



Century Properties Group Inc.
(incorporated in the Republic of the Philippines)

**Shelf Registration in the Philippines of
Debt Securities in the aggregate principal amount
of ₱6,000,000,000**

**to be offered within a period of 3 years
or such period as the Securities and Exchange Commission
may allow at an Issue Price of 100% of Face Value**

**First Tranche of the Fixed Rate Retail Bonds:
₱2,000,000,000 with an Oversubscription Option
of up to ₱1,000,000,000**

**5-Year Fixed Rate Retail Bonds due 2027 at 5.7524% p.a.
Issue Price: 100% of Face Value**

**to be listed and traded through
The Philippine Dealing & Exchange Corp.**

Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner



The date of this Prospectus is February 8, 2022.

China Banking Corporation – Trust and Asset Management Group is the duly appointed Trustee of the Bondholders. The Trustee is a group within China Banking Corporation, which is the direct parent company of China Bank Capital Corporation, the Sole Issue Manager, Sole Lead Underwriter, and Sole Bookrunner for this Offer. However, the Trustee is separate and independent from the Sole Issue Manager, Sole Lead Underwriter, and Sole Bookrunner.

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

**Office Address**

Century Properties Group Inc.
21st Floor Pacific Star Building,
Sen. Gil Puyat Avenue corner Makati Avenue,
Makati City 1200

Contact Numbers

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www.century-properties.com

This Prospectus relates to the shelf registration and each offer and sale in the Philippines within the Shelf Period (as defined below) (each a "Tranche") of Debt Securities in an aggregate principal amount of up to ₱6,000,000,000 by Century Properties Group Inc. (the "Issuer" or the "Company" or "CPGI" or the "Group"), as provided by applicable Securities and Exchange Commission ("SEC") rules and regulations, effective at the time of issuance (the "Debt Securities") (the "Shelf Registration"). The Debt Securities shall be issued in one or more Tranches as authorized by a resolution of the Board of Directors of the Company dated December 17, 2021.

The offer and sale of the Debt Securities, including the terms and conditions for each Tranche shall be at the sole discretion of the Company. The specific terms of the Debt Securities for each Tranche will be determined by the Company considering the prevailing market conditions and shall be provided in a supplement to be circulated at the time of the offer of the relevant Tranche (the "Offer Supplement").

A registration statement filed by the Company covering the Debt Securities Program was rendered effective by the SEC by its order and certificate of permit to offer securities for sale dated December 17, 2021 for the first tranche of unsecured fixed rate peso-denominated retail bonds (the "Bonds") with an aggregate principal amount of ₱2,000,000,000, with an Oversubscription Option of up to ₱1,000,000,000 (the "Offer") to be issued on February 24, 2022 (the "Issue Date"), or such other date as may be agreed upon by the Issuer and the Sole Issue Manager, Sole Lead Underwriter, and Sole Bookrunner. The Bonds are comprised of 5.7524% p.a. five (5)-year bonds. The succeeding issuances are proposed to be issued under a Shelf Registration within three (3) years from the effective date of the registration statement of the Debt Securities, subject to applicable regulations (the "Shelf Period").

Interest on the Bonds will be payable quarterly in arrears; commencing on May 24, 2022 for the first Interest Payment Date and on August 24, November 24, February 24 and May 24 of each year for each Interest Payment Date at which the Bonds are outstanding, or the subsequent Business Day without adjustment if such Interest Payment Date is not a Business Day. The Bonds shall be repaid at maturity at par (or 100% of face value), plus any outstanding interest, on the respective maturity date or on February 24, 2027 (see "Description of the Bonds" – "Redemption and Purchase" on page 86).

The Bonds have been rated AA by Credit Rating Investors Services Philippines Inc. ("CRISP") on December 28, 2021. CRISP reaffirms CPGI's AA rating and will continue to regularly review the rating as uncertainties created by the COVID-19 on the global economy continue to affect the Philippine economy. CRISP considered its own assessment of the COVID-19 pandemic on the Philippine economy and its effects on the real property development sector. CRISP expects a slow but gradual Philippine economic recovery.

CRISP also recognized that CPGI's early strategic market actions to expand into the affordable and horizontal property development segment has created a buffer for CPGI to absorb the business impact of the pandemic. CRISP continues to believe that CPGI's foray into this market segment provides the necessary diversification of its portfolio thereby expanding its revenue base and market presence. In addition, CRISP recognized CPGI's resilient financial performance, and expects CPGI to generate an increase in net income as a result of CPGI's efforts to reduce its expenses as well as the decrease in borrowing costs in 2020 and 2021.

For the Offer, CPGI expects to raise gross proceeds amounting to ₱2,000,000,000 prior to the exercise of the Oversubscription Option, and the net proceeds are estimated to be approximately ₱1,959,181,275 after deducting fees, commissions, and expenses relating to the issuance of the Bonds. If the Oversubscription Option of up to ₱1,000,000,000 is fully exercised, then the total net proceeds of the Offer will be ₱2,944,181,275 after deducting fees, commissions, and expenses relating to the Offer. In the event that the Oversubscription Option is not fully exercised, the unexercised portion shall be placed under shelf registration to be issued within the period prescribed by relevant regulations. Proceeds of the Offer shall be used primarily (i) for partial refinancing of bonds with interest rate of 7.8203% issued in 2019, (ii) to fund capital expenditures for horizontal affordable housing developments, and (iii) to fund general corporate requirements (see "Use of Proceeds" on page 75). The Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner shall receive a fee of 0.75% on the final aggregate nominal principal amount of the Bonds issued. The use of proceeds for each of the succeeding Tranches will be set out in the relevant Offer Supplements.

The Bonds shall be offered to the public at face value through the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner. The Bonds shall be issued in scripless form, with the Philippine Depository & Trust Corp. ("PDTC") maintaining the Electronic Registry of Bondholders, as the Registrar of the Bonds. Subsequent to the Issue Date, the Bonds shall be listed in the Philippine Dealing & Exchange Corp. ("PDEX") to facilitate secondary trading. The Bonds shall be issued in denominations of ₱50,000 each, as a minimum and in multiples of ₱10,000 thereafter, and traded in denominations of ₱10,000 in the secondary market.

Upon issuance, the Bonds shall constitute the direct, unconditional, unsubordinated, and unsecured obligations of CPGI and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of CPGI, other than obligations preferred by law. The Bonds shall effectively be subordinated in right of payment to all of CPGI's secured debts, if any, to the extent of the value of the assets securing such debt and all of its debt that is evidenced by a public instrument under Article 2244(14)(a) of the Civil Code of the Philippines.

On December 17, 2021, CPGI filed a Registration Statement with the SEC in connection with the offer and sale to the public of debt securities with an aggregate principal amount of up to ₱6,000,000,000 under shelf registration, inclusive of the Offer. The SEC is expected to issue an order rendering the Registration Statement effective, and a corresponding permit to offer securities for sale covering the Offer.

There can be no assurance in respect of: (i) whether CPGI would issue such debt securities at all; (ii) the size or timing of any individual issuance or the total issuance of such debt securities; or (iii) the specific terms and conditions of any such issuance. Any decision by CPGI to offer such debt securities will depend on a number of factors at the relevant time, many of which are not within CPGI's control, including but not limited to: prevailing interest rates, the financing requirement of CPGI's business and prospects, market liquidity and the state of the domestic capital market, and the Philippine, regional and global economies in general.

Since this is a debt instrument, Bondholders shall not be entitled to any dividends from the Issuer. CPGI's dividend policy is discussed further in the section "Market Price of and Dividends on Common Equity and Related Stockholder Matters" on page 208.

CPGI confirms that this Prospectus contains all information relating to the Company, its Subsidiaries and affiliates namely, Century City Development Corporation ("CCDC"), Century Communities Corporation ("CCC"), Century Limitless Corporation ("CLC"), Century Properties Management, Inc. ("CPMI"), Century Destinations and Lifestyle Corp. ("CDLC"), and PHirst Park Homes, Inc. ("PPHI"), which are, in the context of the issue and offering of the Bonds, material (including all information required by applicable laws of the Republic of the Philippines), true, accurate, and correct in every respect. To the best of its knowledge and belief, there is no material misstatement or omission of fact, which would make any statement in this Prospectus misleading in any material respect. CPGI confirms that it has made all reasonable inquiries in respect of the information, data and analysis provided to it by its advisors and consultants for inclusion into this Prospectus.

CPGI, however, has not independently verified any publicly available information, data, or analyses. Neither the delivery of this Prospectus nor any sale or delivery made pursuant to the Offer, shall, under any circumstance, create any implication that the information contained or referred to in this Prospectus is accurate as of any time subsequent to the date hereof. The Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner or the Trustee assumes no liability for any information contained in this Prospectus and do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Prospectus. Unless otherwise indicated, all information in this Prospectus is as of the date of this Prospectus.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, the Trustee, or any of their respective affiliates, directors, or advisors to subscribe for or purchase the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized or is unlawful.

The contents of this Prospectus are not to be considered as definitive legal, business, or tax advice. Each Prospective Bondholder receiving a copy of this Prospectus acknowledges that he has not relied on the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, or the Trustee in their investigation of the accuracy of any information found in this Prospectus or in his investment decision. Prospective purchasers should consult their own counsel, accountants, or other advisors as to legal, tax, business, financial and related aspects of the purchase of the Bonds, among others. It bears emphasis that investing in the Bonds involves certain risks. It is best to refer again to the section on "Risk Factors" for a discussion of certain considerations with respect to an investment in the Bonds.

To the fullest extent permitted by law, none of the Issuer's advisors or the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, the Trustee or any of their respective affiliates, directors or advisors accepts any responsibility for the contents of this Prospectus. Each of the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, and the Trustee or any of their respective affiliates, directors, or advisors accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement. None of the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, the Trustee or any of their respective affiliates, directors or advisors undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Issuer's advisors, Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, or the Trustee.

No dealer, salesman, or other person has been authorized by CPGI and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner to give any information or to make any representation concerning the Bonds other than those contained herein, and, if given or made, any such other information or representation should not be relied upon as having been authorized by CPGI or by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

The price of securities can and does fluctuate, and any individual security may experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities. An investment in Bonds, as described in this Prospectus, involves a certain degree of risk. A prospective purchaser of the Bonds should carefully consider several risk factors, such as risks inherent to the Company and the Business and risks pertinent to the Philippines vis-à-vis risks inherent to the Bonds, in addition to the other information contained in this Prospectus, in deciding whether to invest in the Bonds.

In making an investment decision, investors must rely on their own examination of CPGI and the terms of the Offer, including the material risks involved. The Offer is being made on the basis of this Prospectus only.

RISKS RELATING TO THE BONDS

- Macroeconomic risks including political, economic, health, and environmental factors that may affect the Company's financial and operating performance;
- Risks relating to Century Properties Group Inc., its subsidiaries and their business and operations;
- The nature, the absence of a liquid secondary market and volatility, and other risks relating to the Offer


For more information on "Risk Factors", please see page 44.

CPGI is organized under the laws of the Philippines. Its principal office address is at the 21st Floor Pacific Star Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City, Philippines, with telephone number +63 (2) 7793 5500.

ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CURRENT.

Century Properties Group Inc.

By:


JOSE MARCO R. ANTONIO
President and CEO

SUBSCRIBED AND SWORN to before me this 09 FEB 2022 at Makati City, Metro Manila affiant exhibiting to me his Driver's License with ID number N03-12-045361 issued on the 24th day of November 2018, at Makati City, and expiring on the 24th day of November 2023.

Doc. No. 258 ;
Page No. 53 ;
Book No. 1 ;
Series of 2022.



DIN-DIN A. CRUZ
Appointment No. M-007
Notary Public for Makati City
Until December 31, 2023
23rd Floor, Century Diamond Tower, Century City,
Kalayaan Avenue corner Salamanca Street,
Barangay Poblacion, Makati City
MCLE Compliance No. VII - 0000259, 07.30.2019
PTR No. MKT 8853292MJ, 01.03.2022 / Makati City
Roll No. 55143 / IBP No. 172081, 01.05.2022 / Makati City

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FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements.” These forward-looking statements can generally be identified by use of statements that include words or phrases such as “believes”, “expects”, “anticipates”, “intends”, “plans”, “foresees”, or other words or phrases of similar import. Similarly, statements that describe CPGI’s objectives, plans or goals are also forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the expectations of CPGI include, among others:

- General economic and business conditions in the Philippines;
- Industry risk in which CPGI, its Subsidiaries and affiliates operate;
- Changes in laws and regulations that apply to the segment or industry in which CPGI, its Subsidiaries and affiliates operate; and
- Changes in political conditions in the Philippines.

For further discussion of such risks, uncertainties and assumptions, see “Risk Factors” on page 44 of this Prospectus. Prospective purchasers of the Bonds are urged to consider these factors carefully in evaluating the forward-looking statements. The forward-looking statements included herein are made only as of the date of this Prospectus, and CPGI undertakes no obligation to update such forward-looking statements publicly to reflect subsequent events or circumstances.

The Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner does not take any responsibility for, or give any representation, warranty or undertaking in relation to, any such forward-looking statement.

Additional factors that could cause our actual results, performance, or achievements to differ materially include those disclosed under “Risk Factors.” These forward-looking statements speak only as of the date of this Prospectus. Each of the Company and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions, assumptions, or circumstances on which any statement is based. In light of these risks, uncertainties and assumptions, prospective investors should be aware that the forward-looking events and circumstances discussed in this Prospectus might not occur in the way we expect, or at all. Our actual results could differ substantially from those anticipated in our forward-looking statements. Investors should not place undue reliance on any forward-looking information.

DEFINITION OF TERMS

As used in this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below.

ACCRALAW	Angara Abello Concepcion Regala & Cruz Law Offices.
AMLC	Anti-Money Laundering Council.
Application to Purchase	The application forms accomplished and submitted by an applicant for the purchase of a specified amount of the Bonds, together with all the other requirements set forth in such application form attached in Schedule 2 of the Registry and Paying Agency Agreement, or electronically submitted through the e-SIP.
Articles of Incorporation	The Company's Articles of Incorporation, as amended.
Balikbayans	Former Filipino citizens who have returned to the Philippines.
BCDA	Bases Conversion and Development Authority.
Beneficial Owner	<p>Any person (and "Beneficial Ownership" shall mean ownership by any person) who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting of such security; and/or investment returns or power in respect of any security, which includes the power to dispose of, or to direct the disposition of such security; provided, however, that a person shall be deemed to have an indirect beneficial ownership interest in any security which is held by:</p> <ol style="list-style-type: none">i. Members of his immediate family sharing the same household;ii. A partnership in which he is a general partner;iii. A corporation of which he is a controlling shareholder;iv. Subject to any contract, arrangement or understanding, which gives him voting power with respect to such securities; provided, however, that the following persons or institutions shall not be deemed to be beneficial owners of securities held by them for the benefit of third parties or in customer or fiduciary

accounts in the ordinary course of business, so long as such securities were acquired by such persons or institutions without the purpose or effect of changing or influencing control of the issuer:

- a. A broker dealer;
- b. An investment house registered under the Investment Houses Law;
- c. A bank authorized to operate as such by the BSP;
- d. An insurance company subject to the supervision of the Office of the Insurance Commission;
- e. An investment company registered under the Investment Company Act;
- f. A pension plan subject to regulation and supervision by the Bureau of Internal Revenue and/or the Securities and Exchange Commission or relevant authority; and,
- g. A group in which all of the members are persons specified above.

BIR	Philippine Bureau of Internal Revenue.
Board of Directors	Board of Directors of CPGI.
BOC	HLURB – Board of Commissioners.
BOI	Philippine Board of Investments.
Bond Agreements	The Trust Indenture Agreement between the Issuer and the Trustee, the Registry and Paying Agency Agreement between the Issuer and the Registrar and Paying Agent, the Issue Management and Underwriting Agreement between the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, the Master Certificate of Indebtedness, and the Terms and Conditions, including amendments thereto or any document, certificate or writing contemplated thereby.
Bondholder	A person whose name appears, at any time, as a holder of the Bonds in the Electronic Registry of Bondholders.
Bonds	The SEC-registered unsecured peso-denominated fixed rate retail bonds due 2027, with a principal amount of ₱2,000,000,000, with

	an Oversubscription Option of up to ₱1,000,000,000 which shall be issued by CPPI on Issue Date.
BP 22	Batas Pambansa Blg. 22, An Act Penalizing the Making or Drawing and Issuance of a Check Without Sufficient Funds or Credit and for Other Purposes.
BP 220	Batas Pambansa Blg. 220, An Act Authorizing the Ministry of Human Settlements to Establish and Promulgate Different Levels of Standards and Technical Requirements for Economic and Socialized Housing Projects in Urban and Rural Areas from those provided under Presidential Decrees Numbered 957, 1216, 1096 and 1185.
BPO	Business Process Outsourcing.
BSP	Bangko Sentral ng Pilipinas, the central bank of the Philippines.
Building Code	Republic Act No. 6541 as amended by Presidential Decree No. 1096, or the National Building Code of the Philippines.
Business Day	Any day, other than Saturday, Sunday and legal holidays on which commercial banks are open for business in Makati City, Metro Manila.
By-Laws	The Company's By-Laws, as amended.
CAR	Cordillera Administrative Region.
Cash Settlement Account	An account designated by a Bondholder with a Cash Settlement Bank into which shall be credited the interests, principal, and other payments on the Bonds.
CAVITEX	Cavite Expressway.
CCC	Century Communities Corporation.
CCDC	Century City Development Corporation.
CCDC II	Century City Development II Corporation.
CDLC	Century Destinations and Lifestyle Corp. (formerly known as Century Properties Hotel and Leisure, Inc.).
Change of Law	Event of changes in law or circumstances.

China Bank Capital	China Bank Capital Corporation as Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.
Civil Code	Republic Act No. 386 or the Civil Code of the Philippines, as amended.
CLC	Century Limitless Corporation.
CNC	Certificate of Non-Coverage.
Committee	IFRS Interpretations Committee.
Common Shares	Common shares of the Company with a par value of 53 centavos.
Constitution	The 1987 Constitution of the Philippines.
Corporate Sureties	Century Limitless Corporation, Century City Development Corporation, Century Communities Corporation, and Century Properties Management, Inc.
COVID-19	2019 Corona Virus Disease.
CPI	Century Properties, Inc.
CPGI or the Company or the Issuer	Century Properties Group Inc.
CPMI	Century Properties Management, Inc.
CREATE Law	Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprise Act
CRISP	Credit Rating and Investors Services Philippines, Inc.
CTRP	Comprehensive Tax Reform Program.
CTS	Contract to Sell.
DAR	Philippine Department of Agrarian Reform.
Debt Securities	Includes any evidence of indebtedness such as bonds, notes, debentures, commercial papers, treasury bills, treasury bonds, and other similar instruments as may be determined by the SEC.
Debt Securities Program	The Company's debt securities program to be registered with the SEC with an aggregate amount of ₱6,000,000,000.
DENR	Philippine Department of Environment and Natural Resources.

DHSUD	Philippine Department of Human Settlements and Urban Development.
DOAS	Deed of Absolute Sale.
DOJ	Philippine Department of Justice.
DoTR	Philippine Department of Transportation.
e-SIP	The e-Securities Issue Portal established and maintained by the PDS Group.
EAPRC	East Asia Power Resources Corporation.
EBIT	Earnings Before Interest and Taxes.
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization.
ECC	Environmental Compliance Certificate.
ECQ	Enhanced Community Quarantine.
EGF	Environmental Guarantee Fund.
EIS	Environmental Impact Statement.
Electronic Registry of Bondholders	The electronic record of the issuances, sales, and transfers of the Bonds to be maintained by the Registrar, pursuant to and under the terms of the Registry and Paying Agency Agreement.
Eligible Bondholder	Bondholder who has been a bona fide holder for at least six (6) months.
EMB	Environmental Management Bureau.
EMF	Environmental Monitoring Fund.
EPHE	EPHE Philippines Energy Company, Inc., a wholly-owned subsidiary of EPPECI.
EPPECI	El Paso Philippines Energy Company, Inc.
Essensa	Essensa East Forbes condominium project.
Events of Default	Event/s which will deem CPGI in default under the Bonds and the Trust Indenture Agreement.
FF/FF	Fully-Fitted and Fully-Furnished.
GDP	Gross Domestic Product.
GFA	Gross floor area.

GLA	Gross leasable area.
Government	Government of the Republic of the Philippines.
Governmental Authority	The Republic of the Philippines, or any of its political subdivisions, or any branch, department, agency or office thereof, or any Person exercising or entitled to exercise executive, legislative, judicial, regulatory or administrative functions thereof.
HLURB	Housing and Land Use Regulatory Board.
HSAC	Human Settlement Adjudication Commission.
HUDCC	Housing and Urban Development Coordinating Council.
ID	Identification card.
IEE	Initial Environmental Examination.
IFRIC	International Financial Interpretations Committee.
IFRIC 15	Interpretation No. 15 on Agreements for the Construction of Real Estate.
Interest Payment Dates	May 24, 2022 for the first Interest Payment Date and on August 24, November 24, February 24, and May 24 of each year for each subsequent Interest Payment Date, for so long as the relevant Bonds are outstanding. If the Interest Payment Date is not a Business Day, interest will be paid on the next succeeding Business Day, without any adjustment as to the amount of interest to be paid.
Interest Rate	Interest Rate of the Bonds, at 5.7524% p.a.
Issue Date	February 24, 2022, or such other date as may be agreed upon in writing by the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.
Issue Management and Underwriting Agreement	Issue Management and Underwriting Agreement dated February 8, 2022 between the Company and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.
Issue Price	100% of face value.
IT	Information technology.
ITH	Income Tax Holiday.

JV	Joint venture.
JV Guidelines	Guidelines on Notification of JV issued by the PCC on September 9, 2018.
LEED	Leadership in Energy and Environmental Design.
Lien	shall mean (a) a mortgage, charge, pledge, encumbrance, or other lien securing any obligation of any person, (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person or, (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.
LGU	Local Government Unit.
Majority Bondholders	The Bondholders who hold, represent or account for more than 50% of the aggregate outstanding principal amount of the Bonds outstanding at the relevant time.
Master Certificate of Indebtedness	The certificate issued by the Issuer to the Trustee evidencing and covering such amount corresponding to the Bonds.
Maturity Date	February 24, 2027, the Maturity Date of the Bonds, for purposes of the Company effecting repayment of the principal amount thereof, which shall be in accordance with Business Day convention. Thus, if a Maturity Date is not a Business Day, the principal repayment, without adjustment as to the amount of interest and principal to be paid, shall be made by the Company on the next succeeding Business Day.
MECQ	Modified Enhanced Community Quarantine.
Meridien	Meridien Group of Companies.
Mn	Million.
MRT	Metro Rail Transit.
NCR	National Capital Region.
NDRRMC	National Disaster Risk Reduction and Management Council
OCP	Office of the City Prosecutor.

Offer or Offering	The offer and issuance of the Bonds by the Company pursuant to the Trust Indenture Agreement, Issue Management and Underwriting Agreement, Application to Purchase, and the Registry and Paying Agency Agreement, which are summarized in the section “Description of the Bonds” on page 83.
Offer Period	Commencing at 9:00 am on February 14, 2022 and ending at 5:00 pm on February 18, 2022 or such earlier day or later day as may be mutually agreed upon by the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.
Offer Supplement	The specific terms of the Debt Securities for each succeeding Tranche as determined by the Company considering the prevailing market conditions to be circulated at the time of the offer of the relevant Tranche.
OFWs	Overseas Filipino Workers.
PAS	Philippine Accounting Standards.
Paying Agent	Refers to PDTC, appointed under the Registry and Paying Agency Agreement (collectively referred to as the “Registrar and Paying Agent”) that will receive the funds from the Company for the payment of the principal, interest, and other amounts due on the Bonds and remit the same to the Bondholders, based on the records shown in the Electronic Registry of Bondholders.
Payment Date	Each date on which payment for interest and/or principal in respect of the Bonds become due.
PCAB	Philippine Contractors Accreditation Board.
PCC	Philippine Competition Commission.
PCD Nominee	PCD Nominee Corporation.
PD 957	Presidential Decree No. 957 or the Subdivision and Condominium Buyers’ Protective Decree, as amended.
PD 1529	Presidential Decree No. 1529 or the Property Registration Decree.
PDEX	Philippine Dealing & Exchange Corp., a domestic corporation duly registered with the SEC to operate an exchange and trading market for fixed

	income securities and a member of the Philippine Dealing System Group.
PDTC	Philippine Depository & Trust Corp.
Penalty Interest	12% per annum based on a 360-day year over and above the Interest Rate from the time the amount falls due until it is fully paid.
Permitted Lien	The permitted liens defined in page 94.
Person	Individuals, juridical persons such as corporation, partnership, joint venture, unincorporated association, trust or other juridical entities, or any governmental authority.
Peso or Pesos or ₱ or Php	Philippine Pesos, the lawful and official currency of the Republic of the Philippines.
PEZA	Philippine Economic Zone Authority.
PFRS	Philippine Financial Reporting Standards.
PIC	Philippine Interpretations Committee.
PPHI	PHirst Park Homes Inc.
Private Sale Consideration	The purchase price for the Public and Private Sale Shares amounting to ₱127,406,794.31.
Private Sale Shares	Refers to the 284,250,000 common and preferred shares of EPHE resulting to an indirect acquisition of equivalent to 91.695% of the total issued and outstanding capital stock of the Company.
Prospectus	This Prospectus together with all its annexes, appendices, and amendments, if any.
PSA	Philippine Standards on Auditing.
PSE	The Philippine Stock Exchange.
PSRE	Philippine Standard on Review Engagement.
Public Sale Shares	Refers to the 67,096,092 common shares of the Company equivalent to 1.888% of the Company.
RA 4726	Republic Act No. 4726 or the Condominium Act.
RA 6552 or Maceda Law	Republic Act No. 6552 or the Realty Installment Buyer Act.
RA 6657	Republic Act No. 6657 or the Comprehensive Agrarian Reform Law of 1988.

RA 7042	Republic Act No. 7042 or the Foreign Investments Act of 1991, as amended.
RA 7160	Republic Act No. 7279 or the Local Government Code of 1991.
RA 7279	Republic Act No. 7279 or the Urban Development and Housing Act of 1992.
RA 7916 or PEZA Law	Republic Act No. 7916 or the Special Economic Zone Act of 1995.
RA 9160 or AMLA	Republic Act No. 9160 or the Anti-Money Laundering Act of 2001.
RA 9646	Republic Act No. 9646 or the Real Estate Service Act of the Philippines.
RA 10365	Republic Act No. 10365 or An Act Further Strengthening the Anti-Money Laundering Law, Amending for the Purpose Republic Act No. 9160 or the Anti-Money Laundering Act of 2001.
RA 10667	Republic Act No. 10667 or the Philippine Competition Act, also referred to as the PCA.
RA 10884	Republic Act No. 10884 or the Balanced Housing Development Program Amendments, Amending the Urban Development and Housing Act of 1992.
RA 11201	Republic Act No. 11201 or the Department of Human Settlements and Urban Development Act.
RA 11469 or Bayanihan 1	Republic Act No. 11469 or the Bayanihan to Heal as One Act.
RA 11494 or Bayanihan 2	Republic Act No. 11494 or the Bayanihan to Recover as One Act.
Record Date	Two (2) Business Days prior to the relevant Payment Date, which shall be the reckoning day in determining the Bondholders entitled to receive interest, principal, or any other amount due under the Bonds, or such other date duly notified by the Issuer.
Registrar	Refers to PDTC, appointed pursuant to the Registry and Paying Agency Agreement (collectively referred to as the "Registrar and Paying Agent").

Registry and Paying Agency Agreement	Registry and Paying Agency Agreement dated February 8, 2022 between the Company and the Registrar and Paying Agent.
RMO 14-2021	Revenue Memorandum Order No. 14-2021 or the Streamlining the Procedures and Documents Benefits.
RTC	Regional Trial Court.
SEC	Philippine Securities and Exchange Commission and its successor agency/ies.
S&P	Standard & Poor's Ratings Group.
SGV & Co.	SyCip Gorres Velayo & Co., the Company's Independent Auditor.
SHDA	Subdivision and Housing Developers Association, Inc.
Shelf Period	A period of three (3) years from the date of effectivity of the registration statement, subject to any extension as may be granted by the SEC, within which securities under the Debt Securities Program may be offered.
Shelf Registration	Shelf registration and each offer and sale in the Philippines within the Shelf of Debt Securities in an aggregate principal amount of up to ₱6,000,000,000 by the Issuer as provided by applicable SEC rules and regulations, effective at the time of issuance.
SL Law	Sarmiento Loriga Law Office.
SLEX	South Luzon Expressway.
Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner	China Bank Capital Corporation.
sq. m. or sqm	square meter(s).
SRC	Republic Act No. 8799, otherwise known as "The Securities Regulation Code of the Philippines", including its implementing rules and regulations as promulgated and amended or supplemented by the SEC from time to time.
Subsidiaries	means CCDC, CLC, CCC, PPHI, CDLC, and CPMI defined herein as the subsidiaries of the Company.
Tax Code	Republic Act No. 8428, or the Philippine National Internal Revenue Code of 1997, as amended,

	and its implementing rules and regulations as may be in effect from time to time.
TCT	Transfer Certificate of Title.
Terms and Conditions	The terms and conditions of the issuance of the Bonds as set forth in the Trust Indenture Agreement.
TRAIN Act	Republic Act No. 10963, or the Tax Reform for Acceleration and Inclusion Act.
Tranche	Each offer and sale of Debt Securities in the Philippines within the Shelf Period in an aggregate principal amount of up to ₱6,000,000,000.
Trust Indenture Agreement	Trust Indenture Agreement dated February 8, 2022 between the Company and the Trustee.
Trustee	China Banking Corporation – Trust and Asset Management Group.
TTRA	Tax Treaty Relief Application
VAT	Value-Added Tax.

EXECUTIVE SUMMARY

The following summary is qualified in its entirety by the more detailed information, including the Company's financial statements and notes relating thereto, appearing elsewhere in this Prospectus. Because it is a summary, it does not contain all the information that a prospective purchaser should consider before investing. Prospective purchasers of the Bonds must read the entire Prospectus carefully, including the section on "Risk Factors", and the financial statements and the related notes to those statements annexed to this Prospectus. Capitalized terms not defined in this summary are defined in the section "Definition of Terms".

THE COMPANY

CPGI is one of the leading real estate companies in the Philippines with a 35-year track record. The Company is primarily engaged in the development, marketing, and sale of mid and high-rise condominiums and single detached homes, leasing of retail and office space, and property management.

Currently, the Company has six (6) principal subsidiaries – CCDC, CLC, CCC, PPHI, CDLC, and CPMI (collectively known as the "Subsidiaries"). Through its Subsidiaries, the Company develops, markets, and sells residential, office, medical and retail properties in the Philippines, as well as manages residential and commercial properties in the Philippines.

As of September 30, 2021, the Company has completed 33 projects, namely: 29 residential projects, consisting of 17,169 units and an aggregate gross floor area ("GFA") of 1,325,501 sq.m. (inclusive of parking); a retail commercial building with gross leasable area ("GLA") of 16,443 sq.m. (inclusive of parking); a medical office building with GLA of 29,968 sq.m. (inclusive of parking); and two (2) office buildings with GLA of 30,584 sq.m. (inclusive of parking) and 57,137 sq.m. (inclusive of parking), respectively. Furthermore, the Company has also completed 2,814 homes under its affordable housing segment. These are in addition to the 19 buildings consisting of 4,128 units with an aggregate GFA of 548,262 sq.m. that were completed prior to 2010 by the Meridien Group of Companies ("Meridien"), the founding principals' prior development companies. Noteworthy developments of Meridien include: the Essensa East Forbes and South of Market in Fort Bonifacio, SOHO Central in the Greenfield District of Mandaluyong City, Pacific Place in Ortigas, Le Triomphe, Le Domaine, and Le Metropole in Makati City.

Completed Projects as of September 30, 2021

Residential Projects

Residential Projects	Location	Type	GFA in sq.m. (with parking)	Units	Year Completed
Century City					
Gramercy Residences	Makati City	Residential	121,595	1,432	2012
Knightsbridge Residences	Makati City	Residential	87,717	1,329	2013
Milano Tower	Makati City	Residential	64,304	516	2016
Trump Tower	Makati City	Residential	55,504	267	2017
Subtotal			329,119	3,544	
Azure Urban Resorts Residences					
Rio	Parañaque City	Residential	42,898	756	2013
Santorini	Parañaque City	Residential	36,126	553	2013

St. Tropez	Parañaque City	Residential	36,260	580	2014
Positano	Parañaque City	Residential	35,164	597	2015
Miami	Parañaque City	Residential	34,954	559	2015
Maui	Parañaque City	Residential	41,235	601	2016
Maldives	Parañaque City	Residential	28,859	385	2017
Boracay	Parañaque City	Residential	27,713	473	2018
Bahamas	Parañaque City	Residential	53,701	851	2019
Subtotal			336,909	5,355	
Acqua Private Residences					
Niagara	Mandaluyong City	Residential	33,709	474	2015
Sutherland	Mandaluyong City	Residential	41,705	735	2015
Detifoss	Mandaluyong City	Residential	36,536	607	2016
Livingstone	Mandaluyong City	Residential	40,251	675	2016
Iguazu	Mandaluyong City	Residential	36,367	492	2018
Acqua 6	Mandaluyong City	Residential	39,172	185	2019
Subtotal			227,740	3,168	
The Residences at Commonwealth by Century					
Osmeña West	Quezon City	Residential	14,525	158	2015
Quezon North	Quezon City	Residential	17,760	285	2017
Roxas East	Quezon City	Residential	27,255	389	2017
Osmeña East	Quezon City	Residential	14,089	220	2018
Roxas West	Quezon City	Residential	26,767	500	2019
Quirino West	Quezon City	Residential	26,759	517	2020
Quirino East	Quezon City	Residential	26,747	498	2020
Subtotal			153,903	2,567	
Canyon Ranch					
Phase 1 & 2	Carmona, Cavite	Residential	166,400	779	
Moderno	Carmona, Cavite	Residential	25,303	150	
Subtotal			191,703	929	
The Resort Residences at Azure North					
Monaco	Pampanga	Residential	43,063	800	2021
Bali	Pampanga	Residential	43,063	806	2021
Subtotal			86,125	1,606	
Grand Total			1,325,501	17,169	

Commercial/ Office Projects

Commercial/Office Projects	Location	Type	GLA in sq.m. (with parking)	Units	Year Completed
Century City Mall	Makati City	Retail	16,443	150	2013
Centuria Medical Makati	Makati City	Medical Office	29,968	712*	2015
Asian Century Center	BGC, Taguig City	Office Building	30,584	55	2018
Century Diamond Tower	Makati City	Office Building	57,137	221	2019
Total			134,132	1,138	

*571 units sold, 141 units for lease

Sold Residential Projects as of September 30, 2021

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (₱ millions)	Sold Revenues (₱ millions)	Remarks
Century City	Makati City	4,667	4,646	99.6%	37,081	36,468	Only a few unsold units in Century Spire. Target project turnover is 2021.
Azure South	Parañaque City	5,355	5,326	99.5%	22,552	22,149	The remaining unsold units in Bahamas, the last tower which is

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
							already completed.
Azure North	San Fernando, Pampanga	2,431	2,005	82.5%	9,801	7,707	Bali and Monaco are already completed. Barbados, the last tower, is expected to be completed in 2023.
Acqua Residences	Mandaluyong City	3,320	3,286	99.0%	17,638	17,132	Unsold units are mostly in Acqua 6, the last tower.
Commonwealth	Quezon City	3,255	3,035	93.2%	12,777	11,697	Quezon South, the last tower is expected to be completed in 2021.
Batulao Artsapes	Nasugbu, Batangas	493	246	49.9%	3,114	1,410	Launched in Q4 2017. Completed 93 units.
Canyon Ranch	Carmona, Cavite	929	921	99.1%	3,675	3,644	Substantially sold and completed.
PHirst Park Homes	Tanza, Cavite	2,877	2,615	91%	4,705	4,072	Phase 1 & 2 were launched in 2017 and Phase 3 in 2019; more than 1,700 houses are completed as of September 2021, Phase 1 is 100% sold, Phase 2 is 98% sold. Phase 3 is 69% sold.
PHirst Park Homes	Lipa, Batangas	1,698	1,417	83%	2,812	2,104	Phase 1 was launched in Q2 2018, 99% sold; Phase 2 was launched in Q3 2018, 61% sold; 693 completed houses as of September 2021.
PHirst Park Homes	San Pablo, Laguna	1,241	1,106	89%	2,514	1,729	Phase 1 was launched in Q1 2019, 93% sold; Phase 2 was launched in Q2 2019, 86% sold; 246 completed houses as of September 2021.
PHirst Park Homes	Pandi, Bulacan	1,598	1,166	73%	2,859	2,051	Phase 1 and 2 were launched in Q4 2019; Phase 1 is 97% sold, Phase 2 is 84% sold, Phase 3 is 49% sold; 64 completed houses as of September 2021.
PHirst Park Homes	Calamba, Laguna	1,424	906	64%	2,363	1,482	Phase 1 was launched in Q4 2019, 88% sold; Phase 2 in Q1 2021, 27% sold; 62 completed

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
							houses as of September 2021.
PHirst Park Homes	Nasugbu, Batangas	2,150	1,231	57%	5,311	2,835	Phase 1A was launched in Q4 2019, 96% sold. Phase 1B was launched in Q3 2020, 87% sold, Phase 2 was launched in Q1 2021, 26% sold.
PHirst Park Homes	Magalang, Pampanga	1,079	424	39%	1,928	688	Phase 1 was launched in Q4 2020, 39% sold.
PHirst Park Homes	Gen. Trias, Cavite	758	656	87%	1,251	1,083	Phase 1 was launched in Q3 2021, 87% sold.
PHirst Park Homes	Tayabas, Quezon	440	261	59%	690	412	Phase 1A was launched in Q3 2021, 59% sold.
PHirst Park Homes	Baliwag, Bulacan	564	274	49%	958	465	Phase 1A was launched in Q3 2021, 49% sold.
TOTAL		34,279	29,521	86%	132,029	117,128	

The Company has a land bank for future development of 173.7 hectares consisting of in-city properties for its future mid-rise buildings, leasing and affordable housing projects in various locations in Quezon City, Mandaluyong City, Pampanga, Batangas, and Palawan.

The Company, through its subsidiary CPMI, also engages in a wide range of property management services, from facilities management and auction services, to lease and secondary sales. Through CPMI, the Company endeavors to ensure the properties it manages maintain and improve their asset value, and are safe and secure. As of September 30, 2021, CPMI manages 52 projects with a total of 103 buildings and 3.07 million sq.m. of GFA (inclusive of parking) under management. Of the total CPMI projects under management, 71% of the projects were developed by third-parties. Notable third-party developed projects under management include the One Corporate Center and Union Bank Plaza in Ortigas, BPI Makati offices and Pacific Star Building in Makati City, and Philippine National Bank Financial Center in Pasay City.

The Company's aim is to enhance the overall quality of life for its Filipino and foreign clients by providing distinctive, high quality, and affordable properties. The Company focuses on differentiation to drive demand, increase its margins, and grow market share. In particular, the Company identifies what it believes are the best global residential standards and adapts them to the Filipino market. The Company believes that it has earned a reputation for pioneering new housing concepts in the Philippines. One of the Company's significant contributions is the Fully-Fitted and Fully-Furnished ("FF/FF") concept, which is now an industry standard in the Philippines. The Company also employs a branding strategy that focuses on strategic arrangements with key global franchises to help capture and sustain consumers' awareness. To date, the Company has entered into agreements with Gianni Versace S.P.A., The Trump Organisation, Paris Hilton, Missoni Homes, Yoo by Philippe Starck, and Giorgio Armani S.P.A, among others.

The Company has marketed and sold to clients in more than 15 countries and, as a result, a significant portion of its vertical residential properties are sold to Filipinos living abroad. International pre-sales accounted for approximately two-thirds of total pre-sales, in terms of value, for each of the last three (3) years. For the affordable housing segment, the Company generates an equal mix of pre-sales from an equal mix of domestic (locally employed and self-

employed) and international (mostly OFWs) buyers. The Company conducts its sales and marketing for both vertical residential properties and affordable housing through the Company's extensive domestic and international network of 137 exclusive agents who receive monthly allowances and commissions, and 1,460 external agents, which include 1,349 commission-based agents and 111 brokers as of September 30, 2021.

For calendar years, 2018, 2019, 2020 and for the nine (9)-month period ended September 30, 2021, revenue was ₱11,775 million, ₱15,083 million, ₱11,970 million, and ₱6,916 million, respectively, and net income was ₱1,118 million, ₱1,479 million, ₱1,149 million and ₱1,082 million, respectively. As of September 30, 2021, the Company had total assets of ₱54,831 million, and total equity of ₱22,132 million (excluding non-controlling interest).

