pepsi still maintain direct ties with these businesses.

### Revenue Market share of Supermarket companies in 2024

- Others
- SM Retail
- MerryMart
- Robinsons, Marketplace
- Puregold
- Metro Supermarket

Note: 'Others' comprise of other companies with 2 percent market share or less





# Valuation Approach



# Valuation Approach

To arrive at our estimates of value, we have considered different methodologies under the Income Approach and Market Approach. The succeeding sections discuss the theoretical basis of both approaches as well as the specific methodologies relevant to the analyses performed.

## Income Approach

The Income Approach is based on the premise that the value of a subject company is the present value of the future earning capacity that is available for distribution to investors in the subject company.

The Income Approach should be applied under the following circumstances:

- The income-producing ability of the subject company is the critical element affecting value from a participant perspective; and/or
- Reasonable projections of the amount and timing of future income are available for the subject company, but there are no relevant and reliable market comparables;

Under the Income Approach, the Discounted Cash Flows Method was considered in the valuation analysis.

## Discounted Cash Flows Method

This method involves forecasting the subject company's appropriate cash flow stream over an appropriate period and discounting the forecasted cash flows back to present value using an appropriate discount rate. This discount rate should consider the time value of money, inflation, and the risk inherent in the ownership of the subject company being valued.

## Free Cash Flows to the Firm

Free Cash Flows to the Firm ("FCFF") represents the cash flows available for distribution to the capital holders of the company after all operating expenses have been paid and all necessary investments in working capital and fixed assets have been made, as shown below:

$$FCFF = EBIT \times (1 - \text{Tax rate}) + \text{Noncash Charges} - FCInv - WCInv$$

where:

- EBIT* = Earnings before interest and taxes
- Noncash Charges* = Depreciation and amortization
- FCInv* = Fixed capital investments
- WCInv* = Working capital investments

FCFF are discounted using the weighted average cost of capital ("WACC"). WACC is computed by multiplying the weights of debt and equity in the company's financing by the after-tax costs of debt and equity, respectively. The formula for the calculation of WACC is presented below:

$$WACC = W_d K_d (1 - \text{Tax Rate}) + W_e K_e$$

where:

- $W_d$  = Weight of debt
- $W_e$  = Weight of equity
- $K_d$  = Pre-tax cost of debt
- $K_e$  = Cost of equity

## Valuation Approach

The pre-tax cost of debt is computed using the weighted average interest rate of the subject company's outstanding loans payable.

The cost of equity, on the other hand, is computed using the Capital Asset Pricing Model ("CAPM"). CAPM is calculated as follows:

$$K_e = R_f + \beta_L \times MRP + \alpha$$

where:  $R_f$  = Risk-free rate  
 $\beta_L$  = Levered beta  
 $MRP$  = Market risk premium  
 $\alpha$  = Alpha risk premium

Risk-free rate represents the return that would be earned from an investment in risk-free assets such as government bonds, while market risk premium refers to the excess return of the equity market over the risk-free rate.

Beta measures the sensitivity of a stock's returns to changes in the market and is a measure of systematic risk. Levered beta is the beta of a firm inclusive of the effects of capital structure and is calculated using the Hamada equation, as follows:

$$\beta_L = \beta_U \times [1 + (1 - T) (D/E)]$$

where:  $\beta_L$  = Levered beta of the subject company  
 $\beta_U$  = Unlevered beta

$T$  = Effective tax rate of the subject company

$D/E$  = Debt-to-market capitalization ratio

The unlevered beta was derived from the average unlevered beta of comparable publicly traded companies while the capital structure was based on the subject company's debt-to-market capitalization ratio.

Comparable companies were selected based on their business operations and risks. The process of filtering out the comparable companies considered in our valuation analysis and their corresponding business descriptions are presented in Appendices B and C.

To determine the unlevered betas of comparable companies, the following formula is used:

$$\beta_U = \beta \div [1 + (1 - T) (D/E)]$$

where:  $\beta_U$  = Unlevered beta of comparable company  
 $\beta$  = Beta of comparable company  
 $T$  = Effective tax rate of comparable company  
 $D/E$  = Debt-to-market capitalization of comparable company

Please refer to Appendix D for the details of the unlevered beta computation.

Lastly, an alpha risk premium is added to the cost of equity to account for asset or company-specific risks, such as size difference.

# Valuation Approach

## Market Approach

The Market Approach references actual transactions in the equity of the company being valued or transactions in similar companies that are traded in the public markets. Third-party transactions in the equity of a company generally represent the best estimate of fair market value if they are done at arm's length.

This approach should be applied under the following circumstances:

- The subject company has recently been sold in a transaction appropriate for consideration under the basis of value;
- The subject company or substantially similar companies are actively publicly traded; and/or
- There are frequent and/or recent observable transactions in substantially similar companies.

Under the Market Approach, the Comparable Public Companies Method and Volume Weighted Average Price Method were considered in the valuation analysis.

## Comparable Public Companies Method

This method involves identifying and selecting publicly-traded companies with financial and operating characteristics similar to the subject company being valued.

Once comparable companies are identified, valuation multiples can be derived and then applied to the subject company's corresponding fundamental data to estimate the value of its equity. We used S&P Capital IQ in extracting comparable companies and their corresponding multiples

Per IVS, this method should be used only when the subject company is sufficiently similar to the publicly traded comparable companies to allow for meaningful comparison.

This method was considered as a cross-check. However, pursuant to paragraph 61 of IFRS 13 Fair Value Measurement, an entity shall use valuation techniques that are appropriate in the circumstances. Accordingly for MM, this method was not relied upon as a basis for determining market value. Please see discussions on the next slide.

# Valuation Approach

## Comparable Public Companies Method (cont'd)

MM's current EBITDA is significantly lower relative to its enterprise value compared to its comparable companies, indicating that its earnings may not yet reflect a normalized or stabilized level of operations. As a result, the application of comparable trading multiples yields valuation indications that are not considered meaningful for valuation purposes.

As an additional validation, the implied trading multiples derived from the DCF valuation were compared against observable market multiples of comparable companies. The difference suggests that the application of comparable trading multiples would not yield meaningful valuation outputs. Accordingly, the Comparable Public Companies Method was not relied upon.

	P/B	P/S	P/E	EV/Sales	EV/EBITDA
<b>MM's Implied Multiple (DCF)</b>	<b>9.63</b>	<b>5.53</b>	<b>503.43</b>	<b>8.92</b>	<b>141.40</b>
<b>Comps' Multiples (CapIQ)</b>					
Average	0.95	0.34	9.76	0.52	5.09
Median	0.87	0.33	9.07	0.46	5.15
Max	1.80	0.75	15.25	0.91	5.43
Min	0.46	0.09	5.30	0.27	4.53

Source: S&P Capital IQ, FTI Consulting Analysis

## Comparable Public Companies Method (cont'd)

	EV/EBIT	P/S NTM	P/E NTM	EV/EBITDA NTM	EV/EBIT NTM
<b>MM's Implied Multiple (DCF)</b>	<b>426.99</b>	<b>3.93</b>	<b>629.58</b>	<b>221.31</b>	<b>345.15</b>
<b>Comps' Multiples (CapIQ)</b>					
Average	9.60	0.00	9.92	5.32	8.65
Median	9.14	0.00	9.91	4.91	8.77
Max	13.14	0.00	12.07	6.83	10.87
Min	7.23	0.00	7.81	4.61	6.17

Source: S&P Capital IQ, FTI Consulting Analysis

## Volume Weighted Average Price ("VWAP") Method

This method involves analysis of the value of the company's shares based on its historical trading volume and price. VWAP is commonly used for subject companies that are actively traded. Given that prices may already reflect past and forward-looking available information of the subject company, this method may provide a reliable basis of market value.



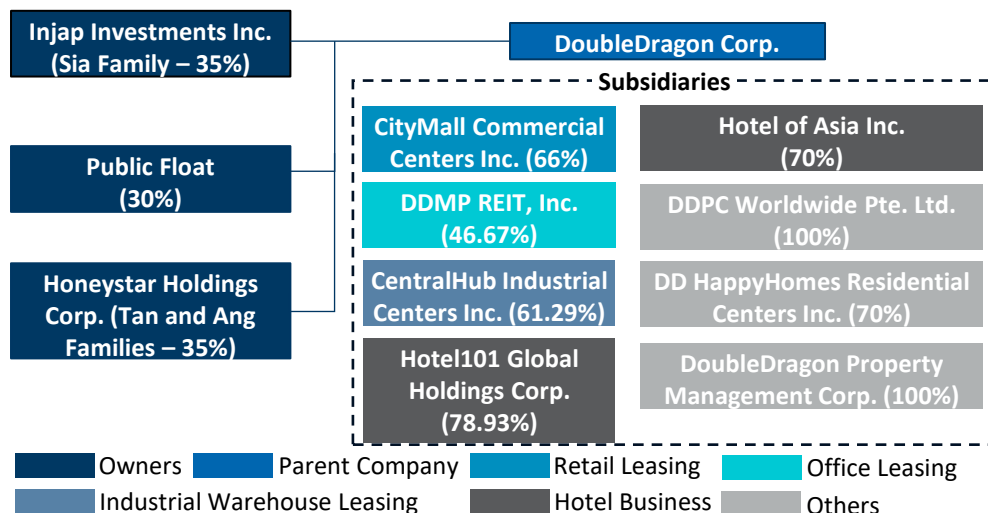
# Valuation Analysis – DoubleDragon Corporation



# Company Overview

## DoubleDragon Corporation ("DD")

- DoubleDragon Corporation is a diversified holdings firm majorly owned by Injap Investments Inc. and Honeystar Holdings Corp. It has eight subsidiaries and focuses on four key pillars, namely retail leasing, office leasing, industrial warehouse leasing, and hotel business.



### Property Portfolio (As of December 31, 2024)



- Revenues for the last twelve-month period ending 31 March 2025 were at PHP20,260.98 million while net income was at PHP9,859.42 million, posting a 48.66 percent net margin.
- DD's main financial highlights for the three-month and twelve-month ending 31 March 2025 are as follows:

### DD's Key Financials as of and for 3 months and 12 months ending 31 March 2025 (in PHP millions)

Financial Items	Last 3 months	Last 12 months
Total Assets	214,845.16	214,845.16
Total Liabilities	112,714.06	112,714.06
Total Shareholders' Equity	102,131.10	102,131.10
Gross Revenues	4,453.85	20,260.98
EBITDA	3,297.61	15,093.28
EBITDA Margin (%)	74.04%	74.49%
Net Income	2,046.36	9,859.42
Net Margin (%)	45.95%	48.66%

Sources: Company Annual and Quarterly Financial Statements

Sources: Company Website, Company Annual Reports, Forbes, PSE Edge

Note: DDMP REIT, Inc. is considered a subsidiary of DoubleDragon Corp. despite having a 46.67 percent ownership. Also, while DD HappyHomes Residential Centers Inc. focuses on developing and selling residential property, residential real estate is not part of DoubleDragon's growth pillars. By 2030, the company aims to spread its portfolio with 30 percent in retail, 15 percent in office, 20 percent in hospitality, and 35 percent in industrial leasing.

# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **Discounted Cash Flows (DCF)** method:

### Discount Rate Estimation

Inputs to the determination of the WACC used to value DD as of the Valuation Date were based on the following parameters:

- Cost of equity was computed using the Capital Asset Pricing Model (“CAPM”).
  - Risk-free rate of 6.03 percent was based on the 10-year Philippine BVAL rate as of Valuation Date sourced from Bloomberg.
  - Market risk premium of 6.87 percent was based on Aswath Damodaran’s Equity Risk Premium for the Philippines.
  - Unlevered beta of 0.34 was derived from the average unlevered beta of comparable companies and then re-levered using Hamada Equation. See Appendix D for more details of the unlevered beta.
  - Alpha risk premium of 1.73 percent was referenced from the CRSP Decile Premia Study by Kroll.
- Pre-tax cost of debt of 7.10 percent was estimated by computing DD’s weighted average interest rate of outstanding loans payable based on the 2024 audited financial statements.
- Weights of debt and equity were based on DD’s debt-to-market capitalization as of the Valuation Date.

Discount Rate for DD As of 31 March 2025	Value
Risk-free Rate (RFR)	6.03%
Market Risk Premium (MRP)	6.87%
Levered Beta ( $\beta$ )	1.36
Alpha Risk Premium ( $\alpha$ )	1.73%
<b>Cost of Common Equity (Ke)</b>	<b>17.11%</b>
Pre-tax Cost of Debt	7.10%
Applicable Income Tax Rate	25.00%
<b>Post-tax Cost of Debt</b>	<b>5.32%</b>
Weight of Common Equity (We)	19.93%
Weight of Debt (Wd)	80.07%
<b>WACC, rounded</b>	<b>7.70%</b>

Sources: Bloomberg, S&P Capital IQ, Kroll, DD Financial Statements, FTI Consulting Analysis

# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **DCF method** (cont'd):

### Revenues

- DD has three different revenue streams namely:
  - Rental income: estimated based on leasable area, occupancy and lease rate
  - Hotel revenues: estimated based on number of rooms, occupancy and room rate
  - Real estate sales: estimated based on number of units, average selling price and sales assumptions
- To arrive at the low and high estimate, the following assumptions were considered along with the DD's management assumptions:
  - For rental income and hotel revenues
    - The occupancy rates provided by DD's management were sensitized. For the low estimate, the occupancy rate was derived by applying a constant growth rate on the base occupancy, consistent with the management's assumed beginning and ending occupancy rates. For the high estimate, DD management's projected occupancy rates were applied.
    - For the escalation rate, the low estimate applied the average inflation rate of 3 percent posted by the Banko Sentral ng Pilipinas ("BSP"). For the high estimate, the escalation rate was derived using the average of the BSP's inflation rate and DD's management assumption.

### Revenues (cont'd)

- For real estate sales
  - The number of Hotel 101 units to be sold was sensitized. For low and high case estimates, unsold units as of the Valuation Date were estimated based on the minimum and maximum historical sales percentages, respectively.
  - For other real estate sales, we used the management assumptions for both low and high estimates.

### Direct Costs and Other Operating Costs

- The cost of real estate sales, cost of hotel operations, selling, and general and administrative expenses were estimated based on DD management's forecasted expense-to-forecasted revenue ratios.

### Depreciation Expense

- Depreciation was forecasted using the straight-line method, as provided by DD's management.

# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **DCF method** (cont'd):

### Working Capital Requirements

- Working capital requirements consist of inventory, receivables, payables, and other current assets and liabilities. These were estimated based on the forecasted working capital account balances, as provided by DD's management.

### Capital Expenditures

- Capital expenditures were based on Management's estimates, which consist of investment properties and real estate inventories.

### Terminal Value

- The terminal value was determined using the Perpetuity Model. This was derived by dividing the terminal cash flow by the difference between WACC and the terminal growth rate. The terminal cash flow was computed based on last year's normalized free cash flow over the explicit forecast period. The terminal growth rate used was 3 percent, based on the average inflation rate reported by the BSP.