The Company is in full faith that its investments will continue to flourish amid the global economic challenges of 2021. While the 2019 Corona Virus Disease ("COVID-19") pandemic, consequent lockdowns, and series of calamities experienced by the country stirred uncertainty in the market, the Company continues to timely and successfully complete and sell its projects. This reflects the unwavering support of the public in the Company's high-quality builds. Albeit the presence of economic risks affecting the public's purchasing power, the Company remains confident to continue expanding its operations. In doing so, it intends to implement and improve its crisis management approach that is sought to curb the negative impact of the COVID-19 pandemic. This crisis management approach provides strategic solutions to unprecedented challenges in sales, operations, technical support to clients, as well as indispensable and increased assistance to employees and workers.

The Company will continue to consciously monitor general economic factors as well local and international political affairs that factor in the overall profitability of the Company's projects. It is committed to prioritize maintaining its robust financial performance that can continue to withstand various economic adversities, including but not limited to, the residual impact of COVID-19, which is expected to remain until 2021.

KEY INVESTMENT HIGHLIGHTS

The Company believes that it can effectively compete in the industry because of the following strengths:

- Growth strategy supported by a favorable macroeconomic environment
- Proven track record of delivering innovative and high-quality projects in the luxury and middle-income condominium segments
- Diverse product offerings capitalizing on various market segments
- Strong international sales platform
- Experienced management team

A more detailed discussion of the Company's "Business Strategy" can be found on page 127.

BUSINESS STRATEGY

The following are the strategies that the Company employs as it pursues its real property business:

- Leverage its industry leading reputation in the high-rise condominium market to develop mid-rise condominium projects
- Implement expansion outside Metro Manila for affordable housing projects
- Prudent expansion of commercial leasing portfolio to diversify earnings and generate recurring income

- Continue to expand leading international sales and marketing presence

A more detailed discussion of the Company's "Business Strategy" can be found on page 127.

RISKS OF INVESTING

Before making an investment decision, investors must rely on their own examination of the Company and the terms of the Offer, including the risks involved. These risks include:

- Macroeconomic risks that may affect the Company's financial and operating performance, such as:
 - The performance of the Philippine economy;
 - Any economic and political instability in the Philippines;
 - Public health outbreaks that can cause adverse economic impact to the Philippines and/or a global scale (i.e. COVID-19) expose the Company to financial risks;
 - Acts of terrorism and violent crimes that could destabilize the Philippines;
 - The credit ratings of the Philippines; and
 - Occurrence of natural or other catastrophes, including severe weather conditions and other environmental factors, which may materially disrupt the Company's operations.
- Risks relating to the Company, its subsidiaries and their business and operations, brought about by the following facts:
 - The Company derives a significant portion of its revenue from Overseas Filipino Workers ("OFWs"), expatriate Filipinos, former Filipino citizens who have returned to the Philippines ("Balikbayans") and other overseas buyers, which exposes the Company to risks relating to the performance of the economies where they are located;
 - The Company is exposed to geographic portfolio concentration risks;
 - Its portfolio of residential real estate property development projects exposes the Company to sector-specific risks;
 - Since the Company operates in a competitive industry, it might not be able to maintain or increase its market share, profitability and ability to acquire land for new projects;
 - The interests of JV partners and landowners for development projects may differ from the interests of the Company, and such joint venture partners and landowner may take actions that can adversely affect the Company;
 - The Company uses celebrities and international brands to design, market and sell some of its properties;
 - The Company may not be able to successfully manage its growth;
 - The Company is involved in a cyclical industry and is affected by changes in general and local economic conditions;
 - The Company might not be able to generate sufficient funds internally or through external financing to operate and grow its business as planned;
 - The cancellation of sales of housing or condominium units could adversely affect business, financial condition and results of operations;
 - The Company is controlled by Century Properties, Inc., which is in turn, controlled by the Antonio family. Hence, the interests of the Antonio family may differ significantly from the interests of the other shareholders;
 - The Company is highly dependent on certain directors and members of senior management;

- The Company may be unable to attract and retain skilled professionals, such as architects and engineers;
 - Construction defects and building-related claims may be asserted against the Company, and it may be involved in litigation, which could result in financial losses or harm to its business;
 - Third parties may contest the Company's titles to its properties;
 - The Company faces risks relating to its property development, including risks relating to project costs, completion time frame and development rights.
 - The Company's reputation may be adversely affected if it does not complete projects on time or to customers' requirements;
 - The Company operates in a highly regulated environment and must obtain and maintain various permits, licenses and other government approvals;
 - Environmental laws applicable to the Company's projects could have a material adverse effect on its business, financial condition or results of operations;
 - Natural or other catastrophes, including severe weather conditions, may materially disrupt operations, affect the ability to complete projects and result in losses not covered by insurance;
 - The Company uses third-party non-exclusive brokers to market and sell some of its projects;
 - The Company is exposed to risks relating to the ownership and operation of commercial real estate;
 - The change of policy regarding transactions subject to Value-Added Tax ("VAT") could adversely affect the sales of the Company;
 - Increases in interest rates and changes in Government borrowing patterns and Government policies could adversely affect the Company's and its customers' ability to obtain financing;
 - Any restriction or prohibition on the Company's Subsidiaries' ability to distribute dividends would have a negative effect on its financial condition and results of operations;
 - A new accounting rule on the recognition of revenue may materially change the way the Company records revenue from the construction of real estate in its financial statements and could result in its revenue being lower and more volatile than under its current reporting method;
 - The Company is subject to certain debt covenants;
 - The Company shall, at any given time, consider business combination alternatives;
 - The Company is exposed to interest rate, liquidity, credit, currency, and commodity risks; and
 - The Company may suffer losses that are not covered by its insurance.
- Risks relating to the Bonds, due to the following:
 - Macroeconomic risks including political, economic, health, and environmental factors that may affect the Company's financial and operating performance;
 - Risks relating to the Company, its subsidiaries and their business and operations; and
 - The nature, the absence of a liquid secondary market and volatility, and other risks relating to the Offer.

For more information on "Risk Factors", please see page 44.

SUMMARY FINANCIAL INFORMATION

The selected financial information set forth in the following tables has been derived from the Company's unaudited interim consolidated financial statements as of September 30, 2021 and for the nine-month periods ended September 30, 2021 and 2020, and its audited consolidated financial statements as of December 31, 2020, 2019, and 2018, and for the years ended December 31, 2020, 2019, 2018, and 2017. This should be read in conjunction with the unaudited interim condensed consolidated financial statements and audited consolidated financial statements annexed to this Prospectus, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information included herein.

The Company's unaudited interim condensed consolidated financial statements were prepared in compliance with Philippine Accounting Standards ("PAS") 34, "Interim Financial Reporting", and were reviewed by SGV & Co., in accordance with Philippine Standard on Review Engagement ("PSRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The Company's audited consolidated financial statements were prepared in accordance with the Philippine Financial Reporting Standards ("PFRS") and were audited by SGV & Co., in accordance with Philippine Standards on Auditing ("PSA").

The Group adopted PFRS 16, Leases, using the modified retrospective approach with the initial date of application of January 1, 2019. Amounts presented in the consolidated statements of financial position and consolidated statements of comprehensive income as at and for the years ended December 31, 2018, 2017 and 2016 are based on PAS 17, Leases, International Financial Interpretations Committee ("IFRIC") 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases-Incentives, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The comparative financial information for accounts affected by the adoption of PFRS 16 may not be comparable to the information presented as at and for the year ended December 31, 2019. Refer to Note 2 of the Group's audited consolidated financial statements included elsewhere in this Prospectus for the effect of the adoption of PFRS 16.

The summary financial information set out below does not purport to project the results of operations or financial condition of the Company for any future period or date.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

In Million Pesos (P)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Revenue						
Real estate sales	5,337	7,305	9,483	12,685	9,577	5,346
Leasing revenue	724	587	795	713	407	342
Property management fee and other services	305	256	390	412	395	353
Interest income from real estate sales	116	134	168	504	322	665
Interest and other income	251	246	568	573	569	801
Gain on change in fair value of investment properties	178	465	559	261	377	286
Gain (loss) on change in fair value of derivative asset	-	-	-	(76)	116	(36)
Share in net earnings of joint ventures and associate	5	7	7	11	12	-
Total Revenue and Other Income	6,916	9,000	11,970	15,083	11,775	7,757
Cost and Expenses						
Cost of real estate sales	3,436	4,863	6,083	8,460	5,655	2,806
Cost of leasing	213	127	227	217	228	238
Cost of services	199	193	286	295	277	271
General, administrative and selling expenses	1,750	1,819	2,864	3,235	3,255	2,964
Interest and other financing charges	595	471	948	937	594	403
Unrealized foreign exchange loss (gain)	-	-	(2)	(117)	144	54
Total Cost, General, Administrative, Selling and Other Expenses	6,193	7,473	10,406	13,027	10,153	6,736
Income Before Tax	723	1,527	1,564	2,056	1,622	1,021
Provision for Income Tax	(359)	427	415	577	504	371
Net Income	1,082	1,100	1,149	1,479	1,118	650
Other Comprehensive Income						
Net change in fair value of equity instruments at fair value through OCI	-	-	(1)	0	0	(0)
Remeasurement (Loss) Gain on Defined Benefit Plan	(5)	-	(37)	(15)	(31)	26
Total Comprehensive Income	1,077	1,100	1,111	1,464	1,087	676

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)	For the years ended December 31 (Audited)			
	2021	2020	2019	2018	2017
ASSETS					
Current Assets					
Cash and cash equivalents	3,796	2,474	4,005	1,950	1,400
Short-term investments	1,041	285	-	-	-
Receivables	10,241	11,491	10,967	8,874	7,541
Real estate inventories	15,271	14,651	15,558	17,257	15,846
Due from related parties	585	464	420	394	491
Advances to suppliers and contractors	2,652	2,428	2,007	2,236	1,964
Investment in bonds	-	464	-	-	-
Prepayments and other current assets	1,754	1,810	1,409	1,284	1,009
Total Current Assets	35,340	34,067	34,366	31,995	28,251
Noncurrent Assets					
Real estate receivables - net of current portion	103	125	1,138	1,895	2,442
Investment in bonds	-	-	464	-	-
Investment in and advances to joint venture	271	265	259	248	235
Deposits for purchased land	1,358	1,354	1,079	1,189	1,370
Investment properties	13,944	13,628	12,933	11,382	7,760
Property and equipment	1,797	1,784	1,648	1,274	1,069
Deferred tax assets – net	29	86	42	62	104
Other noncurrent assets	1,988	1,700	1,513	1,321	1,325
Total Noncurrent Assets	19,490	18,942	19,076	17,371	14,305
TOTAL ASSETS	54,830	53,009	53,442	49,366	42,556
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts and other payables	5,487	5,592	5,703	4,990	3,832
Contract liabilities	3,086	1,458	1,784	2,294	-
Customers' deposit	-	-	-	-	2,759
Short-term debt	336	812	1,453	2,207	1,416
Current portion of long-term debt	3,269	5,447	5,462	5,389	3,099
Current portion of bonds payable	2,985	119	1,393	-	-
Current portion of liability for purchased land	67	67	67	67	67
Current portion of lease liability	5	5	22	-	-
Due to related parties	339	270	171	98	48
Income tax payable	68	61	9	5	3
Other current liabilities	331	352	35	-	-
Total Current Liabilities	15,973	14,183	16,099	15,050	11,224
Noncurrent Liabilities					

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)	For the years ended December 31 (Audited)			
	2021	2020	2019	2018	2017
Long-term debt – net of current portion	8,928	9,409	9,881	11,645	10,084
Bonds payable – net of current portion	2,950	2,966	3,060	1,506	1,501
Liability for purchased land – net of current portion	141	208	268	302	381
Lease liability – net of current portion	33	-	40	-	-
Pension liabilities	408	373	307	251	236
Deposit for future stock subscription	-	-	42	-	-
Deferred tax liabilities – net	2,400	2,952	2,708	2,524	2,451
Other noncurrent liabilities	1,865	1,786	1,421	625	423
Total Noncurrent Liabilities	16,725	17,694	17,727	16,853	15,076
Total Liabilities	32,698	31,877	33,826	31,903	26,300
Equity					
Capital stock					
Common Stock	6,201	6,201	6,201	6,201	6,201
Preferred Stock	16	16	-	-	-
Additional paid-in capital	5,525	5,525	2,640	2,640	2,640
Treasury shares	(110)	(110)	(110)	(110)	(110)
Other components of equity	(683)	(683)	99	99	99
Retained earnings	9,759	9,029	8,734	7,590	6,923
Remeasurement Loss on Defined Benefit Plan	(124)	(118)	(81)	(66)	(34)
Total equity attributable to Parent Company	20,584	19,860	17,483	16,354	15,719
Non-controlling interests	1,548	1,272	2,133	1,109	537
Total Equity	22,132	21,132	19,616	17,463	16,256
TOTAL LIABILITIES AND EQUITY	54,830	53,009	53,442	49,366	42,556

FINANCIAL RATIOS

Please refer to the section entitled “Selected Financial Information” located on page 212 of this Prospectus for further details.

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Net income attributable to the equity holders of the parent company	845	832	796	1,281	986	630
Dividends declared to preferred shares	-	151	449	-	-	-
	845	681	347	1,281	986	630
Weighted average number of shares	11,600	11,600	11,600	11,600	11,600	11,600
EPS, basic / diluted (₱)	0.073	0.059	0.030	0.11	0.085	0.054
Gross Profit Margin						
Revenue	6,482	8,282	10,836	14,314	10,701	6,706
Gross Profit	2,634	3,099	4,240	5,342	4,541	3,391
Gross Profit Margin (%)	40.6%	37.4%	39.1%	37.3%	42.4%	50.6%
NIAT Margin						
Net income	1,082	832	796	1,281	986	630
Revenue	6,482	8,282	10,836	14,314	10,701	6,706
NIAT Margin (%)	16.7%	10.0%	7.3%	8.9%	9.2%	9.4%
Return on Asset (ROA)						
Total annualized net income after tax	1,443	1,467	1,149	1,479	1,118	650
Total asset current year	54,830	53,906	53,009	53,442	49,366	42,556
Total asset as of beginning of period	53,009	53,442	53,442	49,366	42,556	41,309
Average total asset	53,920	53,674	53,226	51,404	45,961	41,933
ROA (%)	2.7%	2.7%	2.2%	2.9%	2.4%	1.5%
Return on Equity (ROE)						
Total annualized net income after tax	1,443	1,467	1,149	1,479	1,118	650
Total equity current year	22,131	21,321	21,132	19,616	17,463	16,256
Total equity prior year	21,132	19,616	19,616	17,463	16,256	15,346
Average total equity	21,632	20,469	20,374	18,540	16,860	15,801
ROE (%)	6.7%	7.2%	5.6%	8.0%	6.6%	4.1%
Interest coverage ratio						
Total net income after tax	1,082	1,100	1,149	1,479	1,118	650
Add: Provision for income tax	(359)	427	415	577	504	371
Add: Interest expense	526	402	784	748	414	287
EBIT	1,249	1,929	2,348	2,804	2,036	1,308
Interest expense	526	402	784	748	414	287
Interest coverage ratio (x)	2.37	4.80	2.99	3.75	4.92	4.56

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Debt service coverage ratio						
Total debt service excluding sale of receivables with recourse and refinancing	4,789	5,075	4,538	3,367	4,211	5,141
Add: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Cash Before Debt Service	8,585	9,064	7,012	7,372	6,161	6,541
Divide: Debt service	4,789	5,075	4,538	3,367	4,211	5,141
Debt service coverage ratio (x)	1.79	1.79	1.55	2.19	1.46	1.27
Current ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Current ratio (x)	2.2	2.8	2.4	2.1	2.1	2.5
Quick Ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Inventory	15,271	13,880	14,651	15,558	17,257	15,846
Quick Assets	20,069	18,498	19,416	18,808	14,738	12,405
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Quick Ratio (x)	1.3	1.6	1.4	1.2	1.0	1.1
Debt to equity ratio						
Short-term debt	336	566	812	1,453	2,207	1,416
Current portion of long-term debt	3,269	2,696	5,447	5,462	5,389	3,099
Current portion of bonds payable	2,985	119	119	1,393	0	0
Long-term debt – net of current Portion	8,928	13,026	9,409	9,881	11,645	10,084
Bonds payable – net of current	2,950	2,960	2,966	3,060	1,506	1,501
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Equity	22,132	21,321	21,132	19,616	17,463	16,256
Debt to equity ratio (x)	0.8	0.9	0.9	1.1	1.2	1.0
Net debt to equity ratio						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Less: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Net debt to equity ratio (x)	0.7	0.7	0.8	0.9	1.1	0.9
EBITDA						
Net income after tax	1,082	1,100	1,149	1,479	1,118	650
Provision for income tax	(359)	427	415	577	504	371
Income before Income Tax	723	1,527	1,564	2,056	1,622	1,021
Interest expense	526	402	784	748	414	287
Depreciation and amortization	42	36	59	57	38	33
EBITDA	1,292	1,965	2,407	2,861	2,074	1,341
Debt						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Debt-to-EBITDA (x)	10.7	7.4	7.8	7.4	10.0	12.0
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Net Debt-to-EBITDA	8.5	5.9	6.8	6.0	9.1	11.0
Asset to equity ratio						
Total Assets	54,830	53,906	53,009	53,442	49,366	42,556
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Asset to equity ratio (x)	2.5	2.5	2.5	2.7	2.8	2.6
Total Liabilities / Total Equity						
Total Liabilities	32,697	32,584	31,877	33,826	31,903	26,300
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Total Liabilities / Total Equity	1.5	1.5	1.5	1.7	1.8	1.6

Notes:

- 1) These financial ratios are not required by and are not a measure of performance under PFRS. Investors should not consider these financial ratios in isolation or as an alternative to net income as an indicator of the Group's operating performance or to cash flow from operating, investing and financing activities as a measure of liquidity, or any other measures of performance under PFRS. Because there are various calculation methods for these financial ratios, the Group's presentation of these measures may not be comparable to similarly titled measures used by other companies.
- 2) Gross Profit is the Group's Core Revenue (Real estate sales, Leasing revenue, Property management fee and other services, Interest income from accretion) less its Direct Costs (Cost of real estate sales, Cost of Leasing, Cost of services). Gross Profit Margin is computed by dividing the Group's Gross Profit by its Core Revenue.
- 3) NIAT Margin is computed by dividing Net income attributable to the owners of the parent company by its Core Revenue.
- 4) Return on assets is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total equity (beginning plus end of the period divided by two).
- 6) Interest coverage ratio is equal to earnings before interest and taxes ("EBIT") divided by interest expenses.
- 7) Debt service coverage ratio is equal to the sum of the Company's total debt service for the period and cash and cash equivalents divided by the total debt service. Debt service means debt principal amortizations, interest payments, financing fees and charges during such period, with the exclusion of payments made for the period pertaining to refinancing activities and rediscounting of receivables transactions sold on a with recourse basis.
- 8) Current ratio is obtained by dividing the Current Assets of the Group by its Current liabilities. This ratio is used as a test of the Group's liquidity.
- 9) Quick ratio is calculated by dividing Quick Assets (Current Assets less Inventory) of the Group by its Current Liabilities. This ratio is used as a test of the Group's liquidity.
- 10) Debt to EBITDA is calculated by dividing annualized EBITDA (EBITDA for the nine-month period ended September 30 divided by three multiplied by four) for the period by total interest-bearing debt.
- 11) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 12) Net debt-to-equity ratio is calculated as total interest-bearing debt minus cash and cash equivalents divided by total equity as of the end of the period.
- 13) Asset-to-equity ratio is total assets over total equity.
- 14) Liabilities-to-equity ratio is total liabilities over total equity.
- 15) EBITDA is computed by adding back provision for income tax, interest expense and depreciation and amortization to the net income for the period.

CAPITALIZATION

For each succeeding Tranche, the unaudited consolidated total debt and capitalization of the Issuer as of the relevant period shall be set out in the relevant Offer Supplement.

The following table sets out the Company's consolidated debt, shareholders' equity, and capitalization as of September 30, 2021, and as adjusted to reflect the issuance of the Bonds. The table should be read in conjunction with the Company's consolidated financial statements, included in the Prospectus. There has been no material change in the figures as shown in the following table and the notes thereto since the date thereof except for the issuance of the Bonds.

	Actual as of September 30, 2021	After Giving Effect to the Base Offer	After Giving Effect to the Oversubscription Option
	(P)	(P)	(P)
	(Unaudited)		
Total debt ⁽¹⁾	18,468,378,977	20,468,378,977	21,468,378,977
Equity:			
Capital stock:			
Common	6,200,853,553	6,200,853,553	6,200,853,553
Preferred	15,900,000	15,900,000	15,900,000
Additional paid-in capital	5,524,776,889	5,524,776,889	5,524,776,889
Treasury shares – 100,123,000 shares	(109,674,749)	(109,674,749)	(109,674,749)
Other components of equity	(682,845,178)	(682,845,178)	(682,845,178)
Retained earnings	9,759,100,183	9,759,100,183	9,759,100,183
Remeasurement loss on defined benefit plan	(123,521,811)	(123,521,811)	(123,521,811)
Total Equity Attributable to Equity Holders of the Parent Company	20,584,588,887	20,584,588,887	20,584,588,887
Non-controlling interest	1,548,409,664	1,548,409,664	1,548,409,664
Total Equity	22,132,998,551	22,132,998,551	22,132,998,551
Total Capitalization	40,601,377,528	42,601,377,528	43,601,377,528

Note:

- 1) Total debt comprises "Current portion of loans payable", "Loans payable – net of current portion", "Bonds payable", and Short-term debt.

OVERVIEW OF THE DEBT SECURITIES PROGRAM

The detailed terms and conditions of each succeeding Tranche of the Debt Securities shall be set out in the relevant Offer Supplement to be issued at the relevant time.

Any discussion of CPGI's Debt Securities Program contained herein does not purport to be a complete listing of all the rights, obligations, or privileges of the Debt Securities. Some rights, obligations, or privileges may be further limited or restricted by other documents. Prospective investors are enjoined to carefully review the Amended Articles of Incorporation, By-Laws and resolutions of the Board of Directors of the Company, the information contained in the Prospectus, the relevant Offer Supplement, and other agreements relevant to the offer of a particular tranche of the Debt Securities. Prospective investors must make their own appraisal of the Company and the offer and must make their own independent verification of the information contained herein and the other aforementioned documents and any other investigation they may deem appropriate for the purpose of determining whether to participate in the offer of the Debt Securities. They must not rely solely on any statement or on the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis. Prospective investors are likewise encouraged to consult their legal counsels and accountants in order to be better advised of the circumstances surrounding the Debt Securities being offered.

CPGI is offering Debt Securities under its Debt Securities Program in the aggregate principal amount of up to ₱6,000,000,000 to be issued in Tranches. The following section outlines the description of the Debt Securities Program and the indicative terms and conditions applicable to each Tranche issued out of the Debt Securities Program.

Issuer	Century Properties Group Inc.
Facility	Up to ₱6,000,000,000 Debt Securities Program.
Issue	Debt Securities constituting the direct, unconditional, unsecured, and unsubordinated obligations of the Issuer.
Use of Proceeds	The intended use of proceeds for each Tranche of the Debt Securities being offered shall be set in the final prospectus or in the relevant Offer Supplement for each Tranche under the section "Use of Proceeds".
Issue Price	At par, or 100% of face value.
Availability	The Debt Securities shall be continuously available until the expiration of the Shelf Registration and the permit to offer securities for sale to be issued by the SEC for the Debt Securities Program.
Method of Issue	Each Debt Securities will be issued on a continuous basis in tranches on different issue dates. The specific terms of each Tranche will be set forth in the final prospectus or corresponding Offer Supplement of such Tranche.
Form of Securities	Each Tranche of the Debt Securities will be represented by a Master Certificate of Indebtedness to be issued and registered in the name of the Trustee for the security holders and by applicable document pursuant to the rules

	or other relevant regulations as promulgated by the SEC. Legal title to the Debt Securities shall be shown on and recorded in the register of security holders maintained by the Registrar.
Final Redemption	The Debt Securities shall be redeemed at par, or 100% of face value, on their respective Maturity Date, unless previously redeemed, purchased, and cancelled.
Redemption for Tax Purposes	If payments under the Debt Securities become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on the Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem the Debt Securities in whole, but not in part, on any Interest Payment Date (having given not more than 60 nor less than 30 days' prior written notice) at par, plus accrued interest thereon, subject to applicable regulations.
Status of the Debt Securities	The Debt Securities shall constitute the direct, unconditional, unsecured, and unsubordinated, obligations of the Issuer and shall at all times rank <i>pari passu</i> and ratably without any preference or priority amongst themselves and at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by law.
Negative Pledge	The Debt Securities will have the benefit of a negative pledge on all existing and future assets of the Issuer, subject to the exceptions provided for in the Trust Indenture Agreement, and Permitted Liens as defined in page 94.
Taxation	Except the: (1) tax on a Bondholder's interest income on the Debt Securities which is required to be withheld by the Issuer, and (2) capital gains tax/income tax, documentary stamp tax and other taxes on the transfer of the Debt Securities (whether by assignment or donation), if any and as applicable, which are for the account of the Bondholder, all payments of principal interest will be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of the Republic of the Philippines or any political subdivision, agency or instrumentality thereof, including, but not limited to, issue, registration, or any similar or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, the same shall be for the account of the Issuer; provided, however, that the Issuer shall not be liable for, and will not gross-up the payments of interest on the principal amount of the Debt Securities so as to cover any final withholding tax applicable on interest earn on the securities prescribed under the Tax Code.

	<p>Documentary stamp tax on the original issue of the Debt Securities shall be for the Issuer's account.</p> <p>A Bondholder who is exempt from or is not subject to final withholding tax on interest income may claim such exemption by submitting the following requirements to the Registrar, or to the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner (together with their completed Application to Purchase) who shall then forward the same to the Registrar: (i) a current and valid BIR certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR addressed to the Applicant confirming the exemption from taxation of interest on fixed income securities; (ii) a duly notarized undertaking, in prescribed form, executed by (ii.a) the Corporate Secretary or any authorized representative, who has personal knowledge of the exemption based on his official functions, if the Applicant purchases the Bonds for its account, or (ii.b) the Trust Officer, if the Applicant is a universal bank authorized under Philippine laws to perform trust and fiduciary functions and purchase the Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax-exempt status or preferential rate entitlement, undertaking to immediately notify CPGI and the Registrar and Paying Agent of any suspension or revocation of the tax exemption certificate or preferential rate entitlement, and agreeing to indemnify and hold CPGI and the Registrar and Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding of the required tax; and (iii) for those who are claiming benefits under tax treaties, (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owner or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under RMO 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claim tax exemption or preferential tax rate, in a form acceptable to the issuer, and (iv) three (3) originals of the duly notarized, consularized, or apostilled (as the case may be), if executed outside the Philippines, Special Power of Attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents that are accomplished by an authorized representative) and</p>
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	<p>confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries are not doing business in the Philippines to support the applicability of a tax treaty relief; and (b) prior to the payment of subsequent interests due (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has already lapsed; (c) such other documentary requirements as may be reasonably required under the applicable regulations of the relevant taxing or other authorities for purposes of claiming tax treaty relief; provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar and Paying Agent.</p> <p>The tax treatment of a Bondholder may vary depending upon such person's particular situation and certain Bondholders may be subject to special rules not discussed above. This summary does not purport to address all aspects that may be important and/or relevant to Bondholder. Bondholders are advised to consult their own tax advisers on the ownership and disposition of the securities, including the applicability and effect of any state, local or foreign tax laws.</p>
Governing Law	Philippine Law.

Specific terms related to any Tranche of the Debt Securities Program

Interest Payment	Interest on the Debt Securities shall be calculated on the basis of a 30/360-day count basis.
Optional Redemption	The applicable final terms will indicate either that the relevant bonds cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such bonds will be redeemable at the option of the Issuer and/or the bondholders upon giving notice to the bondholders or the Issuer, as the case may be, on a date or dated specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the underwriter.
Purchase and Cancellation	The Issuer may at any time purchase any of the Debt Securities in the open market or by tender or by contract at

	market price without any obligation to purchase (and the Bondholders shall not be obliged to sell) the Debt Securities <i>pro-rata</i> from all Bondholders. The Debt Securities that are purchased shall be redeemed and cancelled and may not be re-issued. Upon listing of the Debt Securities on PDEX, the Issuer shall disclose any such transactions in accordance with the applicable PDEX disclosure rules.
Registrar and Paying Agent	Philippine Depository & Trust Corp.
Listing	Philippine Dealing & Exchange Corp.

SUMMARY OF THE OFFER

The “Summary of the Offer” for each succeeding Tranche shall be set out in the relevant Offer Supplement. However, any such summary should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus and such Offer Supplement, including, but not limited to, the discussion on the “Description of the Offer” and “Plan of Distribution”, and agreements executed in connection with a particular offer as a whole. Such overview may not contain all of the information that prospective investors should consider before deciding to invest in the Debt Securities. Accordingly, any decision by a prospective investor to invest in the Debt Securities should be based on a consideration of this Prospectus, such Offer Supplement and agreements executed in connection with a particular offer as a whole.

Issuer	Century Properties Group Inc.
Corporate Sureties	Century Limitless Corporation Century City Development Corporation Century Communities Corporation Century Properties Management, Inc.
Issue	SEC-registered peso-denominated fixed rate retail bonds constituting the direct, unconditional, unsecured and unsubordinated obligations of the Issuer. The Bonds shall be the first tranche of the Debt Securities to be issued from the Company's ₱6,000,000,000 Debt Securities Program to be registered with the SEC under shelf registration.
Issue Size	Base Offer of ₱2,000,000,000 with an Oversubscription Option of up to ₱1,000,000,000.
Oversubscription Option	The Issuer, in consultation with the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, shall have the option to increase the Issue Size by up to ₱1,000,000,000 in the event of oversubscription. In the event that the Oversubscription Option is not fully exercised, the unexercised portion shall be placed under shelf registration to be issued within the period prescribed by relevant regulations.
Use of Proceeds	The net proceeds of the Offer shall be used primarily (i) for partial refinancing of bonds with interest rate of 7.8203%, (ii) to fund capital expenditures for horizontal affordable housing developments, and (iii) to fund general corporate requirements. (see “Use of Proceeds” on page 75).
Issue Price	At par, or 100% of face value.
Manner of Distribution	The Bonds will be distributed to retail, qualified institutional investors and/or other institutional investors via public offering.
Form and Denomination of the Bonds	The Bonds shall be issued in scripless form in denominations of ₱50,000, each as a minimum and in increments of ₱10,000 thereafter and traded in denominations of ₱10,000 in the secondary market. Legal title to the Bonds shall be shown in the Electronic Registry of Bondholders to be maintained by the designated Registrar.

Offer Period	Commencing at 9:00 am on February 14, 2022 and ending at 5:00 pm on February 18, 2022 or such earlier day or later day as may be jointly determined by the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.												
Issue Date	February 24, 2022, or such other date as may be agreed upon in writing by the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner												
Maturity Date	Five (5) years from the Issue Date or February 24, 2027. <i>Provided that, if such dates are declared to be a non-Business Day, the Maturity Date shall be the next succeeding Business Day.</i>												
Interest Rate	Five (5) years: 5.7524% p.a.												
Interest Payment	Interest on the Bonds shall be calculated on the basis of a 30/360-day count basis, and shall be paid quarterly in arrears commencing on May 24, 2022 for the first Interest Payment Date and on August 24, November 24, February 24, and May 24 of each year for each subsequent Interest Payment Date at which the Bonds are outstanding, or the subsequent Business Day without adjustment if such Interest Payment Date is not a Business Day. The last Interest Payment Date on the Bonds shall fall on the Maturity Date.												
Optional Redemption	<p>Prior to the Maturity Date of the Bonds, the Issuer shall have the right, but not the obligation, to redeem in whole, but not in part, the outstanding Bonds on any of the Interest Payment Dates indicated below (the "Call Option Dates") or the immediately succeeding Business Day if such date is not a Business Day, in accordance with the following schedule:</p> <table border="1"> <thead> <tr> <th>Call Option Dates</th><th>Call Option Price</th></tr> </thead> <tbody> <tr> <td>12th Interest Payment Date</td><td rowspan="4">101.00%</td></tr> <tr> <td>13th Interest Payment Date</td></tr> <tr> <td>14th Interest Payment Date</td></tr> <tr> <td>15th Interest Payment Date</td></tr> <tr> <td>16th Interest Payment Date</td><td rowspan="4">100.50%</td></tr> <tr> <td>17th Interest Payment Date</td></tr> <tr> <td>18th Interest Payment Date</td></tr> <tr> <td>19th Interest Payment Date</td></tr> </tbody> </table> <p>The amount payable to the Bondholders in respect of any such redemption shall be calculate as the sum of (i) the Call Option Price applied to the principal amount of the then outstanding Bonds being redeemed and (ii) all accrued interest on the Bonds as of the Call Option Date.</p> <p>Should the Issuer elect to exercise a Call Option, it shall do so by delivery of an original and three (3) copies of a notice of such exercise to the Trustee, submitted during business hours on a date no earlier than 60 and no later than 30 days prior to the relevant Call Option Date. Once executed, completed, and delivered to the Trustee, a Call Option notice is irrevocable.</p>	Call Option Dates	Call Option Price	12 th Interest Payment Date	101.00%	13 th Interest Payment Date	14 th Interest Payment Date	15 th Interest Payment Date	16 th Interest Payment Date	100.50%	17 th Interest Payment Date	18 th Interest Payment Date	19 th Interest Payment Date
Call Option Dates	Call Option Price												
12 th Interest Payment Date	101.00%												
13 th Interest Payment Date													
14 th Interest Payment Date													
15 th Interest Payment Date													
16 th Interest Payment Date	100.50%												
17 th Interest Payment Date													
18 th Interest Payment Date													
19 th Interest Payment Date													

	<p>Upon receipt of a Call Option notice fully complying with the terms and conditions, the Trustee shall transmit the same notice to the Bondholders.</p> <p>Notwithstanding anything to the contrary, in the event the Issuer has notified the Trustee that it will exercise the Call Option, any interest payment due on the Interest Payment Date immediately preceding the Call Option Date shall be paid on such Call Option Date.</p>
Final Redemption	The Bonds shall be redeemed at par, or 100% of face value, on the Maturity Date, unless previously redeemed, purchased, and cancelled by the Issuer (see “Description of the Bonds” – “Redemption and Purchase” on page 86).
Redemption for Tax Purposes	If payments under the Bonds become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on the Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem the Bonds in whole, but not in part, on any Interest Payment Date (having given not more than 60 nor less than 30 days’ prior written notice) at par, plus accrued interest thereon, subject to applicable regulations.
Status of the Bonds	The Bonds shall constitute the direct, unconditional, unsecured, and unsubordinated, obligations of CPGI and shall at all times rank <i>pari passu</i> and ratably without any preference or priority amongst themselves and at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of CPGI, other than obligations preferred by law.
Negative Pledge	The Bonds will have the benefit of a negative pledge on all existing and future assets of the Issuer, subject to the exceptions provided for in the Trust Indenture Agreement, and Permitted Liens as defined in page 94.
Rating	The Bonds have been rated AA by CRISP on December 28, 2021.
Listing	The Issuer intends to list the Bonds in the PDEx on February 24, 2022, or such other securities exchange licensed as such by the SEC on which the trading of Debt Securities in significant volume occurs.
Governing Law	Republic of the Philippines.
Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner	China Bank Capital Corporation.
Registrar and Paying Agent	Philippine Depository & Trust Corp.
Trustee	China Banking Corporation – Trust and Asset Management Group.

RISK FACTORS

An investment in Bonds, as described in this Prospectus, involves a certain number of risks. The price of securities can and does fluctuate, and any individual security may experience upward or downward price movements and may lose part, or all, of its value over time. There is an inherent risk that losses may be incurred rather than profit, as a result of buying and selling securities. Past performance is not a guide to future performance and there may be a large difference between the buying price and the selling price of any security. The market price of the Bonds could decline due to any one of, but not limited to, the risks described herein, and all or part of an investment in Bonds could be lost. An investor deals in a range of investments, each of which may carry a different level of risk.

Prior to making any investment decision, prospective investors should carefully consider all of the information in this Prospectus, including the risk factors described below.

This section entitled “Risk Factors” does not purport to be a comprehensive disclosure of all of the risks and other significant aspects of investing in these securities, but is intended to give a general idea to a prospective investor of the scope of risks involved in investing in the Bonds. The occurrence of any of the events discussed below and any additional risks and uncertainties not presently known to the Company or that are currently considered immaterial could have a material adverse effect on the Company’s business, results of operations, financial condition, and prospects and on the Bonds in the future.

Prospective investors should undertake their own independent research and study on the merits of investing, and subsequently, trading of these securities. Prospective investors may request publicly available information on the Bonds in the future from the SEC. Prospective investors should seek professional advice if he or she is uncertain of, or has not understood any aspect of the Offer or the nature of risks involved in purchasing, holding and trading the Bonds. Each potential investor should consult its own counsel, accountant other than advisors as to legal, tax, business, financial and related aspects of an investment in the Bonds.

CPGI and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner do not make any warranty or representation on the marketability of an investment in the Bonds and the sustainability of the price of the Bonds. The risk factors discussed in this section are separated into categories for ease of reference and are enumerated in order of importance.

The means by which the Company plans to address the risks discussed herein are presented in the sections of this Prospectus entitled “Description of Business – Key Investment Highlights” on page 123, “Description of Business – Business Strategy” on page 127, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 220.

A. RISK FACTORS RELATING TO THE COMPANY AND ITS BUSINESS

The Company derives a significant portion of its revenue from OFWs, expatriate Filipinos, Balikbayans and other overseas buyers, which exposes the Company to risks relating to the performance of the economies where they are located.

The Company generates a significant portion of its revenues, particularly sales of its affordable and middle-income projects, from OFWs, expatriate Filipinos, Balikbayans and other overseas buyers. A number of factors could reduce the number of OFWs, remittances from OFWs or the purchasing power of expatriate Filipinos, Balikbayans and other overseas buyers. These include:

- A downturn in the economic performance of the countries and regions where a significant number of these potential customers are located, such as the United States, France, Italy, the United Kingdom, Hong Kong, Japan, Korea, Taiwan, Singapore, the United Arab Emirates, Qatar, and Bahrain, among others;
- A change in Government regulations that currently exempt the income of OFWs from taxation in the Philippines;
- The imposition of Government restrictions on the deployment of OFWs to particular countries or regions, such as the Middle East; and
- Restrictions imposed by other countries on the entry or the continued employment of foreign workers.

Any of these events could adversely affect demand for the Company's projects from OFWs, expatriate Filipinos, Balikbayans and other overseas buyers, which could materially and adversely affect its business, financial condition, or results of operations. Considering the global impact of the COVID-19 pandemic and the repatriations of OFWs, the Company expects a possible decline in the sale of project units to the OFW sector.

In any case, despite the concerns about the sustainability of the overseas market, OFW remittances continued to increase from US\$31.3 billion in 2017 to US\$32.2 billion in 2018, and US\$33.5 billion in 2019. OFW remittances in 2020 registered at US\$33.2 billion and US\$22.7 billion in January to August 2021, despite the COVID-19 pandemic.

To mitigate the risk, the Company procures clients from different countries. The Company has clients located in 15 different countries; hence it is not exposed to any single jurisdiction. As of September 30, 2021, 44%, 11%, 17%, 4%, 1% of the Company's sales are from Asia, Middle East, North America, Australia/Oceania, United Kingdom, and others, respectively.

Furthermore, the Company is expanding its product portfolio to cater to a wider customer base, specifically to include horizontal affordable housing. This will allow even the repatriated OFWs to avail of the Company's economical and low-cost project units.

All of the Company's properties are in the Philippines and, as a result, it is exposed to risks associated with the Philippines, including the performance of the Philippine economy.

All of the Company's properties are in the Philippines and accordingly, the Company is significantly influenced by the general state of the Philippine economy.

In the past, the Philippines experienced periods of slow or negative growth, high inflation, significant devaluation of the peso, and the imposition of exchange controls. For companies in the real estate sector, demand for, and prevailing prices of, commercial and residential properties are affected by the strength of the Philippine economy (including overall growth levels and interest rates), the overall levels of business activity in the Philippines and the amount of remittances received from OFWs.

Demand for commercial and residential developments is also affected by social trends and changing spending patterns in the Philippines, which in turn are influenced by economic, political, and security conditions in the Philippines.

Moreover, extensive construction of condominium and housing units and other factors could lead to the risk of formation of asset bubbles in real estate. The Philippine residential housing industry is cyclical and sensitive to changes in general economic conditions in the Philippines such as levels of employment, consumer confidence and income, availability of financing for

property acquisitions, construction and mortgages, interest rate levels, inflation, and demand for housing.

When the Philippines underwent financial and political crises in the past, demand for real estate dropped and consequently led to an oversupply in the market and reduced demand for new residential projects. The global financial crises, which resulted in a general slowdown of the global economy, likewise, led to a decline in property sales in the Philippines.

If changes in the Philippine property market or the Philippine economy cause a decrease in revenues from the sale of properties, significant expenditures associated with investment in real estate, such as real estate taxes, maintenance costs and debt payments, generally cannot be correspondingly reduced and therefore could materially and adversely affect the Company's business, financial condition, and results of operations.

To mitigate this risk, the Company continues to adopt prudent financial and operational controls and policies within the context of the prevailing business, economic and political environments. The Company likewise continues to undertake risk management initiatives and constant monitoring of key economic and market indicators.

The Company is exposed to geographic portfolio concentration risks.

Properties located in Metro Manila, the commercial capital of the Philippines, account for a substantial portion of the Company's real estate assets. Further, its current projects are primarily located within Metro Manila and, in particular, within relatively short distances from the traditional main business districts of Makati City, Ortigas Center, and Bonifacio Global City. Due to the concentration of its property portfolio in Metro Manila, a decrease in property values in Metro Manila would have a material adverse effect on its business, financial condition, and results of operations.

To mitigate this risk, as of the date of this Prospectus, the Company has launched projects and contracted land further outside Metro Manila including Bulacan, Pampanga, Batangas, Cavite, Laguna, Quezon Province and Palawan. This allows the Company to mitigate geographic concentration risk.

Its portfolio of residential real estate property development projects exposes the Company to sector-specific risks.

The Company's business is concentrated in the Philippine residential market. Therefore, reduced levels of economic growth, adverse changes in the country's political or security situation or weak performance of the country's property development market generally could materially and adversely affect its profitability. The Company's results of operations are dependent on the continued success of its development projects. Additionally, the Philippine real estate industry is highly competitive. The Company's projects are largely dependent on the popularity of its development when compared to similar types of developments in similar geographic areas, as well as on its ability to gauge correctly the market for its developments. Important factors that could affect the Company's ability to effectively compete include a development's relative location versus that of its competitors, particularly with regard to proximity to transportation facilities and commercial centers, as well as the quality of the developments and related facilities that it offers, pricing and the overall attractiveness of the development. The Company's inability to develop attractive projects could materially and adversely affect its business, financial condition, and results of operations.

To mitigate this risk, the Company is venturing into commercial leasing developments to reduce its dependence on the residential market. By venturing into commercial leasing, the

Company hopes to be less exposed to the business cycles inherent in residential developments.

Since the Company operates in a competitive industry, it might not be able to maintain or increase its market share, profitability, and ability to acquire land for new projects.

The Company operates in a competitive business environment. The entry of new competitors could also reduce the Company's sales and profit margins. The Company faces significant competition in connection with the acquisition of land for its real estate projects. Its growth depends significantly on its ability to acquire or enter into agreements to develop additional land suitable for its real estate projects. The Company may experience difficulty in acquiring land of suitable size in locations and at acceptable prices, particularly land located in and near Metro Manila and in other urban areas in the Philippines. If it is unable to acquire suitable land at acceptable prices or to enter into agreements with joint venture partners to develop suitable land with acceptable returns, its growth prospects could be limited and its business, financial condition, and results of operations could be adversely affected.

To mitigate this risk, the Company has strategically positioned itself at the upper end of each of the three (3) residential segments it caters to, namely, affordable, middle income, and luxury markets. Furthermore, the Company strives to maintain the design and quality of its developments and is focused on being customer-centric.

The interests of joint venture partners and landowners for development projects may differ from the interests of the Company, and such joint venture partners and landowners may take actions that can adversely affect the Company.

The Company entered into joint venture agreements and Contracts to Sell ("CTS") with various parties as part of its overall land acquisition strategy, property development and property management, and intends to continue to do so. Under the terms of the joint venture agreements, the Company is responsible for project development, project sales and project management, while its joint venture partners typically supply the project land. Under the terms of the Contracts to Sell, the Company shall pay the purchase value of the land on staggered basis, and in certain transactions, pay in addition proportionate payments dependent on generated sales.

A joint venture or acquisition of land via CTS involves additional risks where the joint venture partners or landowners may have economic or business interests or goals that differ from that of the Company's. For example, the joint venture partners or landowners may withhold certain key information relating to the land that the Company may not be able to discover after conducting due diligence and such information could affect its right to possess and develop such land. Titles over the land, although already in the name of the joint venture partners or landowners, may still be contested by third parties. The joint venture partners or landowners may also take actions contrary to the Company's instructions or requests, or in direct opposition to its policies or objectives with respect to its investments or with respect to the project land or dispute the distribution of joint venture shares or installment payments. The joint venture partner may also not meet its obligations under the joint venture agreement. Disputes between the Company and its joint venture partners or the landowner could arise after significant capital investments in a project had been made, which could result in the loss of some or all of the Company's investments in the project. Any of the foregoing could have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company conducts due diligence and performs contract management on its joint venture partners to reduce this risk.

The Company uses celebrities and international brands to design, market and sell some of its properties.

The Company maximized its collaborations with international brands, designers, and celebrities to learn the best practices in world-class design and raise its standards in customer experience and pride of ownership.

This entailed design and licensing fees, and sometimes a revenue sharing arrangement. Circumstances beyond the Company's control could decrease the popularity of the celebrities and brands with whom it partners, which could, in turn, adversely affect the Company's marketing and sales efforts and its reputation. To reduce this risk, the Company conducted due diligence and performed contract management on its partner brands.

Using its learnings, the Company has built its own homegrown brand, attaching the "Century" name to various properties including The Residences at Commonwealth by Century, Asian Century Center, Century Diamond Tower, and Century Spire.

Committing to deliver excellence above the current standard of living, PHirst Park Homes redefines "affordability" as it provides beyond what is expected in a housing community, believing every homeowner deserves to take pride not only in where they live but also how they live. Derived from the words Philippines and First, PHirst Park Homes was built upon the dreams and aspirations of first-time homebuyers. Thus, it offers what it calls its signature "4Cs" experience for its customers: Complete Homes, Conceptive Amenities, Connected Essentials and Convenient Buying and Selling Experience.

To date, the Company has launched 10 projects that carry the PHirst Park Homes brand namely in Tanza, Cavite; Lipa, Batangas; San Pablo, Laguna; Pandi, Bulacan; Calamba, Laguna; Batulao, Batangas; Magalang, Pampanga; General Trias, Cavite; Baliwag, Bulacan; and Tayabas, Quezon. PHirst Park Homes goes beyond being just a material house to live in but by being a strong foundation of togetherness that can be passed on from generation to generation.

The Company may not be able to successfully manage its growth.

The Company intends to continue to pursue an aggressive growth strategy by increasing the number of properties it develops and manages and by expanding into new market segments. However, the Company might experience capital constraints, construction delays, operational difficulties at new locations or difficulties operating existing businesses and training personnel to manage and operate its business. Any inability to adapt effectively to growth, including strains on management and logistics, could result in losses or development costs that would not be recovered as quickly as anticipated or at all. These problems could have a material adverse effect on the business, financial condition, and results of operations of the Company.

To mitigate this risk, the Company studies and analyzes its total capital and human resource requirements and attempts, to the best of its abilities, to allocate resources most prudently in order to complete its projects on time.

The Company is involved in a cyclical industry and is affected by changes in general and local economic conditions.

The real estate development industry is cyclical and is significantly affected by changes in general and local economic conditions, including employment levels, availability of financing for property acquisitions, construction and mortgages, interest rates, consumer confidence and income, demand and supply of residential or commercial developments. The Philippine property market has in the past been cyclical and property values have been affected by the

supply of and the demand for properties, the rate of economic growth and political and social developments in the Philippines.

Furthermore, the real estate industry may experience rapid and unsustainable rises in valuations of real property followed by abrupt declines in property values, as was experienced in the United States housing bubble from 1997 to 2006. Such real estate bubbles may occur periodically, either locally, regionally, or globally, which may result in a material adverse effect on the business, financial condition, and results of operations of the Company.

To mitigate this risk, the Company is diversifying its revenue sources by expanding its leasing portfolio and expanding its affordable housing segment in addition to its continued thrust into vertical housing developments and property management business.

The Company might not be able to generate sufficient funds internally or through external financing to operate and grow its business as planned.

The real estate business is capital-intensive and requires significant capital expenditures to develop and implement new projects and to complete existing projects.

Historically, while the Company has funded a significant portion of its capital expenditure requirements internally from the pre-sales of its development projects, it has periodically utilized external sources of financing. However, it might not be able to continue funding its capital expenditure requirements internally or obtain sufficient funds externally on acceptable terms or at all. Its ability to raise additional equity financing from non-Philippine investors is subject to foreign ownership restrictions imposed by the Constitution and applicable laws. Its access to debt financing is subject to many factors, many of which are outside the Company's control. For example, political instability, an economic downturn, social unrest, or changes in the Philippine regulatory environment could increase the Company's costs of borrowing or restrict its ability to obtain debt financing. In addition, the disruptions in the capital and credit markets may continue indefinitely, which could adversely affect its access to financing. Inability to obtain financing on acceptable terms would adversely affect the Company's ability to operate and execute its growth strategies.

To mitigate this risk, the Company is endeavoring to broaden its sources of capital. While historically it has relied predominantly on pre-sales, receivables financing, and bi-lateral loans, it has been able to diversify its sources of financing through the debt and equity capital and syndicated loan markets.

The cancellation of sales of housing or condominium units could adversely affect business, financial condition, and results of operations.

As a developer and seller of residential real estate, the Company's business, financial condition, and results of operations could be adversely affected if a material number of housing or condominium unit sales are cancelled. Under RA 6552 or the Maceda Law, which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, buyers who have paid at least two (2) years of installments are granted a grace period of one (1) month for every year of paid installments to cure any payment default. During the grace period, the buyer may pay the unpaid installments due, without additional interest. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional five percent (5%) per annum in cases where at least five (5) years of installments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two (2) years of installments and who have defaulted on installment payments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without any right of refund.

The Company could experience a material number of cancellations, particularly during slowdowns or downturns in the Philippine economy, periods when interest rates are high or similar situations. If the Company experiences a material number of cancellations, it may not have enough funds on hand to pay the necessary cash refunds to buyers, in which case it may have to incur indebtedness to pay such cash refunds, but it might not be able to obtain debt financing on reasonable terms or at all. In addition, particularly during an economic slowdown or downturn, it might not be able to resell the same property at an acceptable price or at all. Any of these events could have a material adverse effect on its business, financial condition, and results of operations.

If the Company experiences a material number of sales cancellations, investors are cautioned that its historical revenue from its real estate sales would have been overstated because such historical revenues would not have accurately reflected subsequent customer defaults or sales cancellations. Investors are also cautioned not to rely on the Company's historical statements of income as indicators of future revenues or profits.

The Company attempts to mitigate this risk by collecting more equity from the buyer, subject to market demands and competitive factors. A material amount of its pre-sales is sold on the basis of collecting 10% to 30% from each buyer before project completion, with some projects charging as high as 50% buyer equity. The higher equity the Company collects from the buyer, the less chances a buyer defaults since such buyer has committed more capital to the unit purchase.

The Company is controlled by Century Properties, Inc. ("CPI"), which is in turn, controlled by the Antonio family. Hence, the interests of the Antonio family may differ significantly from the interests of the other shareholders.

Members of the Antonio family indirectly own a majority of the Company's issued and outstanding shares. Accordingly, the Antonio family will be able to elect a majority of the Board and determine the outcome of many significant matters voted on by shareholders. Members of the Antonio family also serve as directors and executive officers. The Antonio family could also take advantage of business opportunities that may otherwise be attractive to the Company. The interests of the Antonio family may differ significantly from or compete with the interests of the Company and the other shareholders, and the Antonio family may vote their shares in a manner that is contrary to the interests of the Company or the interests of the other shareholders.

To mitigate this risk, the Company is continuously increasing its professional management team. See "Directors, Executive Officers, and Control Persons" on page 254. The Company has already hired professionals responsible for key parts of the business, including the heads of leasing, affordable housing, leisure and tourism, finance, and investor relations.

The Company is highly dependent on certain directors and members of senior management.

The Company's directors and members of senior management have been an integral part of its success and the experience, knowledge, business relationships and expertise that would be lost if any such persons depart or take on reduced responsibilities could be difficult to replace and may adversely affect its operating efficiency and financial performance. In particular, members of the Antonio family fill certain key executive positions and the Company may not be successful in attracting and retaining executive talent to replace these family members if they depart or take on reduced responsibilities. Such executives include: Jose E.B. Antonio, Chairman; Jose Marco R. Antonio, President and Chief Executive Officer; John Victor R. Antonio, Vice-Chairman; Jose Carlo R. Antonio, Director; Hilda R. Antonio, Director; Rafael G. Yaptinchay, Director; and Ricardo P. Cuerva, Director of the Company and

President of Century Project Management and Construction Corporation, the company exclusively charged with managing the construction projects for the Company's vertical developments. The Company does not carry insurance for the loss of the services of any of the members of its management. If the Company loses the services of any such person and is unable to fill any vacant key executive or management positions with qualified candidates, it could have a material adverse effect on its business, financial condition, and results of operations.

To mitigate this risk, the Company has a succession plan in place.

The Company may be unable to attract and retain skilled professionals, such as architects and engineers.

The Company believes that there is significant demand for its skilled professionals from its competitors. Its ability to retain and attract highly skilled personnel, particularly architects, engineers and sales and marketing professionals, affects its ability to plan, design, execute, market, and sell projects. In particular, any inability on the Company's part to hire and retain qualified personnel could impair its ability to undertake project design, planning, execution and sales and marketing activities in-house and could require it to incur additional costs by having to engage third parties to perform these activities.

To mitigate this risk, the Company benchmarks industry best practices in human resource management.

The Company may not be able to hire independent contractors that meet its requirements.

The Company relies on independent contractors to provide various services, including land clearing and infrastructure development, construction works and building and property fitting-out works. It selects independent contractors principally by conducting tenders and taking into consideration factors such as the contractor's experience and track record, its financial and construction resources, any previous relationships with the Company and its reputation for quality. However, the Company might not be able to find a suitable independent contractor who is willing to undertake a particular project within its budget and schedule. This may result in increased costs for the Company or delays in the project. Also, the services independent contractors render might not be satisfactory or match the Company's requirements for quality. Contractors may also experience financial or other difficulties, such as shortages in, or increases in the price of, construction materials, which in turn could delay the completion of the project or increase the costs for the Company. Any of these factors could have a material adverse effect on the Company's business, financial condition, and results of operations.

To mitigate this risk, the Company prudently selects its network of accredited contractors, and monitors the development of each project from project inception up to project turnover.

Construction defects and building-related claims may be asserted against the Company, and it may be involved in litigation, which could result in financial losses or harm to its business.

Under Philippine law, the engineer or architect responsible for the plans and specifications for a building is liable for damages if, within 15 years from the completion of the structure, it collapses by reason of a defect in those plans and specifications or due to the defects in the ground. The action must commence within 10 years following the collapse of the building. Thus, if the architect or engineer is one of the Company's employees, it may be held liable for damages if any of its buildings collapse. It may also be held responsible for hidden (that is, latent or non-observable) defects in the housing and condominium units it sells if such hidden

defects render a unit unfit for the use for which it was intended or if its fitness for such use is diminished to the extent that the buyer would not have acquired it or would have paid a lower price had the buyer been aware of the hidden defect. This warranty may be enforced within six (6) months from the delivery of the house to the buyer. In addition, the National Building Code of the Philippines (the "Building Code"), which governs, among others, the design and construction of buildings, sets certain requirements and standards that the Company must comply with. The Company may be held liable for administrative fines or criminal penalties in case of any violation of the Building Code. Likewise, it could be held liable for the damages mentioned above, the cost of repairs and the expense of litigation surrounding such claims. Claims could also arise out of uninsurable events or circumstances not covered by the Company's insurance. Significant claims arising from structural or construction defects could have a material adverse effect on the Company's reputation and business, financial condition, and results of operations. It may also be implicated in lawsuits on an ongoing basis. Litigation could result in substantial costs to, and a diversion of effort by, the Company and subject it to significant liabilities, including potential defaults under its present debt covenants. Legal proceedings could materially harm its business and reputation, and it may be unable to recover any losses incurred from third parties, regardless of whether or not the Company is at fault. Losses relating to litigation could have a material adverse effect on the Company's business, financial condition, and results of operation, and provisions made for litigation related losses might not be sufficient to cover losses.

To mitigate this risk, the Company prudently selects its network of accredited contractors, and monitors the development of each project from project inception up to project turnover. The Company also protects majority of its construction interests with an all-risk insurance policy for construction.

Third parties may contest the Company's titles to its properties.

While the Philippines has adopted the Torrens System, a system of land registration which is intended to conclusively confirm land ownership by providing a state guarantee of indefeasible title to those in the register, and which is binding on all persons (including the Government), it is not uncommon for third parties to claim ownership of land which has already been registered in favor of another. In particular, Quezon City, Metro Manila and the province of Cavite, have been known to experience problems with syndicates of squatters (informal settlers) and forged or false title holders. There have been cases where third parties have produced false or forged title certificates over land and there are difficulties in obtaining title guarantees with respect to property in the Philippines. Title to land is often fragmented and land may have multiple owners. Land may also have irregularities in title, such as non-execution or non-registration of conveyance deeds, and may be subject to liens, encumbrances or claims of which the Company may be unaware. The difficulty of obtaining title guarantees in the Philippines means that title records provide only for presumptive rather than guaranteed title. As each transfer in a chain of title may be subject to a variety of defects, the Company's title and development rights over land may be subject to various defects of which it is unaware. For these and other reasons, title insurance is not readily available in the Philippines. Title defects may result in the loss of the Company's title over land. From time to time, the Company may be required to defend itself against third parties who claim to be the rightful owners of land that it acquires. If third-party claims for title are brought against the Company, or if any such claim involves land that is material to its projects, it may have to devote significant time and incur significant costs in defending itself against such claims. Such claims could also affect its ability to develop land for particular projects by causing the relevant governmental authority to delay or prevent continued business operations on the property or withhold required permits or clearances until such claim is definitively resolved. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material for its projects. Furthermore, title claims made by third-parties against the Company or its joint venture partners may have an adverse effect on its reputation.

Any of the foregoing circumstances could have a material adverse effect on the Company's business, financial condition, and results of operations, as well as on the Company's reputation. Any successful claim against the Company or its joint venture partners may affect its ability to deliver its developments on time and free and clear of any liens or encumbrances.

The Company mitigates this risk, to the extent it can, by having joint venture partners indemnify the Company in the event third parties are successful in their claim. To the extent the title belongs to the Company and not its joint venture partners, it conducts very thorough due diligence on titles. Notwithstanding due diligence, to the extent that there are still third-party claims, the Company assesses the risks and possible solutions to eventually have titles without adverse claims.

The Company faces risks relating to its property development, including risks relating to project costs, completion time frame and development rights.

The property development business involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that it may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. In addition, obtaining required Government approvals and permits may take substantially more time and resources than anticipated or construction of projects may not be completed on schedule and within budget. Furthermore, the time and costs involved in completing the development and construction of real estate projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, depreciation of the peso, natural disasters, disputes with contractors and subcontractors, accidents, changes in laws, land zoning, use and classification, or Government priorities and other unforeseen problems or circumstances, and each of these could have an adverse effect on the Company's revenues. Where land to be used for a project is occupied by tenants or squatters, the Company may have to take steps, and incur additional costs, to remove such occupants and, if required by law, to provide relocation facilities for them. Any of these factors could result in project delays and cost overruns, which could negatively affect margins and delay when it recognizes revenue. Further, failure to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. In addition, orders of the Department of Agrarian Reform ("DAR") allowing conversion of agricultural land for development may require a project to begin by a prescribed deadline. These events could materially and adversely affect the Company's business, financial condition, or results of operations.

To mitigate this risk, the Company prudently monitors the development of each stage of each project, from project inception up to project turnover, to quickly address possible cost and completion risks.

The Company's reputation may be adversely affected if it does not complete projects on time or to customers' requirements.

If the Company's projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or other problems, this could have a negative effect on its reputation and make it more difficult to attract new customers to new and existing development projects. Any negative effect on its reputation could also adversely affect its ability to pre-sell its development projects. This in turn could adversely impact its capital investment requirements. Any of these events could adversely affect the Company's business, results of operations or financial condition.

To mitigate this risk, the Company prudently monitors the development of each stage of each project, from project inception up to project turnover, to quickly address possible cost and completion risks.

The Company operates in a highly regulated environment and must obtain and maintain various permits, licenses, and other government approvals.

The Philippines operates in a highly regulated environment and the development of subdivision and other residential projects is subject to a wide range of government regulations, which, while varying from one locality to another, typically include zoning considerations as well as the requirement to procure a variety of environmental and construction-related permits. In addition, projects that are to be located on agricultural land must get clearance from the DAR so that the land can be reclassified as nonagricultural land and, in certain cases, tenants occupying agricultural land may have to be relocated at the developer's expense.

Presidential Decree No. 957, as amended, ("PD 957"), Republic Act No. 4726 ("RA 4726") and Batas Pambansa Blg. 220 ("BP 220") are the principal statutes that regulate the development and sales of real property as part of a condominium project or subdivision. P.D. 957, RA 4726 and BP 220 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Department of Human Settlements and Urban Development ("DHSUD") (formerly, the Housing and Land Use Regulatory Board or "HLURB") is the administrative agency of the Government that enforces these statutes. Regulations applicable to its operations include standards regarding:

- The suitability of the site;
- Road access;
- Necessary community facilities;
- Open spaces;
- Water supply;
- Sewage disposal systems;
- Electricity supply;
- Lot sizes;
- The length of the housing blocks;
- House construction;
- Sale of subdivision lots or condominium units; and
- Time of completion of construction projects.

All subdivision and condominium development plans are required to be filed with and approved by the local government unit ("LGU") with jurisdiction over the area where the project is located and by the DHSUD. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical, and administrative capabilities. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of (1) the relevant LGU; (2) the DHSUD; (3) for subdivisions, the duly organized homeowners' association, or if none, the majority of the lot buyers; and (4) for condominiums, a majority of the registered owners. In addition, owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of subdivision lots and housing and condominium units. The DHSUD can suspend, cancel or revoke project permits and licenses to sell based on its own findings or upon complaint from an interested party. The Company is in the process of obtaining licenses to sell and building permits for some of its current projects. It may not be able to obtain these licenses and permits within the time period expected or at all.

Any of the foregoing circumstances or events could impair the Company's ability to complete projects on time, within budget or at all, or sell units in its projects, which in turn could materially and adversely affect its business, financial condition, and results of operations.

To mitigate this risk, the Company's legal department closely monitors the status of the required permits and licenses of the Company to ensure compliance with applicable laws, rules and regulations.

Environmental laws applicable to the Company's projects could have a material adverse effect on its business, financial condition, or results of operations.

In general, developers of real estate projects are required to submit project descriptions to regional offices of the Department of Environment and Natural Resources ("DENR"). For environmentally-critical projects or for projects located in environmentally-critical areas as identified by the DENR, a detailed Environmental Impact Assessment may be required and the developer will be required to obtain an Environmental Compliance Certificate ("ECC") to certify that the project will not have an unacceptable environmental impact. Current or future environmental laws and regulations applicable to the Company could increase the costs of conducting its business above currently projected levels or require future capital expenditures. In addition, if a first violation of an ECC occurs or if environmental hazards on land where its projects are located cause damage or injury to buyers or any third party, the Company may be required to pay a fine, to incur costs in order to cure the violation and to compensate its buyers and any affected third parties; however, on subsequent violations, an ECC may be revoked and operations may be stopped. The Company cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. See "Regulatory and Environmental Matters" on page 179. The introduction or inconsistent application of, or changes in, laws and regulations applicable to the business could materially and adversely affect the Company's business, financial condition, or results of operations.

To mitigate this risk, the Company's legal department closely monitors the status of the required permits and licenses of the Company to ensure compliance with environmental regulations.

Natural or other catastrophes, including severe weather conditions, may materially disrupt operations, affect the ability to complete projects and result in losses not covered by insurance.

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, floods, droughts, volcanic eruptions, and earthquakes. Natural catastrophes may disrupt business operations and impair the economic conditions in the affected areas, as well as the overall Philippine economy. These factors could have significant adverse effects on the Company's development projects, which may be susceptible to damage. Damages resulting from natural catastrophes could also give rise to claims against the Company from third parties or from customers, for example, for physical injury or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions may adversely affect its business, financial condition, and results of operations.

Furthermore, the Company cannot obtain insurance at a reasonable cost or at all for certain types of losses from natural and other catastrophes. Neither does it carry any business interruption insurance. If an uninsured loss or a loss in excess of insured limits occurs, it could lose all or a portion of the capital invested in a property, as well as the anticipated revenue from such property, and incurs liabilities for any project costs or other financial obligations

related to the business. Any material uninsured loss could materially and adversely affect the Company's business, financial condition, and results of operations.

To mitigate this risk, the Company requires its contractors to maintain contractors' all-risk insurance for the duration of the development of its projects. The Company requires its contractors to provide a warranty on their respective works.

The Company uses third-party non-exclusive brokers to market and sell some of its projects.

Although exclusive sales agents are responsible for a significant portion of the Company's sales, it also uses third-party non-exclusive brokers to market and sell some of its residential housing developments to potential customers inside and outside the Philippines. These brokers may also act as brokers for other developers in the same markets in which the Company operates, and they may favor the interests of their other clients over the Company's interests in sale opportunities, or otherwise fail to act in the Company's best interests. There is competition for the services of third-party brokers in the Philippines, and many of the Company's competitors either use the same brokers as it does or attempt to recruit brokers away from it. If a large number of these third-party brokers were to terminate or breach their brokerage agreements, the Company would need to seek other third-party brokers and it may not be able to do so quickly or in sufficient numbers. This could disrupt its business and negatively affect the Company's business, financial condition, or results of operation.

To mitigate this risk, all of the material sales of the Company are coursed and booked through the Company's in-house sales team, who are Company employees thus having more control of its distribution network.

The Company is exposed to risks relating to the ownership and operation of commercial real estate.

The Company is subject to risks relating to ownership and management of commercial real estate. Specifically, the performance of its subsidiary, Century Properties Management, Inc. ("CPMI") could be affected by a number of factors, including:

- The national and international economic climate;
- Trends in the commercial property industry;
- Changes in laws and governmental regulations in relation to real estate;
- Increased operating costs;
- The inability to collect rent due to bankruptcy of tenants or otherwise;
- Competition for tenants;
- Changes in market rental rates;
- The need to periodically renovate, repair and re-let space and the costs thereof;
- The quality and strategy of management; and
- The Company's ability to provide adequate maintenance and insurance.

The Company could be further affected by tenants failing to comply with the terms of their leases or commitments to lease, declining sales turnover of tenants, oversupply of or reduced demand for commercial space or changes in laws and governmental regulations relating to real estate including those governing usage, zoning, taxes, and government charges. If the Company is unable to lease the properties that it owns or manages in a timely manner, or collect rent at profitable rates or at all, this could have a material adverse effect on its business, financial condition, and results of operations.

To mitigate this risk, CPMI conducts stringent screening procedures on potential tenants.

Increases in interest rates and changes in Government borrowing patterns and Government policies could adversely affect the Company's and its customers' ability to obtain financing.

Increases in interest rates, and factors that otherwise impair the availability of credit, such as the Government's fiscal policy, could have a material adverse effect on the Company's business and demand for its property developments. For example:

- Higher interest rates make it more expensive for the Company to borrow funds to finance current projects or to obtain financing for new projects.
- Access to capital and the cost of financing are also affected by restrictions, such as the single borrower limit imposed by the BSP on bank lending. The total amount of loans, credit accommodations and guarantees that may be extended by a bank to any person, partnership, association, corporation, or other entity shall at no time exceed 25% of the net worth of such bank. This may be increased by an additional 10% of the net worth of the bank provided that the additional liabilities are secured by trust receipts, shipping documents, warehouse receipts or other similar documents transferring or securing title covering readily marketable, non-perishable goods which must be fully covered by insurance. If the Company reaches the single borrower limit with respect to any bank, it may have difficulty obtaining financing with reasonable interest rates from other banks.
- Because a substantial portion of customers procure financing to fund their property purchases, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential developments.
- Increases in Government borrowing in the domestic currency market could increase the interest rates banks and other financial institutions charge and reduce the amount of financing available to the Company and prospective property purchasers of its property.
- Increased inflation in the Philippines could result in an increase in the costs of raw materials, which the Company may not be able to pass on to customers through increased prices.
- Increases in the Government's budget deficit could increase interest rates and inflation, which could in turn have a material adverse effect on its customers' ability to obtain financing on attractive terms.
- The occurrence of any of the foregoing events could have a material adverse effect on the Company's business, financial condition, and results of operations.

To mitigate this risk, the Company enters into long term financing to reduce its reliance on shorter-term financing. This will allow the Company to further reduce the potential variability in interest rates. The Company also continuously seeks the accreditation of its projects with various financial institutions to provide its customers with financing options.

Any restriction or prohibition on the Company's Subsidiaries' ability to distribute dividends would have a negative effect on its financial condition and results of operations.

As a holding company, the Company conducts its operations through its Subsidiaries. As a result, it derives substantially all of its revenues from dividends from its Subsidiaries. It relies on these funds for compliance with its own obligations and for financing its Subsidiaries. Further, the ability of its Subsidiaries to upstream dividends is subject to applicable laws and may be subject to restrictions contained in loan agreements and other debt instruments they are parties to.

Any restriction or prohibition on the ability of any of the Subsidiaries to distribute dividends or make other distributions to the Company, either due to regulatory restrictions, debt covenants, operating difficulties or other limitations, could have a negative effect on its cash flow or may adversely impact its financial condition and results of operations.

To manage this risk, the Company's Subsidiaries have regularly been distributing dividends out of its unrestricted retained earnings and as excess cash becomes available.

Adoption of New Accounting Standards might have an impact on the financial statements

Adoption of Accounting on Uncertainty

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of PAS 12 and does not apply to taxes or levies outside the scope of PAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation Authorities;
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax;
- Credits and tax rates; and
- How an entity considers changes in facts and circumstances.

An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The Group made a reassessment of all of its tax treatments and has determined that there are no uncertainties involved in the computation of its current and deferred taxes.

Adoption of Borrowing Costs, Borrowing Costs Eligible for Capitalization

Real estate entities classify their sold real estate properties (i.e., installment contracts receivable and contract assets) and unsold real estate properties (i.e., real estate inventories) which are not yet substantially completed as qualifying assets. Accordingly borrowing cost is capitalized until such qualifying assets are substantially completed.

In March 2019, the IFRS Interpretations Committee (the "Committee") issued IFRIC Update summarizing the decisions reached by the Committee in its public meetings. The March 2019 IFRIC Update includes the Committee's Agenda Decision on the capitalization of borrowing cost on over time transfer of constructed goods. The IFRIC Agenda Decision clarified whether borrowing costs may be capitalized in relation to the construction of a residential multi-unit real estate development (building) which are sold to customers prior to start of construction or completion of the development.

Applying paragraph 8 of PAS 23, Borrowing Cost, an entity capitalizes borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of that asset. Paragraph 5 of PAS 23 defines a qualifying asset as "an asset that necessarily takes a substantial period of time to get ready for its intended use or sale".

Under the March 2019 IFRIC Update, the Committee clarified that the related assets that might be recognized in the real estate company's financial statements (i.e., installment contract receivable, contract asset, or inventory) will not qualify as a qualifying asset and the corresponding borrowing cost may no longer be capitalized.

On February 11, 2020, the SEC issued Memorandum Circular No. 4, Series of 2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Effective January 1, 2021, the Real Estate Industry will adopt the IFRIC agenda decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full, with the requirements of the IFRIC agenda decision.

For real estate companies that avail of the deferral, the SEC requires disclosure in the Notes to the Financial Statements of the accounting policies applied, a discussion of the deferral of the subject implementation issues, and a qualitative discussion of the impact in the financial statements had the IFRIC agenda decision been adopted.

On December 15, 2020, the SEC issued Memorandum Circular No. 34, Series of 2020 providing relief to the real estate industry by referring the application of provision PIC Q&A No. 2018-12 with respect for the accounting for significant financing component and the exclusion of land in the calculation of percentage of completion POC and IFRIC Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23-Borrowing Costs, for another period of three (3) years until 2023.

The Group opted to avail of the relief as provided by the SEC. Had the Group adopted the IFRIC agenda decision, borrowing costs capitalized to real estate inventories related to projects with preselling activities would have been expensed out in the period incurred. This would result in decrease in retained earnings as of January 1, 2017 and net income for 2018 and 2017.

The Company is subject to certain debt covenants.

The Company has certain loan agreements, which contain covenants that limit its ability to, among other things:

- Incur additional long-term debt to the extent that such additional indebtedness results in a breach of the required debt-to-equity ratios;
- Materially change its nature of business;
- Encumber, mortgage or pledge some of its assets; and
- Pay out dividends in the event debt payments are in arrears and such debt payments will result in the breach of its required current and debt-to-equity ratios.

Complying with these covenants may cause the Company to take actions that it otherwise would not take or not take actions that it otherwise would take. The Company's inability and/or failure to comply with these covenants would cause a default, which, if not waived could result in the debt becoming immediately due and payable. In the likelihood of this event, the Company may not be able to repay or refinance such debt on terms that are acceptable to it or at all.

To mitigate this risk, the Company adopts the necessary internal controls in its financial management and corporate governance policies in order to comply with its debt covenants.

The Company shall, at any given time, consider business combination alternatives.

Although some of the Company's debt covenants contain certain restrictions on business combinations, it may consider engaging in certain types of business combinations. Business combinations involve financial and operational risks and could result in critical changes to the Company's business, management, and financial condition.

To manage this risk, the Company takes into consideration its existing debt obligations and corresponding debt covenants before it pursues any major business investments or acquisitions. Further, prior to undertaking any business combination, the Company assesses and attempts to mitigate the business and financial risks, which may include the hiring of third-party legal and financial consultants.

The Company is exposed to interest rate, liquidity, credit, currency, and commodity risks.

The Company's principal financial instruments consist of cash on hand and in banks, cash equivalents, receivables from installment sales and due from and to affiliated companies and credit facilities from commercial banks. It uses these financial instruments to fund its business operations. The Company has entered into Master Agreements under the International Swaps and Derivatives Association Inc. with third parties.

The Company believes that the principal risks arising from its financial instruments are interest rate risk, liquidity risk, credit risk, commodity risk, and currency risk.

Interest Rate

Fluctuations in interest rates could negatively affect the potential margins in respect of the Company sales of receivables and could make it more difficult for the Company to procure new debt on attractive terms or at all. The Company does not engage in interest rate derivative or swap activities to hedge its exposure to increases in interest rates.

Fluctuations in interest rates also have an effect on demand for the Company's products. As most of its customers obtain some form of financing for their real estate purchases, increases in interest rate levels could adversely affect the affordability and desirability of the Company's subdivision lots and housing and condominium units. In any case, the Company relies on its ability to continue developing projects that are affordable and attractive for its target market. While the Company cannot fully avoid all the adverse effects of interest rate fluctuations, to mitigate the risk, it continues to conduct various studies to be able to come up with arrangements to ensure that the project units are developed in accordance with the Company's standards.

Liquidity

The Company faces the risk that it will not have sufficient cash flows to meet its operating requirements and financing obligations when they become due. The Company manages its liquidity profile by pre-selling housing projects. In addition, the Company's receivables-backed credit facilities with banks and other financial institutions under the terms of which the Company, from time to time, assigns installment contract receivables on a "with recourse" basis. The Company is typically required to replace receivables assigned on a "with recourse" basis if the property buyer fails to pay three (3) consecutive installments or when the sale is otherwise cancelled. If the Company is unable to maintain its credit lines with banks and other financial institutions, it may not have sufficient funds to meet its operational requirements.

To mitigate this risk, the Company is endeavoring to broaden its sources of capital. While historically it has relied predominantly on pre-sales, receivables financing, and bi-lateral loans, it has been able to diversify its sources of financing through the capital and syndicated loan markets.

Credit Risk

The Company is exposed to credit risk from defaults by purchasers on their mortgages during the pre-sale periods for its properties. In 2007, the Company began to guarantee the mortgages of purchasers of uncompleted projects. Accordingly, if a purchaser who has a mortgage on an uncompleted project defaults on the mortgage, and the Company is not able to find a replacement purchaser, or if the Company fails in an undertaking with the bank, including delivering the property and title to such property within the mutually agreed period, the Company is obligated to pay the mortgage.

The Company mitigates this risk by completing projects on time, and providing mortgage banks collateral documents promptly.

Commodity Risk

The Company is exposed to the risk that prices for construction materials used to build its properties (including timber, cement, and steel) will increase. These materials are global commodities whose prices are cyclical in nature and fluctuate in accordance with global market conditions. The Company and its Subsidiaries are exposed to the risk that they may not be able to pass increased commodities costs to customers, which would lower their margins. The Company does not engage in commodity hedging, but the Company attempts to manage its commodity risk by requiring its internal procurement group to supply raw materials for the relevant construction and development projects.

Currency Risk

To manage this risk, financial assets, and credit facilities of the Group, as well as major contracts entered into for the purchase of raw materials, are mainly denominated in Philippine Peso. There are only minimal placements in foreign currencies and most of the Group's foreign currency-denominated debt are hedged. As such, the Group's foreign currency risk is minimal.

The Company may suffer losses that are not covered by its insurance.

The Company may be negatively affected due to the occurrence of typhoons, severe storms, earthquakes, floods, fires or other natural disasters, public health disasters, or similar events. Although the Company carries an all-risk insurance policy for all its current and ongoing projects against catastrophic events and business interruption insurance for Century City Mall, in amounts and with deductibles that the Company believes are in line with general real estate industry practice, not all risks can be insured against. There are losses for which the Company cannot obtain insurance at a reasonable cost or at all. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property as well as the anticipated future turnover from the property. Any material uninsured loss could materially and adversely affect the Company's business, financial condition, and results of operations.

The Company requires its contractors to provide a warranty on their respective works.

In addition, the Company's employees are covered by a Health Maintenance Program with built-in insurance coverage under Maxicare and Group Life Insurance under Sunlife, on top of

the government mandated Philhealth Benefit Packages for COVID-19 and the Philippine Social Security System's sickness benefit.

B. RISKS RELATING TO THE PHILIPPINES

Substantially all of the Company's business activities and assets are based in the Philippines, which exposes it to risks associated with the country, including the performance of the Philippine economy.

Historically, the Company has derived all of its revenues from the sale of real estate and the management of properties in the Philippines and, as such, its business is highly dependent on the state of the Philippine economy. Demand for residential real estate is directly related to the strength of the Philippine economy (including its overall growth and income levels), the overall levels of business activity in the Philippines. Factors that may adversely affect the Philippine economy include:

- Decreases in business, industrial, manufacturing or financial activities in the Philippines, the Southeast Asian region or globally;
- Scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines, the Southeast Asian region or globally;
- Exchange rate fluctuations;
- Inflation or increase in interest rates;
- Levels of employment, consumer confidence and income;
- Changes in the Government's fiscal policies;
- Natural disasters such as tsunamis, typhoons, earthquakes, fires and floods;
- Political instability, terrorism or military conflict in the Philippines, other countries in the region or globally; and
- Other regulatory, social, political or economic developments in or affecting the Philippines.

If the Philippine economy experiences weakness due to any of the foregoing or other reasons, it could materially and adversely affect business, financial condition or results of operations.

The Company has survived major economic and political crises brought about by domestic and international developments through the implementation of its core strategies.

To mitigate the risks identified above, constant monitoring of the key economic and market indicators allows the Company to detect risk exposures and react to the external environment appropriately. Although there is no assurance that the Company will be able to fully overcome the adverse effects of any or all crisis, it has in place a system of financial prudence and corporate governance that provides the foundation for its risk management initiatives.

Any economic and political instability in the Philippines may adversely affect business, results of operations or financial condition.

After the election of President Rodrigo Duterte, the Philippines has initiated a series of economic reforms to accelerate development, decentralize governance and a tough but controversial struggle against corruption and drugs. The early economic signals are promising. In 2017, Finance Secretary Carlos Dominguez III announced that the government is set to sustain growth at close to seven percent (7%) in 2017, despite "political noise", by banking on higher infrastructure spending, tax and other reforms, improved peace, and order.

The Philippine economy remains resilient as it registered Gross Domestic Product ("GDP") growth of 6.2% and 5.9% in 2018 and 2019, respectively. Such growth was largely due to the country's consistently strong domestic demand, brought forth by an increasing middle class that is comprised not only of OFW families, but also by the workforce of a burgeoning Information Technology ("IT"), Business Process Outsourcing ("BPO") and Knowledge Process Outsourcing sector. However, the Philippines is currently experiencing an economic slowdown brought about by the COVID-19 pandemic and the resulting quarantine restrictions. The country's GDP contracted 0.2% in the first quarter of 2020, further declined by 16.5% in the second quarter of 2020 and slightly improved to a contraction of 11.5% in the third quarter of 2020.

Consumer price inflation went as high as 6.7% in 2018 which largely affected the GDP growth, but have eased considerably over the past months and is currently well within the two (2) to four percent (4%) target of the BSP. The BSP imposed a total of 175-basis point interest rate hikes in 2018 to temper the rising inflation.

Despite the slowdown of the Philippines' economy brought about by the COVID-19 pandemic, the Philippines has experienced growth in the form of cash remittances from overseas Filipinos, record-high dollar reserves, a stronger Philippine Peso than the U.S. Dollar, and a stable residential housing market. Because of this, the country's economic managers are confident that the economy will bounce back in 2021.

Growth drivers will include the BPO sector and tourism. The Asian Development Bank said a low unemployment rate, the sustained rise in remittances, and increased public investments in infrastructure will also contribute much to the Philippines' growth.