### Non-Controlling Interest

- The market value of non-controlling interest ("NCI") was approximated by applying the historical percentage level of NCI to the implied market valuation of DD using the DCF method.

### Preferred Shares

- The preferred shares are non-voting, non-participating, convertible, and redeemable. The amount deducted was based on the book value per DD's latest financial statements which is considered to approximate market value as of the Valuation Date due to the following:
  - The conversion option is deep out-of-the-money relative to DD's share price as of the Valuation Date and there is no history of conversion; and
  - It is assumed that the preferred shares are redeemable at par.

### Non-Operating Assets and Liabilities

- The non-operating assets consist of deferred tax assets and other noncurrent assets. Non-operating liabilities include dividends payable, income tax payable, deferred tax liabilities, retirement benefits liability and other noncurrent liabilities.

# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **DCF method** (cont'd):

### DCF Summary

Using the DCF method, the estimated market value of DD's common equity as of the Valuation Date was within the range of **PHP20,966.33 million to PHP28,973.21 million** or **PHP8.94 to PHP12.36** on a per share basis.

Valuation Summary (in PHP millions, except for the price per share)	Low Estimate	High Estimate
Estimated Enterprise Value	145,991.77	160,675.84
[+] Cash	10,923.12	10,923.12
[-] Debt	(90,082.92)	(90,082.92)
[-] Non-operating assets and liabilities	(10,041.79)	(10,041.79)
<b>Estimated Market Value of Equity</b>	<b>56,790.18</b>	<b>71,474.25</b>
[-] Non-controlling interests (NCI)	(25,823.84)	(32,501.04)
[-] Preferred Shares (PS)	(10,000.00)	(10,000.00)
<b>Estimated Equity Value, net of NCI and PS</b>	<b>20,966.33</b>	<b>28,973.21</b>
Outstanding shares (in millions)	2,345.03	2,345.03
<b>Est. Market Value of Common Equity per Share</b>	<b>8.94</b>	<b>12.36</b>

Source: FTI Consulting Analysis

# Valuation Analysis

## Volume Weighted Average Price Method

- Given that the shares of DD are listed on the local stock exchange, we considered valuing DD using the Volume Weighted Average Price (“VWAP”) method.

- The VWAP method is computed using the following formula:

$$VWAP = \frac{\sum(\text{Stock Price} \times \text{Volume Traded})}{\sum \text{Volume Traded}}$$

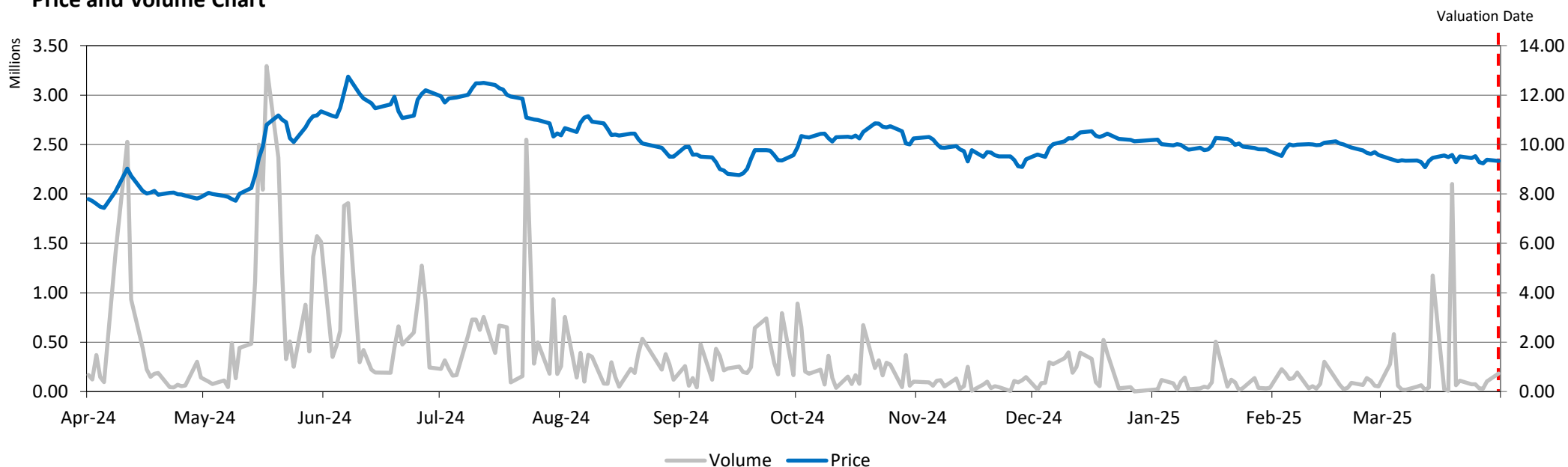
- We considered the stock prices and trading volume of DD over a one-year period from the Valuation Date. Stock prices were extracted from S&P Capital IQ and were weighted by their corresponding trading volume.

### VWAP Computation as of 31 March 2025

Period	Price per Share (PHP per share)	Equity Value (PHP Mn)
365-day	10.41	24,417.91
180-day	9.98	23,393.82
90-day	9.69	22,712.84
30-day	9.48	22,226.25
VWAP as of 31 March 2025	9.33	21,884.89

Sources: S&P Capital IQ, FTI Consulting Analysis

### Price and Volume Chart



Source: S&P Capital IQ

# Valuation Analysis

## Comparable Public Companies Method

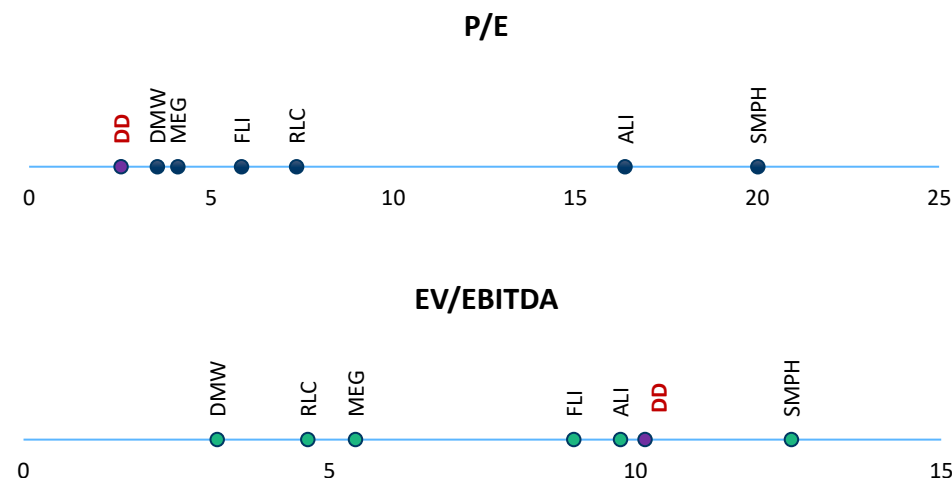
- The Comparable Public Companies Method was performed as a cross-check for the DCF valuation of DD. The implied multiples derived from the market valuation range using the DCF method were compared against observable market multiples of comparable companies. Both the Price-to-Earnings and EV-to-EBITDA multiples were considered.
- The following were determined as the comparable companies of DD: Ayala Land, Inc. (“ALI”), D.M. Wenceslao & Associates, Incorporated (“DMW”), Filinvest Land, Inc. (“FLI”), Megaworld Corporation (“MEG”), Robinsons Land Corporation (“RLC”) and SM Prime Holdings, Inc. (“SMPH”), all of which are engaged in real estate development and leasing in the Philippines.
- The implied multiples were computed by dividing the market values resulting from the DCF method to the relevant financial metric as extracted from DD’s financial statements as of the Valuation Date. Please see table to the right for the details.
- Based on the CPCM analysis, DD’s Price-to-Earnings multiple is closely aligned with the comparable range, while its EV-to-EBITDA multiple falls within the range of comparable companies.

DD Implied Multiples (in PHP millions, except multiples)	P/E	EV/EBITDA
Market Value using the DCF method – low estimate	20,966.33	145,991.77
Market Value using the DCF method – high estimate	28,973.21	160,675.84
<b>Average Market Value using the DCF method</b>	<b>24,969.77</b>	<b>153,333.81</b>
<b>DD’s Financial Metric as of the Valuation Date</b>	<b>9,859.42</b>	<b>15,093.28</b>
<b>DD’s Implied Multiple<sup>2</sup></b>	<b>2.53</b>	<b>10.16</b>
Comparable Companies’ Multiples (CapIQ) <sup>1</sup>		
Min	3.52	3.17
Max	7.34	12.55

<sup>1</sup> P/E multiples for ALI and SMPH were excluded given these are considered outliers.

Source: S&P Capital IQ, FTI Consulting Analysis

<sup>2</sup> Average Market Value using DCF method ÷ DD’s Financial Metric as of Valuation Date



Source: S&P Capital IQ, FTI Consulting Analysis



# Valuation Analysis – MerryMart Consumer Corp.

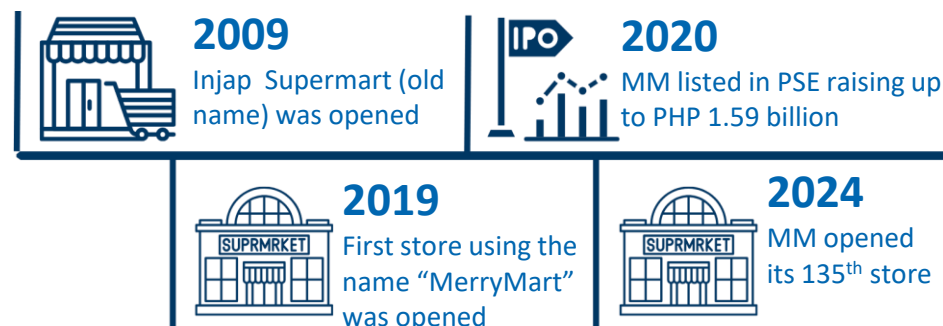


# Company Overview

## MerryMart Consumer Corp. (“MM”)

- MerryMart Consumer Corp. operates as a retail chain in the supermarket and household essentials category. MM, through its subsidiary MerryMart Grocery Centers Inc., aims to develop a franchise business model covering supermarkets and household essentials stores in the Philippines.
- MM covers various retail formats such as grocery, market, store and wholesale that features live inventory and next day delivery via an online platform. MM also serves as a platform for traditional supermarkets to convert to a more modern supermarket retail chain, keeping them relevant.
- Revenues for the twelve-month period ending 31 March 2025 were at PHP7,663.19 million while net income was at PHP84.18 million, posting a 1.10 percent net margin.

- MM (formerly Injap Supermart) was started by Injap Sia, the founder of Mang Inasal, in 2009. Prior to this, the Sia family ran a grocery in the early 1950s before his parents built their first grocery in the 1980s.
- In 2018, Sia renamed the supermarket to MM and launched three formats, MerryMart Grocery, MerryMart Market, and MerryMart Store.

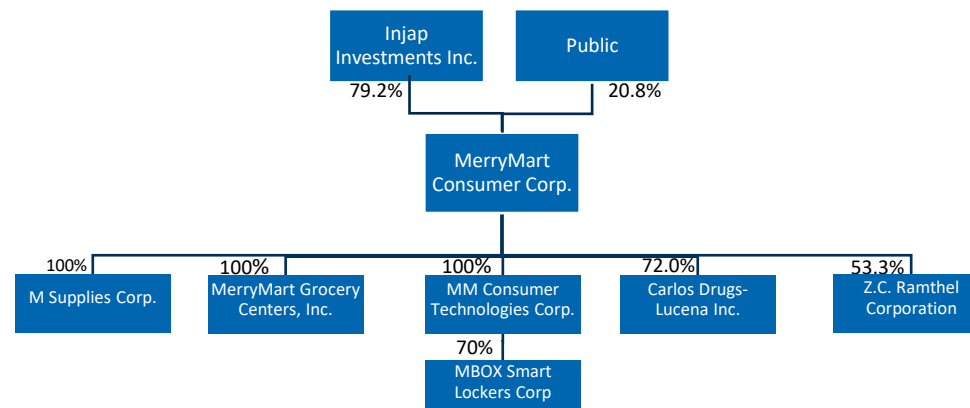


### MM’s Key Financials as of and for 3 months and 12 months ending 31 March 2025 (in PHP millions)

Financial Items	Last 3 months	Last 12 months
Total Assets	15,492.42	15,492.42
Total Liabilities	11,091.64	11,091.64
Total Shareholders’ Equity	4,400.79	4,400.79
Gross Revenues	1,747.05	7,663.19
EBITDA	107.00	483.37
<i>EBITDA Margin (%)</i>	<i>6.12%</i>	<i>6.31%</i>
Net Income	6.05	84.18
<i>Net Margin (%)</i>	<i>0.35%</i>	<i>1.10%</i>

Source: MM Financial Statements, PSE Edge

### Current corporate structure as of 31 March 2025



# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **Discounted Cash Flows (DCF)** method:

### Discount Rate Estimation

Inputs to the determination of the WACC used to value MM as of the Valuation Date were based on the following parameters:

- Cost of equity was computed using the Capital Asset Pricing Model (“CAPM”).
  - Risk-free rate of 6.03 percent was based on the 10-year Philippine BVAL rate as of Valuation Date sourced from Bloomberg.
  - Market risk premium of 6.87 percent was based on Aswath Damodaran’s Equity Risk Premium for the Philippines.
  - Unlevered beta of 0.33 was derived from the average unlevered beta of comparable companies and then re-levered using Hamada Equation. See Appendix D for more details of the unlevered beta.
  - Alpha risk premium of 2.66 percent was referenced from the CRSP Micro-Cap Premia Study by Kroll.
- Pre-tax cost of debt of 7.43 percent was estimated by computing MM’s weighted average interest rate of outstanding loans payable based on the 2024 audited financial statements.
- Weights of debt and equity were based on MM’s debt-to-market capitalization as of the Valuation Date.

Discount Rate for MM As of 31 March 2025	Value
Risk-free Rate (RFR)	6.03%
Market Risk Premium (MRP)	6.87%
Levered Beta ( $\beta$ )	1.00
Alpha Risk Premium ( $\alpha$ )	2.66%
<b>Cost of Common Equity (Ke)</b>	<b>15.56%</b>
Pre-tax Cost of Debt	7.43%
Applicable Income Tax Rate	25.00%
<b>Post-tax Cost of Debt</b>	<b>5.57%</b>
Weight of Common Equity (We)	26.62%
Weight of Debt (Wd)	73.38%
<b>WACC, rounded</b>	<b>8.20%</b>

Sources: Bloomberg, S&P Capital IQ, Kroll, MM Financial Statements, FTI Consulting Analysis

# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **DCF method** (cont'd):

### Revenues

- MM generates the majority of its revenue from the sale of goods in its supermarkets and pharmacies. It also earns additional income from franchising, display rentals, and other operating income streams.
- To arrive at the low and high estimates, the following assumptions were considered in addition to MM's management assumptions:
  - For sale of goods from supermarkets
    - The number of additional stores were sensitized. For the low estimate, an additional 2 stores were assumed per year, based on MM's historical store growth from 2022 to 2023. For the high estimate, 6 stores were added per year, reflecting the 2025 management forecast assumption of opening 3 stores every six months.
    - For the escalation rate, the low estimate was based on the BSP's average inflation rate of 3 percent, while the high estimate used the average of the BSP's inflation rate and MM management's escalation rate assumption.
    - For the gross margin, the low-case scenario applied MM management's stated assumption of an additional 0.5% annually for the gross margin of stores, applied consistently across the forecast period, while the high-case scenario used the forecasted gross margin figures provided by MM's management.