After contracting by 9.6% in 2020, the Philippine economy is showing signs of recovery after posting year-on-year GDP growth rates of 12.0% and 7.1% in the second and third quarters of 2021, respectively. The third quarter growth, in particular, is an encouraging sign that the recovery can be sustained as the economy largely maintained its growth trajectory despite the increased cases due to the Delta variant of the COVID-19 virus and the subsequent movement restrictions imposed by the government at the time.

For the first nine (9) months of 2021, the Philippine economy expanded by 4.9% year-on-year. Bloomberg consensus GDP growth forecast for full year 2021 is at 4.9% year-on-year while the Asian Development Bank Outlook as of September 2021 indicates a 4.5% year-on-year forecast.

Inflation has hastened in line with the recovery starting from the latter end of 2020 with a 3.3% rate in November 2020 to a high of 4.9% inflation in August 2021. For 2021, domestic inflation averaged 3.9% and was still within the government's 2% to 4% target.

The Philippine Congress recently passed the Anti-Terrorism Act of 2020. The law expands the definition of terrorism to include such broad offenses as "engaging in acts intended to endanger a person's life," intended to "damage public property" or "interfere with critical infrastructure," where the purpose is to intimidate the government. The law also punishes inciting to commit terrorism. Various petitions have been filed against the law at the national level, and a group of United Nations Special Procedures expressed concern that the law will "further dilute human rights safeguards, by justifying the arrests of human rights defenders and government's critics." Moreover, some groups have petitioned the Supreme Court to overturn the law on the grounds that it is overly broad and essentially criminalizes intent.

The Company may be affected by the resulting political changes that may be brought about by the approaching Philippine presidential elections in May 2022. Such political changes may

include, but are not limited to, the introduction of new laws and changes in existing regulations that may impact the Company's business.

Although various political and economic changes continue to happen in the country, to manage this risk, the Company has continuously integrated sound business practices in its management to guarantee that any political and/or economic instability will not hamper its growth and allow it to survive such instabilities and crisis in the country.

The increase of cases of COVID-19 infections and the consequent institution of nationwide and pocket community quarantines of varying degrees and lockdowns highly expose the Company to financial risks.

The impact of the COVID-19 pandemic remains unrivaled to the crises experienced by the country in the recent years. The emergence of this public health crisis is historic, and the best practices employed will certainly be a benchmark of the current and all future strategic and management risk assessment of the Company.

On March 8, 2020, the President, through Presidential Proclamation No. 922 declared a State of Public Health Emergency throughout the Philippines. To further address the pandemic, Republic Act No. 11469 or the Bayanihan to Heal as One Act, and later Republic Act No. 11494 or the Bayanihan to Recover as One ("Bayanihan 2"), were signed into law. These laws declared a State of National Emergency over the entire country and granted temporary emergency powers to the President, and provide for response and recovery interventions to address the current health and economic challenges of the country. One of the impositions under the Bayanihan 2 is the moratorium on the collection of residential and commercial rental payments of lessees not permitted to operate or which have temporarily ceased operations under the Bayanihan 2 Act during and after the effectivity of quarantine measures. As a result of the quarantine measures, the Company has experienced delays in project completions. Said delays, however, have already been assumed by the Company into its current construction timelines. Moreover, the DHSUD has granted an additional 1-year period to the Company's licenses to sell to complete each building under construction.

The pandemic situation slowed construction and collections resulting to a 17% decline in total real estate sales revenue. However, as affordable housing projects are located outside Metro Manila, the Company was able to resume construction as soon as the restrictions from provincial cities were lifted. Accordingly, initial recognition of real estate sales revenues from newly launched projects of affordable housing projects in 2020 offsets such decline.

While mall operations declined, the impact on the leasing portfolio is not significant as its contribution is marginal to the total revenue of the Company prior to the COVID-19 pandemic. The increase in leasing revenue is a result of the initial rentals from the recently completed Century Diamond Tower.

The effect of COVID-19, while susceptible to mitigation, poses a financial risk to the Company and its operations. As long as the country continues to suffer the COVID-19 pandemic, the Company expects exposure to this risk.

Given these natural uncertainties, to mitigate this risk, the Company continues to strengthen its business strategies hand in hand with its crisis management approach specific to address novel problems precipitated by the COVID-19 pandemic, as further discussed in page 128.

Acts of terrorism and violent crimes could destabilize the Philippines and have a material adverse effect on business and financial results.

Terrorists are very likely to try to carry out attacks in the Philippines. Terrorist groups continue to plan attacks and have the capacity and the intent to carry out attacks at anytime and anywhere in the country, including its capital, Metro Manila and places visited by foreigners, such as airports, shopping malls, public transport, including the metro system and places of worship. Attacks have been carried out using improvised explosive devices and small arms.

Terrorist groups have threatened to attack passenger ferries and other vessels, particularly those operating from Mindanao.

The considerable heightened threat of terrorist attacks in the Philippines poses risk to our economy, may adversely affect business, its operations, financial conditions, and results.

The Company's affordable housing projects are situated in non-dense sub-urban areas far from the known high-risk insurgent camps or potentially war-torn areas. In any case, to mitigate this risk, the Company constantly monitors such threats which allows the Company to detect risk exposures and react to the external environment appropriately.

The credit ratings of the Philippines may adversely affect the Company's business.

Directly and adversely affecting companies resident in the Philippines is a credit rating used by sovereign wealth funds, pension funds and other investors to gauge the credit worthiness of Philippines thus having a big impact on the country's borrowing costs. This includes the government debt credit rating for Philippines as reported by major credit rating agencies. The ratings are based on a forward-looking macroeconomic model which takes into account several leading economic indicators and financial markets.

In May 2021, Standard & Poor Ratings Group ("S&P") affirmed Philippines credit outlook to positive, while affirming the country's current credit rating at 'BBB+' for long-term and 'A-2' for short-term. A long-term credit rating of 'BBB' puts the Philippines at an adequate investment grade, although adverse economic conditions could weaken the country's ability to meet its financial obligations. On the other hand, the country's 'A-2' short-term rating means that the Philippines has a satisfactory chance of meeting its short-term financial obligations. S&P based its current report on the government's fiscal policies, including the Comprehensive Tax Reform Program ("CTRP"), which is intended to fund the administration's "Build, Build, Build" program. Change in ratings depends on the government's fiscal reform program over the course of the next 24 months, if the reform agenda has been achieved or stalls, if the recalibrated fiscal program leads to higher-than-expected net general government debt levels, or if it deems that policymaking settings have otherwise regressed against expectations. On April 30, 2019, S&P raised the Philippines sovereign long-term credit rating to BBB+, which is its highest rating to date. According to S&P, the upgrade was made on the basis of the Philippines' consistent economic growth, solid fiscal accounts, and good position in the external environment. S&P stated that with the enactment of the first package of the CTRP under Republic Act No. 10963 or the Tax Reform for Acceleration and Inclusion Act ("TRAIN Act"), finances are expected to remain sustainable while the country addresses pressing infrastructure needs.

Moody's credit rating for Philippines was last set at Baa2 with stable outlook in December 2014 and was affirmed last July 2021 while in December 2017, Fitch's credit rating for Philippines was last reported at BBB negative last July 2021.

Any uncertainties, moreover downgrade, could have adverse impact on the liquidity in the Philippine financial markets, the ability of the Government and Philippine companies, including

the Company, to raise additional financing and the interest rates and other commercial terms at which such additional financing will be made available. While the Company has no control over this risk, to manage this risk, it is committed to actively cooperate in efforts to improve the conditions of capital markets in the Philippines.

Natural or other catastrophes, including severe weather conditions, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance.

The Philippines is subject to frequent seismic activity. From year 2015 to 2018, there were nine (9) large known earthquakes in the Philippines, with magnitudes ranging from 5.5 to 7.1. Batangas experienced an earthquake swarm in April 2017, hitting the province thrice with a twin earthquake, followed by several aftershocks. The nine (9) large known earthquakes triggered landslide and tsunami warnings, left damages on buildings and houses, killed 14 people and 327 injured. Recently, on April 22, 2019, a magnitude 6.1 earthquake struck parts of Luzon, including Metro Manila. More recently, on May 10, 2020, a magnitude 5.4 earthquake jolted Occidental Mindoro with aftershocks felt in Metro Manila.

The Philippines also experiences occasional volcanic eruptions. Last January 2020, the Taal Volcano erupted again after 42 years. The eruption affected thousands of families and caused widespread damage in the aftermath. Although immediate ash fall clean-up and disposal operations were conducted, the continued activity of the Taal Volcano forced the affected local government units (especially those in close proximity to the Taal Volcano) to impose restrictions to movements within their respective territorial jurisdictions. As a result of this, business operations within the vicinity of the volcano were severely affected and interrupted. Businesses and properties which are farther likewise experienced minor interruptions primarily due to ashfall.

Approximately 20 tropical cyclones enter the Philippine Area of Responsibility yearly, an area which incorporates parts of the Pacific Ocean, West Philippines Sea and the Philippine Archipelago (with the exception of Tawi-Tawi province). Among these cyclones, 10 will be typhoons, with five (5) having the potential to be destructive ones. The Philippines is "the most exposed country in the world to tropical storms" according to Time Magazine.

On November 1, 2020, Typhoon Goni, locally known as Typhoon Rolly, brought torrential rains, violent winds, mudslides and storm surges to the island of Luzon. On November 10, 2020, it was reported that according to the National Disaster Risk Reduction and Management Council ("NDRRMC"), the cost of damage to infrastructure and agriculture caused by Typhoon Goni has reached more than ₱17.8 billion primarily in the areas of Ilocos, Cagayan Valley, Central Luzon, Calabarzon, Mimaropa, Bicol, Eastern Visayas, Cordillera Administrative Region ("CAR"), and the NCR.

After Typhoon Goni, Typhoon Ulysses hit the island of Luzon the hardest from November 11 to 12, 2020. The typhoon unleashed powerful winds and torrential rains that killed dozens of people, destroyed thousands of homes, and caused heavy flooding. According to a report of the NDRRMC dated December 7, 2020, damage to agriculture is estimated at ₱7,318,946,822 in Regions I, II, III, Calabarzon, Mimaropa, V, CAR, and NCR. Meanwhile, damage to infrastructure is estimated at ₱12,014,206,676.28 in Regions I, II, III, Calabarzon, Mimaropa, V, CAR, and NCR.

There can be no assurance that the occurrence of such natural catastrophes will not materially disrupt the Company's operations. These factors, which are not within the Company's control, could potentially have significant effects on the Company's development projects, many of which are large infrastructure, such as buildings, which are susceptible to damage. Damage to structures resulting from such natural catastrophes could also give rise to claims against

the Company from third parties or from customers, for example for physical injuries or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions may adversely affect the Company's business, financial condition, and results of operations. Further, the Company does not carry any insurance for certain catastrophic events, and there are certain losses for which the Company cannot obtain insurance at a reasonable cost or at all. The Company also does not carry any business interruption insurance. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project construction costs or other financial obligations related to the property. Any material uninsured loss could materially and adversely affect the Company's business, operations, financial condition, and results. To mitigate this risk, the Company ensures that it conducts extensive and thorough due diligence and planning prior to the construction of its projects to minimize possible damage brought about by natural catastrophes.

C. RISKS RELATING TO THE BONDS

To mitigate the risks identified below, the Company shall continue to adopt what it considers conservative, financial and operational controls and policies within the context of the prevailing business, economic, and political environments taking into consideration the interests of its customers, stockholders, and creditors.

The Company may be unable to redeem the Bonds

At maturity, the Company will be required to redeem all of the Bonds. At that point in time, the Company may not have sufficient cash on hand and may not be able to arrange financing to redeem the Bonds on time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase, or redeem tendered Bonds by the Company would constitute a default under the terms of other indebtedness of the Company.

CPGI has a strong and stable business in the Philippines. It maintains a healthy debt-to-equity ratio, and maintains a stable level of liquidity in its statements of financial position. Further, the Company believes that it has sufficient resources which will allow it to service the principal and interest of the Bonds.

Liquidity risk

The Philippine debt securities markets, particularly the market for corporate debt securities, are substantially smaller, less liquid and more concentrated than other securities markets. The Company cannot guarantee whether an active trading market for the Bonds will develop and, if such a market were to develop, the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner is under no obligation to maintain such a market. Even if the Bonds are listed on the PDEx, trading in securities such as the Bonds may be subject to extreme volatility at times, in response to fluctuating interest rates, developments in local and international capital markets and the overall market for debt securities among other factors.

Pricing risk

The liquidity and the market prices for the Bonds can be expected to vary with changes in market and economic conditions, the financial position and prospects of the Company and other factors that generally influence the market prices of securities. The market prices of the Bonds will be subject to interest rate fluctuations, which may result in the securities having increased or reduced values at any given time. If market interest rates decrease relative to the Interest Rate of the Bonds, the price of the Bonds, when sold in the secondary market, may

increase. Conversely, if market interest rates increase relative to the Interest Rate of the Bonds, the price of the Bonds, when sold in the secondary market, may decrease. Thus, a Bondholder could face possible losses if he decides to sell in the secondary market. Further, there is no assurance that the Bonds may be easily disposed of at prices and volumes and at instances best deemed appropriate by their holders.

Retention of ratings risk

There is no assurance that the rating of the bonds will be retained throughout the life of the Bonds. The rating is not a recommendation to buy, sell, or hold securities and may be subject to revision, suspension, or withdrawal at any time by the assigning rating organization.

Bonds have no preference under Article 2244(14)(a) of the Civil Code

No other unsecured loan or other debt facility currently or to be entered into by the Issuer shall have preference of priority over the Bonds as accorded to public instruments under Article 2244(14)(a) of the Civil Code. However, should any bank or Bondholder hereinafter have a preference or priority over the Bonds as a result of notarization of unsecured debt instruments, then the Issuer shall at the Issuer's option, either procure a waiver of the preference created by such notarization or equally and ratably extend such preference to the Bonds.

PHILIPPINE TAXATION

The following is a discussion of the material Philippine tax consequences of the acquisition, ownership and disposition of the Bonds. This general description does not purport to be a comprehensive description of the Philippine tax aspects of the Bonds and no information is provided regarding the tax aspects of acquiring, owning, holding or disposing of the Bonds under applicable tax laws of other applicable jurisdictions and the specific Philippine tax consequence in light of particular situations of acquiring, owning, holding, and disposing of the Bonds in such other jurisdictions. This discussion is based upon laws, regulations, rulings, and income tax conventions (treaties) in effect as of the date of this Prospectus.

The tax treatment of a Bondholder may vary depending upon such Bondholder's particular situation, and certain Bondholders may be subject to special rules not discussed below. This summary does not purport to address all tax aspects that may be important to a Bondholder.

PROSPECTIVE PURCHASERS OF THE BONDS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF A BOND, INCLUDING THE APPLICABILITY AND EFFECT OF ANY LOCAL OR FOREIGN TAX LAWS.

On January 1, 2018, Republic Act No. 10963 or the TRAIN Act took effect. The TRAIN Act amended provisions of the National Internal Revenue Code of 1997, as amended ("Tax Code") including provisions on Documentary Stamp Tax, Tax on Interest Income and Other Distributions, Estate Tax, and Donor's Tax.

While the TRAIN Act brought about extensive changes to individual income taxation, it did not include changes in corporate income taxation. This was addressed in the second package of the CTRP under Republic Act No. 11534 or the Comprehensive Tax Reform Program ("CREATE Law"), amending provisions of the Tax Code, related to, among others, corporate income tax, lowering corporate income taxes and modernizing fiscal incentives in a bid to complement the expected incremental revenues from the first package.

The CREATE Law also rationalizes income fiscal incentives, making them time-bound, targeted, and performance-based. Holders of tax incentives are given a sunset period to adjust to the tax regime changes that will be brought about by the CREATE Law. Consequently, upon the effectivity of the CREATE Law, some tax incentives or tax exemptions enjoyed by the Company, its Subsidiaries and Associate have expired, will be revoked, or have been repealed, or, if other new laws are enacted, the income from these sources will be subject to the regular corporate income tax rate after the lapse of the sunset period. As a result, tax expense of the Company, its Subsidiaries and Associate would increase, and their respective profitability would decrease. The expiration, non-renewal, revocation or repeal of these tax incentives and tax exemptions, the enactment of new laws, and any associate impact on the Company, its Subsidiaries and Associate, could have a material adverse effect on the Company's, its Subsidiaries' and Associate's business, financial condition, and results of operations.

As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines and who is not a citizen thereof; a "non-resident alien" is an individual whose residence is not within the Philippines and who is not a citizen of the Philippines. A non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien doing business in the Philippines," otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a "non-resident alien not doing business in the Philippines." A "resident foreign corporation" is a non-Philippine

corporation engaged in trade or business within the Philippines; and a “non-resident foreign corporation” is a non-Philippine corporation not engaged in trade or business within the Philippines.

TAXATION OF INTEREST

The Tax Code, as amended, provides that interest-bearing obligations of Philippine residents are Philippine-sourced income subject to Philippine income tax.

If pursuant to the Offer, funds are obtained from twenty or more individual lenders or investors, there is deemed to be a public borrowing and the Bonds will be deemed deposit substitutes. In such case, interest income derived by Philippine resident individuals from the Bonds is subject to income tax, which is withheld at source, at the rate of 20%. Otherwise, the regular income tax rates on Philippine resident individuals will apply.

Generally, the interest on the Bonds received by non-resident foreign individuals engaged in trade or business in the Philippines is subject to a 20% withholding tax while that received by non-resident foreign individuals not engaged in trade or business is taxed at the rate of 25%.

Interest income received by domestic corporations and resident foreign corporations is taxed at the rate of 20% if the Bonds will be deemed as deposit substitutes. Otherwise, the regular corporate income tax rates for domestic corporations and resident foreign corporations will apply.

Interest income received by non-resident foreign corporations is subject to a 25% final withholding tax. The tax withheld constitutes a final settlement of Philippine income tax liability with respect to such interest.

The foregoing rates are subject to further reduction by any applicable tax treaties in force between the Philippines and the country of residence of the non-resident owner. Most tax treaties to which the Philippines is a party generally provide for a reduced tax rate of 15% in cases where the interest arises in the Philippines and is paid to a resident of the other contracting state. However, most tax treaties also provide that reduced withholding tax rates shall not apply if the recipient of the interest, who is a resident of the other contracting state, carries on business in the Philippines through a permanent establishment and the holding of the relevant interest-bearing instrument is effectively connected with such permanent establishment. Thus, non-resident foreign Bondholders who maintain and conduct business activities in the Philippines may not qualify for reduced withholding tax treaty rates on interest payments because they may be considered as having a taxable presence in the Philippines by reason of such business activities. Thus, availing of such reduced tax treaty rates will require confirmation of entitlement thereto from the BIR, as discussed below. Each of the qualified Bondholders shall be responsible for securing confirmation of entitlement to the preferential tax treaty rates with the BIR.

On March 31, 2021, Revenue Memorandum Order No. 14-2021 was issued by the BIR to streamline the procedures and documents for the availment of the tax treaty benefits. RMO 14-2021 will apply to the income derived by non-resident Bondholder/s on the interest payments from the Bonds.

TAX-EXEMPT STATUS

The BIR has issued RMO 14-2021 to streamline the procedures and documents for the availment of treaty benefits covering all items of income, derived by non-resident taxpayers from Philippine sources that are entitled to relief from double taxation under the relevant tax treaty. Under this regulation, when the treaty rates have been applied by the withholding agent

on the income earned by the non-resident, the former shall file with the International Tax Affairs Division ("ITAD") of the BIR a request for confirmation on the propriety of the withholding tax rates applied on that item of income. On the other hand, if the regular rates have been imposed on the said income, the non-resident shall file a Tax Treaty Relief Application ("TTRA") with ITAD. The request for confirmation shall be filed by the withholding agent at any time after the payment of withholding tax but shall in no case be later than the last day of the 4th month following the close of each taxable year. The request for confirmation or TTRA shall be supported by the documentary requirements under RMO 14-2021.

If the BIR determines that the withholding tax rate applied is lower than the rate that should have been applied on an item of income pursuant to the treaty, or that the non-resident taxpayer is not entitled to treaty benefits, it will issue a BIR ruling denying the request for confirmation or TTRA. Consequently, the withholding agent shall pay the deficiency tax plus penalties. On the contrary, if the withholding tax rate applied is proper or higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits. In the latter case, the taxpayer may apply for a refund of excess withholding tax.

If a company withholds the regular tax rate instead of the reduced rate applicable under an income tax treaty, a non-resident holder of the company's shares may file a claim for a refund from the BIR. However, because the refund process in the Philippines requires the filing of an administrative claim and the submission of supporting information may also involve the filing of a judicial appeal, it may be impractical to pursue such a refund.

The claim for refund may be filed independently of, or simultaneously with, the TTRA. If the claim was not filed simultaneously with the TTRA, the office where it was filed shall coordinate with, and defer to, ITAD the resolution of the non-resident's entitlement to treaty benefit. If, on the other hand, the claim was filed simultaneously with the TTRA, it shall be the responsibility of the ITAD to endorse the claim for refund to the proper office that handles the processing of tax refunds after the resolution of the TTRA. At any rate, all issues relating to the application and implementation of treaty provisions shall fall within the exclusive jurisdiction of the ITAD.

Bondholders who are exempt from or are not subject to final withholding tax on interest income may claim such exemption by submitting the necessary documents. Said Bondholder shall submit the following requirements to the Registrar, or to the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner (together with their completed Application to Purchase) who shall then forward the same to the Registrar: (i) a current and valid BIR certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR addressed to the Applicant confirming the exemption from taxation of interest on fixed income securities; (ii) a duly notarized undertaking, in prescribed form, executed by (ii.a) the Corporate Secretary or any authorized representative, who has personal knowledge of the exemption based on his official functions, if the Applicant purchases the Bonds for its account, or (ii.b) the Trust Officer, if the Applicant is a universal bank authorized under Philippine laws to perform trust and fiduciary functions and purchase the Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax-exempt status or preferential rate entitlement, undertaking to immediately notify CPGI and the Registrar and Paying Agent of any suspension or revocation of the tax exemption certificate or preferential rate entitlement, and agreeing to indemnify and hold CPGI and the Registrar and Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding of the required tax; and (iii) for those who are claiming benefits under tax treaties, (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owner or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under RMO 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued

by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claim tax exemption or preferential tax rate, in a form acceptable to the issuer, and (iv) three (3) originals of the duly notarized, consularized or apostilled (as the case may be), if executed outside the Philippines, Special Power of Attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents that are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries are not doing business in the Philippines to support the applicability of a tax treaty relief; and (b) prior to the payment of subsequent interests due (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has already lapsed; (c) such other documentary requirements as may be reasonably required under the applicable regulations of the relevant taxing or other authorities for purposes of claiming tax treaty relief; provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar and Paying Agent.

Bondholders may transfer their Bonds at any time, regardless of tax status of the transferor vis-à-vis the transferee. Should a transfer between Bondholders of different tax status occur on a day which is not an Interest Payment Date, tax exempt entities trading with non-tax-exempt entities shall be treated as non-tax-exempt entities for the interest period within which such transfer occurred. Transfers taking place in the Electronic Registry of Bondholders after the Bonds are listed on PDEX shall be allowed between non-tax-exempt and tax-exempt entities without restriction and observing the tax exemption of tax-exempt entities, if and/or when so allowed under and in accordance with the relevant rules, conventions and guidelines of PDEX and PDTC.

A Bondholder claiming tax-exempt status is required to submit a written notification of the sale or purchase to the Trustee and the Registrar and Paying Agent, including the tax status of the transferor or transferee, as appropriate, together with the supporting documents specified under the Section entitled "*Payment of Additional Amounts – Taxation*," within three (3) days of such transfer.

VALUE-ADDED TAX

Gross receipts arising from the sale of the Bonds in the Philippines by Philippine-registered dealers in securities and lending investors shall be subject to 12% VAT.

GROSS RECEIPTS TAX

Bank and non-bank financial intermediaries are subject to gross receipts tax on gross receipts derived from sources within the Philippines in accordance with the following schedule:

On interest, commissions, and discounts from lending activities as well as income from financial leasing, on the basis of remaining maturities of instruments from which such receipts are derived:

Maturity period is five years or less	5%
Maturity period is more than five years	1%

In case the maturity period referred above is shortened through pre-termination, then the maturity period shall be reckoned to end as of the date of pre-termination for purposes of classifying the transaction and the correct rate shall be applied accordingly.

Net trading gains realized within the taxable year on the sale or disposition of the Bonds shall be taxed at seven percent (7%).

DOCUMENTARY STAMP TAX

A documentary stamp is imposed upon the issuance of debentures and certificates of indebtedness issued by Philippine companies, such as the Bonds, at the rate of ₱1.50 for each ₱200, or fractional part thereof, of the offer price of such debt instruments; provided that, for debt instruments with terms of less than one (1) year, the documentary stamp tax to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to 365 days.

The documentary stamp tax is collectible wherever the document is made, signed, issued, accepted, or transferred, when the obligation or right arises from Philippine sources, or the property is situated in the Philippines. Any applicable documentary stamp taxes on the original issue shall be paid by CPGI for its own account.

No documentary stamp tax is imposed on the subsequent sale or disposition of the Bonds, trading the Bonds in a secondary market or through an exchange. However, if the transfer constitutes a renewal of the Bonds, documentary stamp tax is payable anew.

TAXATION ON SALE OR OTHER DISPOSITION OF THE BONDS

Income Tax

The Bondholder will recognize gain or loss upon the sale or other disposition (including a redemption at maturity) of the Bonds in an amount equal to the difference between the amount realized from such disposition and such Bondholder's basis in the Bonds. Such gain or loss is likely to be deemed a capital gain or loss assuming that the Bondholder has held the Bonds as capital assets.

Under the Tax Code, gains realized from the sale, exchange or retirement of bonds, debentures, and other certificates of indebtedness with an original maturity date of more than five (5) years (as measured from the date of issuance of such bonds, debentures, or other certificates of indebtedness) shall not be subject to income tax. Should the Debt Securities in later Tranches have a maturity of less than five (5) years, any gain realized by a debt security holder from the trading of the Debt Securities shall be subject to regular individual or corporate income tax, as the case may be.

In case of the Bonds which are held as capital assets, individuals or corporate bondholders shall be subject to the full amount of the capital gain or loss recognized upon the sale or exchange of a capital asset if such Bonds have been held for less than 12 months. If such Bonds have been held for more than 12 months, then in case of an individual Bondholder, only 50% of the capital gain or loss is recognized while 100% of the capital gain or loss is recognized in case of corporate Bondholders.

Any gains realized by non-residents on the sale of the Bonds may be exempt from Philippine income tax under an applicable tax treaty.

Estate and Donor's Tax

The transfer by a deceased person, whether a Philippine resident or non-Philippine resident, to his heirs of the Bonds shall be subject to an estate tax which is levied on the net estate of the deceased at a fixed rate of 6%. A Bondholder shall be subject to donor's tax on the transfer of the Bonds by gift at a fixed rate of 6% of the net gifts made during the calendar year in excess of ₱250,000.

The estate or donor's taxes payable in the Philippines may be credited with the amount of any estate or donor's taxes imposed by the authority of a foreign country, subject to limitations on the amount to be credited, and the tax status of the donor. The estate tax and donor's tax, in respect of the Bonds, shall not be collected (a) if the deceased at the time of death, or the donor, at the time of the donation, was a citizen and resident of a foreign country which, at the time of his death or donation, did not impose a transfer tax of any character in respect of intangible personal property of citizens of the Philippines not residing in that foreign country; or (b) if the laws of the foreign country of which the deceased or donor was a citizen and resident, at the time of his death or donation, allows a similar exemption from transfer or death, taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in the foreign country.

In case the Bonds are transferred for less than an adequate and full consideration in money or money's worth, the amount by which the fair market value of the Bonds exceeded the value of the consideration may be deemed a gift and may be subject to donor's taxes. However, a sale, exchange, or other transfer made in the ordinary course of business (a transaction which is bona fide, at arm's length, and free from any donative intent), will be considered as made for an adequate and full consideration in money or money's worth.

USE OF PROCEEDS

The use of proceeds for each succeeding Tranche shall be set out in the relevant Offer Supplement.

Following the offer and sale of up to ₱2,000,000,000 of unsecured peso-denominated fixed rate retail bonds, CPGI expects that the net proceeds of the Offering shall amount to approximately ₱1,959,181,275 after deducting fees, commissions, and expenses. Assuming full exercise of the Oversubscription Option of up to ₱1,000,000,000, CPGI expects total net proceeds of approximately ₱2,944,181,275 after deducting fees, commissions, and expenses.

Net proceeds from the Offering are estimated to be as follows:

	Base Offer (in ₱)	Oversubscription Option (in ₱)
Estimated proceeds from the sale of Bonds	2,000,000,000	1,000,000,000
Less: Estimated expenses		
Underwriting fees	15,000,000	7,500,000
Documentary Stamp Tax	15,000,000	7,500,000
SEC registration fee	1,312,500	
SEC legal research fee	13,125	
Rating agency fee	3,000,000	
Legal fees (excluding OPE)	3,000,000	
Listing application fees	100,000	
Registry and paying agency fees	225,000	
Insurance Commission processing fee	10,100	
Audit fees	3,108,000	
Other miscellaneous expenses (signing, publicity, etc.)	50,000	
Total upfront expenses	40,818,725	15,000,000
Estimated net proceeds for the issue	1,959,181,275	985,000,000
Total Net Proceeds	2,944,181,275	

Aside from the foregoing one-time costs, the Company expects the following annual expenses related to the Bonds:

1. The Issuer will be charged by PDEX for the first year Annual Maintenance Fee of ₱150,000 in advance upon the approval of the Listing;
2. The Issuer will pay a yearly retainer fee to the Trustee amounting to ₱350,000 per annum;
3. The Issuer will pay CRISP an annual monitoring fee of ₱400,000;

4. After the Issue Date, a Paying Agency Fee amounting to ₱100,000 is payable every interest payment date. The Registrar and Paying Agent will charge a monthly maintenance fee based on the face value of the Bonds and the number of Bondholders.

The net proceeds from this Offering shall be used by the Company based on the following allocation and schedule of disbursements:

Purpose	Net Proceeds from the Base Offer (in ₱ Millions)	Net Proceeds from the Offer assuming the Oversubscription Option is Fully Exercised (in ₱ Millions)	Estimated Timing of Disbursement	Status of Project Development
Partial refinancing of bonds with coupon rate of 7.8203%	1,000	1,000	April 15, 2022	Not applicable
Fund capital expenditures for horizontal affordable housing developments	959	959	March to December 2022	Future developments of various projects
Fund general corporate requirements	0	985	March to December 2022	Not applicable
Total	1,959	2,944		

Refinancing of Maturing Bonds

A portion of the net proceeds of the Offer shall be used to partially repay CPGI's ₱3 billion Unsecured Fixed Rate Peso Retail Bonds due April 15, 2022, which has a coupon rate of 7.8203% per annum. The said bonds were issued on April 15, 2019.

None of the proceeds will be used to refinance the term loans with the parent company or affiliates of the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

Capital Expenditures for Horizontal Affordable Housing Developments

The Company's capital expenditure for 2022 includes the funds needed for future horizontal affordable housing development projects in Cavite and Bataan.

A portion of the net proceeds from this Offer will be used to partially finance the horizontal affordable housing developments under PPHI located in Naic, Cavite and Balanga, Bataan. The ₱1 billion allocation of net proceeds will be split 60% for Phirst Park Homes Naic which

was launched in December 2021 and 40% for Phirst Park Homes Balanga which will be launched within the first quarter of 2022 under PPHI. This disbursement will either be in the form of equity infusion of the Company into PPHI, or through a loan agreement with PPHI.

Fund General Corporate Requirements

The balance of the net proceeds will be used to partially finance the Company's general corporate requirements, including but not limited to working capital.

In the event that the Oversubscription Option is partly exercised or not exercised at all, the Company shall use internally generated funds and/or available bank lines to the extent the net proceeds of the Offer are insufficient to fund the use of proceeds discussed above.

The Company will inform the SEC under Current Report (SEC Form 17-C) within the prescribed period of the disbursement of funds to the Company's respective Subsidiaries and how the said funds will be booked by the Company's respective Subsidiaries.

The Company undertakes that it will not use the net proceeds from the Offer for any purpose, other than as discussed above. The Company's cost estimates may also change based on factors such as changing macroeconomic and market conditions or new information as these plans are developed further and actual costs may be different from budgeted costs. For these reasons, the timing and actual use of the net proceeds may vary from the foregoing discussion and the Company's management may find it necessary or advisable to alter its plans. In the event of any material or substantial deviation, adjustment, or reallocation in the planned uses of the proceeds, as indicated above, the Company shall make the necessary disclosures, as may be required under applicable laws and regulations, and shall inform the Bondholders, the PSE, and the SEC in writing at least 30 days prior to the implementation of such deviation, adjustment, or reallocation.

No use of proceeds is contemplated to discharge debt, to acquire assets or finance the acquisition of other businesses, or reimburse any officer, director, employee, or shareholder for services rendered, assets previously transferred, money loaned, advanced or otherwise.

DETERMINATION OF OFFER PRICE

The determination for each succeeding Tranche being offered shall be set in the relevant Offer Supplement under “Determination of Offer Price”.

The Bonds shall be issued at par, or 100% of the principal amount or face value.

The interest rate of the Bonds was calculated as the sum of (i) the average five (5)-year PHP BVAL Reference Rate for the three (3) consecutive Business Days prior to and including the Interest Rate Setting Date, and (ii) the final spread per annum.

PLAN OF DISTRIBUTION

The detailed plan of distribution and underwriting arrangement for each succeeding Tranche shall be set out in the relevant Offer Supplement for each Tranche of Debt Securities.

THE OFFER

On December 17, 2021, CPGI filed a Registration Statement with the SEC, in connection with the offer and sale to the public of debt securities with an aggregate principal amount of up to ₱6,000,000,000 under shelf registration, inclusive of the first tranche of the Debt Securities Program with an aggregate principal amount of ₱2,000,000,000 with an Oversubscription Option of up to ₱1,000,000,000 comprised of 5.7524% p.a. five (5)-year fixed-rate retail bonds due 2027. The Bonds will be issued by the Company pursuant to the terms and conditions of the Bonds on the Issue Date.

However, there can be no assurance in respect of: (i) whether the Company would issue such Debt Securities at all; (ii) the size or timing of any individual issuance or the total issuance of such Debt Securities; or (iii) the specific terms and conditions of any such issuance. Any decision by the Company to offer such Debt Securities will depend on a number of factors at the relevant time, many of which are not within the Company's control, including but not limited to: prevailing interest rates, the financing requirements of the Company, market liquidity, and the state of the Philippine, regional and global capital markets and economies.

In the event that the Oversubscription Option of up to ₱1,000,000,000 is not exercised, it shall be placed under shelf registration to be issued within the period prescribed by relevant regulations.

The SEC is expected to issue an order rendering the Registration Statement effective, and a corresponding permit to offer securities for sale covering the Offer.

THE UNDERWRITER OF THE OFFER

China Bank Capital, pursuant to an Issue Management and Underwriting Agreement executed on February 8, 2022 (the "Issue Management and Underwriting Agreement"), has agreed to act as the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner for the Offer and as such, distribute and sell the Bonds at the Issue Price, and has also committed to underwrite up to ₱2,000,000,000 of the Bonds on a firm basis, in either case subject to the satisfaction of certain conditions and in consideration of an underwriting fee equivalent to 0.75% of the gross proceeds.

There is no arrangement for the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner to return to CPGI any unsold Bonds. The Issue Management and Underwriting Agreement may be terminated in certain circumstances prior to payment of the net proceeds of the Bonds being made to CPGI. There is no arrangement giving the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner the right to designate or nominate member(s) to the Board of Directors of CPGI.

The Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner is duly licensed by the SEC to engage in underwriting or distribution of the Bonds. The Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner may, from time to time, engage in transactions with and perform services in the ordinary course of its business for CPGI.

The Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner has no direct relations with CPGI in terms of ownership by its major stockholder/s.

SALE AND DISTRIBUTION

The distribution and sale of the Bonds shall be undertaken by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner who shall sell and distribute the Bonds to third party buyers/investors. Nothing herein shall limit the rights of the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner from purchasing the Bonds for its own account.

There are no persons to whom the Bonds are allocated or designated. The Bonds shall be offered to the public at large and without preference.

OFFER PERIOD

The Offer Period shall commence at 9:00 am on February 14, 2022 and shall end at 5:00 pm on February 18, 2022, or such other date as may be mutually agreed between the Company and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

APPLICATION TO PURCHASE

Applicants may purchase the Bonds during the Offer Period by submitting to the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner properly completed Applications to Purchase, whether originally signed or electronically submitted (through the e-Securities Issue Portal (e-SIP), together with two (2) signature cards (authenticated by the Corporate Secretary with respect to corporate and institutional applicants), and the full payment of the purchase price of the Bonds in the manner provided in said Application to Purchase.

Corporate and institutional applicants must also submit, in addition to the foregoing, a copy of their (i) SEC Certificate of Registration, Articles of Incorporation, By-Laws, (ii) appropriate authorization by their respective boards of directors and/or committees or bodies relative to the purchase of the Bonds and designating the authorized signatory(ies) thereof, and (iii) such other documents as may be reasonably required by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner in the implementation of its internal policies regarding “know your customer” and anti-money laundering.

Individual applicants must also submit, in addition to accomplished Application to Purchase and its required attachments, a photocopy of any one of the following identification cards (“ID”), subject to verification with the original ID: passport, driver’s license, postal ID, company ID, SSS/GSIS ID, and/or Senior Citizen’s ID or such other ID and documents as may be required acceptable to the selling bank, which must be valid as of the date of the application.

A corporate and institutional investor who is exempt from or is not subject to withholding tax shall be required to submit the following requirements to the Registrar, subject to acceptance by the Issuer as being sufficient in form and substance: (i) a current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR addressed to the Applicant confirming the exemption; (ii) a duly notarized undertaking, in the prescribed form, executed by (ii.a) the Corporate Secretary or any authorized representative, who has personal knowledge of the exemption based on his official functions, if the Applicant purchases the Bonds for its account, or (ii.b) the Trust Officer, if the Applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities’ tax exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer and the Registrar and Paying Agent of any suspension or revocation of the tax exemption certificates or preferential rate entitlement, and agreeing to indemnify and hold the Issuer and the Registrar and Paying Agent free and harmless against any claims, actions, suits, and liabilities arising from the non-withholding of the required tax; and (iii) for those who are claiming benefits under tax treaties, (a) prior to the payment of the

initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owner or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under RMO 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claim tax exemption or preferential tax rate, in a form acceptable to the issuer, and (iv) three (3) originals of the duly notarized, consularized or apostilled (as the case may be), if executed outside the Philippines, Special Power of Attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents that are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries are not doing business in the Philippines to support the applicability of a tax treaty relief; and (b) prior to the payment of subsequent interests due (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has already lapsed; (c) such other documentary requirements as may be reasonably required under the applicable regulations of the relevant taxing or other authorities for purposes of claiming tax treaty relief; provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar and Paying Agent.

Completed Applications to Purchase and corresponding payments must reach the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner prior to the end of the Offer Period, or such earlier date as may be specified by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner. Acceptance by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner of the completed Application to Purchase shall be subject to the availability of the Bonds and the acceptance by CPGI. In the event that any check payment is returned by the drawee bank for any reason whatsoever or the nominated bank account to be debited is invalid, the Application to Purchase shall be automatically canceled and any prior acceptance of the Application to Purchase is deemed revoked.

MINIMUM PURCHASE

A minimum purchase of ₱50,000 shall be considered for acceptance. Purchases in excess of the minimum shall be in multiples of ₱10,000, thereafter.

ALLOTMENT OF THE BONDS

If the Bonds are insufficient to satisfy all Applications to Purchase, the available Bonds shall be allotted at the discretion of the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, in consultation with the Issuer and subject to the Issuer's right of rejection.

ACCEPTANCE OF APPLICATIONS

CPGI and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner reserve the right to accept or reject applications to subscribe in the Bonds, and in case of oversubscription,

allocate the Bonds available to the applicants in a manner they deem appropriate. If any application is rejected or accepted in part only, the application money or the appropriate portion thereof will be returned without interest by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner.

REFUNDS

If any application is rejected or accepted in part only, the application money or the appropriate unused portion thereof shall be returned without interest to such applicant through the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner with whom such application to purchase the Bonds was made.

PAYMENTS

The Paying Agent shall open and maintain a Payment Account, which shall be operated solely and exclusively by said Paying Agent in accordance with the Registry and Paying Agency Agreement and the PDTC Rules, provided that beneficial ownership of the Payment Account shall always remain with the Bondholders. The Payment Account shall be used exclusively for the payment of the relevant interest and principal on each Payment Date.

The Paying Agent shall maintain the Payment Account for six (6) months from the Maturity Date. Upon closure of the Payment Account, any balance remaining in such Payment Account shall be returned to the Issuer and shall be held by the Issuer in trust and for the irrevocable benefit of the Bondholders with unclaimed interest and principal payments.

PURCHASE AND CANCELLATION

The Issuer may purchase the Bonds at any time in the open market or by tender or by contract at any price without any obligation to make pro-rata purchases from all Bondholders. Bonds so purchased shall be redeemed and cancelled and may not be re-issued.

Upon listing of the Bonds on PDEX, the Issuer shall disclose any such transactions in accordance with applicable PDEX disclosure rules.

SECONDARY MARKET

CPGI intends to list the Bonds in the PDEX. CPGI may purchase the Bonds at any time without any obligation to make pro-rata purchases of Bonds from all Bondholders.

REGISTRY OF BONDHOLDERS

The Bonds shall be issued in scripless form and shall be registered in the scripless Electronic Registry of Bondholders to be maintained by the Registrar. A Master Certificate of Indebtedness representing the Bonds sold in the Offer shall be issued to and registered in the name of the Trustee, on behalf of the Bondholders.

Legal title to the Bonds shall be shown in the Electronic Registry of Bondholders to be maintained by the Registrar. Initial placement of the Bonds and subsequent transfers of interests in the Bonds shall be subject to applicable prevailing Philippine selling restrictions. The names and addresses of the Bondholders and the particulars of the Bonds held by them and of all transfers of Bonds shall be entered into the Electronic Registry of Bondholders. Transfers of ownership shall be effected through book-entry transfers in the scripless Electronic Registry of Bondholders.

DESCRIPTION OF THE BONDS

The detailed terms and conditions of each succeeding Tranche shall be set out in the relevant Offer Supplement.

With regard to the Offer, the following does not purport to be a complete listing of all the rights, obligations, or privileges of the Bonds. Some rights, obligations, or privileges may be further limited or restricted by other documents. Prospective Bondholders are enjoined to carefully review the Articles of Incorporation, By-Laws, and resolutions of the Board of Directors and Shareholders of CPGI, the information contained in this Prospectus, the Bond Agreements, and other agreements relevant to the Offer. Prospective Bondholders are likewise encouraged to consult their legal counsels and accountants in order to be better advised of the circumstances surrounding the Bonds.

GENERAL

The Board of Directors of the Company authorized, through a resolution unanimously passed and approved on December 17, 2021, the issuance of the initial tranche in the principal amount of ₱2,000,000,000 with an Oversubscription Option of up to ₱1,000,000,000, comprised of the 5.7524% p.a. five (5)-year fixed rate bonds due 2027 and the shelf registration of ₱6,000,000,000 Debt Securities Program to be offered over a period not exceeding three (3) years from the effective date of the registration statement of the Debt Securities Program. The Bonds will be issued by the Company pursuant to the terms and conditions of the Bonds (the “Terms and Conditions”) on the Issue Date.

A Trust Indenture Agreement was executed on February 8, 2022 (the “Trust Indenture Agreement”) and entered into between the Issuer and China Banking Corporation – Trust and Asset Management Group (the “Trustee”). The following description of and the Terms and Conditions of the Bonds is only a summary and subject to the detailed provisions of the Trust Indenture Agreement.

A Registry and Paying Agency Agreement was executed on February 8, 2022 (the “Registry and Paying Agency Agreement”) between the Issuer and PDTC (the “Registrar and Paying Agent”).

The Bonds shall be offered and sold through a general public offering in the Philippines and issued and transferable in minimum principal amounts of ₱50,000 and in multiples of ₱10,000 thereafter, and shall be traded in denominations of ₱10,000 in the secondary market.

The Bonds shall mature on February 24, 2027, unless earlier redeemed by the Issuer pursuant to the terms thereof and subject to the provisions on redemption and payment as detailed below.

The Registrar and Paying Agent has no interest in or relation to CPGI, which may conflict with its role as paying agent and as registrar for the Offer. CPGI has no ability to control or direct the affairs of the Registrar and Paying Agent.

Copies of the Trust Indenture Agreement and the Registry and Paying Agency Agreement are available for inspection during normal business hours at the specified offices of the Trustee and the Registrar and Paying Agent, respectively. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Indenture Agreement and are deemed to have notice of those provisions of the Registry and Paying Agency Agreement applicable to them.

1. Form, Denomination and Title

a. Form and Denomination

The Bonds are in scripless form, and issued in denominations of ₱50,000 each as a minimum and in integral multiples of ₱10,000 thereafter, and shall be subsequently traded in denominations of ₱10,000 in the secondary market.

b. Title

Legal title to the Bonds shall be shown in the Electronic Registry of Bondholders maintained by the Registrar pursuant to the Registry and Paying Agency Agreement. A notice confirming the principal amount of the Bonds purchased by each applicant in the Offer shall be issued by the Registrar to all Bondholders no later than seven (7) Business Days following the Issue Date. The Bondholder has 20 calendar days from the date indicated in the registry confirmation to request the Registrar and Paying Agent for amendment, correction, or completion of the relevant information in the Electronic Registry of Bondholders. The Bondholder shall, within such period, request the Registrar and Paying Agent, through the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner from whom the Bonds were purchased, to amend entries in the Registry by issuing an Affidavit of Correction duly endorsed by the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner. Upon any assignment, title to the Bonds shall transfer by recording of the assignment from the transferor to the transferee in the Electronic Registry of Bondholders maintained by the Registrar and Paying Agent. Settlement in respect of such transfer or change of title to the Bonds, including the settlement of any cost arising from such transfers, including, but not limited to, documentary stamp taxes, if any, arising from subsequent transfers, shall be for the account of the relevant Bondholder. If the e-SIP is used for the Offer, the operational guidelines, and procedures for the use of e-SIP shall govern.

c. Bond Rating

The Bonds have been rated AA by CRISP on December 28, 2021. CRISP reaffirms CPGI's AA rating and will continue to regularly review the rating as uncertainties created by the COVID-19 on the global economy continue to affect the Philippine economy. CRISP considered its own assessment of the COVID-19 pandemic on the Philippine economy and its effects on the real property development sector. CRISP expects a slow but gradual Philippine economic recovery.

CRISP also recognized that CPGI's early strategic market actions to expand into the affordable and horizontal property development segment has created a buffer for CPGI to absorb the business impact of the pandemic. CRISP continues to believe that CPGI's foray into this market segment provides the necessary diversification of its portfolio thereby expanding its revenue base and market presence. In addition, CRISP recognized CPGI's resilient financial performance, and expects CPGI to generate an increase in net income as a result of CPGI's efforts to reduce its expenses as well as the decrease in borrowing costs in 2020 and 2021.

The rating is subject to regular annual reviews, or more frequently as market developments may dictate, for as long as the Bonds are outstanding. After Issue Date, the Trustee shall monitor the compliance of the Bonds with regular annual reviews.

2. Transfer of Bonds

a. Electronic Registry of Bondholders

CPGI shall cause the Electronic Registry of Bondholders to be kept by the Registrar, in electronic form. The names and addresses of the Bondholders and the particulars of the Bonds held by them and of all transfers of the Bonds shall be entered into the Electronic Registry of Bondholders, subject to the terms of the Registry and Paying Agency Agreement. As required by Circular No. 428-04 issued by the BSP, the Registrar and Paying Agent shall send each Bondholder a written statement of registry holdings at least quarterly (at the cost of CPGI), and a written advice confirming every receipt or transfer of the Bonds that is effected in the Electronic Registry of Bondholders (at the cost of CPGI). Such statement of registry holdings shall serve as the confirmation of ownership of the relevant Bondholder as of the date thereof. Any requests of Bondholders for certifications, reports or other documents from the Registrar and Paying Agent, except as provided herein, shall be for the account of the requesting Bondholder.

b. Transfers; Tax Status

Bondholders may transfer their Bonds at any time, regardless of tax status of the transferor vis-à-vis the transferee. Should a transfer between Bondholders of different tax status occur on a day that is not an Interest Payment Date, tax exempt entities trading with non-tax exempt entities shall be treated as non-tax exempt entities for the interest period within which such transfer occurred. A Bondholder claiming tax-exempt status is required to submit a written notification of the sale or purchase to the Trustee and the Registrar and Paying Agent, including the tax status of the transferor or transferee, as appropriate, together with the supporting documents specified below under "Payment of Additional Amounts; Taxation", within three (3) days of such transfer. Transfers taking place in the Electronic Registry of Bondholders after the Bonds are listed on PDEX shall be allowed between taxable and tax-exempt entities without restriction and observing the tax exemption of tax-exempt entities, if and/or when so allowed under and in accordance with the relevant rules, conventions, and guidelines of PDEX and PDTC.

c. Secondary Trading of the Bonds

The Issuer intends to list the Bonds in PDEX for secondary market trading. The Bonds will be traded in a minimum board lot size of ₱50,000, and in multiples of ₱10,000 in excess thereof for so long as any of the Bonds are listed on PDEX. Secondary market trading in PDEX shall follow the applicable PDEX rules, conventions, and guidelines, including rules, conventions, and guidelines governing trading and settlement between bondholders of different tax status, and shall be subject to the relevant fees of PDEX and PDTC, all of which shall be for the account of the Bondholders.

3. Ranking

The Bonds constitute direct, unconditional, unsecured, and unsubordinated Peso-denominated obligations of CPGI and shall rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of CPGI, other than obligations preferred by the law.

4. Interest

The interest rate of the Bonds was calculated as the sum of (i) the average five (5)-year PHP BVAL Reference Rate as displayed in Bloomberg for the three (3) consecutive Business Days prior to and including the Interest Rate Setting Date, and (ii) the final spread per annum.

a. Interest Payment Dates

The Bonds bear interest on its principal amount from and including Issue Date at the rate of 5.7524% per annum in each year payable quarterly in arrears starting on May 24, 2022 for the first Interest Payment Date on August 24, November 24, February 24, and May 24 of each year for each subsequent Interest Payment Date at which the Bonds are outstanding, or the subsequent Business Day, without adjustment, if such Interest Payment Date is not a Business Day.

The cut-off date in determining the existing Bondholders entitled to receive interest or principal amount due shall be two (2) Business Days prior to the relevant Interest Payment Date, or such other date duly notified by the Issuer (the "Record Date"), which shall be the reckoning day in determining the Bondholders entitled to receive interest, principal, or any other amount due under the Bonds. No transfers of the Bonds may be made during this period intervening between and commencing on the Record Date and the relevant Interest Payment Date.

b. Interest Accrual

Each Bond shall accrue and bear interest from the Issue Date up to and including the relevant Maturity Date or any date of early redemption, as discussed in the section on "Redemption and Purchase" on page 86, unless, upon due presentation, payment of the principal in respect of the Bond then outstanding is not made, is improperly withheld or refused, in which case the Penalty Interest (see "Penalty Interest" on page 99) shall apply.

c. Determination of Interest Amount

The interest shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days.

5. Redemption and Purchase

a. Final Redemption

Unless otherwise earlier redeemed or previously purchased and cancelled, the Bonds shall be redeemed at par or 100% of face value on Maturity Date. However, if the Maturity Date is not a Business Day, payment of all amounts due on such date will be made by CPGI through the Paying Agent, without adjustment with respect to the amount of interest payable and principal, on the succeeding Business Day.

b. Redemption for Taxation Reasons

If payments under the Bonds become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on the Issue Date as a result of certain changes in law, rule, or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to CPGI, CPGI may redeem the Bonds in whole, but not in part, on any Interest Payment Date (having given not more than 60 nor less than 30 days' notice to the Trustee) at par plus accrued interest.

c. Optional Redemption

Prior to the Maturity Date of the Bonds, the Issuer shall have the right, but not the obligation, to redeem in whole, but not in part, the outstanding Bonds on any of the Interest Payment Dates indicated below (the “Call Option Dates”) or the immediately succeeding Business Day if such date is not a Business Day, in accordance with the following schedule:

Call Option Dates	Call Option Price
12 th Interest Payment Date	101.00%
13 th Interest Payment Date	
14 th Interest Payment Date	
15 th Interest Payment Date	
16 th Interest Payment Date	100.50%
17 th Interest Payment Date	
18 th Interest Payment Date	
19 th Interest Payment Date	

The amount payable to the Bondholders in respect of any such redemption shall be calculated as the sum of (i) the Call Option Price applied to the principal amount of the then outstanding Bonds being redeemed and (ii) all accrued interest on the Bonds as of the Call Option Date.

Should the Issuer elect to exercise a Call Option, it shall do so by delivery of an original and three (3) copies of a notice of such exercise to the Trustee, submitted during business hours on a date no earlier than 60 days and no later than thirty (30) days prior to the relevant Call Option Date. Once executed, completed, and delivered to the Trustee, a Call Option notice is irrevocable.

Upon receipt of a Call Option notice fully complying with the terms and conditions, the Trustee shall transmit the same notice to the Bondholders.

Notwithstanding anything to the contrary, in the event the Issuer has notified the Trustee that it will exercise the Call Option, any interest payment due on the Interest Payment Date immediately preceding the Call Option Date shall be paid on such Call Option Date.

d. Purchase and Cancellation

The Issuer may purchase the Bonds at any time in the open market or by tender or by contract at any price without any obligation to make pro-rata purchases from all Bondholders. Bonds so purchased shall be redeemed and cancelled and may not be re-issued.

e. Change in Law or Circumstance

CPGI may redeem the Bonds in whole, but not in part, in the event of changes in law or circumstances (“Change of Law”). Each of the following events shall be considered as a Change of Law as it refers to the obligations of the Issuer and to the rights and interests of the Bondholders under the Trust Indenture Agreement and the Bonds:

- i. Any government and/or non-government consent, license, authorization, registration, or approval now or hereafter necessary to enable CPGI to comply with its obligations under the Trust Indenture Agreement or the Bonds shall be modified in a manner which shall materially and adversely affect the ability of CPGI to comply with such obligations or shall be withdrawn or withheld.

- ii. Any provision of the Trust Indenture Agreement or any of the related documents is or shall become, for any reason, invalid, illegal, or unenforceable to the extent that it shall become for any reason unlawful for CPGI to give effect to its rights or obligations hereunder, or to enforce any provisions of the Trust Indenture Agreement or any of the related documents in whole or in part, or any law shall be introduced to prevent or restrain the performance by the parties hereto of their obligations under the Trust Indenture Agreement or any other related documents.
- iii. Any concessions, permits, rights, or privileges required for the conduct of the business and operations of CPGI shall be revoked, cancelled, or otherwise terminated, or the free and continued use and exercise thereof shall be curtailed or prevented, in such manner as to materially and adversely affect the financial condition or operations of CPGI.

In the event that CPGI should invoke this Condition 5(e), CPGI shall provide the Trustee an opinion of legal counsel confirming the occurrence of the relevant event and the consequences thereof as consistent herewith, such legal counsel being from a recognized law firm reasonably acceptable to the Trustee. Thereupon, the Trustee shall confirm that CPGI may redeem the Bonds in whole, but not in part, on any Business Day (having given not more than 60 nor less than 30 days' notice to the Trustee) at par plus accrued interest.

6. Payments

The principal of, interest on, and all other amounts payable on the Bonds shall be paid by CPGI to the Bondholders through the Paying Agent pursuant to the Registry and Paying Agency Agreement. On each Payment Date, on the basis of the payment report submitted by the Paying Agent to CPGI, CPGI shall transfer to the Paying Agent for deposit into the Payment Account such amount as may be required for the purpose of the payments due on the relevant Payment Date. Pursuant to PDTC Rules, the Paying Agent shall pay, or cause to be paid, on behalf of CPGI on each Payment Date the total amounts due in respect of the Bonds by crediting, net of taxes and fees, the Cash Settlement Account of the Bondholders. The Paying Agent shall generate and send to each Bondholder a credit advice of payments credited to their account. Payment by CPGI to the Paying Agent via deposit into the Payment Account shall discharge CPGI of any and all liability for the relevant payments due under the Bonds.

The principal of, and interest on, and all other amounts payable on the Bonds shall be payable in Philippine Pesos. CPGI shall ensure that so long as any of the Bonds remains outstanding, there shall at all times be a paying agent for purposes of the Bonds. In the event the Paying Agent shall be unable or unwilling to continue to act as such, CPGI shall appoint a qualified financial institution in the Philippines authorized to act in its place.

7. Payment of Additional Amounts; Taxation

Interest income on the Bonds is subject to a final withholding tax at rates between 20% and 25%, depending on the tax status of the relevant Bondholder and subject to its claim of tax exemption or preferential withholding tax rates under relevant law, regulation, or tax treaty. Except for such final withholding tax and as otherwise provided, all payments of principal and interest are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of the Republic of the Philippines, including, but not limited to, issue, registration or any similar tax or other taxes and duties, including interest and penalties, if any. If such taxes or duties are imposed, the same shall be for the account of the Issuer; provided however that, the Issuer shall not be liable for the following:

- a. Income tax on any gain by a holder of the Bonds realized from the sale, exchange or retirement of the said Bonds;
- b. The applicable final withholding tax on interest earned on the Bonds prescribed under the Tax Code. Interest income on the Bonds is subject to a final withholding tax at rates between 20% and 25%, depending on the tax status of the relevant Bondholder and subject to its claim of tax exemption or preferential withholding tax rates under relevant law, regulation, or tax treaty. An investor who is exempt from the aforesaid withholding tax, or is subject to a preferential withholding tax rate shall be required to submit the following requirements to the Registrar and Paying Agent, subject to acceptance by the Issuer as being sufficient in form and substance: (i) a current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR addressed to the Applicant confirming the exemption from taxation of interest on fixed income securities; (ii) a duly notarized undertaking, in the prescribed form, executed by (ii.a) the Corporate Secretary or any authorized representative, who has personal knowledge of the exemption based on his official functions, if the Applicant purchases the Bonds for its account, or (ii.b) the Trust Officer, if the Applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer and the Registrar and Paying Agent of any suspension or revocation of the tax exemption certificates or preferential rate entitlement, and agreeing to indemnify and hold the Issuer and the Registrar and Paying Agent free and harmless against any claims, actions, suits, and liabilities arising from the non-withholding of the required tax; and (iii) for those who are claiming benefits under tax treaties, (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owner or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under RMO 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claim tax exemption or preferential tax rate, in a form acceptable to the issuer, and (iv) three (3) originals of the duly notarized, consularized or apostilled (as the case may be), if executed outside the Philippines, Special Power of Attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents that are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries are not doing business in the Philippines to support the applicability of a tax treaty relief; and (b) prior to the payment of subsequent interests due (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries, in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has already lapsed; (c) such other documentary requirements as may be reasonably required under the applicable regulations of the relevant taxing or other authorities for purposes of claiming tax treaty relief; provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for

taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar and Paying Agent;

- c. Gross Receipts Tax under Sections 121 and 122 of the Tax Code;
- d. Taxes on the overall income of any securities dealer or Bondholder, whether or not subject to withholding; and
- e. VAT under Sections 106 to 108 of the Tax Code, and as amended by Republic Act No. 9337.

Documentary stamp tax for the primary issue of the Bonds and the execution of the Bond Agreements, if any, shall be for the Issuer's account.

8. Financial Covenants

Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, the Issuer hereby covenants and agrees that, unless the Majority Bondholders, shall otherwise consent in writing, it shall maintain:

- a. Current Ratio of at least 1.5x
- b. Maximum total Debt-to-Equity ratio of 2.0x
- c. Debt Service Coverage Ratio of not less than 1.2x

For purposes of computing the above ratios, the following shall have the following meanings:

Current Ratio means current assets over current liabilities.

Debt-to-Equity ratio means total debt over stockholders' equity, wherein total debt shall be comprised of current portion of the bank loans, plus bank loans (net of current portion), plus long-term loans and notes, plus Bonds.

Based on the reviewed September 30, 2021 financials and pro forma for a ₱2,000,000,000 offering, the projected Debt to Equity ratio of the Company is 0.9x. Pro forma for a ₱2,000,000,000 plus the Oversubscription Option of up to ₱1,000,000,000, the projected Debt to Equity ratio of the Company will be 1.0x.

Debt Service Coverage Ratio means the (a) sum of the Company's Cash balance, plus the Company's Debt Service for the last 12 months, divided by (b) the Company's Debt Service for the last 12 months; provided, however, that Debt Service payments made for the period pertaining to refinancing activities and rediscounting of receivables transactions sold on a with-recourse basis shall be excluded in the Debt Service calculation.

Debt Service means debt principal amortizations, interest payments, financing fees and charges during such period.

Financial Ratios

Please refer to the section entitled “Selected Financial Information” located on page 212 of this Prospectus for further details.

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Net income attributable to the equity holders of the parent company	845	832	796	1,281	986	630
Dividends declared to preferred shares	-	151	449	-	-	-
	845	681	347	1,281	986	630
Weighted average number of shares	11,600	11,600	11,600	11,600	11,600	11,600
EPS, basic / diluted (₱)	0.073	0.059	0.030	0.11	0.085	0.054
Gross Profit Margin						
Revenue	6,482	8,282	10,836	14,314	10,701	6,706
Gross Profit	2,634	3,099	4,240	5,342	4,541	3,391
Gross Profit Margin (%)	40.6%	37.4%	39.1%	37.3%	42.4%	50.6%
NIAT Margin						
Net income	1,082	832	796	1,281	986	630
Revenue	6,482	8,282	10,836	14,314	10,701	6,706
NIAT Margin (%)	16.7%	10.0%	7.3%	8.9%	9.2%	9.4%
Return on Asset (ROA)						
Total annualized net income after tax	1,443	1,467	1,149	1,479	1,118	650
Total asset current year	54,830	53,906	53,009	53,442	49,366	42,556
Total asset as of beginning of period	53,009	53,442	53,442	49,366	42,556	41,309
Average total asset	53,920	53,674	53,226	51,404	45,961	41,933
ROA (%)	2.7%	2.7%	2.2%	2.9%	2.4%	1.5%
Return on Equity (ROE)						
Total annualized net income after tax	1,443	1,467	1,149	1,479	1,118	650
Total equity current year	22,131	21,321	21,132	19,616	17,463	16,256
Total equity prior year	21,132	19,616	19,616	17,463	16,256	15,346
Average total equity	21,632	20,469	20,374	18,540	16,860	15,801
ROE (%)	6.7%	7.2%	5.6%	8.0%	6.6%	4.1%
Interest coverage ratio						
Total net income after tax	1,082	1,100	1,149	1,479	1,118	650
Add: Provision for income tax	(359)	427	415	577	504	371
Add: Interest expense	526	402	784	748	414	287
EBIT	1,249	1,929	2,348	2,804	2,036	1,308
Interest expense	526	402	784	748	414	287
Interest coverage ratio (x)	2.37	4.80	2.99	3.75	4.92	4.56

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Debt service coverage ratio						
Total debt service excluding sale of receivables with recourse and refinancing	4,789	5,075	4,538	3,367	4,211	5,141
Add: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Cash Before Debt Service	8,585	9,064	7,012	7,372	6,161	6,541
Divide: Debt service	4,789	5,075	4,538	3,367	4,211	5,141
Debt service coverage ratio (x)	1.79	1.79	1.55	2.19	1.46	1.27
Current ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Current ratio (x)	2.2	2.8	2.4	2.1	2.1	2.5
Quick Ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Inventory	15,271	13,880	14,651	15,558	17,257	15,846
Quick Assets	20,069	18,498	19,416	18,808	14,738	12,405
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Quick Ratio (x)	1.3	1.6	1.4	1.2	1.0	1.1
Debt to equity ratio						
Short-term debt	336	566	812	1,453	2,207	1,416
Current portion of long-term debt	3,269	2,696	5,447	5,462	5,389	3,099
Current portion of bonds payable	2,985	119	119	1,393	0	0
Long-term debt – net of current Portion	8,928	13,026	9,409	9,881	11,645	10,084
Bonds payable – net of current	2,950	2,960	2,966	3,060	1,506	1,501
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Equity	22,132	21,321	21,132	19,616	17,463	16,256
Debt to equity ratio (x)	0.8	0.9	0.9	1.1	1.2	1.0
Net debt to equity ratio						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Less: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Net debt to equity ratio (x)	0.7	0.7	0.8	0.9	1.1	0.9
EBITDA						
Net income after tax	1,082	1,100	1,149	1,479	1,118	650
Provision for income tax	(359)	427	415	577	504	371
Income before Income Tax	723	1,527	1,564	2,056	1,622	1,021
Interest expense	526	402	784	748	414	287
Depreciation and amortization	42	36	59	57	38	33
EBITDA	1,292	1,965	2,407	2,861	2,074	1,341
Debt						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Debt-to-EBITDA (x)	10.7	7.4	7.8	7.4	10.0	12.0
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Net Debt-to-EBITDA	8.5	5.9	6.8	6.0	9.1	11.0
Asset to equity ratio						
Total Assets	54,830	53,906	53,009	53,442	49,366	42,556
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Asset to equity ratio (x)	2.5	2.5	2.5	2.7	2.8	2.6
Total Liabilities / Total Equity						
Total Liabilities	32,697	32,584	31,877	33,826	31,903	26,300
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Total Liabilities / Total Equity	1.5	1.5	1.5	1.7	1.8	1.6

Notes:

- 1) These financial ratios are not required by, and are not a measure of performance under PFRS. Investors should not consider these financial ratios in isolation or as an alternative to net income as an indicator of the Group's operating performance or to cash flow from operating, investing and financing activities as a measure of liquidity, or any other measures of performance under PFRS. Because there are various calculation methods for these financial ratios, the Group's presentation of these measures may not be comparable to similarly titled measures used by other companies.
- 2) Gross Profit is the Groups' Core Revenue (Real estate sales, Leasing revenue, Property management fee and other services, Interest income from accretion) less its Direct Costs (Cost of real estate sales, Cost of Leasing, Cost of services). Gross Profit Margin is computed by dividing the Groups' Gross Profit by its Core Revenue.
- 3) NIAT Margin is computed by dividing Net income attributable to the owners of the parent company by its Core Revenue.
- 4) Return on assets is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total equity (beginning plus end of the period divided by two).
- 6) Interest coverage ratio is equal to earnings before interest and taxes ("EBIT") divided by interest expenses.
- 7) Debt service coverage ratio is equal to the sum of the Company's total debt service for the period and cash and cash equivalents divided by the total debt service. Debt service means debt principal amortizations, interest payments, financing fees and charges during such period, with the exclusion of payments made for the period pertaining to refinancing activities and rediscounting of receivables transactions sold on a with recourse basis.
- 8) Current ratio is obtained by dividing the Current Assets of the Group by its Current liabilities. This ratio is used as a test of the Group's liquidity.
- 9) Quick ratio is calculated by dividing Quick Assets (Current Assets less Inventory) of the Group by its Current Liabilities. This ratio is used as a test of the Group's liquidity.
- 10) Debt-to-EBITDA is calculated by dividing annualized EBITDA (EBITDA for the nine-month period ended September 30 divided by three multiplied by four) for the period by total interest-bearing debt.
- 11) Debt-to-equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 12) Net debt-to-equity ratio is calculated as total interest-bearing debt minus cash and cash equivalents divided by total equity as of the end of the period.
- 13) Asset-to-equity ratio is total assets over total equity.
- 14) Liabilities-to-equity ratio is total liabilities over total equity.
- 15) EBITDA is computed by adding back provision for income tax, interest expense and depreciation and amortization to the net income for the period.

9. Negative Pledge

Until redemption or payment in full of the aggregate outstanding principal amount of the Bonds, CPGI shall not, without the prior written consent of the Majority Bondholders, directly or

indirectly, incur or suffer to exist any Lien upon any of its assets and revenues, present and future, or enter into any loan facility agreement secured by or to be secured by a Lien upon any of its assets and revenues, present and future, unless it has made or will make effective provisions, satisfactory to the Majority Bondholders, in the Bondholders' absolute discretion, whereby the Lien thereby created will secure, equally and ratably, any and all the obligations of CPGI hereunder and such other Debt which such Lien purports to secure; that the foregoing restriction shall not apply to the following (each a "Permitted Lien" and together, the "Permitted Liens"):

- a. Liens that are in existence on or prior to the Issue Date;
- b. Liens arising by operation of law (including, for the avoidance of doubt, any preference or priority under Article 2244, paragraph 14(a) of the Civil Code of the Philippines existing prior to the date of the Trust Indenture Agreement) on any property or asset of CPGI, including, without limitation, amounts owing to a landlord, carrier, warehouseman, mechanic, or materialman, or other similar liens arising in the ordinary course of business or arising out of pledges or deposits under workers' compensation laws, unemployment, insurance, and other social security laws;
- c. Liens incurred or deposits made in the ordinary course of business to secure (or obtain letters of credit that secure) the performance of tenders, statutory obligations or regulatory requirements, performance or return of money bonds, surety or appeal bonds, bonds for release of attachment, stay of execution or injunction, bids, leases, government contracts and similar obligations), and deposits for the payment of rent;
- d. Liens created by or resulting from any litigation or legal proceeding which is effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings and with respect to which CPGI has established adequate reserves on its books in accordance with PAS/PFRS;
- e. Liens arising from leases or subleases granted to others, easements, building and zoning restrictions, rights-of-way, and similar charges or encumbrances on real property imposed by applicable law or arising in the ordinary course of business that are not incurred in connection with the incurrence of a Debt and that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of CPGI;
- f. Liens incidental to the normal conduct of the business of CPGI or ownership of its properties and which are not incurred in connection with the incurrence of a Debt and which do not impair the use of such property in the operation of the business of CPGI or the value of such property for the purpose of such business;
- g. Liens upon tangible personal property (by purchase or otherwise) granted by CPGI to (i) the vendor, supplier, any of their affiliates or lessor of such property, or (ii) other lenders arranged to secure Debt representing the costs of such property, or incurred to refinance the same principal amount of such purchase money debt outstanding at the time of the refinancing, and not secured by any other asset other than such property;
- h. Liens arising from financial lease, hire purchase, conditional sale arrangements, or other agreements for the acquisition of assets on deferred payment terms to the extent relating only to the assets which are subject of those arrangements, subject to such financial leases, hire purchase, conditional sale agreements or other agreements for the acquisition of such assets on deferred payment terms;

- i. Liens arising over any asset purchased, leased, or developed in the ordinary course of business, to secure: (i) the payment of the purchase price or cost of leasehold rights of such asset; (ii) the payment of the cost and expenses for the development of such asset pursuant to any development made or being made by CPGI in the ordinary course of business; (iii) the payment of any indebtedness in respect of borrowed money (including extensions and renewals thereof and replacements therefor) incurred for the purpose of financing the purchase, lease or development of such asset; or (iv) the rediscounting of receivables or securitization of assets of CPGI;
- j. Liens created on any property or assets of CPGI (including such equity interests) acquired, leased or developed after the Issue Date; provided however, that (a) any such lien shall be confined to the property or assets of CPGI (including such equity interests) acquired, leased or developed; (b) the principal amount of the debt encumbered by such Lien shall not exceed the cost of the acquisition or development of such property or assets or any improvements thereto and thereon; and (c) any such lien shall be created concurrently within one (1) year following the acquisition, lease, or development of such property or assets;
- k. Liens established in favor of insurance companies and other financial institutions in compliance with the applicable requirements of the Office of the Insurance Commission on admitted assets;
- l. Rights of set-off arising in the ordinary course of business between the CPGI and its suppliers, clients or customers;
- m. Netting or set-off arrangement entered into by CPGI in the ordinary course of business of its banking arrangements for the purpose of netting debt and credit balances;
- n. Title transfer or retention of title arrangement entered into by CPGI in the ordinary course of business;
- o. Liens created in substitution for any Lien otherwise permitted provided such Lien is over the same asset and the principal amount so secured following the substitution does not exceed the principal amount secured on such asset immediately prior to such substitution;
- p. Liens securing Financial Indebtedness under hedging transactions entered into in the ordinary course of business and designed solely to protect CPGI or any of its Subsidiaries from fluctuations in interest rates or currencies or commodities and not for speculation;
- q. Liens in favor of banks, insurance companies, other financial institutions and Philippine government agencies, departments, authorities, corporations, or other judicial entities, which secure a preferential financing obtained by CPGI (or any of its Subsidiaries) under a governmental program under which creation of a security is a prerequisite to obtain such financing, and which cover assets of CPGI which have an aggregate appraised value, determined in accordance with generally accepted appraisal principles and practices consistently applied not exceeding ₱3,500,000,000;
- r. Liens pursuant to additional future Financial Indebtedness incurred by CPGI's Subsidiaries, subject to CPGI's compliance with the Financial Covenants in Section 4.1(d) of the Trust Indenture Agreement;

- s. Additional Financial Indebtedness, whether secured or unsecured, of CPGI, subject to CPGI's compliance with the Financial Covenants in Section 4.1(d) of the Trust Indenture Agreement;
- t. Any refinancing, renewal, or extension of any financial obligation described in the foregoing clauses on Permitted Liens, provided that such Liens shall be limited to the original property or assets of CPGI (including such equity interests) securing such financial obligation; and
- u. Liens created with the prior written consent of the Majority Bondholders.

10. Events of Default

10.1 CPGI shall be considered in default under the Bonds and the Trust Indenture Agreement in case any of the following events (each an "Event of Default") shall occur and is continuing:

a. Payment Default

CPGI fails to pay any of the principal, interest and fees or any other sum payable by CPGI under the Bonds, as and when due and payable at the place and in the currency in which it is expressed to be payable, unless such failure arises solely as a result of technical error and payment is made within three (3) Business Days after the date such payment is due.

b. Representation Default

Any representation or warranty made or repeated by CPGI in any of the Bonds is untrue, incorrect, or misleading in any material respect when made or deemed to have been made or repeated, and the same is not cured within a period of 30 calendar days (or such longer period as the Majority Bondholders shall approve) after written notice of such failure given by the Trustee is received by CPGI.

c. Other Provisions Default

CPGI fails to perform or comply with any provision, term, condition, obligation, or covenant found in the Trust Indenture Agreement between the Issuer and the Trustee, the Registry and Paying Agency Agreement between the Issuer and the Registrar and Paying Agent, and the Issue Management and Underwriting Agreement between the Issuer and the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, or any document, certificate or writing contemplated thereby (the "Bond Agreements") and such failure is not remediable or, if remediable, is not remedied within the applicable grace period or, in the absence of such grace period, within a period of 30 calendar days after written notice of such failure given by the Trustee is received by CPGI.

d. Cross Default

CPGI violates any material term or condition of any contract executed by CPGI with any bank, financial institution, or other person, corporation, or entity for borrowed money which constitutes an event of default under said contract, or in general, violates any law or regulation, which violation, if remediable, is not remedied by CPGI within 10 Business Days from receipt of notice by the Trustee to CPGI, or which violation is otherwise not contested by CPGI, and the effect of such violation results in the acceleration or declaration of the whole financial obligation to be due and payable prior to the stated normal date of maturity; and which

violation shall in the reasonable opinion of the Trustee, acting for the Majority Bondholders, adversely and materially affect the performance by CPGI of its obligations under the Trust Indenture Agreement and the Bonds; provided, however, that, no event of default shall occur under this paragraph unless the aggregate amount of indebtedness in respect of which one or more of the events above mentioned has/have occurred equals or exceeds ₱500,000,000.

e. Inability to Pay Debts; Bankruptcy Default

CPGI becomes insolvent or unable to pay its Debts when due or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against CPGI, in any bankruptcy, insolvency, administration, suspension of payment, rehabilitation, reorganization (other than a labor or management reorganization), winding-up, dissolution, moratorium, or liquidation proceeding of CPGI, or any other proceeding analogous in purpose and effect, unless for such petition filed against CPGI, it is contested in good faith by CPGI in appropriate proceedings or otherwise dismissed by the relevant court within 60 calendar days from the filing of such petition; (ii) the making of a general assignment by CPGI for the benefit of its creditors; (iii) the admission in writing by CPGI, through its President, Chief Executive Officer, Chief Operating Officer or Chief Finance Officer, of its general inability to pay its Debts; (iv) the entry of any order of judgment of any competent court, tribunal or administrative agency or body confirming the bankruptcy or insolvency of CPGI or approving any reorganization, winding-up, or liquidation of CPGI; (v) the lawful appointment of a receiver or trustee to take possession of a substantial portion of the properties of CPGI; or (vi) the taking of any corporate action by CPGI to authorize any of the foregoing.

f. Expropriation

Any act or deed or judicial or administrative proceedings in the nature of an expropriation, confiscation, nationalization, acquisition, seizure, sequestration, or condemnation of or with respect to all or a material part of the business and operations of CPGI, or all or substantially all of the property or assets of CPGI, shall be undertaken or instituted by any Governmental Authority.

g. Judgment Default

A final and executory judgment, decree or order for the payment of money, damages, fine, or penalty in excess of ₱500,000,000 or its equivalent in any other currency is entered against CPGI and (i) CPGI has failed to demonstrate to the reasonable satisfaction of the Majority Bondholders within 30 calendar days of the judgment, decree, or order being entered that it is reasonably certain that the judgment, decree, or order will be satisfied, discharged, or stayed within 30 calendar days of the judgment, decree, or order being entered, or (ii) the said final judgment, decree or order is not paid, discharged, stayed or fully bonded within 30 calendar days after the date when payment of such judgment, decree or order is due.

h. Attachment

An attachment or garnishment of or levy upon any of the properties of CPGI is made which materially and adversely affects the ability of CPGI to pay its obligations under the Bonds and is not discharged or stayed within 30 calendar days (or such longer period as CPGI satisfies the Majority Bondholders is appropriate under the circumstances) of having been so imposed.

i. Contest

CPGI (acting through its Board of Directors, President, Chief Executive Officer, Chief Operating Officer, or Chief Finance Officer) shall contest in writing the validity or enforceability of the Bonds or shall deny in writing the general liability of CPGI under the Bonds.

10.2. CPGI shall promptly deliver to the Trustee written notice of any Event of Default upon CPGI becoming aware of such Event of Default. The Trustee shall notify the Bondholders of the receipt of any such certificate or notice.

10.3. The Trustee may call for and rely on a resolution of the Majority Bondholders to determine whether an Event of Default is capable or incapable of remedy and/or an event may adversely and materially affect the performance by CPGI of its obligations under the Trust Indenture Agreement and the Bonds.

11. Consequences of Default

If any one or more of the Events of Default shall have occurred and be continuing, the Trustee upon the written direction of the Majority Bondholders and by notice in writing delivered to CPGI, or the Majority Bondholders, by notice in writing delivered to CPGI and the Trustee, may declare all amounts due, including the principal of the Bonds, all accrued interest and other charges thereon, if any, to be immediately due and payable, and upon such declaration the same shall be immediately due and payable, anything contained in the Trust Indenture Agreement or in the Bonds to the contrary notwithstanding.

This provision, however, is subject to the condition that except in the case of Conditions 10.1(e), (f), (g), and (h), the Majority Bondholders, by written notice to the Issuer and the Trustee may, during the prescribed curing period, if any, rescind and annul such declaration and its consequences upon such terms, conditions and agreement, if any, as they may determine; provided that, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

At any time after any Event of Default shall have occurred, the Trustee may:

- a. By notice in writing to CPGI, require the Registrar and Paying Agent to:
 - i. Hold all sums, documents and records held by them in respect of the Bonds on behalf of the Trustee; and/or
 - ii. Deliver all evidence of the Bonds and all sums, documents and records held by them in respect of the Bonds to the Trustee or as the Trustee shall direct in such notice; provided that, such notice shall be deemed not to apply to any document or record which the Registrar and Paying Agent is not obliged to release by any law or regulation; or
- b. By notice in writing to CPGI, require CPGI to make all subsequent payments in respect of the Bonds to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, provision (ii) above and CPGI's positive covenant to pay principal and interest, net of applicable withholding taxes, on the Bonds, more particularly set forth in the Trust Indenture Agreement, shall cease to have effect.

In case any amount payable by CPGI under the Bonds, whether for principal, interest or otherwise, is not paid on due date, CPGI shall, without prejudice to its obligations to pay the said principal, interest, net of withholding taxes, and other amounts, pay Penalty Interest on the defaulted amount(s) from the time the amount falls due until it is fully paid.

12. Notice of Default

The Trustee shall, within 10 calendar days after receipt of notice of or actual knowledge of the occurrence of any Event of Default, give to the Bondholders written notice of such default

known to it, unless the same shall have been cured before the giving of such notice; provided that, in the case of payment default under Condition 10.1(a) above, the Trustee shall immediately notify the Bondholders upon the Trustee's receipt of notice or actual knowledge of the occurrence of such payment default. The existence of a written notice required to be given to the Bondholders hereunder shall be published in a newspaper of general circulation in the Philippines for two (2) consecutive days, further indicating in the published notice that the Bondholders or their duly authorized representatives may obtain an important notice regarding the Bonds at the principal office of the Trustee upon presentation of sufficient and acceptable identification.

13. Penalty Interest

In case any amount payable by the Issuer under the Bonds, whether for principal, interest, fees due to the Trustee or the Registrar and Paying Agent or otherwise, is not paid on due date, the Issuer shall, without prejudice to its obligations to pay the said principal, interest and other amounts, pay penalty interest on the defaulted amount(s) at the rate that is 12% over and above the Interest Rate (the "Penalty Interest") from the time the amount falls due until it is fully paid.