### Revenues (cont'd)

- For sale of goods from pharmacies and other revenues
  - Both the escalation rate and the gross margin were sensitized using the same approach applied to the sale of goods from supermarkets.

### Direct Costs and other operating costs

- Cost of sales and cost of services were based on revenue less the gross margin percentage while operating costs (e.g., rent expense, light & water, etc.) and selling expenses were based on the fixed cost-to-revenue percentages provided by MM's management.

### Depreciation Expense

- Depreciation was forecasted using the straight-line method, as provided by MM's management.

### Working Capital Requirements

- Working capital requirements consist of inventory, receivables, payables, and other current assets. These were estimated based on the forecasted working capital account balances, as provided by MM's management.

# Valuation Analysis

## Discounted Cash Flows Method

The following are the **Key Valuation Inputs and Assumptions** used in the **DCF method** (cont'd):

### Capital Expenditures

- Capital expenditures were based on MM management's estimates.

### Terminal Value

- The terminal value was determined using the Perpetuity Model. This was derived by dividing the terminal cash flow by the difference between WACC and the terminal growth rate. The terminal cash flow was computed based on last year's normalized free cash flow over the explicit forecast period. The terminal growth rate used was 3 percent, based on the average inflation rate reported by the BSP.

### Non-Controlling Interest

- The market value of NCI was approximated by applying the historical percentage level of NCI to the implied market valuation of MM using the DCF method.

### Non-Operating Assets and Liabilities

- The non-operating assets consist of investment in associate, deferred tax assets and other noncurrent assets. Non-operating liabilities include income tax payable, retirement benefits liability, due to related parties and other noncurrent liabilities.

### DCF Summary

Using the DCF method, the estimated market value of MM's common equity as of the Valuation Date was within the range of **PHP2,599.15 million to PHP4,238.02 million** or **PHP0.34 to PHP0.56** on a per share basis.

Valuation Summary (in PHP millions, except for the price per share)	Low Estimate	High Estimate
Estimated Enterprise Value	9,796.52	12,208.85
[+] Cash	2,909.25	2,909.25
[-] Debt	(9,317.43)	(9,317.43)
[+] Non-operating assets and liabilities	437.21	437.21
<b>Estimated Market Value of Equity</b>	<b>3,825.65</b>	<b>6,237.88</b>
[-] Non-controlling interests (NCI)	(1,226.50)	(1,999.86)
<b>Estimated Equity Value, net of NCI</b>	<b>2,599.15</b>	<b>4,238.02</b>
Outstanding shares (in millions)	7,594.94	7,594.94
<b>Estimated Market Value of Common Equity per Share</b>	<b>0.34</b>	<b>0.56</b>

Source: FTI Consulting Analysis

# Valuation Analysis

## Volume Weighted Average Price Method

- Given that the shares of MM are listed on the local stock exchange, we considered analyzing the Shares using the Volume Weighted Average Price (“VWAP”) method.

- The VWAP method is computed using the following formula:

$$VWAP = \frac{\sum(\text{Stock Price} \times \text{Volume Traded})}{\sum \text{Volume Traded}}$$

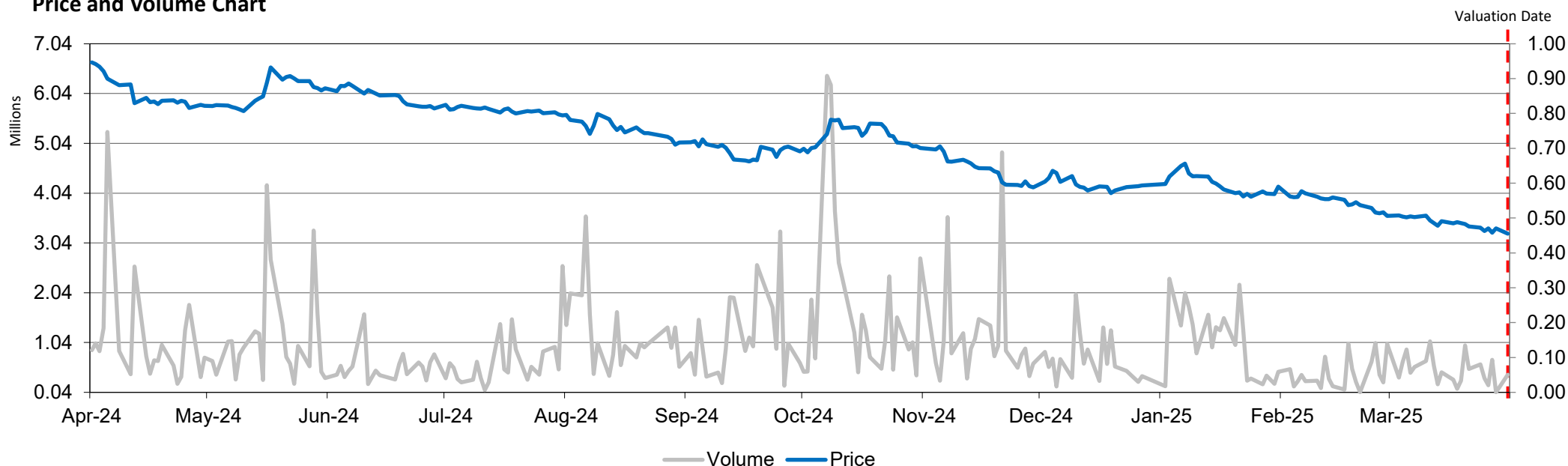
- We considered the stock prices and trading volume of MM over a one-year period from the Valuation Date. Stock prices were extracted from S&P Capital IQ and were weighted by their corresponding trading volume.

### VWAP Computation as of 31 March 2025

Period	Price per Share (PHP per share)	Equity Value (PHP Mn)
365-day	0.72	5,489.92
180-day	0.64	4,890.49
90-day	0.56	4,274.85
30-day	0.49	3,700.56
VWAP as of 31 March 2025	0.46	3,458.66

Sources: S&P Capital IQ, FTI Consulting Analysis

### Price and Volume Chart



Source: S&P Capital IQ



# Valuation Conclusion



## Valuation Conclusion

Based upon DD's and MM's management representations and information provided, research conducted, and valuation analyses performed and described in this Report, it is our opinion that the estimated range of market values of the shares are within **PHP20,966 million to PHP28,973 million** or **PHP8.94 to PHP12.36** on a per share basis for DD and **PHP2,599 million to PHP4,238 million** or **PHP0.34 to PHP0.56** on a per share basis for MM as of 31 March 2025 (the Valuation Date).

In PHP millions, except for the per share values and exchange ratios	DoubleDragon Corporation				MerryMart Consumer Corporation			
	Equity Value		Value per Share <sup>1</sup>		Equity Value		Value per share <sup>2</sup>	
	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate
<b>Discounted Cash Flows Method</b>	20,966	28,973	8.94	12.36	2,599	4,238	0.34	0.56
<i>Cross-check:</i>								
<i>VWAP Method</i>	21,885	24,418	9.33	10.41	3,459	5,490	0.46	0.72
<b>RANGE OF EST. MARKET VALUES</b>	<b>20,966</b>	<b>28,973</b>	<b>8.94</b>	<b>12.36</b>	<b>2,599</b>	<b>4,238</b>	<b>0.34</b>	<b>0.56</b>
<p>[1] DD's value per share was derived using 2,345 million shares outstanding as of the Valuation Date.            [2] MM's value per share was derived using 7,595 million shares outstanding as of the Valuation Date.</p> <p>Source: FTI Consulting Analysis</p>								



# Appendices



# Appendix A

## Glossary of Terms

Term	Definition
Alpha risk premium	Risk premium associated with the level of unsystematic risk or risks specific to the subject company or asset
Beta	Measures the sensitivity of a stock's returns to changes in the market and is a measure of systematic risk
Book Value	Value of an asset or liability according to its balance sheet account balance
BVAL	Bloomberg Valuation
CAGR	Compounded annual growth rate
CAPM	Capital Asset Pricing Model ("CAPM")
Comparable companies	Publicly traded companies that are of similar characteristics (such as size, business of operations, or risks) and industry to the enterprise being valued
Comparable Public Companies Method	Valuation method that involves identification of publicly listed companies that are reasonably comparable to the subject company, and analysis of the valuation indications that the multiples of comparable companies imply when applied to the subject company
Cost of debt	The effective interest rate used by a company to pay its debts
Cost of equity	The return that stockholders require for a company; also called as required rate of return on equity
DCF	Discounted Cash Flows
DDM	Dividend Discount Model
Discount rate	A rate of return used to convert a future monetary sum or cash flow into present value
Discounted Cash Flows Analysis	Involves forecasting the appropriate cash flow stream over an appropriate period and then discounting it back to a present value at an appropriate discount rate
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
Fairness Opinion	An opinion on whether the financial terms of a proposed corporate transaction are fair to the equity holders of an entity involved
FCFF	Free Cash Flows to the Firm

# Appendix A

## Glossary of Terms

Term	Definition
Levered beta	Beta of a firm inclusive of the effects of capital structure
Market capitalization	Measure of the value of a company's value obtained by multiplying the number of shares outstanding by the company's share price
Market risk premium	The difference between the expected return of the market and the risk-free rate of return
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
Raw beta	Historical beta that represents the relationship of a security's return and return of an index
Risk premium	Excess return above the risk-free rate of risky assets
Risk-free rate	The rate of return with zero risk; represents the interest an investor would expect from an absolutely risk-free investment over a specified period of time
Unlevered beta	Beta of a company without debt; removes the financial effect of leverage
Valuation	The process of establishing the value of an asset or liability
Valuation approach	One of three principal ways of estimating value; each valuation approach includes different methods that may be used to apply the principles of the approach to specific asset types or situations
Valuation Date	The date on which the opinion of value applies
VWAP Method	Valuation method that involves analysis of the value of the subject company's shares based on its historical trading volume and price
WACC	Weighted average cost of capital; a calculation of a firm's cost of capital in which each source of capital is proportionately weighted

## Appendix B

### Selection of Comparable Companies | DoubleDragon

Using the S&P Capital IQ, we obtained the population of public companies which are possibly comparable to DoubleDragon. We selected comparable public companies in the “Real Estate” industry which operate in the Philippines, with a diversified property leasing portfolio. The table below presents the selection process of comparable public companies used in the analysis.

Selection Process of Comparable Companies	Number of Comparables Filtered out	Number of Comparables Remaining
GICS Industry Classification: Real Estate		2596
Geographic Location: Philippines	2543	53
Company Status: Operating, Operating subsidiary	1	52
Business Description: Diversified leasing business	46	6
<b>Final Number of Comparable Companies Used</b>		<b>6</b>

# Appendix B

## Selection of Comparable Companies | MerryMart

Using the S&P Capital IQ, we obtained the population of public companies which are possibly comparable to MerryMart. We selected comparable public companies in the 'Consumer Staples Distribution and Retail' industry which operate in Southeast Asia, primarily as supermarket or grocery stores. The table below presents the selection process of comparable public companies used in the analysis.

Selection Process of Comparable Companies	Number of Comparables Filtered out	Number of Comparables Remaining
GICS Industry Classification: Consumer Staples Distribution and Retail		662
Geographic Location: Within Southeast Asia	609	53
Business Description: Supermarket/Grocery/Retail	47	6
<b>Final Number of Comparable Companies Used</b>		<b>6</b>

# Appendix C

## Comparable Companies | DoubleDragon Corporation

Presented below are the selected comparable companies of DD.

Comparable Companies	Country	Business Description
Ayala Land, Inc.	Philippines	Ayala Land, Inc. operates as a property developer in the Philippines.
D.M. Wenceslao & Associates, Incorporated	Philippines	D.M. Wenceslao & Associates, Incorporated operates as a real estate development and construction company in the Philippines.
Filinvest Land, Inc.	Philippines	Filinvest Land, Inc., together with its subsidiaries, operates as a real estate developer in the Philippines.
Megaworld Corporation	Philippines	Megaworld Corporation, together with its subsidiaries, engages in the development, sale, and leasing of real estate properties in the Philippines.
Robinsons Land Corporation	Philippines	Robinsons Land Corporation, together with its subsidiaries, acquires, develops, operates, leases, disposes, and sells real estate properties in the Philippines.
SM Prime Holdings, Inc.	Philippines	SM Prime Holdings, Inc., together with its subsidiaries, operates, maintains, and leases commercial shopping malls in the Philippines and China.

# Appendix C

## Comparable Companies | MerryMart Consumer Corporation

Presented below are the selected comparable companies of MM.

Comparable Companies	Country	Business Description
Metro Retail Stores Group, Inc.	Philippines	Metro Retail Stores Group, Inc. engages in the department store, hypermarket, supermarket, and ancillary businesses in the Philippines.
Puregold Price Club, Inc.	Philippines	Puregold Price Club, Inc. engages in the retail and wholesale trading of dry goods, food, and other merchandise in the Philippines.
Robinsons Retail Holdings, Inc.	Philippines	Robinsons Retail Holdings, Inc. operates as a multi-format retail company in the Philippines.
Aeon Co. (M) Bhd.	Malaysia	Aeon Co. (M) Bhd. operates and manages a retail chain of department stores and supermarkets in Malaysia.
PT Matahari Putra Prima Tbk	Indonesia	PT Matahari Putra Prima Tbk, together with its subsidiaries, operates as a retailer in Indonesia.
Thanapiriya Public Company Limited	Thailand	Thanapiriya Public Company Limited, together with its subsidiaries, operates retail and wholesale superstores in Thailand.

# Appendix D

## Unlevered Beta Computation | DoubleDragon Corporation

The unlevered beta was derived from the average unlevered beta of comparable publicly traded companies. To determine the unlevered betas of comparable companies, the following formula is used:

$$\beta_U = \beta_\alpha \div [1 + (1 - T) (D/E)]$$

where:  $\beta_U$  = Unlevered beta of comparable company  
 $\beta_\alpha$  = Beta of comparable company  
 $T$  = Effective tax rate of comparable company  
 $D/E$  = Debt-to-market capitalization ratio of comparable company

Please see table below for the computed unlevered beta for the valuation of DD.