14. Payment During Default

CPGI hereby covenants that in case any Event of Default shall occur and be duly declared in accordance with the Trust Indenture Agreement, then, in any such case, CPGI will pay to the Bondholders, through the Registrar and Paying Agent, the whole amount which shall then have become due and payable on all such outstanding Bonds with interest at the rate borne by the Bonds on the overdue principal, net of applicable withholding taxes, and with Penalty Interest, and in addition thereto, CPGI will pay to the Trustee the actual amounts to cover the cost and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, and any reasonable expenses or liabilities incurred without gross negligence or bad faith by the Trustee hereunder.

15. Application of Payments

Any money collected or delivered to the Registrar and Paying Agent, under these Terms and Conditions, and any other funds held by it, subject to any other provision of the Trust Indenture Agreement, the Registry and Paying Agency Agreement relating to the disposition of such money and funds, shall be applied by the Registrar and Paying Agent in the order of preference as follows: first, to the payment to the Trustee and the Registrar and Paying Agent, of the costs, expenses, fees, and other charges of collection, including reasonable compensation to them, their agents, attorneys, and counsel, and all reasonable expenses and liabilities incurred or disbursements made by them, without gross negligence or bad faith; second, to the payment of the interest in default, net of applicable withholding taxes, in the order of the maturity of such interest with Penalty Interest; third, to the payment of the whole amount then due and unpaid upon the Bonds for principal and interest, with Penalty Interest; and fourth, the remainder, if any shall be paid to CPGI, its successors or assigns, or to whoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. The Registrar and Paying Agent shall render a monthly account of such funds under its control.

16. Prescription

Claims with respect to principal and interest or other sums payable hereunder shall prescribe unless made within ten (10) years (in the case of principal or other sums) or five (5) years (in the case of interest) from the date on which payment becomes due.

17. Remedies

All remedies conferred by the Trust Indenture Agreement to the Trustee and the Bondholders shall be cumulative and not exclusive and shall not be so construed as to deprive the Trustee or the Bondholders of any legal remedy by judicial or extra judicial proceedings appropriate to enforce the conditions and covenants of the Trust Indenture Agreement, subject to the Bondholders' ability to file suit as provided for in Condition 18 below.

No delay or omission by the Trustee or the Bondholders to exercise any right or power arising from or on account of any default hereunder shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence thereto; and every power and remedy given by the Trust Indenture Agreement to the Trustee or the Bondholders may be exercised from time to time and as often as may be necessary or expedient.

18. Ability to File Suit

No Bondholder shall have any right by virtue of or by availing of any provision of the Trust Indenture Agreement to institute any suit, action or proceeding for the collection of any sum due from CPGI hereunder on account of principal, interest, net of applicable withholding taxes, and other charges, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless the following conditions are all present (i) such Bondholder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof and the related request for the Trustee to convene a meeting of the Bondholders to take up matters related to their rights and interests under the Bonds; (ii) the Majority Bondholders shall have decided and made the written request upon the Trustee to institute such action, suit or proceeding in its own name; (iii) the Trustee for 60 calendar days after the receipt of such notice and request shall have neglected or refused to institute any such action, suit or proceeding; and (iv) no directions inconsistent with such written request shall have been given under a waiver of default by the Bondholders, it being understood and intended, and being expressly covenanted by every Bondholder with every other Bondholder and the Trustee, that no one or more Bondholders shall have any right in any manner whatever by virtue of or by availing of any provision of the Trust Indenture Agreement to affect, disturb or prejudice the rights of the holders of any other such Bonds or to obtain or seek to obtain priority over or preference to any other such holder or to enforce any right under the Trust Indenture Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all the Bondholders.

19. Waiver or Revocation of Default by the Bondholders

The Majority Bondholders may direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee, or may on behalf of the Bondholders waive any past Default except the events of default defined as payment default, representation default, cross default, or inability to pay debts or bankruptcy default, and its consequences.

In case of any such waiver or revocation, CPGI, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder; but no such waiver or revocation shall extend to any subsequent or other Default or impair any right arising therefrom. Any such waiver or revocation by the Majority Bondholders shall be conclusive and binding upon all Bondholders and upon all future holders and owners thereof, irrespective of whether or not any notation of such waiver is made upon the certificate representing the Bonds.

The Trustee shall, within five (5) Business Days after receipt of the written waiver from the Majority Bondholders of any Event of Default or revocation of any default previously declared,

give to the Bondholders written notice of such waiver, or revocation known to it via publication in a newspaper of general circulation in the Philippines for two (2) consecutive days as soon as practicable, indicating in the published notice an Event of Default has occurred and has been waived or a declaration of a default has been revoked by the Majority Bondholders.

20. Trustee; Notices

a. To the Trustee

All documents required to be submitted to the Trustee pursuant to the Trust Indenture Agreement and this Prospectus and all correspondence addressed to the Trustee shall be delivered to:

To the Trustee:

Attention:	Susan U. Ferrer / Jericho D. Lagustan
Subject:	CPGI Fixed Rate Bonds due 2027
Address:	China Banking Corporation – Trust and Asset Management Group 8/F, China Bank Building, 8745 Paseo de Roxas corner Villar Street, Makati City
Telephone:	(632) 8885 5874 / (632) 8885-5888 loc. 6006
Facsimile:	(632) 8867 1077
Email:	suferrer@chinabank.ph / jdlagustan@chinabank.ph

All documents and correspondence not sent to the above-mentioned address shall be considered as not to have been sent at all.

b. To the Bondholders

Notices to Bondholders shall be sent to their mailing address as set forth in the Electronic Registry of Bondholders when required to be made through registered mail, surface mail, email, in case the Bondholder has provided his email address to the Trustee in the Application to Purchase the Bonds or in writing to the Trustee with instruction to send notices by email, or personal delivery. Except where a specific mode of notification is provided for herein, notices to Bondholders shall be sufficient when made in writing and transmitted in any one of the following modes: (i) registered mail; (ii) surface mail; (iii) by one-time publication in a newspaper of general circulation in the Philippines; (iv) personal delivery to the address of record in the Electronic Registry of Bondholders; (v) email; or (vi) disclosure through the Online Disclosure System of the PDEX. The Trustee shall rely on the Electronic Registry of Bondholders in determining the Bondholders entitled to notice. All notices shall be deemed to have been received (i) 10 calendar days from posting if transmitted by registered mail; (ii) 15 calendar days from mailing, if transmitted by surface mail; (iii) on date of publication; (iv) on date of delivery, by personal delivery. If sent via registered mail, surface mail, courier or personal delivery, the Trustee shall send such notice to the Bondholders to their mailing address as set forth in the Electronic Registry of Bondholders; (v) on date of transmission from the email server of the Trustee; and (vi) on the date that the disclosure is uploaded on the website of the PDEX, respectively.

A notice to the Trustee shall be deemed as a notice to the Bondholders. The publication in a newspaper of general circulation in the Philippines of a press release or news item about a communication or disclosure made by CPGI to the Securities and Exchange Commission or the PDEX on a matter relating to the Bonds shall be deemed a notice to the Bondholders of said matter on the date of the first publication.

c. Binding and Conclusive Nature

Except as provided in the Trust Indenture Agreement, all notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained by the Trustee for the purposes of the provisions of the Trust Indenture Agreement, will (in the absence of willful default, bad faith or manifest error) be binding on CPGI and all Bondholders, and (in the absence as referred to above) no liability to CPGI, the Registrar and Paying Agent or the Bondholders shall attach to the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions under the Trust Indenture Agreement.

21. The Trustee

a. Duties and Responsibilities

- i. The Trustee is hereby appointed as trustee for and in behalf of the Bondholders and accordingly shall perform such duties and shall have such responsibilities as expressly provided in herein.
- ii. The Trustee shall, in accordance with these Terms and Conditions, monitor the compliance or non-compliance by CPGI with all its representations and warranties, and CPGI's observance of all its covenants and performance of all its obligations, under and pursuant to the Bond Agreements.
- iii. The Trustee shall, prior to the occurrence of an Event of Default or after the curing of all such Events of Default, which may have occurred, perform only such duties as are specifically set forth in the Trust Indenture Agreement and these Terms and Conditions.
- iv. The Trustee, in the performance of its duties, shall exercise such rights and powers vested in it by the Trust Indenture Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs under similar circumstances.
- v. The Trustee shall observe due diligence in the performance of its duties and obligations under the Trust Indenture Agreement. For the avoidance of doubt, notwithstanding any actions that the Trustee may take, the Trustee shall remain to be the party responsible to the Bondholders, and to whom the Bondholders shall communicate with in respect to any matters that must be taken up with the Issuer.

b. Liability of the Trustee

No provision of the Trust Indenture Agreement shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own gross negligent failure to act or its willful misconduct, provided that:

- i. Prior to the occurrence of an Event of Default or after the curing or the waiver of all defaults which may have occurred, in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely upon, as to the truth of the statements and the correctness of the opinion expressed in, any certificate or opinion furnished to the Trustee conforming to the requirements of the Trust Indenture Agreement. The Trustee may presume that no Event of Default has occurred until it has received notice or has actual knowledge thereof;

- ii. The Trustee shall not be liable for any error of judgment made in good faith by its responsible officer or officers, unless it shall be proven that the Trustee was grossly negligent in ascertaining the pertinent facts; and
- iii. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority Bondholders relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the Trust Indenture Agreement.

None of the provisions contained in the Trust Indenture Agreement shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

c. Ability to Consult Counsel

- i. The Trustee may consult with reputable counsel in connection with the duties to be performed by the Trustee under the Trust Indenture Agreement and any opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted to be taken by the Trustee hereunder in good faith and in accordance with such opinion; provided that, prior to taking or not taking such action for which opinion of counsel is sought, the Trustee shall inform CPGI of the relevant opinion of counsel; provided further that, the Trustee shall not be bound by the foregoing condition to inform CPGI of counsel's opinion if the opinion of counsel which is being sought by the Trustee pertains to, or involves actions to be undertaken due to, an Event of Default or issues pertaining thereto.
- ii. Notwithstanding any provision of the Trust Indenture Agreement authorizing the Trustee conclusively to rely upon any certificate or opinion, the Trustee may, before taking or refraining from taking any action in reliance thereon, require further evidence or make any further investigation as to the facts or matters stated therein which it may in good faith deem reasonable in the circumstances; and the Trustee shall require such further evidence or make such further investigation as may reasonably be requested in writing by the Majority Bondholders.

d. The Trustee as Owner of the Bonds

The Trustee, in its individual or any other capacity, may become a holder of the Bonds with the same rights it would have if it were not the Trustee and the Trustee shall otherwise deal with CPGI in the same manner and to the same extent as though it were not the Trustee hereunder; provided, that such ownership shall not be considered a conflict of interest requiring resignation or change of the Trustee under Condition 21(e)(i).

e. Resignation and Change of Trustee

- i. The Trustee may at any time resign by giving 90 calendar days prior written notice to CPGI and to the Bondholders of such resignation.
- ii. Upon receiving such notice of resignation of the Trustee, CPGI shall immediately appoint a successor trustee by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted such appointment within 30 calendar days after the resigning Trustee has served its notice of resignation on CPGI, the resigning Trustee, may petition the court of competent jurisdiction for the

appointment of a successor, or any Bondholder who has been a bona fide holder for at least six (6) months (the "Eligible Bondholder") may, for and on behalf of the Bondholders, petition any such court for the appointment of a successor. Such a court may thereupon after notice, if any, as it may deem proper, appoint a successor trustee.

- iii. A successor trustee should possess all the qualifications required under pertinent laws, otherwise, the incumbent trustee shall continue to act as such.
 - iv. Upon the acceptance of any appointment as trustee hereunder by a successor trustee, such successor trustee shall thereupon succeed to and become vested with all the rights, powers, privileges, and duties of the resigning Trustee, and the resigning Trustee shall be discharged from its duties and obligations hereunder. The resigning Trustee shall cooperate with the successor trustee and the Bondholders in all reasonable ways to ensure an orderly turnover of its functions and the records in its custody.
 - v. In case at any time the Trustee shall become incapable of acting, or has acquired conflicting interest, or shall be adjudged as bankrupt or insolvent, or a receiver for the Trustee, or of its property shall be appointed, or any public officer shall take charge or control of the Trustee, or of its properties or affairs for the purpose of rehabilitation, conservation, or liquidation, then CPGI may within 30 calendar days from such event remove the Trustee concerned, and appoint a successor trustee, by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee. If CPGI fails to remove the Trustee concerned and appoint a successor trustee, any Eligible Bondholder shall petition any court of competent jurisdiction for the removal of the Trustee concerned and the appointment of a successor trustee. Such court may thereupon after such notice, if any, as it may deem proper, remove the Trustee and appoint a successor trustee.
 - vi. The Majority Bondholders may at any time remove the Trustee for just and reasonable cause and appoint a successor trustee with the consent of CPGI, provided that no consent shall be required if there has been an occurrence of an Event of Default, by the delivery to the Trustee so removed, to the successor trustee and to CPGI, of the required evidence of the action in that regard taken by the Majority Bondholders. Such removal shall take effect 30 days from receipt of such notice by the Trustee.
 - vii. Any resignation or removal of the Trustee and the appointment of a successor trustee pursuant to any of the provisions of the Trust Indenture Agreement shall become effective upon the earlier of: (i) acceptance of appointment by the successor trustee as provided in the Trust Indenture Agreement; or (ii) the effectivity of the resignation notice sent by the Trustee under the Trust Indenture Agreement (the "Resignation Effective Date") provided, however, that after the Resignation Effective Date and, as relevant, until such successor trustee is qualified and appointed (the "Holdover Period"), the resigning Trustee shall discharge duties and responsibilities solely as a custodian of records for turnover to the successor Trustee promptly upon the appointment thereof by CPGI.
- f. Successor Trustee
- i. Any successor trustee appointed shall execute, acknowledge and deliver to CPGI and to its predecessor Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the predecessor Trustee shall become

effective and such successor trustee, without further act, deed, or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusteeship with like effect as if originally named as trustee in the Trust Indenture Agreement. The foregoing notwithstanding, on the written request of CPGI or of the successor trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusteeship herein expressed, all the rights, powers and duties of the Trustee so ceasing to act as such. Upon request of any such successor trustee, CPGI shall execute any and all instruments in writing as may be necessary to fully vest in and confer to such successor trustee all such rights, powers and duties.

- ii. Upon acceptance of the appointment by a successor trustee, CPGI shall notify the Bondholders in writing of the succession of such trustee to the trusteeship. If CPGI fails to notify the Bondholders within 10 calendar days after the acceptance of appointment by the successor trustee, the latter shall cause the Bondholders to be notified at the expense of CPGI.

g. Merger or Consolidation

Any corporation into which the Trustee may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee shall be a party or any corporation succeeding to the business of the Trustee shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that, such successor trustee shall be eligible under the provisions of the Trust Indenture Agreement and the Securities Regulation Code; however, where such successor trustee is not qualified under the pertinent Laws, then the provisions of Condition 21(e)(v) shall apply.

h. Reliance

In the performance of its obligations under the Trust Indenture Agreement, the Trustee is entitled to rely on the records of the Registrar and Paying Agent, but shall exercise the degree of care and skill as a prudent man would exercise or use under the circumstances in the conduct of his own affairs under similar circumstances.

22. Reports to the Bondholders

- a. Only upon the existence of either (i) and (ii) below, the Trustee shall submit to the Bondholders on or before July 30 of each year from the relevant Issue Date until full payment of the Bonds, a brief report dated as of December 31 of the immediately preceding year with respect to:
 - i. The property and funds, if any, physically in the possession of the Registrar and Paying Agent held in trust for the Bondholders on the date of such report which shall be based on the report to be given by the Registrar and Paying Agent to the Trustee through the Issuer; and
 - ii. Any action taken by the Trustee in the performance of its duties under the Trust Indenture Agreement which it has not previously reported and which in its opinion materially affects the Bonds, except action in respect of a default, notice of which has been or is to be withheld by it.
- b. The Trustee shall likewise submit to the Bondholders a brief report within 90 calendar days from the making of any advance for the reimbursement of which it claims or may claim a lien or charge which is prior to that of the Bondholders on the property or funds

held or collected by the Registrar and Paying Agent with respect to the character, amount and the circumstances surrounding the making of such advance; provided that, such advance remaining unpaid amounts to at least 10% of the aggregate outstanding principal amount of the Bonds at such time.

Upon due notice to the Trustee, the following pertinent documents may be inspected during regular business hours on any Business Day at the principal office of the Trustee:

- i. Trust Indenture Agreement;
- ii. Registry and Paying Agency Agreement;
- iii. Articles of Incorporation and By-Laws of the CPGI, including any amendments thereto; and
- iv. Registration Statement of CPGI with respect to the Bonds.

23. Meetings of the Bondholders

A meeting of the Bondholders may be called at any time for the purpose of taking any actions authorized to be taken by or on behalf of the Bondholders of any specified aggregate principal amount of Bonds under any other provisions of the Trust Indenture Agreement or under the law and such other matters related to the rights and interests of the Bondholders under the Bonds.

a. Notice of Meetings

The Trustee may at any time call a meeting of the Bondholders, or the holders of at least 25% of the aggregate outstanding principal amount of Bonds may direct in writing the Trustee to call a meeting of the Bondholders, to take up any allowed action, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of the Bondholders, setting forth the time and the place of such meeting and the purpose of such meeting in reasonable detail, shall be sent by the Trustee to CPGI and to each of the registered Bondholders not earlier than 45 calendar days prior to the date fixed for the meeting nor later than 15 calendar days prior to the date fixed for the meeting. Each of such notices shall be published in a newspaper of general circulation in the Philippines for two (2) consecutive days as provided in the Trust Indenture Agreement. All reasonable costs and expenses incurred by the Trustee for the proper dissemination of the requested meeting shall be reimbursed by the Issuer within 10 calendar days from receipt of the duly supported billing statement.

b. Failure of the Trustee to Call a Meeting

In case CPGI or the holders of at least twenty-five percent (25%) of the aggregate outstanding principal amount of the Bonds shall have requested the Trustee to call a meeting of the Bondholders by written request setting forth in reasonable detail the purpose of the meeting, and the Trustee shall not have mailed and published, in accordance with the notice requirements, the notice of such meeting, then CPGI or the Bondholders in the amount above specified may determine the time and place for such meeting and may call such meeting by mailing and publishing notice thereof.

c. Quorum

The Trustee shall determine and record the presence of the Majority Bondholders, personally or by proxy. The presence of the Majority Bondholders shall be necessary to constitute a quorum to do business at any meeting of the Bondholders.

d. Procedure for Meetings

- i. The Trustee shall preside at all the meetings of the Bondholders, unless the meeting shall have been called by CPGI or by the Bondholders, in which case CPGI or the Bondholders calling the meeting, as the case may be, shall in like manner move for the election of the chairman and secretary of the meeting.
- ii. Any meeting of the Bondholders duly called may be adjourned for a period or periods not to exceed in the aggregate of one (1) year from the date for which the meeting shall originally have been called and the meeting as so adjourned may be held without further notice. Any such adjournment may be ordered by persons representing a majority of the aggregate principal amount of the Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present at the meeting.

e. Voting Rights

To be entitled to vote at any meeting of the Bondholders, a person shall be a registered holder of one (1) or more Bonds or a person appointed by an instrument in writing as proxy by any such holder as of the date of the said meeting. Bondholders shall be entitled to one (1) vote for every ₱10,000 interest. The only persons who shall be entitled to be present or to speak at any meeting of the Bondholders shall be the persons entitled to vote at such meeting and any representatives of CPGI and its legal counsel.

f. Voting Requirement

All matters presented for resolution by the Bondholders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the Majority Bondholders present or represented in a meeting at which there is a quorum except as otherwise provided in the Trust Indenture Agreement. Any resolution of the Bondholders which has been duly approved with the required number of votes of the Bondholders as provided in the Trust Indenture Agreement shall be binding upon all the Bondholders and CPGI as if the votes were unanimous.

g. Role of the Trustee in Meetings of the Bondholders

Notwithstanding any other provisions of the Trust Indenture Agreement, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of the Bondholders, in regard to proof of ownership of the Bonds, the appointment of proxies by registered holders of the Bonds, the election of the chairman and the secretary, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote and such other matters concerning the conduct of the meeting as it shall deem fit.

24. Amendments

The Issuer and the Trustee may, without notice to or the consent of the Bondholders or other parties, amend or waive any provisions of the Bond Agreements if such amendment or waiver is of a formal, minor, or technical nature or to correct a manifest error or inconsistency provided in all cases that such amendment or waiver does not adversely affect the interests of the

Bondholders and provided further that all Bondholders are notified of such amendment or waiver.

CPGI and the Trustee may amend these Terms and Conditions or the Bonds without notice to every Bondholder but with the prior written consent of the Majority Bondholders (including consents obtained in connection with a tender offer or exchange offer for the Bonds). However, without the prior written consent of each Bondholder affected thereby, an amendment may not:

- a. Reduce the amount of Bonds that must consent to an amendment or waiver;
- b. Reduce the rate of or extend the time for payment of interest on any of the Bonds;
- c. Reduce the principal of or extend the Maturity Date of any of the Bonds;
- d. Impair the right of any Bondholder to receive payment of principal of and interest on such Bondholder's Bonds on or after the due dates therefore or to institute suit for the enforcement of any payment on or with respect to such Bondholders;
- e. Reduce the amount payable upon the redemption or repurchase of the Bonds under the Terms and Conditions or change the time at which the Bonds may be redeemed;
- f. Make any Bond payable in money other than that stated in the Bond;
- g. Subordinate the Bonds to any other obligation of CPGI other than the Permitted Lien;
- h. Release any security interest that may have been granted in favor of the Bondholders;
- i. Amend or modify the Payment of Additional Amounts (Condition 7), Taxation, the Events of Default of the Terms and Conditions (Condition 10) or the Waiver of Default by the Bondholders (Condition 19); or
- j. Make any change or waiver of this Condition.

It shall not be necessary for the consent of the Bondholders under this Condition to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof. After an amendment under this Condition becomes effective, CPGI shall send a notice briefly describing such amendment to the Bondholders in the manner provided under Condition 20 (Trustee; Notices).

25. Evidence Supporting the Action of the Bondholders

Wherever in the Trust Indenture Agreement it is provided that the holders of a specified percentage of the aggregate outstanding principal amount of the Bonds may take any action (including the making of any demand or requests and the giving of any notice or consent or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by: (i) any instrument executed by the Bondholders in person or by the agent or proxy appointed in writing or (ii) the duly authenticated record of voting in favor thereof at the meeting of the Bondholders duly called and held in accordance herewith or (iii) a combination of such instrument and any such record of meeting of the Bondholders.

26. Non-Reliance

Each Bondholder also represents and warrants to the Trustee that it has independently and, without reliance on the Trustee, made its own credit investigation and appraisal of the financial condition and affairs of the Issuer on the basis of such documents and information as it has deemed appropriate and that it has subscribed to the Issue on the basis of such independent appraisal, and each Bondholder represents and warrants that it shall continue to make its own credit appraisal without reliance on the Trustee. The Bondholders agree to indemnify and hold the Trustee harmless from and against any and all liabilities, damages, penalties, judgments, suits, expenses and other costs of any kind or nature with respect to its obligations under the Trust Indenture Agreement, except for its gross negligence or wilful misconduct.

27. Waiver of Preference or Priority

The obligations of the Issuer to the Bondholders created under the Bond Agreements and the Bonds shall not enjoy any priority of preference or special privileges whatsoever over any other unsecured, and unsubordinated obligations of the Issuer. Accordingly, whatever priorities or preferences that the Bond Agreements or the Bonds may have conferred in favor of the Bondholders or any person deriving a right from them under and by virtue of Article 2244, paragraph (14)(a) of the Civil Code of the Philippines is hereby waived, provided, however, that should any creditor to the Issuer hereinafter have a preference or priority over amounts owing under their respective agreements as a result of a notarization, and the Issuer has not either procured a waiver of this preference to the satisfaction of the Bondholders and the Trustee or equally and ratably extended such preference to the Bondholders, then the waiver given hereunder is automatically withdrawn and deemed not given. For the avoidance of doubt, this waiver and renunciation of the priority or preference under Article 2244, paragraph (14)(a) of the Civil Code of the Philippines shall not be deemed to have been given by any of the other parties to the Bond Agreements, including the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, and Registrar and Paying Agent, in their capacities as such.

28. Governing Law

The Bond Agreements are governed by and are construed in accordance with Philippine law. Unless otherwise stipulated in other bond agreements, venue of any and all actions arising from or in connection with the issuance of the Bonds shall be brought before the proper courts of Makati City to the exclusion of all other courts.

INTERESTS OF INDEPENDENT LEGAL COUNSELS AND INDEPENDENT AUDITORS

LEGAL MATTERS

All legal opinion/matters in connection with the issuance of the Bonds that are subject of this Offer shall be passed upon by Angara Abello Concepcion Regala and Cruz Law Offices (“ACCRALAW”) for the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner, and Sarmiento Loriga Law Office (“SL Law”) and CPGI’s legal division for the Company. ACCRALAW and SL Law have no direct or indirect interest in CPGI.

ACCRALAW and SL Law may, from time to time, be engaged by CPGI to advise in its transactions and perform legal services on the same basis that they provide such services to their other clients.

The named independent legal counsels have not acted and will not act as promoter, underwriter, voting trustee, officer, or employee of the Company.

INDEPENDENT AUDITORS

SGV & Co., independent auditors, audited the consolidated financial statements of the Company as at December 31, 2020, 2019, and 2018 and for the years ended December 31, 2020, 2019, 2018, and 2017 without qualification and reviewed the accompanying interim condensed consolidated statement of financial position of CPGI and Subsidiaries as at September 30, 2021 and for the nine (9)-month periods ended September 30, 2021 and 2020, included in this Prospectus. A review is substantially less in scope than an audit conducted in accordance with PSA and consequently does not enable them to obtain assurance that they would become aware of all significant matters that might be identified in an audit. SGV & Co. has no shareholdings in the Company, or any right, whether legally enforceable or not, to nominate or to subscribe to the securities of the Company, in accordance with the professional standards on independence set by the Board of Accountancy and Professional Regulation Commission.

The named independent auditor has not acted and will not act as promoter, underwriter, voting trustee, officer, or employee of the Company.

The Company has not had any disagreements on accounting and financial disclosures, or auditing scope or procedure, with its current external auditor for the same periods or any subsequent interim period.

AUDIT AND AUDIT-RELATED FEES

The following table sets out the aggregate fees billed for each of the last two (2) fiscal years and interim third quarter 2021 for professional services rendered by SGV & Co.

	2021	2020	2019
Audit and audit-related fees	₱7.8 million	₱6.9 million	₱7.6 million

The Audit Committee recommends to the Board of Directors the discharge or nomination of the external auditor to be proposed for shareholder approval at CPGI’s annual shareholders meeting, approve all audit engagement fees and terms of the external auditor, and review its performance. It also reviews and discusses with management and the external auditors the

results of the audit, including any difficulties encountered. This review includes any restrictions on the scope of the external auditor's activities or on access to requested information, and any significant disagreements with Management.

The Audit Committee also evaluates, determines and pre-approves any non-audit service provided to the Company and its subsidiaries by the external auditors and keeps under review the non-audit fees paid to the external auditors both in relation to their significance to the auditor and in relation to the total expenditure on consultancy.

No engagement for other services from SGV and Co. either for professional services, tax accounting compliance, advise and planning nor any services rendered for products and services other than the aforementioned audit services reported in 2020.

DESCRIPTION OF BUSINESS

OVERVIEW

CPGI is one of the leading real estate companies in the Philippines with 35 years of experience. The Company is primarily engaged in the development, marketing, and sale of mid- and high-rise condominiums, retail leasing, and property management.

Currently, the Company has six (6) principal Subsidiaries namely CCDC, CLC, CCC, PPHI, CDLC, and CPMI, five (5) of which are wholly-owned. Through its Subsidiaries, CPGI develops, markets, and sells residential, office, medical, and retail properties in the Philippines, as well as manages residential and commercial properties in the Philippines.

As of September 30, 2021, the Company has completed 33 projects, namely: 29 residential projects, consisting of 17,169 units and an aggregate gross floor area (“GFA”) of 1,325,501 sq.m. (inclusive of parking); a retail commercial building with gross leasable area (“GLA”) of 16,443 sq.m. (inclusive of parking); a medical office building with GLA of 29,968 sq.m. (inclusive of parking); and 2 office buildings with GLA of 30,584 sq.m. (inclusive of parking) and 57,137 sq.m. (inclusive of parking), respectively. Furthermore, the Company has also completed 2,814 homes under its affordable housing segment. These are in addition to the 19 buildings consisting of 4,128 units with an aggregate GFA of 548,262 sq.m. that were completed prior to 2010 by the Meridien Group of Companies (“Meridien”), the founding principals’ prior development companies. Noteworthy developments of Meridien include: The Essensa East Forbes and South of Market in Fort Bonifacio, SOHO Central in the Greenfield District of Mandaluyong City, Pacific Place in Ortigas, Le Triomphe, Le Domaine, and Le Metropole in Makati City.

Currently, the Company is developing 17 master-planned communities that is expected to have 31 condominiums, 1,424 single detached homes, and 13,829 affordable houses, with a total expected GFA of 2,057,294 sq.m and commercial leasing projects with 134,132 sq.m of GLA. Among these master-planned communities are:

- **Century City** – A 3.4-hectare mixed-use project in Makati City with eight (8) buildings covering a total planned GFA (with parking) of 643,176 sq.m. The Company completed The Gramercy Residences, The Knightsbridge Residences, Century City Mall, Centuria Medical Makati, The Milano Residences, and Trump Tower. Century Diamond Tower, an office building, was completed in 2019. Century Spire, designed by world renowned architect Daniel Libeskind and interior designed by Giorgio Armani S.P.A., is projected to start turnover of office units in December 2021.
- **Acqua Private Residences** – Located in Mandaluyong City, this development is comprised of six (6) towers with views of the Makati City skyline and will feature a country club with fitness, retail, dining and entertainment facilities, as well what is expected to be the first riverwalk promenade in the Philippines. There are five (5) towers completed; namely: Niagara, Sutherland, Detifoss, Livingstone, and Iguazu. Acqua 6, the last tower, was completed in September 2019. As of the date of this Prospectus, all towers of Acqua Private Residences have been completed.
- **Azure Urban Resort Residences** – CPGI’s first property in the affordable market segment, Azure Urban Resort Residences is a nine (9)-building residential property set on six (6) hectares in Parañaque City. The development features the first man-made beach in an urban residence in Manila and a beach club designed by Paris Hilton. The nine (9) towers have been completed, namely: Rio, Santorini, St. Tropez, Positano, Maui, Miami, Maldives, Boracay, and Bahamas.

- ***The Residences at Commonwealth*** – It is a 4.4-hectare project of CPGI and its first master-planned residential community development in Quezon City. The 8-tower project will rise in Commonwealth Avenue within the vicinity of a shopping center, top schools, techno hubs, churches and major thoroughfares. The Commonwealth by Century residential package includes livable unit layouts with extended balconies, distinctive amenities that encourage outdoor and holistic social interaction, a community with open spaces, greenery and waterscapes; and round the clock safety and security systems for the peace of mind of all residents. The project's unique architectural design, spacious unit layouts and pioneering amenities aim to redefine the standards of living in Quezon City. Out of the eight (8) towers, seven (7) have already been completed; namely, Osmeña West, Quezon North, Roxas East, Osmeña East, Roxas West, Quirino West and Quirino East.
- ***Canyon Ranch*** – A 25-hectare house and lot community that is part of the 77-hectare San Lazaro Leisure Park in Cavite City targeted for middle-income buyers. The community features a clubhouse with sports and leisure facilities and offers residents views of the Leisure Park which includes one of only two (2) operating horse racing tracks in the Philippines. A total of 929 houses have already been completed.
- ***Phirst Park Homes*** – It is the first-home division and brand of CPGI. Its maiden project, located along Governor's Drive, Brgy. Tanauan, Tanza Cavite, is a three (3)-phase horizontal residential property, which offers both townhouse units & single attached units. The development covers a total of 2,877 houses currently valued at ₱4.7 billion. Phirst Park Homes has also launched a 20-hectare development in Lipa, Batangas with 1,698 houses, presently valued at ₱2.8 billion, in the second quarter of 2018 and the 18-hectare development in San Pablo, Laguna with 1,241 houses, now valued at ₱2.5 billion, launched in March 2019. Phirst Park Homes Pandi launched in October 2019, with 1,598 houses valued at ₱2.9 billion as of the date of this Prospectus. Phirst Park Homes Calamba was launched in November 2019 with 1,424 houses now valued at ₱2.4 billion. Phirst Park Homes Batulao (Nasugbu) was launched in December 2019, with 2,150 houses presently valued at ₱5.3 billion. Phirst Park Homes Magalang was launched in November 2020, with 1,079 houses currently valued at ₱1.9 billion. Phirst Park Homes Gen. Trias, Phirst Park Homes Tayabas, and Phirst Park Homes Baliwag were launched in July to August 2021, with 758 houses now valued at ₱1.3 billion; 440 houses currently valued at ₱0.7 billion; and 564 houses presently valued at ₱1.0 billion, respectively.
- ***The Resort Residences at Azure North*** – CPGI's first development in Pampanga and outside of Metro Manila. This eight (8)-hectare mixed-use development replicates the developer's success with the Azure Urban Resort Residences in Bicutan, Parañaque, through its concept of beachfront living in the city.

With plans for condominium towers, townhouse clusters, office towers, and a retail boardwalk, Azure North is located on the western side of the North Luzon Expressway, close to the existing retail complexes. Each residential cluster will again be named after famous beaches around the world, namely Monaco, Bali, and Barbados. In addition to the beach, its water features will include various pools for children and adults. Amid these will be a pool bar, a beach club, a multi-purpose event space, and a centerpiece called the Azure North Island, which will be offered for private events and gatherings. Monaco and Bali towers were completed in 2021.

- ***Batulao Artscapes*** – Informed by design and grounded in natural beauty, Batulao Artscapes is a design-driven community set in the beauty of nature. Batulao Artscapes is Century Properties' first residential tourism development located in Nasugbu, a nurturing

middle ground that is ideal for those who love the cool vistas of Tagaytay and the welcoming beaches of Batangas. Nestled on the foothills of Mt. Batulao, its Commune village features livable spaces in exclusive collaboration with industry-leading Filipino designers, making high-end architecture accessible with homes by architect Ed Calma called Polygonal Successions and designer Kenneth Cobonpue's Hedera home. Batulao Artsapes targets families, weekend adventure seekers, and active retirees with its relatively cool climate, lifestyle amenities, and proximity to Metro Manila's financial district. It only takes a 1.5 to 2-hour drive from Makati via four (4) access points: through Daang Hari Road towards the scenic Nasugbu-Kaybiang Tunnel, the Star Tollway to Tanauan Exit, the South Luzon Expressway ("SLEX"), and Cavite Expressway ("CAVITEX").

In addition, the Company has completed Asian Century Center in 2018, an office development project in Bonifacio Global City, in partnership with Asian Carmakers Corporation.

The Company's land bank for future development consists of properties in Quezon City (2 properties), Mandaluyong City, Pampanga, Palawan, and Batangas that cover a total site area of 173.7 hectares.

The Company, through subsidiary CPMI also engages in a wide range of property management services, from facilities management and auction services, to lease and secondary sales. Through CPMI, the Company endeavors to ensure the properties it manages maintain and improve their asset value, and are safe and secure. As of September 30, 2021, CPMI manages 52 projects with a total of 103 buildings and 3.07 million sq. m of GFA (inclusive of parking) under management. Of the total CPMI projects under management, 71% of the projects were developed by third-parties. Notable third-party developed projects under management include the One Corporate Center and Union Bank Plaza in Ortigas, BPI Buendia Center and Pacific Star Building in Makati City, and Philippine National Bank Financial Center in Pasay City.

The Company's aim is to enhance the overall quality of life for its Filipino and foreign clients by providing distinctive, high quality and affordable properties. The Company focuses on differentiation to drive demand, increase its margins and grow market share. In particular, the Company identifies what it believes are the best global residential standards and adapts them to the Filipino market. The Company believes that it has earned a reputation for pioneering new housing concepts in the Philippines. One of the Company's significant contributions is the FF/FF concept, which is now an industry standard in the Philippines. The Company also employs a branding strategy that focuses on strategic arrangements with key global franchises to help capture and sustain consumers' awareness. To date, the Company has entered into agreements with Gianni Versace S.P.A., The Trump Organization, Paris Hilton, Missoni Homes, Yoo by Philippe Starck, and Giorgio Armani S.P.A., among others.

The Company has marketed and sold to clients in more than 15 countries and, as a result, significant portions of its residential properties are sold to Filipinos living abroad. International pre-sales accounted for approximately two-thirds of the total pre-sales, in terms of value, for each of the last three (3) years. The Company conducts its sales and marketing through the Company's extensive domestic and international network of 137 exclusive agents who receive monthly allowances and commissions, and 1,460 external agents which include 1,349 commission-based agents and 111 brokers as of September 30, 2021.

For calendar years, 2018, 2019, 2020 and for the nine (9)-month period ended September 30, 2021, revenue was ₱10,702 million, ₱14,315 million, ₱10,836 million and ₱6,482 million, respectively, and net income was ₱1,118 million, ₱1,478 million, ₱1,149 million and ₱1,082 million, respectively. As of September 30, 2021, the Company had total assets of ₱54,830 million, and total equity of ₱20,584 million (excluding non-controlling interest).

CORPORATE HISTORY AND STRUCTURE

History

CPGI, formerly East Asia Power Resources Corporation (“EAPRC”), was originally incorporated on March 13, 1975 as Northwest Holdings and Resources Corporation. On September 26, 2011, the Board of Directors of EAPRC approved the change in the Company’s corporate name to its present name, as well as the change in its primary business purpose from power generation to that of a holding company and real estate business. Between May and November 2011, CPGI entered into a series of transactions with EAPRC, a corporation organized under the laws of the Philippines and listed on the Philippine Stock Exchange (“PSE”), whereby, among other things, CPI acquired 96.99% of EAPRC’s common shares and EAPRC acquired all of the Subsidiaries of CPGI.

CPGI currently undertakes real estate projects and developments through its Subsidiaries and an Associate. Through such Subsidiaries and Associate, the Company develops, markets and sells residential, office, medical, and retail properties as well as manages residential and commercial properties in the Philippines.

Chairman Jose E.B. Antonio spearheaded the Company’s formation with the vision of becoming one of the Philippines’ top five (5) real estate sales and development firms as measured by total sales value.

After experiencing the sales and marketing aspects of the real estate industry, the founders of the Company established Meridien Land Holdings, Inc., Meridien East Realty and Development Corporation, Meridien Far East Development Corporation, and other related entities to focus primarily on developing mid-market central business district high-rise projects. Chairman Jose E.B. Antonio has a 40% ownership stake in Meridien. Through Meridien, the Company developed its first project, Le Grand in Makati City, to cater to the middle market segment, and subsequently developed Le Triomphe, Medical Plaza Makati, Medical Plaza Ortigas, SOHO Central, South of Market, and Essensa.

In 1989, CPMI was established as the first professional real estate management company in the Philippines, to handle property management services. CPMI manages 52 projects as of September 30, 2021, including properties such as One Corporate Center and Union Bank Plaza in Ortigas, BPI Buendia Center and Pacific Star Building in Makati City and Philippine National Bank Financial Center in Pasay City. Of the total CPMI’s projects under management, 71% of the properties were not developed by the Company, underscoring CPMI’s reputation in the market.

CPI, the parent of the Company, was incorporated in 1983 and began operations in 1986. It was primarily organized to focus on marketing and sales for third-party real estate developers. CPI continued its operations throughout the 1990s, and established itself as an innovative, high quality property developer in the central business districts of the Philippines. In 1997, the Company began developing what it believes is one of the most prestigious residential buildings in the country, the Essensa East Forbes. Designed by the architectural firm Pei Cobb Freed & Partners, which was founded by Pulitzer Prize winning architect I.M. Pei, the architect of the Grand Louvre in Paris and the Bank of China Tower in Hong Kong, Essensa utilized high quality materials in its design such as travertine stone quarried from the same source as the Coliseum in Rome.

In 2006, leveraging on its experience in developing high quality buildings and infrastructure, CCDC, a subsidiary of CPGI expanded its business into developing large-scale mixed-use properties by acquiring a lot that was previously occupied by the International School of Manila in the central business district of Makati City. CCDC designated this area as the location of

one of its most ambitious projects to date, Century City, which is expected to include eight (8) buildings. As of the date of this Prospectus, 7 buildings have been completed with only one that is on-going construction. Completed projects are The Gramercy Residences, The Knightsbridge Residences, The Milano Residences, Trump Tower Manila, Centuria Medical Makati, Century City Mall, and Century Diamond Tower. Century Spire is under development. When fully completed, the Company believes that Century City will be one of the pre-eminent mixed-use communities in Makati City.

In 2008, observing the demand for housing in the affordable market, CLC, a subsidiary of CPGI, expanded its product line into providing condominiums for the affordable to middle-income segment of the market. It launched its first project, Azure Urban Resort Residences in December 2009 with the aim of providing housing for young couples, families, OFWs and other consumers seeking an urban beach resort lifestyle.