Comparable Companies	Country	Adjusted Raw Beta	Debt-to-Market Capitalization	Effective Tax Rate	Unlevered Beta
Ayala Land, Inc.	Philippines	0.89	0.92	20.0%	0.51
D.M. Wenceslao & Associates, Incorporated	Philippines	0.29	0.40	21.6%	0.22
Filinvest Land, Inc.	Philippines	0.61	5.74	19.1%	0.11
Megaworld Corporation	Philippines	0.84	1.83	19.4%	0.34
Robinsons Land Corporation	Philippines	0.78	0.98	6.6%	0.41
SM Prime Holdings, Inc.	Philippines	0.66	0.60	18.1%	0.44
<b>Average</b>					<b>0.34</b>

# Appendix D

## Unlevered Beta Computation | MerryMart Consumer Corporation

The unlevered beta was derived from the average unlevered beta of comparable publicly traded companies. To determine the unlevered betas of comparable companies, the following formula is used:

$$\beta_U = \beta_\alpha \div [1 + (1 - T) (D/E)]$$

where:  $\beta_U$  = Unlevered beta of comparable company  
 $\beta_\alpha$  = Beta of comparable company  
 $T$  = Effective tax rate of comparable company  
 $D/E$  = Debt-to-market capitalization ratio of comparable company

Please see table below for the computed unlevered beta for the valuation of MM.

Comparable Companies	Country	Adjusted Raw Beta	Debt-to-Market Capitalization	Effective Tax Rate	Unlevered Beta
Metro Retail Stores Group, Inc.	Philippines	0.41	1.88	26.1%	0.17
Puregold Price Club, Inc.	Philippines	0.63	0.76	22.5%	0.40
Robinsons Retail Holdings, Inc.	Philippines	0.55	0.86	18.3%	0.32
Aeon Co. (M) Bhd.	Malaysia	0.51	1.14	38.0%	0.30
PT Matahari Putra Prima Tbk	Indonesia	1.26	2.48	22.0%	0.43
Thanapiriya Public Company Limited	Thailand	0.35	0.04	19.4%	0.34
<b>Average</b>					<b>0.33</b>



# About FTI Consulting Philippines, Inc.



# FTI Consulting Philippines at a Glance

**FTI Consulting Philippines, Inc. (FTI PH)** is a financial/business advisory firm assisting clients with major events that can significantly influence the reputation and valuation of their organization. We help companies **build, grow, defend, or repair** their businesses.

FTI PH is a 100 percent Filipino-owned company with an exclusive franchise agreement with **FTI Consulting, Inc.**, a US-based global consulting firm listed on the New York Stock Exchange (NYSE: FCN). FTI PH was incorporated in 2006.

## What Makes us Unique



### Definitive Expertise

FTI PH employs **highly qualified professionals** particularly, MBAs, CPAs, and CFA charterholders with extensive, practical experience in applying that expertise to generate a decisive impact.



### Accredited by SEC and PSE

FTI PH is accredited by the **Securities and Exchange Commission (SEC)** for the valuation of shares of stock and intangible assets, and is also accredited by the **Philippine Stock Exchange (PSE)** to issue fairness opinions and valuation reports of listed companies of the Exchange.



### A Culture that Delivers

Our culture and working style reflect a **bias for the tangible** and a **tenacity for solutions** that make a meaningful difference. Our practices, as standalone offerings and comprehensive solutions, address the many interconnected issues our clients face.



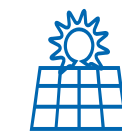
### Wide Client Reach

Our clients encompass a **diverse spectrum** of global and domestic: publicly-listed companies, financial institutions, family-owned corporations, funds/investors, and government-owned and controlled corporations.

## Our Services

- Lead M&A Advisory
- Infrastructure Advisory
- Corporate & Debt Restructuring
- Valuations
- Fairness Opinion
- Purchase Price Allocation
- Financial Model Preparation
- Financial Model Review
- Financial Due Diligence
- Funds Advisory
- Distressed Debt Advisory

## Industry Experience



Power & Renewables



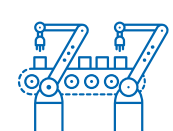
Financial Services



Real Estate



Retail & Consumer Products



Manufacturing

# Comprehensive Services

We capitalize on our technical proficiency and extensive knowledge in various industries in **valuing shares of stock and intangible assets**. We utilize three general approaches to valuation: income, market, and cost approaches. We also provide post-acquisition support to clients through an independent **purchase price allocation** of their acquired assets and assumed liabilities, as part of their financial reporting requirements.

## LEAD M&A AND INFRASTRUCTURE ADVISORY

As a trusted partner to companies, boards of directors, investors, lenders, and creditors around the world, the Corporate Finance & Restructuring segment is focused on delivering **restructuring, business transformation, and transaction solutions**. Committed to our clients' success, our award-winning professionals address the full spectrum of financial, operational, and transactional risks and opportunities across diverse industries. Among our core strengths is providing expertise in guiding companies through the value-creation life cycle.

## VALUATION/PURCHASE PRICE ALLOCATION

We assist clients in their financial modeling needs through either **financial model construction** or **review**. Financial model construction involves preparing a model based on the needs of the client, using the project documents and/or technical studies commissioned by a client to evaluate a project. Our expertise in building financial models allows us to conduct an effective review of the models of other parties. We provide critical feedback to clients by assessing the integrity and structure of the model, checking for calculation errors, and documenting findings for immediate and future reference.

## FINANCIAL MODEL PREPARATION AND REVIEW

As one of the most well known names in the industry, we bring credibility and a proven track record of results to rebuild or extract value from underperforming companies. FTI PH has expertise in providing the following services: **performance improvement, CRO (Chief Restructuring Officer)/Interim Management, Restructuring Advisory, and Liquidity Management**. An objective third party specializing in rebuilding value is often the catalyst necessary to revitalize a company.

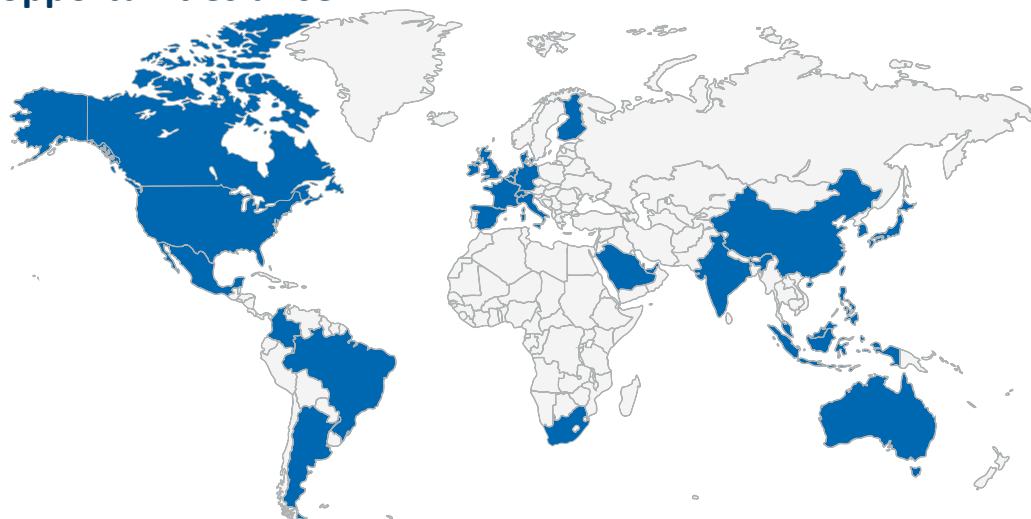
## RESTRUCTURING

FTI PH's expertise extends to other services including **distressed debt advisory, financial due diligence, funds advisory**, and other transaction-related services.

## OTHER SERVICES

# Our Global Reach

With offices in every major financial center and every corner of the globe, we successfully serve our clients wherever challenges and opportunities arise.



## North America

### Canada

Calgary Toronto  
Montreal Vancouver

### United States

Atlanta	Great Neck	Palm Beach	Walnut Creek
Bethesda	Houston	Philadelphia	Washington, D.C.
Boston	Indianapolis	Pittsburgh	Wayne
Bowie	Irvine	Portland	
Brentwood	Las Vegas	Redwood	
Charlotte	Los Angeles	City	
Chicago	McLean	Richmond	
Columbia	Miami	Roseland	
Dallas	Milwaukee	San Francisco	
Denver	New York	Santa	
Detroit	Oakland	Barbara	
		Scottsdale	
		Seattle	

1. Affiliate

## Latin America

### Argentina

Buenos Aires

### Colombia

Bogotá

### Mexico

Mexico City

### Caribbean

British Virgin Islands  
Cayman Islands

## Europe, Middle East, Africa

### Belgium

Brussels Ixelles

### Denmark

Copenhagen

### Finland

Helsinki

### France

Paris

### Germany

Berlin Düsseldorf Frankfurt Hamburg Munich

### Ireland

Dublin

### Italy

Milan

### Netherlands

Amsterdam

### Qatar

Doha

### Saudi Arabia

Riyadh

### South Africa

Cape Town Johannesburg Sandton

### Spain

Barcelona Madrid

### Switzerland

Zurich

### United Arab Emirates

Abu Dhabi Dubai

### United Kingdom

London Stirling

## Asia

### China

Beijing Hong Kong Shanghai Shenzhen

### India

Mumbai New Delhi

### Indonesia

Jakarta

### Japan

Tokyo

### Korea

Seoul

### Malaysia

Kuala Lumpur

### Philippines<sup>1</sup>

Manila

### Singapore

## Australia

Brisbane Melbourne Perth Sydney



# Our Team



# Dominador (“Butch”) Gregorio III

Senior Managing Director

+63 920.928.3514

butch.gregorio@fticonsulting-ph.com



#### Location

Manila, Philippines

#### Certifications

Certified Public Accountant  
Licensed Real Estate Broker  
Fellow - Institute of Corporate Directors (ICD)

#### Professional Affiliations

Finance Executives of the Philippines  
Philippine Institute of Certified Public Accountants

#### Education

MBA – Wharton Business School  
MA in International Studies –  
Lauder Institute of Management  
and International Studies, University  
of Pennsylvania  
BS Business Administration and  
Accountancy, University of the  
Philippines

**Dominador (Butch) Gregorio III is a Senior Managing Director in FTI Consulting Philippines’ Corporate Finance practice, based in Manila, Philippines. He has more than 30 years of professional experience in restructuring, transaction support, mergers and acquisitions (“M&A”), and financial advisory.**

Mr. Gregorio has advised clients in healthy and distressed situations in connection with M&A, debt restructuring, corporate reorganizations, recapitalizations, funds advisory, and strategic business issues.

Mr. Gregorio’s experience covers all aspects of financial and operating transaction support, including business enterprise valuation, identifying value drivers and risk issues critical to the investment decision, structuring considerations, due diligence of the quality of earnings, cash flows, and balance sheet, fairness opinions, project finance, supporting negotiating financing covenants, advice on sale and purchase agreements, forensic investigation, business process reviews, interim management roles, and corporate directorships. He is an independent director of Cebuana Lhuillier Rural Bank and Home Credit Philippines.

Prior to joining, Mr. Gregorio provided similar services as a partner and head of the Financial Advisory Services group for Deloitte in Almaty, Kazakhstan. From 2003 to 2007, he was the COO and Managing Director of Ernst & Young Transaction Advisory Services, Inc. in the Philippines. He was a partner in SGV & Co. and head of the Corporate Finance Division. Mr. Gregorio spent seven years with Citicorp Real Estate, Inc. (Citibank N.A.) in New York, Minneapolis, and Dallas, U.S.A. He represented a hedge fund as a member of the board of directors of a listed real estate company, which was eventually sold.

## Relevant Experience

- Buy-side M&A advisory for the purchase of Wizards Group by NTT Data which included structuring, valuation, due diligence, and negotiations until financial closing
- Sell-side advisor for the successful disposition of 100 percent of Country Builders Bank, a 36-branch Metro Manila-based rural bank
- Financial advisory and due diligence on the potential acquisition of Chemphil Industries
- Sell-side advisor on the successful sale of a distributor of medical devices to a foreign buyer.
- Financial advisor to the buyers of National Life Insurance Corporation in successful bidding through the Insurance Commission
- Fairness opinion and valuation engagement for the property-for-share swap of a listed energy company for an international renewable energy portfolio
- Fairness opinion and valuation covering a property-for share swap in relation to the infusion of certain assets of Ayala Corporation to Ayala Land inc.
- Assessment of financial condition and recommendations for the debt restructuring of a listed agriculture company with its banks

# John Balce

## Senior Managing Director



### Location

Manila, Philippines

### Certifications

Certified Public Accountant  
Chartered Financial Analyst  
AMAVI-Certified Intellectual  
Property Valuer

### Professional Affiliations

CFA Institute  
CFA Society Philippines  
Philippine Institute of Certified  
Public Accountants  
Finance Executives Institute of  
the Philippines

### Education

Executive Master in Business  
Administration, Asian Institute  
of Management

**John Balce is a Senior Managing Director in FTI Consulting Philippines' Corporate Finance practice, based in Manila, Philippines. His industry expertise includes infrastructure, energy, mining, and financial institutions. He has more than 19 years of professional experience in financial modeling, valuation, deal advisory, project finance, and corporate restructuring.**

Mr. Balce has been involved in several deals, including mergers & acquisitions (“M&A”), capital raising, debt refinancing, public-private partnerships, non-performing loan (“NPL”) portfolio sales, and corporate rehabilitation. Mr. Balce has assisted in several cross-border engagements in the Philippines, China, Hong Kong, Indonesia, and Singapore.

Mr. Balce has extensive experience in building complex financial models for infrastructure and energy projects for evaluating financial viability for purposes of contractual negotiations, regulatory considerations and financing. He likewise has extensive experience in performing valuation of companies in various industries, whether public or private, including embedded intangible assets in M&A transactions.

Mr. Balce holds an executive master's degree in Business Administration, with honors, from the Asian Institute of Management. He graduated Magna Cum Laude from the University of the Philippines - Diliman with a bachelor's degree in Business Administration and Accountancy. He is a Certified Public Accountant and a Chartered Financial Analyst (“CFA”) Charterholder. He is the President and Chairman of the CFA Society Philippines, a member of the CFA Institute, a member of the Philippine Institute of Certified Public Accountants, and an officer of the Finance Executives Institute of the Philippines.

+63 928.503.9492

john.balce@fticonsulting-ph.com

### Relevant Experience

- Spearheaded the team assisting a group of Philippine conglomerates that submitted an unsolicited proposal for the rehabilitation of the Ninoy Aquino International Airport
- Managed the team performing a valuation of a portfolio of onshore and offshore energy assets for purposes of two-stage property-for-share swaps
- Spearheaded the team which built financial models for several coal-fired power plants on behalf of a major power generation company
- Led the team reviewing the financial model for a biomass power plant facility which is a joint venture between MPIC and an LGU
- Spearheaded the creation of the financial model for the LRT2 O&M PPP project for the Consortium of AC Infra and MPIC
- Managed the team reviewing the financial models for several regional airports on which the Philippine government is bidding under its PPP program
- Managed the preparation of an O&M model for the AC Infra – Metro Pacific Consortium in its bid for the LRT1 extension PPP project
- Managed the reorganization and sale of the Philippines' second-largest biodiesel producer owned by a Singapore-based hedge fund

# Alvin Tan

## Senior Managing Director



### Location

Manila, Philippines

### Certifications

Chartered Financial Analyst  
Chartered Valuer and Appraiser  
Advanced Financial Modeler  
Certified Financial Consultant

### Professional Affiliations

CFA Institute  
CFA Society Philippines  
Institute of Valuers and  
Appraisers, Singapore  
Financial Modeling Institute  
Institute of Financial  
Consultants

### Education

Executive Master in Business  
Administration, Asian Institute  
of Management – High  
Distinction

**Alvin Tan is a Senior Managing Director in FTI Consulting Philippines' Corporate Finance practice, based in Manila, Philippines. Mr. Tan has more than 13 years of experience in financial advisory services with a strong focus on shares and intangible assets valuations, fairness opinions, and purchase price allocation exercises.**

Mr. Tan has meaningful corporate advisory and transaction support experience providing strategic advice to clients across several industry sectors, including banking & financial services, real estate & REITs, power & renewable energy, infrastructure, utilities, technology, consumer, retail, healthcare, and education.

Mr. Tan has significant experience in the valuation of shares and intangible assets. He has spearheaded and performed a number of complex valuation engagements, including fairness opinions and valuations of majority and minority stakes in public and private firms both locally and internationally. He has conducted intangible asset valuations and purchase price allocation exercises for mergers and acquisitions in different industry sectors. He has also assisted engagements covering financial due diligence, restructuring, and sell-side M&As in the Philippines.

Mr. Tan obtained his Executive Master in Business Administration with High Distinction at the Asian Institute of Management. He graduated valedictorian from the University of Santo Tomas with a Bachelor's degree in Business Administration Major in Financial Management and was awarded the most outstanding graduate. He is a CFA Charterholder, a CVA Charterholder, and a Certified Advanced Financial Modeler. He serves as a board of trustee and the Vice President for Academic Relations of the CFA Society Philippines.

+63 998.844.0835

alvin.tan@fticonsulting-ph.com

### Relevant Experience

- Managed the team performing a valuation of an investment holding company that owns a majority stake in one of the Philippines' largest publicly-listed conglomerates
- Spearheaded the fairness opinion engagement for the property-for-share swap of a publicly-listed energy company in the Philippines with an international renewable energy portfolio
- Led the fairness opinion engagement supported by a valuation exercise for a large real estate company in the Philippines regarding its property-for-share swap transaction between its parent company
- Prepared various financial models for a power generation company which were submitted to power distributors, bank lenders, and the Energy Regulatory Commission
- Managed the review of various financial models in the renewable energy space for the lenders' financing purposes
- Assisted in the successful sale of the largest rural bank in the Philippines in terms of branches in Metro Manila
- Performed financial due diligence on the potential acquisition of a publicly-listed chemicals company



# Certificate of Reliance



# Certificate of Reliance



April 7, 2026

FTI Consulting Philippines Inc.  
Pasig City, Philippines

Attention: **Dominador T. Gregorio III**  
Senior Managing Director

Subject: Certificate of Reliance


Gentlemen:

This is to certify that to the best of my knowledge, the financial statements, forecasts and supporting schedules listed in **Annex A** and submitted to FTI Consulting Philippines, Inc. (**FTI Consulting**), for the purpose of valuing DoubleDragon Corporation (**DD**) represent the best estimates of the future operating performance, financial results and cashflows. These documents are true, accurate, and free from material misstatements.

We have provided you with access to all information that, to the best of our knowledge, is relevant to the engagement. Furthermore, we have no knowledge of any significant matters that contradict your findings.

We further certify that the information disclosed about the current operations, structure and organization, regulatory/legal disclosures, and other similar information relating to DD is accurate to the best of our knowledge and belief at the time of the disclosure. Further, **DD** agrees to indemnify and hold harmless FTI Consulting and its directors, officers, employees, and/or agents from any liability, loss, or damage arising from FTI Consulting's reliance on the information provided in the course of performing the valuation in accordance with clause 6 of the Terms and Conditions.

Sincerely,

  
**Rodolfo Ma. A. Ponferrada**  
President  
DoubleDragon Corporation

## Annex A

	File Name	File Type/Nature
1	DD; 2023 Audited Consolidated Financial Statement.pdf	Audited Financial Statements of DD as of December 31, 2023
2	DD; 2024 Audited Consolidated Financial Statement.pdf	Audited Financial Statements of DD as of December 31, 2024
3	A3 - DD YTD financial statements 09302025.pdf	YTD Financial Statements of DD from January 2025 to September 2025
4	A3 - DD March 31, 2025 FS.pdf	YTD Financial Statements of DD from January 2025 to Valuation date
5	DD Trial Balance March 31 2025.pdf	Trial Balance of DD as of Valuation date
6	DD Conso Financial Projection.xlsm	Forecasted consolidated financial statements of DD
7	DD Conso Model.xlsm	Forecasted consolidated financial statements of DD
8	DD Group Assumptions.pdf	Financial Forecast Assumptions
9	12312022_DDMP_Contract Database.xlsm	DD Meridian Plaza Contract Database
10	Ascott_Model - 2025.xlsm	Ascott Hotel Financial Forecast
11	CHICI_Model - 2025.xlsm	CHICI Financial Forecast
12	CM_Model - 2025.xlsm	City Malls Financial Forecast
13	DD Parent_Model - 2025.xlsm	Parent Company Financial Forecast
14	DDHH_Model - 2025.xlsm	DDHH Financial Forecast
15	DDMP_Model - 2025.xlsm	DD Meridian Plaza Financial Forecast
16	DDMT_Model - 2025.xlsm	DD Meridian Tower Financial Forecast
17	DDT_Model - 2025.xlsm	DD Tower Financial Forecast
18	HOA_Model - 2025.xlsm	HOA Financial Forecast
19	DD_Capex & Depreciation.xlsx	DD CAPEX and Depreciation Schedule
20	DD; 2303.pdf	DD BIR Form 2303
21	Fairness Opinion_Valuation Report.eml	Email Correspondence
22	Viber Correspondence.pdf	Viber Correspondence
23	DoubleDragon_IRL_03.11.2026.xlsm	Information Request List

# Certificate of Reliance



April 7, 2026

FTI Consulting Philippines Inc.  
Pasig City, Philippines

Attention: Dominador T. Gregorio III  
Senior Managing Director

Subject: Certificate of Reliance

Gentlemen:

This is to certify that to the best of my knowledge, the financial statements, forecasts and supporting schedules listed in **Annex A** and submitted to FTI Consulting Philippines, Inc. (**FTI Consulting**), for the purpose of valuing MerryMart Consumer Corp. (**MM**) represent the best estimates of the future operating performance, financial results and cashflows. These documents are true, accurate, and free from material misstatements.

We have provided you with access to all information that, to the best of our knowledge, is relevant to the engagement. Furthermore, we have no knowledge of any significant matters that contradict your findings.

We further certify that the information disclosed about the current operations, structure and organization, regulatory/legal disclosures, and other similar information relating to MM is accurate to the best of our knowledge and belief at the time of the disclosure. Further, **MM** agrees to indemnify and hold harmless FTI Consulting and its directors, officers, employees, and/or agents from any liability, loss, or damage arising from FTI Consulting's reliance on the information provided in the course of performing the valuation in accordance with clause 6 of the Terms and Conditions.

**Ferdinand J. Sia**  
President and COO  
MerryMart Consumer Corp.

## Annex A

	File Name	File Type/Nature
1	MM; 2023 Audited Consolidated Financial Statement.pdf	Audited Financial Statements of MM as of December 31, 2023
2	MM; 2024 Audited Consolidated Financial Statement.pdf	Audited Financial Statements of MM as of December 31, 2024
3	A3 - MM YTD financial statements 09302025.pdf	YTD Financial Statements of MM from January 2025 to September 2025
4	A3 - MM March 31, 2025 FS.pdf	YTD Financial Statements of MM from January 2025 to Valuation date
5	MM Trial Balance March 31 2025.pdf	Trial Balance of MM as of Valuation date
6	MM Group Projected BS & IS.xlsm	Forecasted Consolidated Financial Statements of MM
7	MM Conso Model.xlsm	Forecasted Consolidated Financial Statements of MM
8	MM Assumptions.xlsm	Financial Forecast Assumptions
9	MM Carlos Model.xlsm	MM Carlos Financial Forecast
10	MM Cecile Model.xlsm	MM Cecile Financial Forecast
11	MM Groceries Model.xlsm	MM Groceries Financial Forecast
12	MM MBox Model.xlsm	MM MBox Financial Forecast
13	MM Capex.xlsx	MM CAPEX Schedule
14	MM Stores List.xlsx	MM Stores List
15	MM; 2303.pdf	MM BIR Form 2303
16	Fairness Opinion_Valuation Report.eml	Email Correspondence
17	Viber Correspondence.pdf	Viber Correspondence
18	DoubleDragon_IRL_03.11.2026.xlsm	Information Request List



# Mandate Letter



# Mandate Letter



## FAIRNESS OPINION SERVICES ENGAGEMENT LETTER

### STRICTLY PRIVATE & CONFIDENTIAL

January 30, 2026

**Rodolfo Ma. A. Ponferrada**  
President

**DoubleDragon Corporation**  
10<sup>th</sup> Floor, Tower 1, DoubleDragon Plaza  
DD Meridian Park corner Macapagal Avenue  
and EDSA Extension, Bay Area  
Pasay City, Metro Manila

**Ferdinand J. Sia**  
President and COO  
**Injap Investments, Inc.**  
19<sup>th</sup> Tower One & Exchange Plaza,  
Ayala Triangle, Ayala Avenue  
Makati City, Metro Manila

AND

**President and COO**  
**MerryMart Consumer Corp.**  
9<sup>th</sup> Floor, Tower 1, DoubleDragon Plaza  
DD Meridian Park corner Macapagal Avenue  
and EDSA Extension, Bay Area  
Pasay City, Metro Manila

Re: Fairness Opinion supported by a Valuation Report

Dear Sirs:

### 1. Introduction

We understand that on April 15, 2025, the board of directors of DoubleDragon Corporation (“DD”) approved the acquisition of 2.66 billion common shares of MerryMart Consumer Corp. (“MM”) from Injap Investments, Inc. (“Injap”) at PHP0.48 per share for a total consideration of PHP1.28 billion, representing 35 percent of MM’s total issued and outstanding capital stock

(the “Transaction”). The Transaction will be paid 50 percent using DD common shares at PHP0.30 per share and 50 percent in cash, amounting to PHP637.97 million. DD, MM, and Injap are collectively referred to as the Clients.

DD and MM (together, the “Companies”) are listed in the Philippine Stock Exchange (“PSE”). DD is primarily engaged in the business of real estate development and other real-estate business ventures while MM is engaged in the operation of retail stores in the supermarket and household essentials category. On the other hand, Injap is a holding company, and the parent company of DD, with interests in real estate, retail, hospitality, and food service sectors.

As the Transaction involves control of more than 35 percent of the outstanding voting shares of MM, the Securities Regulation Code and its Implementing Rules and Regulations require a mandatory tender offer of MM shares held by the public to be conducted by DD. We understand that the MM shares held by the public will be acquired at the same valuation and payment structure (50 percent in cash and 50 percent in DD common shares) approved for the Transaction.

FTI Consulting Philippines, Inc. (“FTI Consulting”) is being requested by the Clients to act as the independent Valuation Specialist to issue a fairness opinion, supported by a valuation report on whether the proposed tender offer price is fair from a financial point of view. The fairness opinion and valuation report will be submitted to the Securities and Exchange Commission (“SEC”) and the PSE. The fairness opinion is solely for the purpose of the mandatory tender offer and shall not be used or relied upon for any other purposes, including any possible delisting of MM.

FTI Consulting is a corporate finance advisory firm that offers a wide array of services including valuation, transaction advisory, and mergers and acquisitions. We are experienced corporate finance professionals. FTI Consulting also has the requisite accreditation, experience, and skills to properly undertake this engagement.

FTI Consulting is accredited by the PSE for purposes of issuing fairness opinions and valuation reports of listed companies and prospective initial listing applicants of the Exchange (PSE Accreditation CN 2024-0063) in accordance with the PSE Memorandum on Guidelines for Fairness Opinions and Valuation Reports (No. 2011-0104), as amended. FTI Consulting is also accredited by the SEC (SEC Accreditation No. 032) as a Professional Services Organization (“PSO”) in accordance with SEC Memorandum Circular No. 2, Series of 2014.

This letter of engagement (the “Engagement”) and the related Terms and Conditions constitute the engagement contract (the “Engagement Contract”) pursuant to which our services will be provided.

### 2. Scope of Services and Time Frame

#### Fairness Opinion

- On the basis of our independent valuation of MM shares, determine the range of market values calculated for the Shares deemed fair from a financial point of view. Given the proposed tender offer price includes 50 percent to be exchanged for DD common shares, our analysis will also include an independent valuation of the DD shares.

#### Valuation

- In support of the fairness opinion, analyze and estimate a range of market values<sup>1</sup> of the MM shares and DD shares as of the Valuation Date<sup>2</sup>, with Philippine Peso (PHP) as the valuation currency, using the generally accepted valuation approaches, as appropriate and applicable, under the International Valuation Standards (IVS):
  - Market Approach (Volume Weighted Average Price Method):** The Volume Weighted Average Price (“VWAP”) Method involves analysis of the value of the company’s shares based on its historical trading volume and price.
  - Market Approach (Comparable Companies and/or Transactions Method):** The Market Approach references either (1) publicly traded enterprises similar to the enterprise being valued or (2) actual transactions of similar enterprises that are traded in the public markets. When available, third-party arm’s length transactions in the equity of an enterprise generally represent the best estimate of market value.
  - Income Approach (Discounted Cash Flows Method):** The Discounted Cash Flows Method is based on the premise that the value of an asset is the present value of the future earning capacity that is available for distribution to investors in the asset. It involves forecasting a cash flow stream (e.g., free cash flows to the firm, free cash flows to equity, dividends, etc.) over a forecast period, and then discounting it back to present using an appropriate discount rate.

The following are the activities to be performed in the valuation:

- Discuss with the Companies’ Management the business operations, revenue mix, key operating metrics, developments and plans, market dynamics, etc. to understand the business and operations of the Companies and the industry.
- Review the audited and/or unaudited interim financial statements and related management reports of the Companies as of the Valuation Date.
- Review at least three-year historical and performance data of the Companies.
- Review at least five-year financial forecasts of the Companies as prepared by MM and DD’s management. Based on the Companies’ Management, available forecasts are prepared on a consolidated basis.
- Perform appropriate analysis to evaluate inputs and assumptions of the financial forecasts and appropriateness for the valuation.

<sup>1</sup> Market value, as defined by the IVS, is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion.

<sup>2</sup> Valuation Date is the date on which the determination of value applies using information that is known or knowable as of that date. For this Engagement, the Valuation Date is March 31, 2025.