In 2011, CLC launched Acqua Private Residences, a residential community in Mandaluyong City. At completion, the project will have six (6) towers with over 3,000 units. At the end of September 2021, the six (6) buildings have already been completed. These are Niagara, Sutherland, Dettifoss, Livingstone (interior design by MISSONIHOMÉ), and Iguazu (Yoo inspired by Starck), and Novotel Suites Manila at Acqua Private Residences.

On May 31, 2011, the Company has been made aware that El Paso Philippines Energy Company, Inc.'s ("EPPECI") entered into an agreement with CPI, providing for the terms and conditions for the purchase by CPI of EPPECI's 284,250,000 issued and outstanding fully-paid and preferred shares of stocks of EPHE Philippines Energy Corporation ("EPHE") and 67,096,092 issued and outstanding fully-paid common shares of stock in the Company, which will thereby effect a change in the ownership and control of the Company.

On July 11, 2011, the Company further disclosed that CPI has commenced a negotiated purchase through a Deed of Assignment of Shares of Stock dated May 31, 2011 with EPPECI for the following acquisitions: (1) 67,096,092 common shares ("Public Sale Shares") of the Company equivalent to 1.888% of the Company and (2) 284,250,000 common and preferred shares ("Private Sale Shares") of EPHE resulting to an indirect acquisition of equivalent to 91.695% of the total issued and outstanding capital stock of the Company. The purchase price for the Public and Private Sale Shares amounts to a total consideration of ₱127,406,794.31 (the "Private Sale Consideration") allocated as follows: ₱2,569,732.51 for the Public Sale Shares and ₱124,837,061.80 for the Private Sale Shares.

On the same date, CPI and the Company executed and signed two (2) Deeds of Assignment of Shares of Stock effectively superseding the May 31, 2011 Deed of Assignment to finally close the above-mentioned acquisitions: (1) Public Sale Shares and (2) Private Sale Shares. The July 11, 2011 Deeds of Assignment contained the same terms and conditions as stated in the May 31, 2011 Deed of Assignment thereby effecting a change in the ownership and control of the Company.

In 2012, CLC launched its first project in Quezon City called The Residences at Commonwealth by Century, which will cater to the affordable market. The community will have eight (8) mid-rise towers, with over 2,800 units. As of September 2021, 7 towers have already been completed, namely Osmeña West, Quezon North, Roxas East, Osmeña East, Roxas West, Quirino West, and Quirino East.

In September 2013, CCDC completed the Century City Mall, its first retail mall with total GLA of 16,443 sq.m and is 99% leased as of December 2019, 79% as of December 2020 and 79% as of September 2021. The retail mall was designed to cater to residents, employees, and patients of Century City, as well as residents of surrounding communities. CPGI also

completed the Knightsbridge Residences in Century City, as well as turned over the Rio and Santorini buildings in Azure Urban Residences.

Completed Projects as of September 30, 2021

Residential Projects

Residential Projects	Location	Type	GFA in sq.m. (with parking)	Units	Year Completed
Century City					
Gramercy Residences	Makati City	Residential	121,595	1,432	2012
Knightsbridge Residences	Makati City	Residential	87,717	1,329	2013
Milano Tower	Makati City	Residential	64,304	516	2016
Trump Tower	Makati City	Residential	55,504	267	2017
Subtotal			329,119	3,544	
Azure Urban Resorts Residences					
Rio	Parañaque City	Residential	42,898	756	2013
Santorini	Parañaque City	Residential	36,126	553	2013
St. Tropez	Parañaque City	Residential	36,260	580	2014
Positano	Parañaque City	Residential	35,164	597	2015
Miami	Parañaque City	Residential	34,954	559	2015
Maui	Parañaque City	Residential	41,235	601	2016
Maldives	Parañaque City	Residential	28,859	385	2017
Boracay	Parañaque City	Residential	27,713	473	2018
Bahamas	Parañaque City	Residential	53,701	851	2019
Subtotal			336,909	5,355	
Acqua Private Residences					
Niagara	Mandaluyong City	Residential	33,709	474	2015
Sutherland	Mandaluyong City	Residential	41,705	735	2015
Detifoss	Mandaluyong City	Residential	36,536	607	2016
Livingstone	Mandaluyong City	Residential	40,251	675	2016
Iguazu	Mandaluyong City	Residential	36,367	492	2018
Acqua 6	Mandaluyong City	Residential	39,172	185	2019
Subtotal			227,740	3,168	
The Residences at Commonwealth by Century					
Osmeña West	Quezon City	Residential	14,525	158	2015
Quezon North	Quezon City	Residential	17,760	285	2017
Roxas East	Quezon City	Residential	27,255	389	2017
Osmeña East	Quezon City	Residential	14,089	220	2018
Roxas West	Quezon City	Residential	26,767	500	2019
Quirino West	Quezon City	Residential	26,759	517	2020
Quirino East	Quezon City	Residential	26,747	498	2020
Subtotal			153,903	2,567	
Canyon Ranch					
Phase 1 & 2	Carmona, Cavite	Residential	166,400	779	
Moderno	Carmona, Cavite	Residential	25,303	150	
Subtotal			191,703	929	
The Resort Residences at Azure North					
Monaco	Pampanga	Residential	43,063	800	2021
Bali	Pampanga	Residential	43,063	806	2021
Subtotal			86,125	1,606	
Grand Total			1,325,501	17,169	

Commercial/ Office Projects

Commercial/Office Projects	Location	Type	GLA in sq.m. (with parking)	Units	Year Completed
Century City Mall	Makati City	Retail	16,443	150	2013
Centuria Medical Makati	Makati City	Medical Office	29,968	712*	2015
Asian Century Center	BGC, Taguig City	Office Building	30,584	55	2018
Century Diamond Tower	Makati City	Office Building	57,137	221	2019
Total			134,132	1,138	

*571 units sold, 141 units for lease

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (P millions)	Sold Revenues (P millions)	Remarks
Century City	Makati City	4,667	4,646	99.6%	37,081	36,468	Only a few unsold units in Century Spire. Target project turnover is 2021.
Azure South	Parañaque City	5,355	5,326	99.5%	22,552	22,149	The remaining unsold units in Bahamas, the last tower which is already completed.
Azure North	San Fernando, Pampanga	2,431	2,005	82.5%	9,801	7,707	Bali and Monaco are already completed. Barbados, the last tower, is expected to be completed in 2023.
Acqua Residences	Mandaluyong City	3,320	3,286	99.0%	17,638	17,132	Unsold units are mostly in Acqua 6, the last tower.
Commonwealth	Quezon City	3,255	3,035	93.2%	12,777	11,697	Quezon South, the last tower is expected to be completed in 2021.
Batulao Artsapes	Nasugbu, Batangas	493	246	49.9%	3,114	1,410	Launched in Q4 2017. Completed 93 units.
Canyon Ranch	Carmona, Cavite	929	921	99.1%	3,675	3,644	Substantially sold and completed.
Phirst Park Homes	Tanza, Cavite	2,877	2,615	91%	4,705	4,072	Phase 1 & 2 were launched in 2017 and Phase 3 in 2019; more than 1,700 houses are completed as of September 2021, Phase 1 is 100% sold, Phase 2 is 98% sold. Phase 3 is 69% sold.
Phirst Park Homes	Lipa, Batangas	1,698	1,417	83%	2,812	2,104	Phase 1 was launched in Q2 2018, 99% sold; Phase 2 was launched in Q3 2018, 61% sold; 693 completed

Project	Location	No. of Units Inventory	No. of Units Sold	% Sold	Total Sales Value (₱ millions)	Sold Revenues (₱ millions)	Remarks
							houses as of September 2021.
Phirst Park Homes	San Pablo, Laguna	1,241	1,106	89%	2,514	1,729	Phase 1 was launched in Q1 2019, 93% sold; Phase 2 was launched in Q2 2019, 86% sold; 246 completed houses as of September 2021.
Phirst Park Homes	Pandi, Bulacan	1,598	1,166	73%	2,859	2,051	Phase 1 and 2 were launched in Q4 2019; Phase 1 is 97% sold, Phase 2 is 84% sold, Phase 3 is 49% sold; 64 completed houses as of September 2021.
Phirst Park Homes	Calamba, Laguna	1,424	906	64%	2,363	1,482	Phase 1 was launched in Q4 2019, 88% sold; Phase 2 in Q1 2021, 27% sold; 62 completed houses as of September 2021.
Phirst Park Homes	Nasugbu, Batangas	2,150	1,231	57%	5,311	2,835	Phase 1A was launched in Q4 2019, 96% sold. Phase 1B was launched in Q3 2020, 87% sold, Phase 2 was launched in Q1 2021, 26% sold.
Phirst Park Homes	Magalang, Pampanga	1,079	424	39%	1,928	688	Phase 1 was launched in Q4 2020, 39% sold.
Phirst Park Homes	Gen. Trias, Cavite	758	656	87%	1,251	1,083	Phase 1 was launched in Q3 2021, 87% sold.
Phirst Park Homes	Tayabas, Quezon	440	261	59%	690	412	Phase 1A was launched in Q3 2021, 59% sold.
Phirst Park Homes	Baliwag, Bulacan	564	274	49%	958	465	Phase 1A was launched in Q3 2021, 49% sold.
TOTAL		34,279	29,521	86%	132,029	117,128	

PROPERTIES UNDER MANAGEMENT AS OF SEPTEMBER 30, 2021

The Company, through CPML, manages both residential and commercial properties. The following table sets forth information regarding residential properties under its management.

NO. OF BLDGS	PROJECT	LOCATION	DEVELOPER	GFA (sq. m)
CPG PROJECTS				
7	Acqua Private Residences	Mandaluyong	Century Limitless Corporation	189,228
10	Azure Urban Residences	Paranaque	Century Limitless Corporation	235,881
1	Batulao Artscapes	Batangas	Century Limitless Corporation	34,624
8	The Residences at Commonwealth	Commonwealth	Century Limitless Corporation	137,655
1	Knightsbridge Condominium	Makati	Century City Development Corp	64,952
1	Phirst Park Homes	Cavite	Century Limitless Corporation	312,066
1	The Gramercy residences	Makati	Century City Development Corp	94,829
1	The Milano Residences	Makati	Century City Development Corp	49,543
1	The Trump Tower	Makati	Century City Development Corp	43,018
1	Asian Century Center	Taguig	Century City Development Corp	31,952
1	Century City Lifestyle Mall	Makati	Century City Development Corp	26,919
1	Century City Estates Associations, Inc.	Makati	Century City Development Corp	51
1	Centuria Medical Makati	Makati	Century City Development Corporation	45,390
1	Century Diamond Tower	Makati	Century City Development Corporation	63,101
3	The Resorts Residence at Azure North	Pampanga	Century Limitless Corporation	100,253
39	TOTAL			1,429,461
CPG LEGACY PROJECTS				
1	Bel-Air Soho Condominium	Makati	Meridien East Realty & Development Corp.	9,468
2	Essensa East Forbes	Taguig	Meridien East Realty & Development Corp.	115,000
1	Grand Soho Makati Condominium	Makati	Century Properties, Inc.	29,628
1	Le Triomphe Condominium	Makati	Meridien East Realty & Development Corp.	20,239
2	South of Market Condominium	Taguig	Century Properties Group, Inc.	62,246
1	West of Ayala Condominium	Makati	Meridien East Realty & Development Corp.	30,184
1	Medical Plaza Ortigas	Pasig	Meridien Property Ventures, Inc.	34,642
1	One Corporate Plaza	Makati	Inchport Realty Corporation	12,034
1	One Magnificent Mile Condominium	Pasig	Meridien Far East Properties	23,105
2	Pacific Star Building	Makati	Penta Pacific Realty Corporation	56,822
13	TOTAL			393,368
THIRD-PARTY PROPERTY MANAGEMENT				
1	139 Corporate Center	Makati	Antel Realty & Development Corporation	24,426
1	88 Corporate Condominium	Makati	Belgen Realty Development, Inc.	37,677
1	Astoria Plaza Condominium	Pasig	Cathay Land, Inc.	53,767
1	AvecShares Asia, Inc.	Taguig	Avecshares Asia, Inc.	12,232
1	BSA Suites Condominium	Makati	ASB Development Corp.	22,925
1	Golden Empire Tower	Manila	Moldex Land Holdings	129,514
1	The Globe Tower	Cebu	Prosperity Properties & Management Corp	12,031
1	Launchpad Building	Mandaluyong	TV5 Network Inc.	3,700
1	One Corporate Center Ortigas	Pasig	Amberland Corporation	117,799
1	Paragon Plaza	Mandaluyong	Fil Estate Properties, Inc.	71,631
1	Pioneer Highlands North	Mandaluyong	Universal Rightfield Property Holdings, Inc.	89,990
1	Prestige Tower Condominium	Pasig	Amberland Corporation	58,698
2	Skyway Twin Towers	Pasig	Amberland Corporation	95,463
1	Tiffany Place Condominium	Makati	River Oaks Realty Corporation	24,702
1	Two Lafayette Square	Makati	Megaworld Properties & Holdings, Inc.	17,189
1	Union Bank Plaza	Pasig	Union Bank Plaza	76,893
17	TOTAL			848,635
FACILITY MANAGEMENT				
10	Bank of the Philippine Islands	Makati/Manila	Bank of the Philippine Islands	100,852
1	Singapore Embassy	Taguig	Singapore Embassy	15,000
1	Fisher-Rosemount Systems, Inc.	Pasig	Emerson	7,378
1	Emerson Manila Shared Services	Quezon City	Office only*	18,228
1	Makati Cinema Square	Makati	MCS Condominium Corporation	4,000
5	National Grid Corporation of the Phils	Quezon City	Government Owned	8,000
2	HMRID Industrial Park	Taguig	HMRID	80,000
2	PNB Makati	Pasig/Makati	Philippine National Bank	8,000
4	Concrete Masters, Inc.	Taguig	Concrete Masters, Inc	300
6	Oracle Philippine Coporation	Makati City	Oracle Philippine Coporation	18,389
1	De La Salle University - Lipa	Lipa City Batangas	*No data	140,000
34	TOTAL			400,147

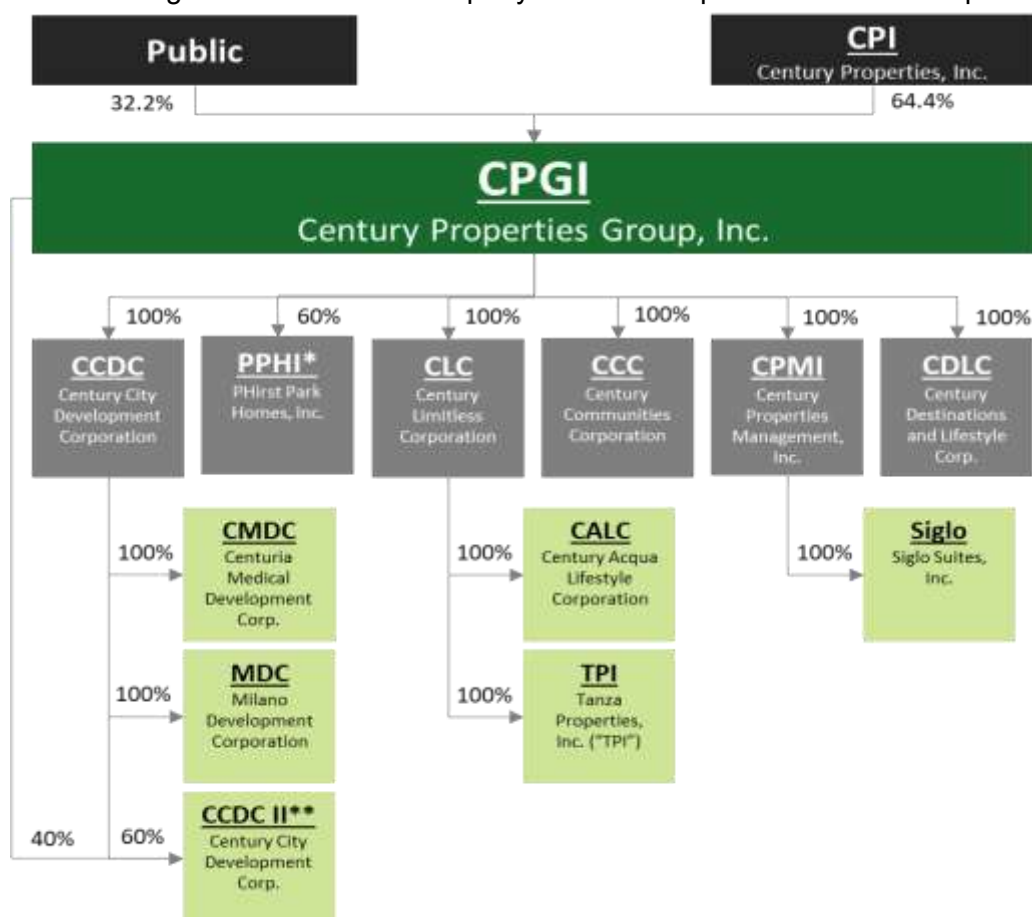
TOTAL PROJECTS
TOTAL BUILDINGS

52
103

TOTAL GFA 3,071,714

CORPORATE STRUCTURE

The following chart shows the Company's current corporate and ownership structure.



*60%/40% JV with Mitsubishi Corp.

**60% owned by CCDC and 40% owned by CPGI



The Subsidiaries are segregated by the target market of each project, allowing each to specialize and focus on their buyers' requirements in pricing, size, location, and amenities. Below is a description of each subsidiary and associate of the Company:

Century Communities Corporation

CCC, incorporated on March 15, 1994, is focused on horizontal house-and-lot developments. From the conceptualization to the sellout of a project, CCC provides experienced specialists who develop and execute the right strategy to successfully market a project. CCC has developed Canyon Ranch, a 25-hectare house-and-lot development located in Carmona, Cavite.

Century City Development Corporation

CCDC, incorporated on December 19, 2006, is focused on developing mixed-use communities that contain residences, office, and retail properties. CCDC will complete all towers in Century City, a 3.4-hectare mixed-use development along Kalayaan Avenue in Makati City, by December 2021.

Century Limitless Corporation

CLC, incorporated on July 9, 2008, focuses on developing high quality, affordable residential projects. Projects under CLC will cater to first-time home buyers, start-up families, and retirees seeking safe, secure, and convenient homes within close proximity of quality healthcare facilities.

Century Properties Management, Inc.

CPMI, incorporated on March 17, 1989, is one of the largest property management companies in the Philippines, as measured by total gross floor area under management. CPMI has 52 projects in its portfolio, covering a total of 103 buildings and a total GFA of 3.07 million sq. m of GFA as of September 30, 2021. The Company believes that CPMI is the first independent and local property management company to introduce international standards in the Philippine property market. CPMI has been awarded 19 safety and security distinctions from the Safety Organization of the Philippines.

Century Destinations and Lifestyle Corp. (Formerly Century Properties Hotel and Leisure, Inc.)

CDLC, incorporated on March 27, 2014, operates, conducts and engages in hotel business and related business ventures.

Phirst Park Homes Inc.

PPHI, incorporated on August 31, 2018, is the first-home division and brand of CPGI. Its projects are located within the fringes of Metro Manila and its target market are first-time homebuyers. Its current projects are located at Lipa City in Batangas, San Pablo City and Calamba City in Laguna, Pandi and Baliwag in Bulacan, Nasugbu in Batangas, Magalang in Pampanga, General Trias in Cavite, Tayabas in Quezon Province which involve a multi-phase horizontal residential property and offer both townhouse units and single attached units. Phirst Park Homes is a joint venture project between Century Properties Group Inc. and Mitsubishi Corporation with a 60-40% shareholding, respectively.

KEY INVESTMENT HIGHLIGHTS

The Company believes that its competitive strengths include the following:

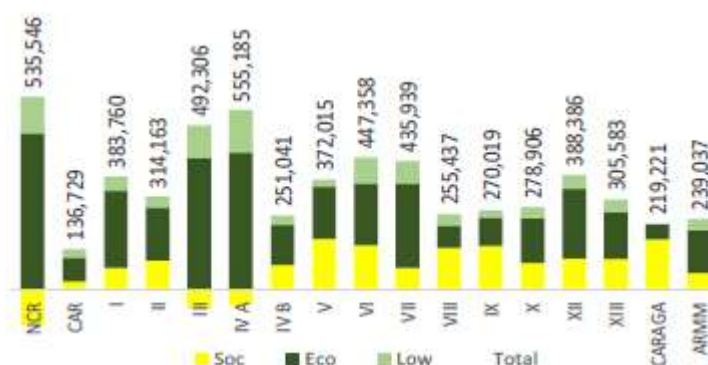
Growth strategy supported by favorable macroeconomic environment

The Company's entry into affordable housing segment capitalizes on the country's demand for affordable housing. For the period between 2001 and 2015, unmet housing need is already at 6.6 million units. Demand for housing units is expected to increase with housing demand estimated at 5.7 million units for the period between 2016 and 2030 totaling to 12.3 million units of housing need by 2030.

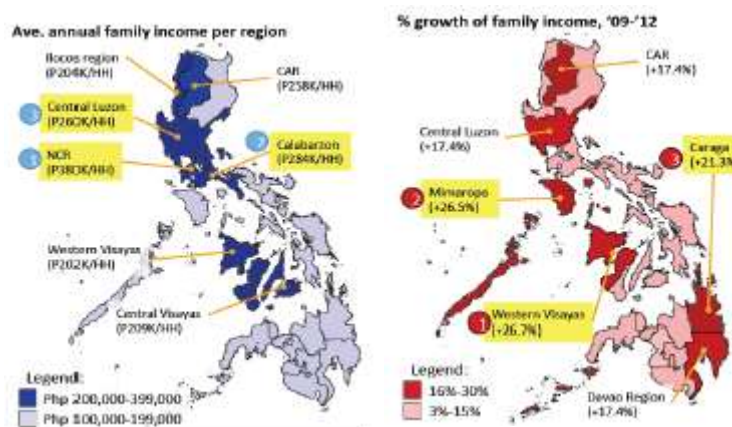
Segment	Unmet Housing Need, 2001-2015	Estimated Housing Demand, 2016-2030	Estimated Housing Need by 2030
Can't Afford	786,984	1,134,986	1,921,970
Socialized	1,275,921	1,369,181	2,645,102
Economic	3,686,429	2,509,718	6,196,147
Low Cost	918,820	611,815	1,530,095
Mid Cost		78,705	78,705
High End		11,767	11,767
Need	6,667,614	5,716,172	12,383,786

Source: SHDA (Subdivision and Housing Developers Association, Inc.), Housing and Urban Development Coordinating Council ("HUDCC")

Housing Backlog by Region



Source: SHDA, HUDCC



Source: SHDA, HUDCC

Proven track record of delivering innovative and high-quality projects in the luxury and middle-income condominium segments

With a 35-year track record of delivering innovative luxury, middle-income and affordable condominiums, the Company continues to focus on identifying the best global standards and adapting them to the Philippine setting. To date, the Company has introduced into the Philippines FF/FF units (now common throughout the Philippines), the first urban residence featuring a man-made beach, and medical offices sold to doctors.

As of September 30, 2021, the Company has completed 33 projects, namely: 29 residential projects, consisting of 17,169 units and an aggregate GFA of 1,325,501 sq.m. (inclusive of parking); a retail commercial building with GLA of 16,443 sq.m. (inclusive of parking); a medical office building with GLA of 29,968 sq.m. (inclusive of parking); and two (2) office buildings with GLA of 30,584 sq.m. (inclusive of parking) and 57,137 sq.m. (inclusive of parking), respectively. Furthermore, the Company has also completed 2,814 homes under its affordable housing segment. These are in addition to the 19 buildings consisting of 4,128 units with an aggregate GFA of 548,262 sq.m. that were completed prior to 2010 by Meridien, the founding principals' prior development companies. Noteworthy developments of Meridien include: The Essensa East Forbes and South of Market in Fort Bonifacio, SOHO Central in the Greenfield District of Mandaluyong City, Pacific Place in Ortigas, Le Triomphe, Le Domaine, and Le Metropole in Makati City.

Furthermore, CPGI has significantly pre-sold, completed and financed projects that are expected to generate positive cash flow for the Company once construction and collection of turnover balances are completed. The cash cycle of condominium projects is such that buyer equity collected during the construction period is around 10% to 30% of total contract price. As a result, the company requires credit facilities to bridge condominium completion. The company is at a stage wherein 30 out of 34 of its vertical housing developments are already completed. From these 34 projects, CPGI has already pre-sold 95% in terms of units and has remaining installment contract receivables (actual gross contract receivables (net of VAT)) of ₱8.8 billion as of September 30, 2021. For the remaining four (4) projects under construction, the Company has already pre-sold 69% in terms of units and has remaining installment contract receivables (actual gross contract receivables (net of VAT)) of ₱4.9 billion as of September 30, 2021. These projects are also backed with existing credit facilities, thus further mitigating completion risk.

The Company also leads the Philippines in partnering with globally renowned brands to enhance the prestige and visibility of its developments, leveraging its credibility, track record and focus on quality to make it a preferred partner to global franchises. For example, the Company has previously executed successful tie-ups with Paris Hilton, Versace Home, Trump Organization, Missoni Home, Yoo inspired by Starck, and Armani/Casa.

Complementing its focus on innovation, the Company is similarly dedicated to ensuring its projects are delivered on time and on budget. The Company believes that its reputation for high quality, well-executed projects is of paramount importance and will continue to be a key driver of demand.

Diverse product offerings capitalizing on various market segments

Over the years, CPGI has slowly expanded its businesses by slowly shifting into new product offerings, which allows the Company to diversify its revenue base. With the launch of its affordable housing projects and completion of some of its leasing properties, the Company has grown its affordable housing segment revenue contribution to 46% for the nine (9)-month period in 2021 from 17% in the same period of 2019. Additionally, the revenue contribution of

its leasing business increased to 11% for the nine (9)-month period in 2021 from 7% in the same period of 2020.

The Company, through its joint ventures with Mitsubishi Corporation, is expanding rapidly in the affordable housing market. Its current projects located in Tanza, Cavite; Lipa, Batangas; San Pablo, Laguna; Pandi, Bulacan; Calamba, Laguna; Nasugbu, Batangas; Magalang, Pampanga; General Trias, Cavite; Tayabas, Quezon; and Baliwag, Bulacan, have enjoyed tremendous success, with 73% of its 13,829 units of inventory already pre-sold as of September 30, 2021.

The average price of the homes here is ₱1.2 million, and currently, 90% of its buyers are first time end users, catering to the more than 6 million home backlog per government statistics.

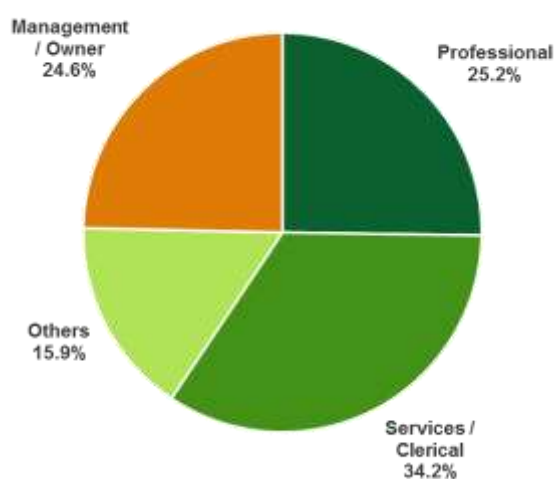
Given the success of the Company in its initial foray into affordable housing, it is using a significant part of the bond proceeds to partially fund land developments of the Company's existing and upcoming projects for its affordable housing segments.

Additionally, the Company is entering into a period wherein it is significantly completing in the near term its leasing asset base.

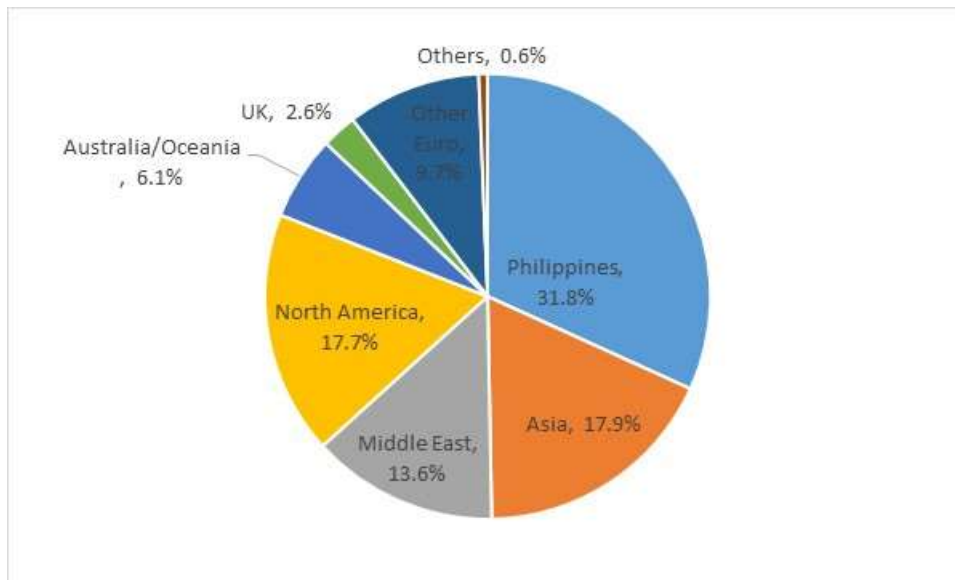
As of September 30, 2021, the Company had four (4) leasing assets completed – Century City Mall, Centuria Medical Makati, Asian Century Center, and Century Diamond Tower. These projects have gross leasable area of 134,142 sq.m. Total revenues from leasing segment amounted to ₱676 million as of September 30, 2021. These projects have an average occupancy rate of 82% as of September 30, 2021.

Strong International Sales Platform

The Company employs a progressive marketing strategy, which in addition to successfully marketing to domestic buyers, actively targets OFWs and other overseas buyers in over 15 countries, enabling it to derive approximately two-thirds of its total pre-sales, in terms of value, for each of the last three (3) years. The company's OFW customer base is largely formed of professionals, management, and services/clerical.



Pre-Sales by Region



The Company believes it has an industry-leading overseas sales and marketing presence, consisting of overseas offices, international selling partners, and a network of 225 agents who are selling overseas and 15 international brokers.

The Company believes that its significant international presence offers several advantages. First, it believes that the overseas market, underpinned by OFW buyers, represents one of the most resilient sources of demand for Philippine real estate. According to the BSP, OFW remittances exhibited steady growth throughout the recent global financial crisis, in part due to the geographical diversification of OFWs. Second, the geographical diversity of the Company's sales similarly decreases its exposure to any single jurisdiction. Third, the average income of the OFW population is higher than that of Philippine residents, allowing the Company to sell its developments at a higher price point. Total OFW remittances in 2018 amounted to US\$32.2 billion, 3.5% higher than US\$31.1 billion in the same period the previous year. For 2019, total OFW remittances reached US\$33.5 billion, an increase of 4.0% from previous year. For 2020, total OFW remittances reached US\$33.2 billion, slightly lower by 0.8% from previous year. For January to August 2021, total OFW remittances amounted to US\$22.7 billion, higher by 5.9% compared with US\$21.4 billion in the same period the previous year.

Experienced management team

The Company has an experienced management team that has been with the Company since its founding, with an average of 25 years of operational and management experience in real estate. It has completed projects in all stages of the business cycle, including the Asian financial crisis in the late 1990s. The Company's management team has extensive experience in and in-depth knowledge of the Philippine real estate market and has also developed positive relationships with key market participants, including contractors and suppliers, regulatory agencies and local government officials in the areas where the Company's projects are located.

BUSINESS STRATEGY

The primary elements of the Company's business strategy are the following:

Leverage its industry leading reputation in the high-rise condominium market to develop mid-rise condominium developments

As the Company has completed 28 out of 31 high-rise condominium buildings, with the remaining three (3) buildings to be substantially completed in the next two (2) years, the Company will seek to leverage its industry-leading reputation in the condominium market not to develop high-rise condominiums, but instead foray into mid-rise condominium and town homes projects, with building heights of no more than 9-stories, which shall be less capital intensive, and which will have a quicker cash cycle. It shall seek to also complete these projects within three (3) years, as opposed to the current five (5)-year construction cycle, in order to reduce carrying costs in general, administrative and interest expenses.

This shall be accomplished through its land bank and joint venture developments in its mixed-use developments in Katipunan, Quezon City, Novaliches, Quezon City, and Mandaluyong City.

Implement expansion outside Metro Manila for affordable housing

CPGI plans to contribute significant resources to assist the backlog of 6 million homes in affordable housing, which is defined as units between ₱1 million to ₱3 million per housing unit. The income per household for this market is around ₱40,000 to ₱80,000 per month.

It plans to further land bank in key cities outside Metro Manila in Luzon. CPGI is looking at sites that are in the 15-hectare to 25-hectare range per site, wherein each development is planned to have around 3,000 units, and a population per site of around 12,000 people. CPGI hopes to acquire three (3) to five (5) sites per year. CPGI hopes that the affordable segment to contribute at least 30% of its net income in the next three (3) years.

To supplement its balance sheet, CPGI has partnered with Mitsubishi Corp for the affordable market, wherein CPGI is a 60% common equity holder, and Mitsubishi Corp is a 40% common equity holder. Its current projects located in Tanza, Cavite; Lipa, Batangas; San Pablo, Laguna; Pandi, Bulacan; Calamba, Laguna; Nasugbu, Batangas; Magalang, Pampanga; General Trias, Cavite; Tayabas, Quezon; and Baliwag, Bulacan, have enjoyed tremendous success, with 73% of its 13,829 units of inventory already pre-sold as of September 30, 2021. A total of ₱25.4 billion sales value is expected from these 10 affordable housing projects, with sold revenues equivalent to ₱16.9 billion as of September 30, 2021.

Prudent expansion of commercial leasing portfolio to diversify earnings and generate recurring income

In addition to its 134,142 sq.m. of leasable space as of September 2021, the company is seeking to develop more leasing projects once it has further completed its condominium projects that are expected to generate free cash flow. CPGI hopes that the leasing segment will contribute more to its net income in the next three (3) years.

This shall be accomplished through its land bank and joint venture developments in its mixed-use developments in Makati City, Katipunan, Quezon City, and Novaliches, Quezon City.

RECENT DEVELOPMENTS RELATING TO COVID-19



Century Properties Group's COVID-19 Crisis Management Approach October 2021

I. Background:

The first half of 2020 saw very challenging times for the Philippines. The country faced a series of major shocks —

- The Taal Volcano eruption in January,
- The declaration of the coronavirus as a global pandemic in early March, and
- The resulting lockdowns in the National Capital Region from mid-March to present.

These events tremendously affected the economy and have brought an unparalleled wave of change to society and businesses. Construction stopped for three (3) months and business operations were largely disrupted. As the pandemic rolled into 2021, the slowdown in economic activity continued to dampen certain segments of the real estate market. Surges in coronavirus cases and recurring lockdowns underscored the importance of vaccinating the workforce.

The following narrative details the steps that were taken by Century Properties Group (CPG) to ensure business continuity amidst the crisis, manage risks and mitigate the impact of the pandemic to the business, its people, and the entire organization from 2020 to 2021.

II. The Emergency Preparedness Plan

The company was still preoccupied with helping the displaced families of the Taal Volcano eruption in January when it started planning and discussing the potential risks of COVID-19 to the business. CPG's Emergency Preparedness Framework (Figure 1) was activated in March by the CPGI Crisis Management Team (Figure 2) to anticipate scenarios, implement solutions, and look after the health and safety of company personnel and customers.

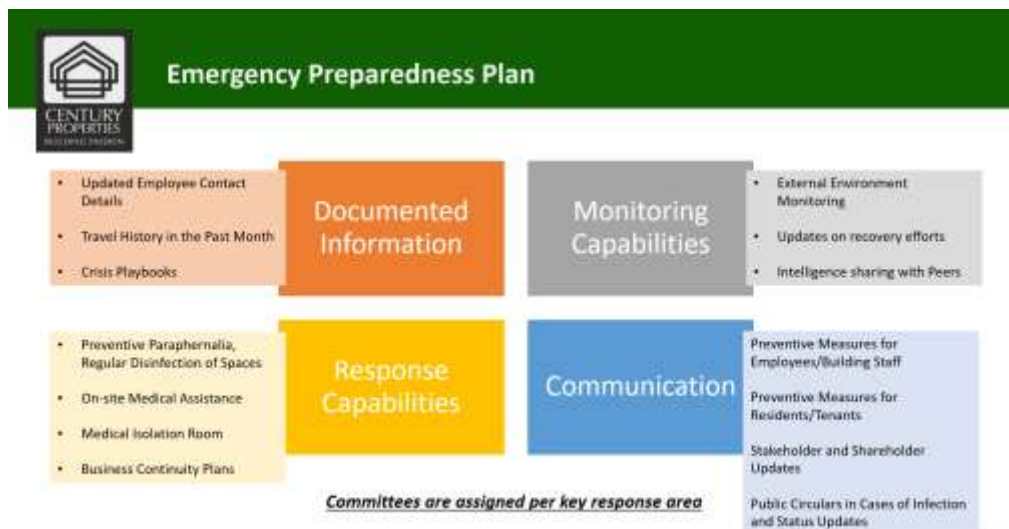


Image 1: CPG's Emergency Preparedness Framework for COVID-19

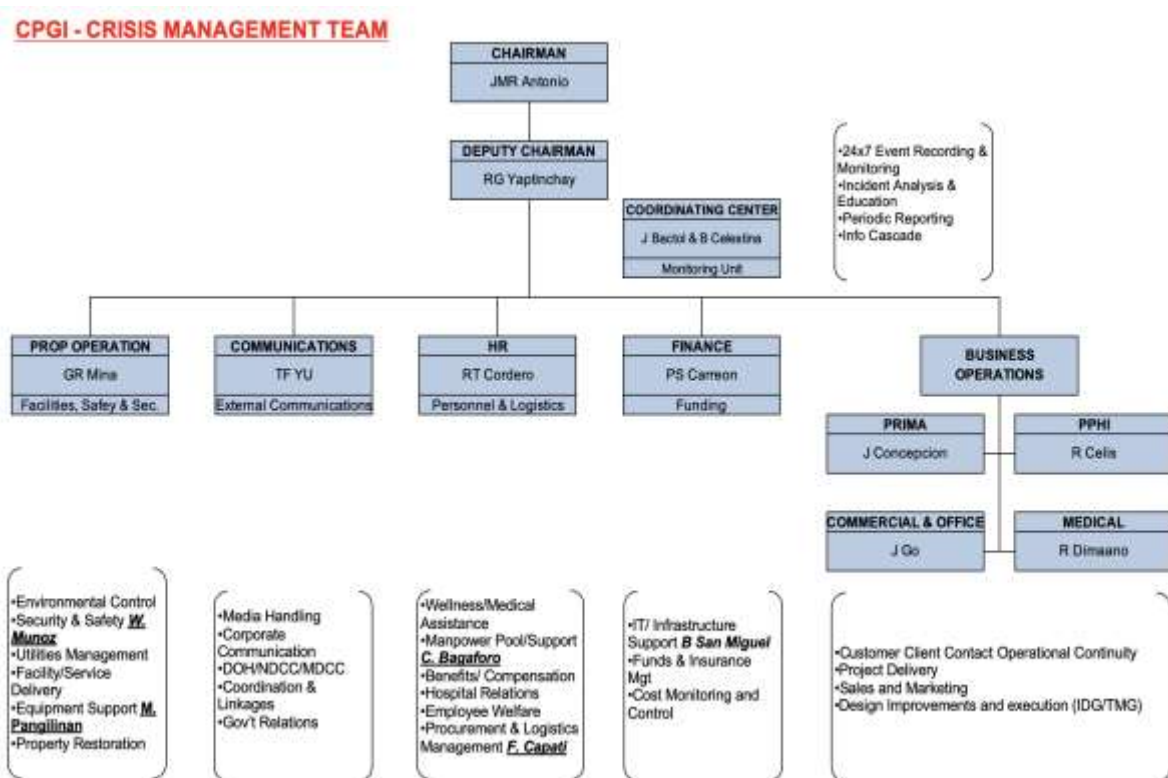


Image 2: The CPGI Crisis Management Team

Ahead of the government's lockdown announcements, the CPGI Crisis Team communicated the emergency plans and health and safety protocols to the organization, and prepared employees for business disruption scenarios, including remote work arrangements.

III. Business Operations and Strategy

With pre-lockdown plans already in place, the CPGI management team built robust liquidity levels and maintained a healthy balance sheet while it prepared the company for new business opportunities.

A. Operations

1. During the lockdowns and various quarantine classifications and adjustments, the company smoothly operated under reduced capacity attending to priority transactions. The team attended to taking care of the workforce, processing collections, and critical banking transactions among other priority items.
2. The headquarters maintained a lean workforce composed of IT, Accounting, HR Admin, and other departments critical to essential company operations, while majority delivered their tasks under flexible work arrangements.



Images 3-4: The company continues servicing clients with its critical workforce at the headquarters even during the pandemic

3. For the communities under the management of Century Properties Management, Inc., critical services were maintained and provided to residents despite the quarantine because of early preparations and adequate staff housing and provisions. Personal protective equipment (PPE) was provided to organic and inorganic community personnel and safety protocols were implemented to protect the staff and residents.