# Mandate Letter

- Hold discussions and Q&A sessions with the Companies' management regarding the bases of assumptions used in the financial forecasts.
- Conduct research on historical trading prices of MM and DD and calculate volume-weighted average prices ("VWAPs").
- Review key contracts and agreements pertinent to the valuation such as lease agreements, customer contracts, loan agreements, shareholders agreements, etc.
- Conduct a site visit, as appropriate.
- Review key financial agreements related to the tender offer, if any.
- Review appraisal reports on land, and property and equipment.
- Review publicly available industry reports for understanding of industry dynamics.
- Conduct meetings and interviews with Companies' management and other company advisors (i.e., legal, regulatory, tax, accounting, technical, etc.) and such other activities as may be necessary and desirable to arrive at the valuation.

## Excluded Services

We note that our proposed scope of work does not include the appraisal of land, property and equipment. The Companies shall be responsible for providing current appraisals for land, property and equipment. We are not providing financial modelling services and will not deliver a financial model.

## Reporting

### A. Internal

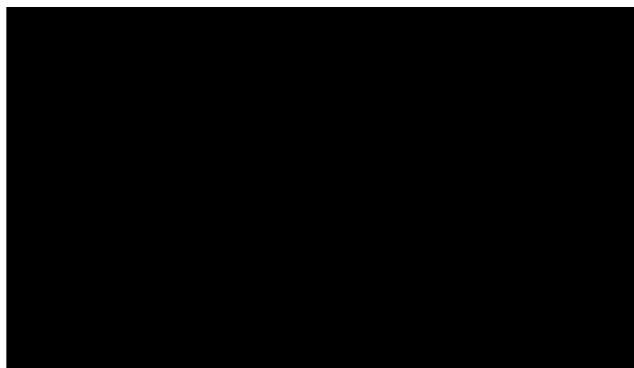
- Drafting of valuation study and opining on the fairness of the proposed tender offer price to the public;
- Submission to the Clients of the draft valuation and fairness opinion report for comments;
- Finalization of valuation study and fairness opinion report (the "Report"); and
- Presentation of final results to management and the Board of Directors of the Clients, if necessary.

### B. Regulatory

- Submit the Report that will be used in the regulatory filings of the Clients to the PSE and SEC;
- Coordinate with the Clients on presentations to the PSE and SEC, if necessary.

## Timetable

Presented below is the proposed timetable.



Please note that our timetable may be affected by the need to secure a confirmation of independence from the PSE. It is a requirement by the PSE that we are independent of the Transaction and the parties to the Transaction. We will submit our request for clearance of independence to the PSE as soon as we are engaged. We have no control over the time it will take for PSE to approve our request for clearance of independence. We are not aware of any conflicts of interest in undertaking this engagement.

The proposed schedule assumes that (1) all required information and documents will be made available, on a timely basis, and (2) there will be no unexpected delays that may occur which are beyond our control, which includes the confirmation of independence by the PSE. In any event, we shall exert our best efforts to ensure an efficient and concise process to meet the Clients' objectives.

## 3. Working Arrangements

Our performance of the Services is dependent upon the Clients providing us with such information and assistance as we may reasonably require from time to time. To facilitate our work, it is understood that the Clients will appoint a contact person who will be the primary point of contact for our information requirements and will coordinate meetings between our team and key persons such as management, technical advisors, legal advisors, accounting/tax advisors, other financial advisors.

Conference calls using the mutually preferred channel of communication shall be preferred over face-to-face meetings. We request that face-to-face meetings be limited on an as-needed basis. The Clients agree that, to expedite communication, correspondence, letters, memos, information and data requirements can be transmitted via electronic mail. We will transmit

report in soft copy format. Hard copies will be provided if requested and given an appropriate lead time so that logistics can be arranged. Billings will be sent electronically via email. We request that payment of our bills be made via wire transfer to our designated bank account.

The Clients shall use reasonable skill, care and attention to ensure that all information we may reasonably require is provided on a timely basis and is accurate and complete. We will assume no responsibility and make no representations with respect to the accuracy or completeness of information provided by the Clients. You shall also notify us immediately if you subsequently learn that the information provided is incorrect or inaccurate or otherwise should not be relied upon.

## 4. Our Responsibilities and Limitations

FTI Consulting will rely, in whole or in part, on information provided by the Clients. In the course of our Engagement, we may also rely on work done by third party service providers engaged or to be engaged by the Clients. We will assume no responsibility and make no representations with respect to the accuracy or completeness of information provided by the Clients or the third-party service providers engaged by the Clients.

Our work does not include the provision of technical, accounting, tax, legal, and regulatory advice and we make no representations regarding questions of technical, accounting, tax, legal, and regulatory interpretation. We will consult with the Clients' technical, accounting, tax, legal advisor(s) for any technical, accounting, tax, legal and regulatory assumptions needed in the valuation.

FTI Consulting shall be engaged by the Clients to provide a fairness opinion. As such, the Clients are expected to already have determined the values in which they intend to execute the Transaction. FTI Consulting is limited only to render an opinion on whether these values are fair from a financial point of view. FTI Consulting and its individual employees will not make any management decisions for the Clients and will not be responsible for communicating information concerning DD, MM, and Injap to the public or all companies' shareholders.

## 5. Certificate of Reliance

The Scope of Services and the results will be based on information provided by the Clients, and publicly available information. Prior to issuing the final report, we will require that management of DD, MM, and Injap, provide us with a Certificate of Reliance, that any projected financial forecasts and other supporting schedules for the purpose of the valuation represent to the best of their knowledge the best estimates as to the future operating performance, financial results and cash flows of the Shares, and that unaudited financial statements provided are to the best of their knowledge true, accurate and free from material misstatements due to fraud or error.

# Mandate Letter

Further, the Clients shall indemnify and hold harmless FTI Consulting and its direct officers, employees and/or agents from any liability, loss or damage relating to or arising from FTI Consulting's reliance on all information provided in performing the said valuation draft Certificate of Reliance is set out in Exhibit III. The final fairness opinion and valuation report will only be released upon issuance by the Clients of their respective signed Certificate of Reliance, which will be included in the final Report.

## 6. Professional Fees

For Services rendered in connection with this Engagement, we propose to charge a total fee of [REDACTED] net of value added taxes (VAT). The fees shall be billed as follows:

- [REDACTED] net, upon signing of the Engagement Letter;
- [REDACTED] net, upon receipt of confirmation of our independence from the PSE; and
- [REDACTED] net, upon release of the final Report.

Our proposed fee shall be paid equally by DD, MM, and Injap.

Our proposed fees are exclusive of any applicable taxes (including, but not limited to, value added taxes). We shall therefore add the 12 percent VAT to our billings for professional fees as required by existing regulations unless our billing qualifies for zero-rating. We shall request the name, Tax Identification Number (TIN) and address of DD, MM, and Injap for bill purposes. If DD, MM, or Injap qualifies for zero-rating, we shall also request for any of the following: Certificate of Residence, Articles of Incorporation, or Certificate of Registrar

Our proposed fee is based on the proposed scope of work for this Engagement. Should we wish to amend the scope or require us to perform additional tasks, the additional hours spent will be charged at our standard hourly rates discounted by [REDACTED].

After the completion of the engagement, if there is a need for us to meet with or in presentations to the SEC or PSE or other third parties, with your approval, we will comply with these requests. We will bill you for the additional time spent in excess of [REDACTED] hours for preparation, presentation and subsequent work that may be required by the SEC, PSE or other third parties. We will apply a [REDACTED] discount to our standard hourly rates. We will inform you in case we anticipate that the hours required will exceed [REDACTED].

Furthermore, in the event that this Engagement is discontinued or terminated as a result of your decision not to proceed with our assistance relative to this Engagement, any prior billings shall be considered as our fees for services rendered thus far. In addition, we shall bill you for actual time charges incurred in excess of such prior billings and any unbilled out-of-pocket expenses (OPEs).

For reference, presented below are our billing rates, net of VAT:

Staff Classification	Standard Hourly Rate (PHP)	Discounted Hourly Rate (PHP)
Senior Managing Director	[REDACTED]	[REDACTED]
Managing Director	[REDACTED]	[REDACTED]
Director	[REDACTED]	[REDACTED]
Associate Director	[REDACTED]	[REDACTED]
Manager	[REDACTED]	[REDACTED]
Senior Associate II	[REDACTED]	[REDACTED]
Senior Associate I	[REDACTED]	[REDACTED]
Associate II	[REDACTED]	[REDACTED]
Associate I	[REDACTED]	[REDACTED]

## Out-of-Pocket Expenses:

In addition, our fees do not yet include our disbursements for applicable Out of Pocket Expenses (OPE) including the Fee for Confirmation of Independence required by the PSE upon filing, courier service, report printing, specialized databases, transportation, accommodations, meals, staffs per diems, and other expenses specifically related to the Engagement. We will charge an advance, non-refundable OPE of [REDACTED] which includes the PSE fee for confirmation of independence.

## Other Related Matters

Further, if FTI Consulting and/or any of its employees are required to testify or provide evidence at or in connection with any judicial or administrative proceeding relating to this Engagement, FTI Consulting will be compensated by you at its regular hourly rates and reimbursed for reasonable allocated and direct expenses (including counsel fees) with respect thereto.

Invoices for fees and expenses incurred in connection with this Engagement will be billed based on the payment milestones discussed above, and are due upon receipt. If we do not receive payment of any invoice within [REDACTED] calendar days of the invoice date, we shall be entitled, without prejudice to any other rights that we may have and to immediately suspend provision of the Services until all sums due are paid in full. We will also charge interest on unpaid fees and expenses at an annual rate of [REDACTED].

If withholding taxes are required to be deducted from the amounts payable to FTI Consulting, the Clients shall pay such taxes to the appropriate tax authority. The Clients shall promptly submit to FTI Consulting the Certificate of Creditable Withheld at Source (BIR Form 2307) to enable FTI Consulting to claim a tax credit. If no certificate is issued, the Clients shall pay the equivalent amount withheld as if no tax has been withheld.

The Clients agree to promptly notify FTI Consulting if the Clients or any of their subsidiaries or affiliates extend (or solicit the possible interest in receiving) an offer of employment to a principal or employee of FTI Consulting involved in this Engagement and agree that FTI Consulting has earned and will be entitled to a cash fee, upon hiring, equal to [REDACTED] of the aggregate first year's annualized compensation, including any guaranteed or target bonus and equity award, to be paid to FTI Consulting's former principal or employee that the Clients or any of their subsidiaries or affiliates hire at any time up to one year subsequent to the date of the final invoice rendered by FTI Consulting with respect to this Engagement.

## 7. Terms and Conditions

The attached Terms and Conditions set forth the duties of each party with respect to the Services. Further, this letter and the Terms and Conditions attached comprise the entire Engagement Contract for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations, and shall supersede all previous proposals, letters of engagement, undertakings, agreements, understandings, correspondence and other communications, whether written or oral, regarding the Services.

## 8. Relationships with Other Parties

Based on our understanding of interested parties to this Transaction (the "Potentially Interested Parties"), we have undertaken a limited review of our records to determine FTI Consulting's professional relationships with the Clients. From the results of such review, we were not made aware of any conflicts of interest or additional relationships that we believe would preclude us from performing the Services. However, as you know, we are a large consulting firm with numerous offices throughout the world. We are regularly engaged by new client, which may include one or more of the Potentially Interested Parties. We will not knowingly accept an engagement that directly conflicts with this Engagement without your prior written consent, which you agree shall not be unreasonably withheld.

## 9. Other Matters

Either of us may request changes to the work we will perform. Changes must be agreed upon between us and will be subject to reasonable adjustments to fees and timetables. Changes which amount to the provision of significant additional services, rather than adjustments to the services already agreed, must be agreed to in writing.

Please note that accredited PSEs of the SEC may be required to submit copies of valuation reports that they have prepared for purposes of complying with the requirements of their accreditation. As Valuation Specialists, FTI Consulting adheres to the latest version of the International Valuation Standards. FTI Consulting confirms that this valuation exercise will be undertaken in accordance with the IVS.


# Mandate Letter

This agreement is valid for 30 days from the date of this Engagement Letter. If we are engaged after the validity date, we reserve the right to adjust the proposed fees and the engagement timetable for the delivery of our service.

If you have any questions, please call Dominador "Butch" T. Gregorio III, Senior Managing Director, at +63.920.928.3314. If the services outlined herein are in accordance with your requirements and if the above terms are acceptable to you, please have one copy of this letter signed in the space provided below and returned to us.

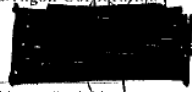
Yours sincerely,

FTI CONSULTING PHILIPPINES, INC.


By:   
**Dominador T. Gregorio III**  
 Senior Managing Director

## Confirmation of Terms of Engagement


We agree to engage FTI Consulting Philippines, Inc. upon the terms set forth herein and attached Terms and Conditions.

DoubleDragon Corporation  
  
 By: \_\_\_\_\_  
 Name: Rodolfo M. A. Poncebarrada  
 Position: President

Date: \_\_\_\_\_

Injap Investments, Inc.  
  
 By: \_\_\_\_\_  
 Name: Ferdinand J. Sia  
 Position: President & CEO

Date: \_\_\_\_\_

MerryMart Consumers Corp.  
  
 By: \_\_\_\_\_  
 Name: Ferdinand J. Sia  
 Position: President & CEO

Date: \_\_\_\_\_

## EXHIBIT I - TERMS AND CONDITIONS

The following are the Terms and Conditions on which we will provide the Services to you set forth within the attached Letter of Engagement with DoubleDragon Corporation, Injap Investments, Inc., and MerryMart Consumer Corp. dated January 30, 2026. The Letter of Engagement and the Exhibits (collectively, the "Engagement Contract") form the entire agreement between us relating to the Services. It replaces and supersedes any previous proposals, correspondence understandings or other communications whether written or oral. The headings and titles in the Engagement Contract are included to make it easier to read but do not form part of the Engagement Contract.

### 1. Reports and Advice

1.1. **Reliance on drafts** - You acknowledge that no reliance shall be placed on draft reports, conclusions or advice, whether oral or written, issued by us as the same may be subject to further work, revision and other factors which may mean that such drafts are substantially different from any final report or advice issued.

1.2. **Use and purpose of advice and reports** - Any advice given or report issued by us is provided solely for your use and benefit and only in connection with the purpose in respect of which the Services are provided. Unless required by law, you shall not provide any advice given or report issued by us to any third party or refer to us or the Services without our prior written consent or the receipt of the signed third party release letter included in Exhibit H. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to which any advice or report is disclosed or otherwise made available.

1.3. **Scope of Analysis** - The valuation of any financial instrument or business is a matter of informed judgment. The accompanying valuation has been prepared on the basis of information and assumptions set forth in the report, appendices, our underlying work papers, and the limiting conditions and assumptions.

1.4. **Going Concern Assumption, No Undisclosed Contingencies** - Our analysis: (i) assumes that as of the Valuation Date, the Properties will continue to operate as configured as a going concern; (ii) is based on the past and present financial condition of the Properties as of the Valuation Date; and (iii) assumes that the Properties had no undisclosed real or contingent assets or liabilities, no unusual obligations or substantial commitments, other than in the ordinary course of business, nor had any litigation pending or threatened that would have a material effect on our analysis.

1.5. **Subsequent Events** - The terms of our engagement are such that we have no obligation to update the valuation report or to revise the valuation because of events and transactions occurring subsequent to the Valuation Date.

# Mandate Letter

## 3. Information and Assurances

3.1 **Accuracy of Information and Assurances** – The information of the Services is dependent upon the accuracy of each party's information and assurances as to the reasonably expected future facts herein.

3.2 **Physical and Financial Information** – Participants shall not be responsible with care and attention to ensure that information is reliable. Each party shall be responsible to report, investigate and verify, where and as appropriate, such reports shall also verify the other party's care and responsibility. Issues that the information provided by information or reports shall be investigated shall be noted herein.

3.3 **No assurance on financial data** – While we would not conduct an analysis of financial accounting data, the Services will not conduct an audit, compilation or review of any kind of any financial information whatsoever. However, disclosure by the participants of the Engagement may require verification to the extent or certain requests based upon, among other matters, the nature of sufficient and available data and the opportunity for supporting information in the engagement. The Services will be responsible for any and all financial information reported to us during the course of this Engagement, and we will not assume or undertake any financial information. Accordingly, as part of this Engagement, we will not assume any liability or other form of assurance on the financial statements or financial information of the Participant.

3.4 **Prospective financial information** – In the course of the Services, we have reviewed financial information, including but not limited to projections, comparisons or other agreed upon provisions or arrangements with respect to information by the Participant. Because of a limited history, we cannot and we will express an assurance of any kind on such information. There will be no assurance, however, estimated and actual results. Because events and circumstances frequently do not occur as expected, and these differences may be material, we will take no responsibility for the reliability of the reported financial information or the management of the Company.

3.5 **Legal Matters** – We assume no responsibility for legal matters including interpretation or effect of the law of a state. We have not conducted an investigation of legal title, and have assumed the accuracy, timeliness and validity. We have given no consideration to any of the information except as specifically stated. We assumed that all required permits, policies, rules and all other laws and codes. We assume no responsibility for the responsibility of the respective jurisdiction used in our report or legal opinions in our professional standard of conduct. The reliability of our report and opinion for any legal matter is limited by the jurisdiction of the State, legal advice or otherwise.

2.6 **Verification of Legal Description or Title** – No investigation of legal description or title to the properties will be made and we will assume that your claim to the properties are valid. No consideration will be given to liens or encumbrances which may be against the property, except as specifically stated as part of the financial statements you provide to us as part of this engagement. Full compliance with all applicable national, local government, local zoning, environmental and similar laws and regulations is assumed, unless otherwise stated and responsible ownership and competent property management are assumed.

2.7 **Verification of Hazardous Conditions** – We will not investigate the extent of any hazardous substances that may exist, as we are not qualified to test for such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation or other hazardous substances or environmental conditions may affect the value of the property, the value will be estimated predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility will be assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

2.8 **Condition of Property** – We assume no liability whatsoever with respect to the condition of the subject property or for hidden or unapparent conditions, if any, of the subject property, subsoil or structures, and further assume no liability or responsibility whatsoever with respect to the correction of any defects which may now exist or which may develop in the future. Equipment components considered, if any, were assumed to be adequate for the needs of the property's improvements, and in good working condition, unless otherwise reported.

2.9 **Zoning** – It was assumed that all public and private zoning and use restrictions and regulations had been complied with, unless non-conformity was stated, defined and considered in the report.

## 3. Additional Services

3.1 **Your responsibility for other parties** – You shall be solely responsible for the work and fees of any other party engaged by you to participate in the Engagement regardless of whether such party was introduced to you by us. Except as provided in the Letter of Engagement, we shall not be responsible for providing or reviewing specialist advice or services including legal, regulatory, accounting or taxation matters. Further, we acknowledge that we are not authorized to engage any third party under our Engagement Contract without your written authorization.

## 4. Confidentiality

4.1 **Restrictions on confidential information** – All parties agree that any confidential information received from the other party shall only be used for the purposes of providing or receiving Services under this or any other contract between us. Except as provided below, neither party will disclose the other party's confidential information to any third party without the other party's consent. Confidential information shall not include information that:

4.1.1 is or becomes generally available to the public other than as a result of a breach of an obligation under this clause;

4.1.2 is acquired from a third party who, to our knowledge, owes no obligation of confidence in respect of the information; or

4.1.3 is or has been independently developed by the recipient.

4.2 **Disclosing confidential information** – Notwithstanding clause 1.2 and 4.1 above, either party will be entitled to disclose confidential information of the other to a third party to the extent that this is required by valid legal process provided that (and without breaching any legal or regulatory requirement) where reasonably practicable or legally allowed not less than 2 business days notice in writing is first given to the other party.

4.3 **Citation of engagement** – Without prejudice to Clause 4.1 and Clause 4.2 above, we may cite generally the performance of the Services to our client and prospective clients as an indication of our experience, unless we both specifically agree otherwise in writing.

4.4 **Internal quality reviews** – Notwithstanding the above, we may disclose any information referred to in this Clause 4 to any other FTI Consulting entity or use it for internal quality reviews.

4.5 **Maintenance of workpapers** – Notwithstanding the above, we may keep one archival set of our working papers from the Engagement, including client provided files and working papers containing or reflecting confidential information, in accordance with our professional standards and internal quality review.

4.6 **Data privacy** – All parties are expected to comply strictly to the data protection requirements under applicable law and professional regulations, including but not limited to the Data Privacy Act of 2012.

# Mandate Letter

**EXHIBIT B - STANDARD RELEASE LETTER-  
Report Access Requested by CLIENT NAME for Nonclient**

**5. Termination**

5.1 **Termination of Engagement with notice** - Either party may terminate the Engagement Contract for whatever reason upon written notice to the other party. Upon receipt of such notice, we will stop all work immediately. You will be responsible for all fees and expenses incurred by FTI Consulting through the date termination is received subject to any claims and liabilities you may have for antecedent obligations against FTI Consulting.

5.2 **Continuation of terms** - The terms of the Engagement Contract, including but not limited to, Clauses 4 and 6 of the Engagement Letter, and Clauses 1.2, 4, 6 and 7 of the Terms and Conditions, are intended to survive such termination or expiration and continue to bind all parties.

**6. Governing Law and Jurisdiction**

6.1 **Governing Law and Jurisdiction** - The Engagement Contract shall be governed and interpreted in accordance with the laws of the Republic of the Philippines. The Regional Trial Court of Pasig City shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning the Engagement Contract and any matter arising therefrom. The parties irrevocably waive any right they may have to object to being brought in these Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

FTI CONSULTING PHILIPPINES, INC.

[Nonclient Recipient Letterhead]

[Date]

FTI Consulting Philippines Inc.

Dear FTI CONTACT:

CLIENT has informed [name of recipient] that FTI Consulting Philippines Inc. ("FTI CONSULTING") has performed certain fairness opinion and valuation services to assist CLIENT in connection with the proposed transaction. We understand that the work performed by FTI CONSULTING was performed in accordance with instructions provided by CLIENT and was performed exclusively for Client's sole benefit and use.

CLIENT has requested that FTI CONSULTING provide [name of recipient] access to their report dated [date]. [name of recipient] acknowledges that this report was prepared for the benefit of CLIENT and may not include all assumptions or considerations deemed necessary for the purposes of [name of recipient].

In consideration of FTI CONSULTING allowing [name of recipient] access to the report and, if requested by [name of recipient], discussing the report, [name of recipient] agrees that it does not acquire any rights as a result of such access that it would not otherwise have had and acknowledges that FTI CONSULTING does not assume any duties or obligations to [name of recipient] in connection with such access.

[name of recipient] agrees to release FTI CONSULTING and its personnel from any claim by [name of recipient] that arises as a result of FTI CONSULTING permitting [name of recipient] access to the report. Further, [name of recipient] agrees not to disclose or distribute the report, or information received, orally or in writing from FTI CONSULTING to any other parties (including any other members of a lending syndicate) without FTI CONSULTING's prior written consent.

Acknowledged by [name of recipient] representative:

By: \_\_\_\_\_  
(Name of company official)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

# Mandate Letter

[Client Letterhead]

EXHIBIT III  
CERTIFICATE OF RELIANCE

[Date]

FTI Consulting Philippines, Inc.  
Pasig City, Philippines

Attention: Dominador T. Gregorio III  
Senior Managing Director

Subject: Certificate of Reliance

Gentlemen:

This Certificate of Reliance is provided to you in connection with your engagement with [CLIENT] to render a fairness opinion, supported by a valuation report, on its proposed transaction.

This is to certify that to the best of my knowledge, the financial statements, forecasts and supporting schedules listed in Annex A and submitted to FTI Consulting Philippines, Inc. (FTI Consulting), for the purpose of valuing the [COMPANY] represent the best estimates as to the future operating performance, financial results and cashflows of the said [COMPANY] are true and accurate, and free from material misstatements.

We have provided you with access to all information which we are aware are relevant to the engagement.

We further certify that information we disclosed about the current operations, structure and organization, regulatory/legal disclosures and other similar information relating to [COMPANY] are accurate to the best of our knowledge and belief at the time of the disclosure. Further, [CLIENT] shall indemnify and hold harmless FTI Consulting and its directors, officers, employees, and/or agents from any liability, loss or damage relating to or arising out of FTI Consulting's reliance on all information provided in performing the said valuation in accordance with Clause 6 of the Terms and Conditions.

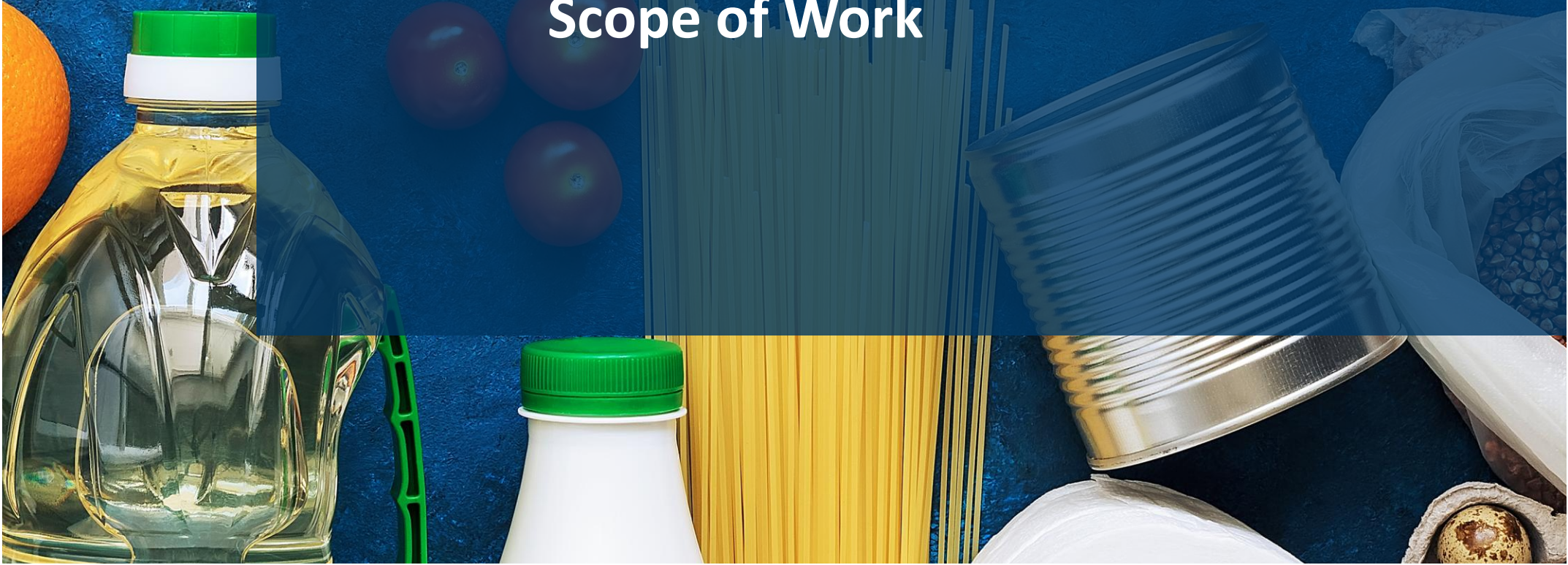
Sincerely,

[Name]  
[Position]  
[Company Name]





# Scope of Work



## Scope of Work

### Fairness Opinion

- On the basis of our independent valuations of MM shares, determine the range of market values calculated for the Shares deemed fair from financial point of view. Given the proposed tender offer price includes 50 percent to be exchanged for DD common shares, our analysis will also include an independent valuation of the DD shares.

### Valuation

- In support of the fairness opinion, analyze and estimate a range of market values of the MM shares and DD shares as of the Valuation Date , with Philippine Peso (“PHP”) as the valuation currency, using the generally accepted valuation methodologies, as appropriate and applicable, under the International Valuation Standards (“IVS”):
  - Income Approach: Discounted Cash Flows Method
  - Market Approach: Volume Weighted Average Price Method
  - Market Approach: Comparable Companies Method
- Discuss with MM and DD management to understand the business and operations of the Companies and the industry;
- Review the audited and/or unaudited interim financial statements and related management reports of the Companies as of Valuation date;
- Review at least three-year historical and performance data of the Companies;
- Review at least five-year financial forecasts of the Companies as prepared by MM and DD’s management. Based on the Companies’ Management, available forecasts are prepared on a consolidated basis.
- Perform appropriate analysis to evaluate inputs and assumptions of the financial forecasts and appropriateness for the valuation;
- Hold discussions and Q&A sessions with the Companies’ Management regarding the bases of assumptions used in the financial forecasts;

## Scope of Work

### Valuation (cont'd)

- Conduct research on historical trading prices of MM and DD and calculate volume-weighted average prices (“VWAPs”);
- Review key contracts and agreements pertinent to the valuation such as lease agreements, customer contracts, loan agreements, shareholders agreements, etc.;
- Conduct a site visit, as appropriate;
- Review key financial agreements related to the tender offer, if any;
- Review appraisal reports on land, and property and equipment.
- Review publicly available industry reports for understanding of industry dynamics;
- Conduct meeting and interviews with Companies’ management and other company advisors (i.e., legal, regulatory, tax, accounting, technical, etc.) and such other activities as may be necessary and desirable to arrive at the valuation.

### Reporting

- Drafting of valuation studies and opinion on the fairness of the Transaction;
- Submission to the Clients of the draft valuation and fairness opinion report for comments;
- Finalization of valuation studies and fairness opinion report (the “Report”);
- Presentation of the final results to management and the Board of Directors of the Clients, if necessary;
- Submit the Report that will be used in the regulatory filings of the Clients to the PSE and SEC; and
- Coordinate with the Clients on the presentations to the PSE and SEC, if necessary.



# FTI Consulting Philippines, Inc. Accreditations



# FTI Consulting Philippines, Inc. Accreditations



Securities and Exchange Commission  
PHILIPPINES

Accreditation No. 032-PSO

## CERTIFICATE OF ACCREDITATION

THIS IS TO CERTIFY that

### FTI CONSULTING PHILIPPINES, INC.

has been accredited by the Commission on **30 September 2025** as a Professional Service Organization (PSO) after its compliance with the documentary and qualification requirements of SEC Memorandum Circular No. 02, Series of 2014 (Guidelines on Asset Valuations).


The effectivity of this Certificate shall be from **September 30, 2025** to **September 30, 2030** and shall be subject to the requirements set forth under said Circular or any amendments thereto and such orders as may be issued by the Commission.

The accreditation by the Commission of the company named herein is permissive only and does not constitute a recommendation or indorsement of its engagement and practice. The review of the qualifications and sample valuation report of the company was based only on the documents submitted and the representations made therein by the company. Parties directly concerned on a report issued by the PSO are expected to conduct due diligence towards reliance of the contents thereof.

Issued at Makati City, Philippines this 30<sup>th</sup> day of September, Two Thousand and Twenty-Five.

  
**FIDEL D. RE BENITO**  
 Officer-in-Charge  
 Office of the General Accountant

CN - No. 2024-0063



## MEMORANDUM

**THE PHILIPPINE STOCK EXCHANGE, INC.**

Listing  
 Market Education  
 Market Information  
 Products and Services

Public Advisory  
 Regulatory Updates  
 TP Announcements  
 Others **Accredited Firms**

**TO :** INVESTING PUBLIC AND ALL TRADING PARTICIPANTS

**DATE :** December 13, 2024

**SUBJECT :** FTI Consulting Philippines, Inc.  
Accredited Firm for Issuing Fairness Opinions and Valuation Reports


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Please be informed that the Exchange approved the application of FTI Consulting Philippines, Inc. (the "Firm") for renewal of accreditation as a fairness opinion and valuation report provider of listed companies and prospective initial listing applicants of the Exchange.

All fairness opinions and valuation reports submitted to the Exchange as part of a listing application should be prepared by an independent fairness opinion and valuation report provider duly accredited by the Exchange, in accordance with the Consolidated Listing and Disclosure Rules of the Exchange and the Guidelines for Fairness Opinions and Valuation Reports and the Policy on Validity Period of Accreditation of Firms for Valuation or Appraisal Purposes, as amended, and the PSE Amended Voluntary Delisting Rules.

**In view thereof, the accreditation of the Firm shall be effective for a period of three (3) years from December 29, 2024, subject to the Firm's compliance with the reportorial requirements.**

For your information and guidance.

  
**RAMON S. MONZON**  
 President and Chief Executive Officer

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<sup>1</sup>As previously announced, the existing accreditation of FTI Consulting Philippines, Inc. is valid from December 29, 2023 to December 29, 2024.

CMDO	FD	IRD	MCO	TD	HRD / RISK / SJ	CCD / FMD / AD	OGC	GOO
Tel. No. (035) 5876-4888		Email Address: info@pse.com.ph						



# References



# References

## **Economic Overview**

- <https://psa.gov.ph/statistics/national-accounts>
- <https://psa.gov.ph/content/summary-inflation-report-consumer-price-index-2018100-december-2025>
- <https://amro-asia.org/amros-2025-annual-consultation-report-on-the-philippines>

## **The Philippine Property/Office Sectors**

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**Experts with Impact™**



Fairness Opinion Report

# Project Viserion

Fairness Opinion on the Mandatory Tender Offer for  
a Consumer-focused Retail Company

**STRICTLY PRIVATE & CONFIDENTIAL**

April 30, 2026

**Rodolfo Ma. A. Ponferrada**  
**President**

**DoubleDragon Corporation**

10<sup>th</sup> Floor, Tower 1, DoubleDragon Plaza  
DD Meridian Park corner Macapagal Avenue  
and Edsa Extension, Bay Area  
Pasay City, Metro Manila

**Ferdinand J. Sia**  
**President and COO**

**Injap Investments, Inc.**

19F Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City, Metro Manila

**MerryMart Consumer Corp.**

9th Floor, Tower 1, DoubleDragon Plaza, DD Meridian Park corner Macapagal Avenue and EDSA  
Extension, Bay Area, Pasay City, Metro Manila

Attention: Board of Directors of DoubleDragon Corporation, Injap Investments, Inc. and MerryMart Consumer Corp.

**Re: Fairness Opinion Report supported by a Valuation Report**

Ladies and Gentlemen:

FTI Consulting Philippines, Inc. ("FTI Consulting") is pleased to submit this Fairness Opinion Report ("Report") covering the mandatory tender offer by DoubleDragon Corporation ("DD" or the "Offeror") for the common shares of MerryMart Consumer Corp. ("MM") held by the public, based on a Valuation Date as of 31 March 2025.

On April 15, 2025, the board of directors of DoubleDragon Corporation approved the acquisition of 2.66 billion common shares of MerryMart Consumer Corp. from Injap Investments, Inc. ("Injap") at PHP0.48 per share for a total consideration of PHP1.28 billion, representing 35 percent of MM's total issued and outstanding capital stock (the "Transaction"). The Transaction will be paid 50 percent using DD common shares at PHP9.30 per share and 50 percent in cash, amounting to PHP637.97 million.

As the Transaction involves control of more than 35 percent of the outstanding voting shares of MM, the Securities Regulation Code and its Implementing Rules and Regulations require a mandatory tender offer of MM shares held by the public to be conducted by DD.

FTI Consulting Philippines, Inc. (“FTI Consulting”) is being requested by DD, MM, and Injap to act as the independent Valuation Specialist to render an opinion on whether the proposed tender offer price and the proposed consideration for each MM share are fair from a financial point of view.

FTI Consulting conducted a valuation study of both DD and MM shares in accordance with the International Valuation Standards (“IVS”) to determine the fairness of the proposed tender offer price and the proposed consideration for each MM share. The following standards were used:

- IVS 100 Valuation Framework
- IVS 101 Scope of Work
- IVS 102 Bases of Value
- IVS 103 Valuation Approaches
- IVS 104 Data and Inputs
- IVS 105 Valuation Models
- IVS 106 Documentation and Reporting
- IVS 200 Business and Business Interests

The Valuation Date is 31 March 2025, with the Philippine Peso (“PHP”) as the Valuation Currency. Market Value (also referred to as “Fair Value”) is the basis of value used in this engagement. Market Value is defined in the IVS as the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

FTI Consulting is accredited by the Securities and Exchange Commission (SEC Accreditation No. 032) as a Professional Services Organization (PSO) in accordance with SEC Memorandum No. 2 Series of 2014 (Guideline on Asset Valuation). FTI Consulting is also an independent firm accredited by the PSE (PSE Accreditation CN - No. 2024-0063 released on December 13, 2024) for purposes of issuing fairness opinions and valuation reports of listed companies and prospective initial listing applicants of the Exchange in compliance with the PSE Memorandum on Guidelines for Fairness Opinions and Valuation Reports (No. 2011-0104).

## Transaction Details

The details of the Transaction are shown in the table below:

Transaction Details	Amounts
MM shares owned by Injap to be acquired by DD (a)	2,658,227,848
Percentage to be acquired by DD	35.0%
PHP price per share (b)	0.48
Total PHP amount to be paid by DD (a x b)	1,275,949,367.04
50% cash in PHP	637,974,683.52
50% issuance of shares in PHP (c)	637,974,683.52
DD price PHP / share (d)	9.30
Number of shares to be issued (e) [c/d]	68,599,428
Implied ratio of DD shares to MM sharers [e/a]	0.0258

Source: PSE Edge, FTI Analysis

DD intends to conduct a mandatory tender offer to the public based on the same offer terms as the Transaction as follows:

- MM shares to be priced at PHP0.48 per share ("Tender Offer Price")
- The Tender Offer Price shall be settled as follows ("Proposed Consideration"): (1) 50 percent in cash or PHP0.24 per share and (2) 50 percent in DD shares priced at PHP9.30 per share or 0.0258 DD share per MM share.
- The DD shares to be issued are previously unissued shares and yet to be listed.

## Valuation of DD and MM shares (cont'd)

To determine the fairness of the Offer Price and the Proposed Consideration, a valuation of DD and MM shares (collectively, the "Shares") was undertaken. The Shares were valued using the Discounted Cash Flows ("DCF") method under the Income Approach as the primary method. The Volume Weighted Average Price ("VWAP") method was used as a cross-check.

Presented in the table on the succeeding slide is the valuation results of DD and MM shares. The details of our analysis are in the Valuation Report accompanying this Fairness Opinion Report.

Based upon discussions with and representations of DD's and MM's management, research conducted, and the valuation analyses performed and described herein, the estimated range of market values per share as discussed in the Valuation Report is from **PHP8.94 to PHP12.36** for DD shares and **PHP0.34 to PHP0.56** for MM shares as of the Valuation Date.

### Valuation of DD and MM shares (cont'd)

This estimated range is presented in the table below:

DD Valuation (in PHP millions)	Equity Value		PHP per share*	
	Low	High	Low	High
DCF Method	20,966	28,973	8.94	12.36
Cross-check:				
<i>VWAP Method</i>	<i>21,885</i>	<i>24,418</i>	<i>9.33</i>	<i>10.41</i>
<b>Range of est. market values</b>	<b>20,966</b>	<b>28,973</b>	<b>8.94</b>	<b>12.36</b>

MM Valuation (in PHP millions)	Equity Value		PHP per share*	
	Low	High	Low	High
DCF Method	2,599	4,238	0.34	0.56
Cross-check:				
<i>VWAP Method</i>	<i>3,459</i>	<i>5,490</i>	<i>0.46</i>	<i>0.72</i>
<b>Range of est. market values</b>	<b>2,599</b>	<b>4,238</b>	<b>0.34</b>	<b>0.56</b>

\*DD shares = 68,599,428; MM shares = 2,658,227,848  
Source: S&P Capital IQ, FTI Analysis

### Valuation of the Proposed Consideration for each MM share

The valuation of the proposed consideration using our estimated range of values compared to the consideration to be paid by DD is as follows:

Proposed Consideration (PHP/share)	Low	High	Mgmt.
DD Shares per MM Share* (a)	0.0258	0.0258	0.0258
PHP Value of DD per share (b)	8.94	12.36	9.30
<b>Value of Share Consideration (a x b)</b>	<b>0.23</b>	<b>0.32</b>	<b>0.24</b>
Add: Value of Cash Consideration	0.24	0.24	0.24
<b>Total Value of Proposed Consideration</b>	<b>0.47</b>	<b>0.56</b>	<b>0.48</b>

\*Please see preceding slide for more details  
Source: S&P Capital IQ, FTI Analysis

### Summary of Findings

The estimated ranges of market values of the Shares and the Proposed Consideration are presented in the table below along with a comparison to the proposed tender offer price.

In PHP per share	DoubleDragon Corporation Value per Share			MerryMart Consumer Corporation Value per share			Consideration per MM share		
	Low Estimate	High Estimate	Mgmt. Value	Low Estimate	High Estimate	Tender Offer Price	Low Estimate	High Estimate	Tender Offer Price
<b>RANGE OF EST. MARKET VALUES</b>	<b>8.94</b>	<b>12.36</b>	<b>9.30</b>	<b>0.34</b>	<b>0.56</b>	<b>0.48</b>	<b>0.47</b>	<b>0.56</b>	<b>0.48</b>

Source: FTI Analysis

### Fairness Opinion

Based upon discussions with and representations of DD's and MM's management, research conducted, and the valuation analyses performed and discussed in the Valuation Report, in relation to the Tender Office Price and the Proposed Consideration as of the Valuation Date, we are of the opinion that:

1. The Tender Offer Price for each MM share is within our estimated fair range of market values of MM shares;
2. The Proposed Consideration for each MM share (i.e., 50 percent cash and 50 percent DD shares) is within our estimated fair range of market values for each MM share.

**Given the foregoing, we are of the opinion that the Tender Offer Price and the Proposed Consideration for each MM share is fair from a financial point of view.**

## Statement of Limitations

- This Report opines solely on the fairness of the proposed tender offer price and the proposed consideration for each MM share. It does not opine as to the operational merits or strategic rationale of the Transaction.
- In the preparation of the valuation report, FTI Consulting relied on available information and records, including but not limited to the representation of DD and MM, audited and unaudited financial statements, and such other relevant supporting documents.
- While our work may include an analysis of financial and accounting data, our work does not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls, or other attestation or review services in accordance with standards established by the Auditing and Assurance Standards Council (“AASC”). Accordingly, we do not express an opinion or any other form of assurance on the financial statements of DD and MM or any financial or other information.
- With respect to prospective financial information relative to DD and MM referenced throughout the valuation report, we did not examine, compile, or apply agreed-upon procedures to such information in accordance with standards established by the AASC and we express no assurance of any kind on such information. There will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We take no responsibility for the achievability of the expected results anticipated by DD and MM’s management (“Management”).
- Management is responsible for any and all financial information provided to us during the course of our work.

## Statement of Compliance

- The Report is not approved by an internal committee. The Report is reviewed and approved by the Senior Managing Directors of FTI Consulting.
- The Report does not express an opinion about the fairness of the compensation in the Transaction to any of DD, MM or Injap's directors, officers, or employees relative to the compensation of their respective shareholders.
- FTI Consulting did not act as a financial advisor to any party to the Transaction and did not or will not receive a payment that is contingent on the successful completion of the Transaction, for rendering the fairness opinion.
- There is no material relationship between FTI Consulting and any party to the Transaction. During the prior two years, as it relates to this Transaction, FTI Consulting has not received or intends to receive compensation as a financial advisor.
- Information with respect to DD's and MM's operations and account balances purported to be in effect and described in our valuation report was obtained primarily through analyses provided by and discussions with Management.
- FTI Consulting performed appropriate analysis to evaluate inputs and assumptions, and their appropriateness for the valuation purpose.
- Members of FTI Consulting, particularly those who are registered Certified Public Accountants and Chartered Financial Analysts, and Chartered Valuer and Appraiser, are compliant with the Code of Ethics of the Philippine Institute of Certified Public Accountants, the CFA Institute Code of Ethics, and the Code for Ethical Principles for Professional Valuers.
- A brief description of FTI Consulting and the educational and professional qualification of its representatives who conducted the valuation is included in the valuation report.

Should you require clarification on any of the matters contained in this Report or any further information, we would be pleased to meet and discuss.

Yours faithfully,

**FTI CONSULTING PHILIPPINES, INC.**

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Pasig City, Philippines

PSE Accreditation CN - No. 2024-0063

Validity Date: 29 December 2024 to 28 December 2027

SEC Accreditation No. 032

Validity Date: 30 September 2025 to 30 September 2030



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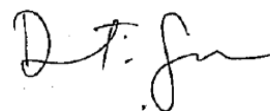
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