Images 5-7: Organic and inorganic community personnel were provided with personal protective equipment for them to carry out their duties safely

B. Strategy

1. Increasing Liquidity. CPGI adopted an overall strategy of preserving and increasing liquidity levels by reducing operational expenses, reducing CAPEX by focusing on the completion of current projects and phasing new launches, and maintaining the positive operating cash flows of each of the company's business segments.

With CPG's prudent financial management, net debt to equity ratios have improved to single digits and the company has maintained its credit lines with banks at healthy levels despite tighter lending policies during the pandemic.

2. Continuing business expansion to diversify revenue sources. The company will continue to diversify its portfolio towards its original goal of balanced contributions from its three (3) business segments: in-city vertical developments, horizontal affordable housing, and commercial leasing. Planning for future projects and new businesses are underway to allow the company seize opportunities at a much quicker pace when the market recovers. Supported with its strong sales despite the pandemic, CPG's affordable housing brand Phirst Park Homes launched its 10th project as of September 2021. Its 10 locations now include Tanza and General Trias (Cavite), Lipa and Batulao (Batangas), San Pablo and Calamba (Laguna), Pandi and Baliwag (Bulacan), and Magalang Pampanga.

CPGI is also retaining its recurring income assets. As office leasing remains resilient by nature of long-term leases, the company added 25,000 square meters of floor area to its office leasing portfolio in 2020, growing it to 134,142 sq.m. of gross floor area in preparation for a market recovery. The additional leasing space comes from CPG's acquisition of joint venture partner Mitsubishi Corporation's 40% stake in the newly-completed Century Diamond Tower.

Retail mall leasing, although temporarily affected by the current situation, only accounts for 8% of CPG's leasing income.

3. Acceleration of digital sales and programs. The company accelerated the digital programs it started years back to further enhance marketing, sales, payment facilities, and other support services for the benefit and safety of the company personnel as well as customers.

- CPG's Digital Homebuying Experience is in place for a smooth customer journey, complete with all the tools for the critical steps of marketing, lead generation, unit viewing on site, real-time unit selection, and unit reservations.

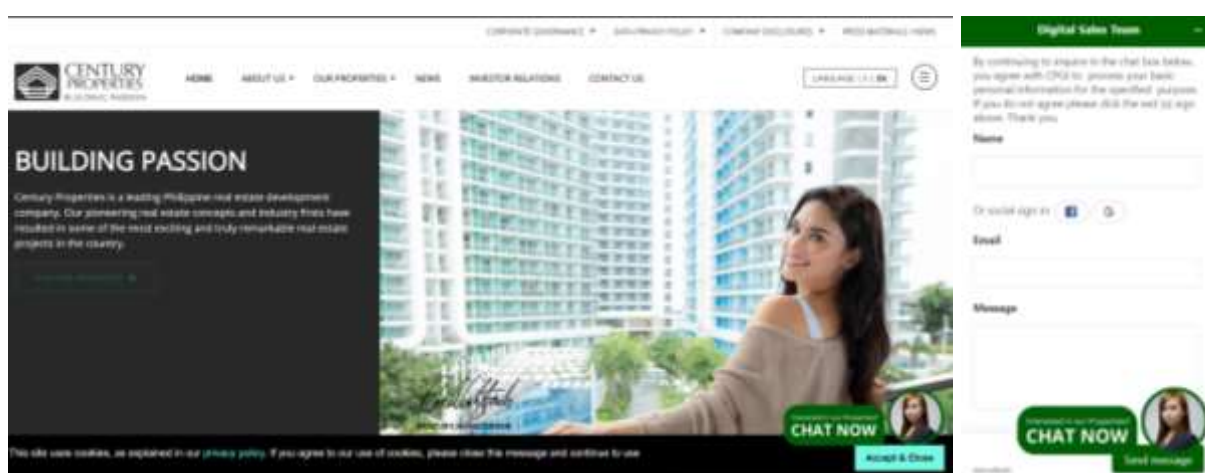


Image 8: Chat with a CPGI Corporate Sales representative via the company's websites



Image 9: Visit the Company's project websites to take a virtual tour of actual units in its properties

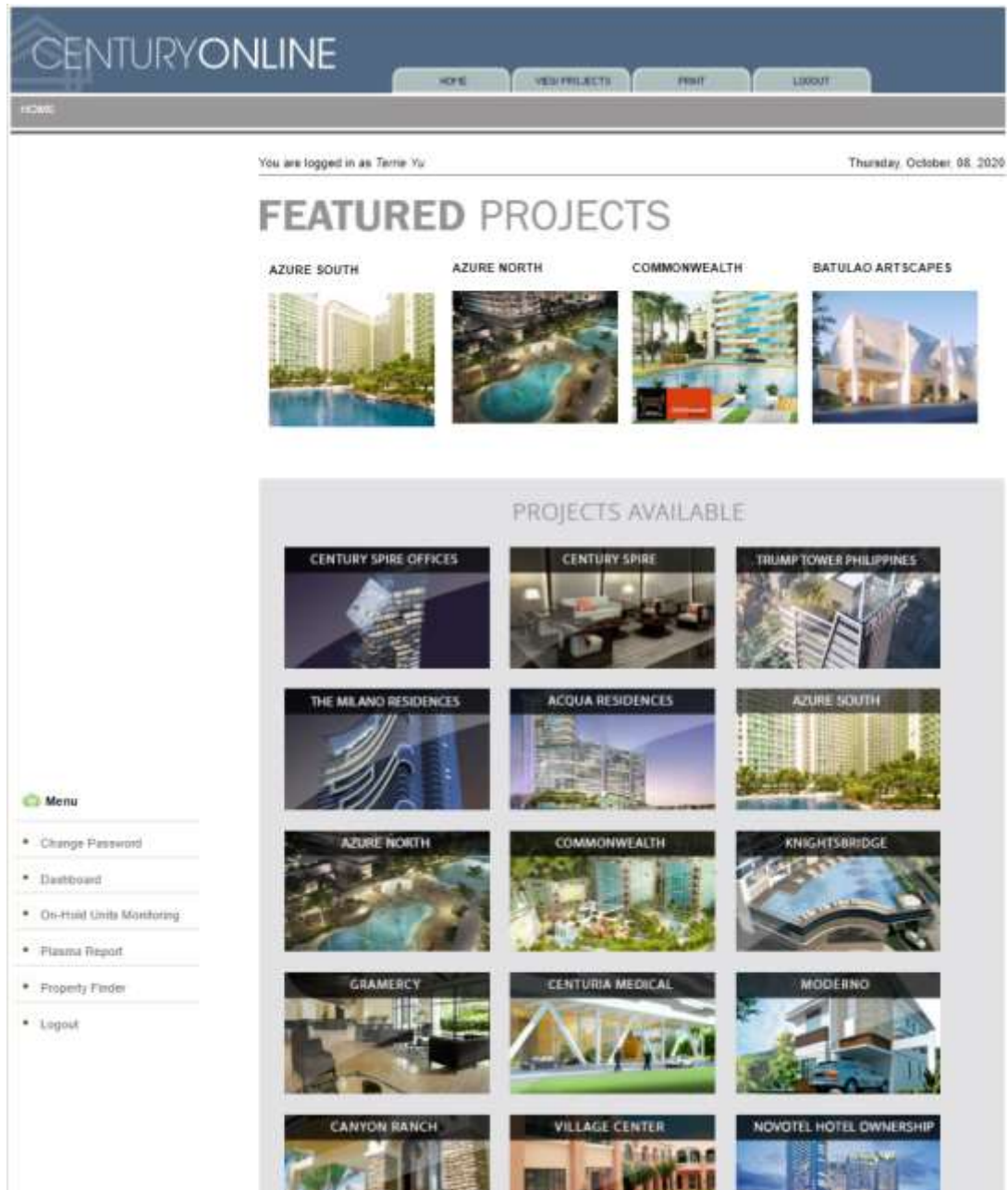


Image 10: Century Online is CPG's real-time inventory system that allows unit selections and online reservations

- The Century Client Assistance Program (CCA) allows buyers to complete purchase requirements and accomplish buyer forms remotely.

HOW TO PURCHASE YOUR DREAM HOME AT CENTURY PROPERTIES

A quick guide to purchasing or investing in your very own Century home.



STEP 1 HOLDING & RESERVATION

- CHOOSE A CENTURY UNIT AND DESIRED PAYMENT TERMS
- SETTLE YOUR RESERVATION FEE
- ACTIVATE YOUR CLIENT CREDIT ASSISTANCE (CCA) ACCOUNT
- FILL UP THE PAYMENT CONFIRMATION DETAILS
- FILL UP THE BUYER'S INFORMATION SHEET (BIS) ONLINE
- FILL UP THE CLIENT CREDIT ASSISTANCE (CCA) FORM ONLINE



STEP 2 BOOKING

AUTO-GENERATE AND PRINT THESE DOCUMENTS FROM YOUR CCA ACCOUNT, SIGN AND SUBMIT COPIES TO THE DOCUMENTS AND COLLECTIONS GROUP (DCG):

SALES DOCUMENTS

- BUYER'S INFORMATION SHEET (BIS)
- CLIENT CREDIT ASSISTANCE (CCA) FORM OR PRE-QUALIFICATION FORM
- DATA PRIVACY CONSENT
- CONTRACT TO SELL (CTS)
- SPECIAL POWER OF ATTORNEY (SPA)
- DEED OF RECONVEYANCE (DOR)
- PAYMENT SCHEDULE



STEP 3 CONTRACTING & AUTHENTICATION

SIGN AND AUTHENTICATE (NOTARIZE/CONSULARIZE / APOSTILLE) THE CONTRACT TO SELL (CTS)



STEP 4 DOWN PAYMENT & BANK LOAN APPLICATION

- PAY YOUR EQUITY AS INDICATED IN YOUR PAYMENT SCHEDULE
- SUBMIT PROOF OF INCOME/VALIDATION OF FINANCIAL INFORMATION
- COMPLETE AND SUBMIT BANK REQUIREMENTS FOR THE DCG TO PROCESS



STEP 5 BANK LOAN APPROVAL

- SIGNING OF LOAN DOCUMENTS
- PAYMENT OF BANK FEES



STEP 6 LOAN RELEASE

BANK WILL RELEASE THE PROCEEDS TO THE DEVELOPER (CENTURY)



STEP 7 TURNOVER AND MOVE IN

- UNIT INSPECTION AND PUNCHLIST
- ACCEPTANCE OF UNIT
- ENDORSEMENT OF ACCOUNT TO THE PROPERTY MANAGEMENT OFFICE (PMO) FOR HOMEOWNERS ASSOCIATION (HOA) ORIENTATION AND DUES.



STEP 8 TITLE TRANSFER

- PROCESSING OF TITLE UNDER YOUR NAME
- PROCESSING OF TAX DECLARATION

ENJOY YOUR NEW HOME!

For inquiries, please contact your Century Sales Officer or email ask@century-properties.com
AS OF JUNE 2020

Image 11: The CPGI Customer Homebuying Journey

- CPGI's Customer Online Records Access (CORA) Portal allows buyers to stay updated with their property purchases, receive construction updates, and correspond with our teams for concerns.



Image 12: The CPGI CORA Portal

- The Virtual Unit Turnover Process has allowed the Company to resume this critical stage of the customer journey for the convenience of our overseas-based clients and those who prefer to do unit inspections from home.

IV. Support for Employees and Workers

CPGI has allocated resources to take care of its personnel, allow them to work with flexibility, and protect them from unnecessary risks. Healthcare benefits, IT support, allowances, as well as regular health and workplace safety reminders and monitoring are distributed across all business units. Among the company initiatives and policies briefed employees regularly about the following protocols and support:

1. Workplace Guidelines for COVID-19 Prevention
2. Office Reporting Protocol in Response to COVID-19
3. HMO Updates and Facilities that receive COVID-19 Patients
4. IT Hardware and Software Support for Remote Work Arrangements
5. Adequate Living Quarters for Critical Workforce
6. Employee Work Tools Inventory Planning and Monitoring
7. Critical Workforce and Augmentation Workforce Monitoring
8. Internet and Communications Allowances
9. Workplace Discipline Under the General Community Quarantine
10. CPGI COVID-19 Screening Procedures
11. Zoom Webinar: Physical and Mental Preparedness for the Work from Home Setup
12. Health webinars form Maxicare Philippines

During the enhanced community quarantine, CPGI supported its employees and construction workers through a combination of wages, leave conversions, food, and board and lodging provisions for the skeleton teams working on site.

In addition, the company has served meals and provided living provisions to hundreds of workers who are affected by the lockdown in our construction sites, provided masks and personal protective equipment to the skeleton teams and service staff in our properties, and assisted employees with health concerns with the help of Centuria Medical Makati and its HMO partners.

When the MECQ was lifted and replaced with GCQ in June 2020, the company activated a gradual resumption of operations at its Makati headquarters with the proper safety measures which continues to this day (**See Annex A**). The company distributed care kits to employees who have resumed work in the office containing washable cloth masks, face shields, and alcohol. A health response team is on standby for any emergency, Zoom teleconference

rooms are ready for the use of employees and their guests, and messenger services have been augmented for urgent and critical errands of CPGI employees.



Images 13-14: The company distributed care kits to employees who have resumed work in the office. Safety protocols including daily health monitoring continue to be observed.



Images 15-16: A health response team is on standby for any emergency



Image 17: Messenger services have been augmented for urgent and critical errands of CPGI employees.

For the resumption of construction work, CPGI ensured compliance and even measures that go above compliance with the guidelines of the Department of Labor and the Inter-Agency Task Force on Emerging Infectious Diseases. In May 2020, Phirst Park Homes, Inc. (PPHI), the affordable housing firm of CPGI and Mitsubishi Corporation, conducted COVID-19 rapid testing for 100% of its site personnel on May 18 and 19 as it resumed construction in its five (5) project sites in Tanza, Cavite; Lipa, Batangas; San Pablo and Calamba, Laguna; and Pandi, Bulacan.

PPHI directly tested 700 workers, which include both construction workers and project site personnel such as security guards, maintenance, and property management staff. Separately, PPHI's contractor Megawide Construction Corporation conducted tests to its

personnel who have started returning to PPHI sites, bringing the total number to more than 800 workers.

PPHI's footprint in North Luzon and Calabarzon for the said five (5) projects covers a total of 91 hectares and 8,799 units. The tests were conducted in line with the company's COVID-19 prevention and control measures for all project sites, where workers are also provided with the appropriate sleeping quarters, canteen, and hand washing stations. Orientations were given to enforce proper hygiene as well as social distancing.

Beyond ticking the box of compliance to guidelines issued by the national government, CPGI deems these measures critical in government efforts to contain and further prevent the spread of the coronavirus disease outside of Metro Manila.



Images 18-20: Phirst Park Homes conducted COVID-19 testing for all workers in 5 construction sites before resuming construction work in May

From May 2020, CPGI has conducted COVID-19 tests to more than 1,700 workers and site personnel before resuming construction of its in-city vertical developments in Century City, Makati; the Residences at Azure North in San Fernando, Pampanga; and the Residences at Commonwealth in Quezon City; and the five (5) project sites of Phirst Park Homes.



Images: 21-24: Simultaneous testing for construction workers and site personnel were done in Century properties construction sites in Century City, Makati; Azure North in Pampanga; and the Residences at Commonwealth in Quezon City



Images 25-28: Handwashing areas, hands-free hand sanitizing stations, disinfection mats and health kits were provided to make COVID-19 safety measures a habit among the workers and personnel on site

CPGI added antigen testing using various reliable US brands, from the Sofia 2 by LabX to the Abbott Panbio to company personnel screening protocols as a first-level test and prior to the RT-PCR swab test, to further improve safety in the workplace. “Fast and accurate results from this new test will allow us to act swiftly and prevent the spread of infection in our construction sites, communities, and offices,” said CPGI President and CEO Marco R. Antonio, who is leading the company’s workplace safety efforts with the company’s human resources team.



Images 29-32: CPGI employees undergo the Sofia 2 antigen testing in September

Sofia 2 detects active COVID-19 virus in less than 20 minutes through painless swabs with 100% specificity and 96.7% accuracy. It is manufactured by Quidel Corporation in California and is distributed locally by LabX Corp. Approved by the Food and Drug Administrations of the United States and the Philippines, Sofia 2 is being used in the United States and Europe as an acceptable confirmatory test for COVID-19.

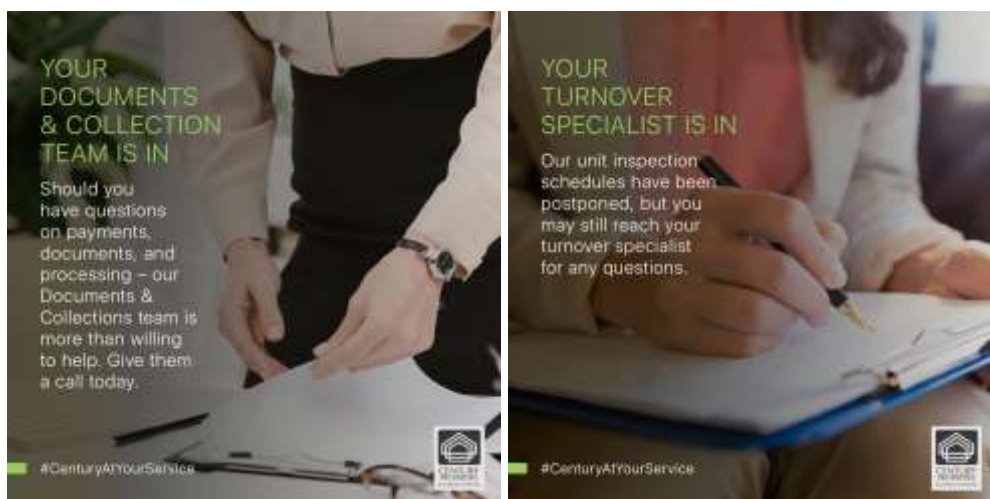
CPG's outpatient medical arts facility, Centuria Medical Makati, has partnered with LabX to open a drive-thru service for Sofia 2 in Century City for individuals and companies. Centuria Medical General Manager Rey V. Dimaano said the service was warmly received since its launch mid-September. "This shows how receptive private citizens are to getting tested for COVID-19 using accurate and reasonably-priced tests. Century Properties Group, through Centuria Medical Makati, is pleased to contribute to COVID-19 prevention not only for the benefit of CPGI employees but the general public," he said.

Aside from antibody rapid testing, antigen testing (through Sofia 2), and RT-PCR swab testing, the company is strictly implementing health protocols such as daily temperature scanning and health monitoring, safety orientations, the mandatory wearing of masks, and observing physical distancing. Handwashing areas are provided to make it a habit for workers to wash their hands more frequently. Workers and employees are also given health kits with face masks and vitamins.

V. Customer Support

Throughout various quarantine classifications, CPGI stayed true to its commitment of customer service and continued servicing its unit buyers, homeowners, tenants, mall-goers, and customers while taking care of its service frontliners.

- Even as the offices were closed during ECQ or operations were decreased to a minimum, core teams from key departments continued serving CPGI clients. Helplines were open and all the digital channels of the company, including its webchat, e-mail, and social media platforms.





Images 33-36: Excerpts from CPG's customer information campaign during the height of the community quarantine in March

- Executive Chairman Jose E.B. Antonio and President and CEO Marco R. Antonio sent personal messages to CPGI stakeholders through emails and posts in the company's website and social media pages.



Images 37-38: Excerpts from the Messages from the Executive Chairman and CEO sent in March 2020



Images 39-40: Excerpts from the Messages from the CEO to employees (left) and clients (right) in April 2020



Image 41: Excerpts from the Message from the CEO to employees in May 2020

- Key stores at Century City Mall remained open for essential needs, such as The Marketplace, Watson's, BreadTalk, and several restaurants. As more stores opened in Century City Mall added in modern disinfection equipment at all entrances for the safety of its tenants and customers.



Images 41-45: Century City Mall, its personnel, and its tenants continued providing essential services to the public during the height of the quarantine



Images 46-51: Century City Mall added in modern disinfection equipment at all entrances and posted health protocols on its social media accounts and within mall premises for the safety of its tenants and customers

- Centuria Medical Makati, the country's largest outpatient medical facility, remained open even during the ECQ. Centuria's Urgent Care Clinic is open 24/7 and a triage tent screened patients throughout the ECQ and MECQ prior to entering the building premises. Essential outpatient services by doctors from different fields of specialty were made available. The triage tent was eventually replaced with hospital-grade disinfection systems and a digital health monitoring system. Centuria remains a COVID-free facility (**Images 52-57**).



CENTURIA MEDICAL MAKATI

YOU CAN

FEEL SAFE

1. Health Monitoring Forms
2. Shoe Disinfection Mat
3. Thermal Scanner
4. Air Curtain with UV Disinfection Lamp
5. Automated Alcohol Dispensers
6. Designated lifts for pediatric, geriatric etc. patients
7. Physical Distancing in elevators and common areas
8. Regular Disinfection through misting
9. UV, Plasma & True HEPA Air Filters



CENTURIA MEDICAL MAKATI

THE DOCTOR IS IN

TELECONSULT
IN THREE EASY STEPS

STEP 1

Send a **Viber** message to
Centuria Online
+63 917 149 9699

STEP 2

Make payment and wait for confirmation.
PayMaya GCash BDO

STEP 3

Proceed with your Teleconsultation with the Doctor.

TELECONSULTATION
10am - 4pm | Monday - Sunday
Depending on the availability of the MD

Stay healthy. Stay home.

- For the health and safety of all stakeholders in CPG-developed and managed communities, the company enhanced disinfection measures in offices and residential properties. Aside from misting programs in the common areas, the company installed human sanitation tents, UV disinfection chambers, as well as vehicle disinfection at building and community entrances of Century City, Acqua Private Residences, Azure Urban Resort Residences, and the Residences at Commonwealth.



Images 58-60: A UV disinfection chamber in one of CPG's managed office buildings; misting in residential communities

- To honor the sacrifices of CPG's service champions on the ground – the concierge, engineers, housekeeping, administration staff and backroom support teams – who keep the buildings and communities running even during the pandemic – the company launched the #CenturyAtYourService campaign on its Facebook page. This is in addition to providing the critical workforce in project sites with their needs and keeping them healthy and motivated throughout this period, including providing adequate staff housing, protective equipment, food, vitamins, and financial support (**Images 61-74**).







VI. Support to the government

CPGI also took part in the conversion of the Philippine Sports Stadium to a COVID-19 mega testing facility, which opened in May at the Philippine Arena in Bocaue, Bulacan.

The said facility is the designated northern sector swabbing center of the government's 'Test, Trace, and Treat' strategy that is being spearheaded by the National Action Plan Against COVID-19 Deputy Chief Implementer and Bases Conversion and Development Authority (BCDA) President and CEO Vivencio Dizon. It has six (6) healthcare station tents with 96 test booths, and a minimum testing capacity of 1,500 per day.

CPGI contributed a significant portion for the said facility's construction and operations. "In addressing a health crisis, it is very important to act swiftly and decisively, that's why we immediately heeded this call to get the much-needed resources in place," said CPGI Executive Chairman Jose E.B. Antonio.

"We recognize BCDA for its valuable efforts and quick action in rolling out these four (4) mega testing facilities and executing this immense task for the Filipino people. It is in the same spirit of *bayanihan* that we commit our full support to this cause. We believe that by joining forces with government and other organizations in this fight against COVID-19, we can emerge from this public health crisis as a stronger, united, and a better nation," Antonio said.

The Philippine Arena is the fourth mega swabbing center converted to ramp up implementation of massive testing in the country.



Images 75-79: Philippine Sports Stadium at the Philippine Arena in Bulacan, which the government converted into a testing center with Century Properties and other partners, opened in May as the designated northern sector swabbing center of the government's 'Test, Trace, and Treat' strategy.



"We, in government, are grateful for the huge support and active participation of our private partners in responding to the COVID-19 crisis. Century Properties Group has largely contributed in building up the country's testing capacity by providing healthcare stations and testing booths inside the Philippine Arena mega swabbing center," Secretary Vince Dizon underscored in a press conference in May 2020.

On November 27, 2020, CPGI together with other private sector companies signed a tripartite agreement with the Philippine government and the British-Swedish pharmaceutical company AstraZeneca for the advance purchase and donation of a total of 2.5 to 3 million COVID-19 vaccines to the Filipino people.



Image 80: Century Properties Executive Chairman Jose E.B. Antonio (topmost row, center) gives a double thumbs up together with other captains of industry after the official signing of a tripartite agreement among private sector companies, the Philippine government led by vaccine czar Secretary Carlito Galvez, Jr. and AstraZeneca Pharmaceuticals, (Phils.) Inc. Country President Lotis Ramin for the donation of a total of 2.5 million COVID-19 vaccines to the Filipino people.

CPGI was represented by its Executive Chairman Jose E.B. Antonio at the signing, which was attended by the vaccine czar Secretary Carlito Galvez, Jr., Presidential Adviser for Entrepreneurship and Go Negosyo founder Joey Concepcion, AstraZeneca Pharmaceuticals (Phils.) Inc. Country President Lotis Ramin with about 40 other captains of industry.

“We at Century Properties Group remain committed in helping our country and the Filipinos fight this pandemic, and help the Philippines to gradually recover from the health and economic impacts of COVID-19. We continue to contribute to this cause and in protecting the welfare of our workforce and their families, which is the very backbone of our economy,” CPGI Executive Chairman Antonio said.

The initiative was led by Concepcion to “augment the national government’s separate procurement initiatives (of the vaccine),” as announced in an earlier statement on Thursday. With two (2) doses required of the AstraZeneca vaccine per individual, the consolidated quantity of 2.5 to 3 million vaccines will allow the inoculation of about 1.5 million Filipinos. The Department of Health will handle the deployment of the vaccines, Concepcion said, of which half are allocated for government frontliners. The other half will be allotted for private sector employees.

CPGI has earlier supported the construction of a mega testing facility at the Philippine Arena in Bocaue Bulacan to create a northern swabbing center with a minimum capacity of 1,500 tests a day. The company is also strictly implementing a rigid three (3)-stage testing protocol for its employees using rapid, antigen, and RT-PCR swab tests to ensure safety in the workplace, among other health and sanitation measures to prevent the spread of COVID-19.

Century Properties Group rolls out 100% FREE vaccination for 5,000 workers

Free COVID-19 immunization to cover Regular Employees and Qualified Dependents, Inorganic Employees, Construction Laborers, and Accredited Third-Party Service Personnel



To contribute to nationwide efforts to reach herd immunity and economic recovery, CPGI kicked off the **CPG VacciNATION: Covid-Protect our Generation** immunization program on July 26, 2021 at Centuria Medical in Century City, Makati. The vaccination program will provide 100% free vaccines to 5,000 company employees, inorganic employees, accredited sales agents, construction laborers, and accredited third-party service personnel starting this month.

CPGI has procured 26,000 doses of vaccines from AstraZeneca, Moderna, Novavax and Covaxin. Of this quantity, 10,000 doses are for CPGI workers (2 doses per recipient) while the balance is intended for employee dependents as well as donations to the national government. The first 10,000 doses from CPGI's orders will be administered at the company's Department of Health and Makati City-registered Bakuna Center: Centuria Medical at Century City in Poblacion, Makati—CPGI's flagship private outpatient medical facility.

"The CPG VacciNATION program affirms our company's commitment to protect our people from COVID-19 and do our share towards achieving herd immunity for the country. It is every Filipino's duty to get vaccinated and protect his family, loved ones, co-workers and fellow citizens," said company President and CEO Marco R. Antonio, who is co-leading the program with CPGI's Human Resources Group Head Ritchelle T. Cordero, company Vice Chairman John Victor R. Antonio and Managing Director Carlo R. Antonio.

In support of Makati City's Bakuna Makati program, CPGI VacciNATION kicked off in April with a series of virtual employee townhall meetings to address vaccine hesitancy. Conducted with the participation of Centuria doctors, Maxicare Philippines, and internal resource

speakers, the employee meetings were also accompanied with digital handouts citing credible research about the COVID-19 vaccines.

While the company awaited the arrival of its vaccine orders, CPGI also called on its employees to register with their respective local government units and avail of the vaccines ahead if they are already qualified under the government's priority sectors.

“Our country's post-pandemic recovery depends on getting as many Filipinos vaccinated. The CPG VacciNATION program is meant to give not just the CPG workforce but also their families immediate protection from COVID-19, and to take their doses conveniently within the safe confines of Centuria Medical Makati,” said CPGI Vice Chairman John Victor R. Antonio.

Centuria Medical was certified as a vaccination site of the City Government of Makati on July 7, 2021, having complied with the requirements under City Ordinance No. 2021-094, COVID-19 Vaccination Site Standardization Protocol and Registration Process, and the approval of the DOH based on its Assessment Tool for Identification of COVID-19 Vaccination Implementing Units and Vaccination Sites.

CPGI has been at the forefront of safeguarding the health of its workforce since the onset of the COVID-19 pandemic. With 29 buildings completed post public listing, 88 buildings under property management, and seven (7) affordable housing communities under development, the company tripled on its health and safety protocols to protect its workforce, service frontliners, and customers. This includes investments in PPE and advanced disinfection equipment, rigorous COVID-19 testing for employees every two (2) weeks, and providing living quarters to construction laborers and critical frontliners during the height of the strict lockdowns.

THE VACCINATION SITE: CENTURIA MEDICAL MAKATI, CENTURY CITY, POBLACION



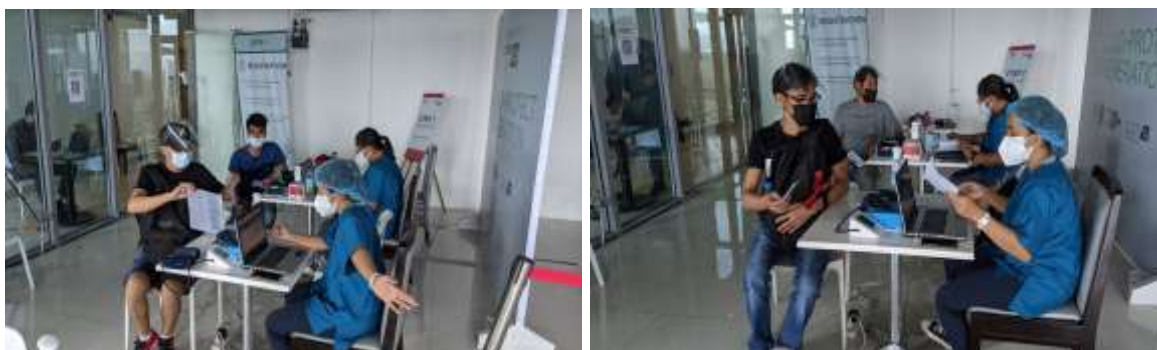
STEP 1: WAITING AREA FOR WORKERS FOR QUEUING (6F)



STEP 2: VERIFICATION OF PRE-REGISTERED NAMES, SIGNING OF CONSENT FORMS, ISSUANCE OF BLANK VACCINATION CARDS (10F)



STEP 3: VACCINATION PROPER (ROOF DECK LEVEL)
3a – REGISTRATION



3b – SCREENING



3c – INOCULATION



3d – OBSERVATION



POST-VACCINATION PHOTO OP WITH SHIRT STICKERS



Mental Health First: Century Properties Group Kickstarts Workshop Series on Managing Mental Wellbeing



At the virtual signing to seal the partnership between Century Properties Group (CPG) and Shelter from the Storm are (clockwise from left) Centuria Medical Makati General Manager Rey Dimaano; CPGI Corporate Communications Head Terrie Fucanan-Yu; Katrina Corpuz and Mr. Cenen Enrique Corpuz, Shelter from the Storm, Inc. Executive Director; CPGI Human Resources and Administration Group Head Ritchelle Cordero; and CPGI Managing Director Jose Carlo R. Antonio.

The partnership seeks to open a therapy clinic in CPG's outpatient medical facility Centuria Medical in Century City, Makati. The initiative is under CPG's corporate social responsibility program that aims to give a person's psychological, emotional, and social wellbeing of equal importance as physical health, especially in light of pandemic-induced challenges.

Shelter from the Storm, Inc. (SFTS) and Century Properties Group kicked off its workshop series for company employees on mental health with a webinar on handling stress, anxiety, and managing mental wellbeing in the new normal.

Led by SFTS's founder and executive director Cenen Corpus and Dr. Rodrigo Vasquez Lopiga, a clinical psychologist and psychotherapist, the session focused on the importance of

mental health, how the COVID-19 pandemic has induced or triggered mental health conditions, and how employees can best boost their mental health.

Aside from the workshop series that aim to educate members of the CPGI family about the importance of mental health, the partnership between CPGI and Shelter from the Storm will also include opening a therapy clinic at Centuria Medical Makati in Century City, Makati where employees and their immediate family members can seek free mental health consultations or assessment sessions.

“We need to remove the stigma of mental health counseling,” says CPGI vice chairman John Victor Antonio. “Physical health is at the forefront of everyone, but during this pandemic, mental issues have been amplified,” he adds. Together with CPGI managing director Carlo Antonio, the vice chairman recognizes the importance of providing employees access to a trusted clinic to discuss mental wellbeing.

Work-life balance struggles in the new normal

Working from home, despite saving employees from the morning rush and tiring commutes, has its own set of challenges. From balancing household chores and work tasks to not having a proper work area and missing face-to-face interactions with teammates – many have learned to manage all these but end up feeling exhausted.

“A growing number is realizing how challenging it is to manage the blurred boundaries between family and work. There are also those who feel that they need to be available 24/7 because colleagues, supervisors, and clients send emails and schedule online meetings at odd hours,” says Corpus.

Juggling all these things while making sure you don’t get sick can take its toll on one’s wellbeing leading to high levels of stress and anxiety.

Know the early warning signs

To be able to perform well at work while staying present at home, it’s important to recognize signs of stress, address these, and maintain mental hygiene. Dr. Lopiga explains that mental hygiene pertains to “developing, maintaining, and promoting necessary behavioral, emotional, and social skills to sustain good, effective, and efficient mental health.”

Is this possible in a WFH/new normal setup? By recognizing the signs of extreme stress early on, admitting you need help, and having the support you need, the answer is yes. Dr. Lopiga shared warning signs of stress that have physical, emotional, and behavioral manifestations such as:

Physical

- Muscle tension, headache, fatigue
- Heartburn, shortness of breath, sleep disturbance

Behavioral

- Hypersensitivity, poor productivity
- Increased absenteeism, irritability

Emotional

- Anxiety, sadness
- Frustration, overreaction

Thoughts and Perception

- Brain fog, reduced creativity
- Fear of rejection, negative self-talk

Prioritizing mental health

Dr. Lopiga encouraged members of the CPGI family to be on the lookout for these signs and to not be afraid to seek psychological support.

Recognizing one's feelings and being open to professional help are brave steps into breaking the stigma of mental health conditions. To get started in caring for your overall wellbeing, Dr. Lopiga shared these reminders:

- Stay connected with loved ones through instant messaging, but preferably with video calls.
- Know when to skip the news and social media – especially if it's making you feel stressed or anxious.
- Get plenty of rest and allot time for exercise.
- Keep a positive mindset and follow health protocols to help contain the virus.
- Follow reputable news sources to stay informed.
- Seek support and mental health services if you feel anxious, worried, or overwhelmed.

PROPERTY DEVELOPMENT PROJECTS

As one of the leading real estate developers in the Philippines, CPGI prides itself on providing a wide range of innovative real estate products to its customers. The Company's approach to property development focuses on creating unique real estate properties with the best design, quality and amenities. CPGI identifies the global standard and combines that with its ability to acquire land in prime urban areas to create properties that meet the demands of the Philippine real estate market. It develops properties for several market segments, from luxury residential projects to affordable and mixed-use developments.

Acqua Private Residences

A six (6)-tower master-planned development on a 2.4-hectare at the border of Makati City and Mandaluyong City, Acqua Private Residences has a tropical rainforest-infused design that attempts to combine nature with urban living. The towers each expected have views of the Makati City skyline. Acqua's amenities include a lounge area, juice bar and café, spa, climbing wall, boxing studio, tennis courts, and the first river walk promenade in the Philippines, which feature restaurants, bars, and designer stores. The six (6)-tower project is already complete—consisting of 3,320 units with a total GFA (inclusive of parking) of 227,740 sq.m. and is targeted at customers in the middle-income segment. The Pasig River separates Acqua Private Residences from Makati City, and the property will be easily accessible from Makati City via a bridge at the Pasig River.





Azure Urban Resort Residences



Designed by the award-winning master planning and architectural firm Broadway Malyan, Azure Urban Resort Residences consists of nine (9) residential buildings on a six (6)-hectare property, with 80% of the land dedicated to open space. The property is the first man-made beach residential development in the Philippines and features a beach club designed by internationally renowned celebrity, Paris Hilton. In addition to the Paris Beach Club, the property's amenities include a beach volleyball area, Zen garden, lap pool with cascading waterfalls, poolside bar, basketball court, multi-purpose court, THX-certified theater, an open park, playgrounds, and restaurants. The property is located beside the SM Bicutan mall in Parañaque City. The development targets the affordable housing segment, with 5,355 units and have total GFA (inclusive of parking) of 336,909 sq.m. The nine (9) towers have been

completed, namely: Rio, Santorini, St. Tropez, Positano, Maui, Miami, Maldives, Boracay, and Bahamas.

The Resort Residences at Azure North



The Resort Residences at Azure North is Century Properties' first development in Pampanga and outside of Metro Manila. This eight (8)-hectare mixed-use development replicates the developer's success with the Azure Urban Resort Residences in Bicutan, Parañaque, through its concept of beachfront living in the city.

With plans for condominium towers, townhouse clusters, office towers, and a retail boardwalk, Azure North is located on the western side of the North Luzon Expressway, close to the existing retail complexes. Each residential cluster will again be named after famous beaches around the world, namely Monaco, Bali, and Barbados. In addition to the beach, its water features will include various pools for children and adults. Amid these will be a pool bar, a beach club, a multi-purpose event space, and a centerpiece called the Azure North Island, which will be offered for private events and gatherings. Monaco and Bali towers were completed in 2021.

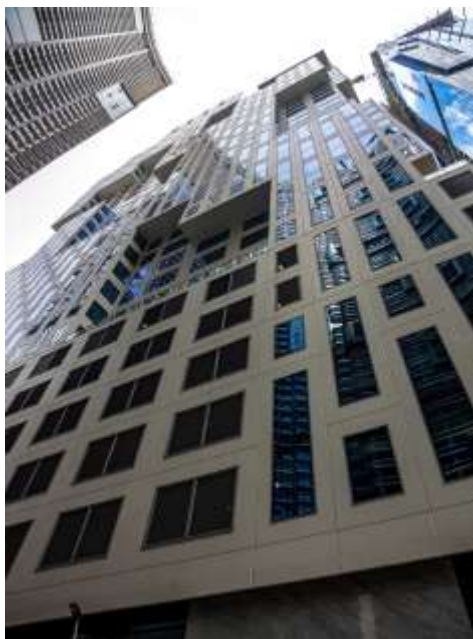
Century Spire

Launched in 2013, Century Spire is the last of the five (5) residential skyscrapers to rise in Century City, but is the first residential building to bear the Century name. The building's architecture is designed by Daniel Libeskind, the visionary architect behind New York's Ground Zero, while its amenities and common areas will be interior-designed by Armani Casa. The 50-story tower is expected to have a total GFA (inclusive of parking) of 90,479 sq.m. and over 370 residential units for sale. Century Spire will also have 24 floors of office space and two (2) floors of retail space, with more than 18,000 sq.m. currently planned for sale and lease.



Century Diamond Tower

Century Properties has also constructed an office building in partnership with Mitsubishi Corporation. The project is situated in a land area of 3,166 sq.m. and will be composed of commercial and IT office units. The entire project has a total GLA (inclusive of parking) of approximately 57,137 with 41 physical floors including 11 parking floors (five (5) basement parking and six (6) above ground parking) with 652 slots. The Philippine Economic Zone Authority (“PEZA”)-accredited building was completed in 2019. It has a net leasable area of 58,618 sq. m. and follows the core and shell rating system of the Leadership in Energy and Environmental Design (“LEED”). It is designed with the latest building features including the Variable Refrigerant Flow air-conditioning system, a building automation system, 100% backup power with redundancy, and fire detection and alarm systems.



On August 24, 2020 CPGI acquired its joint venture partner Mitsubishi Corporation's subsidiary's 40% stake in the newly-completed Century Diamond Tower. CPGI paid ₱1.9 billion for the acquisition of Mitsubishi's common shares in CCDCL. The transaction, which was approved by the Philippine Competition Commission ("PCC") on August 11, 2020, made CCDCL a wholly-owned subsidiary of CPGI.

The Residences at Commonwealth



It is a 4.4-hectare project of CPGI and its first master-planned residential community development in Quezon City. The eight-tower project is located in Commonwealth Avenue within the vicinity of a shopping center, top schools, techno hubs, churches and major thoroughfares. The Commonwealth by Century residential package includes livable unit layouts with extended balconies, distinctive amenities that encourage outdoor and holistic social interaction, a community with open spaces, greenery and waterscapes; and round the clock safety and security systems for the peace of mind of all residents. The project's unique architectural design, spacious unit layouts and pioneering amenities aim to redefine the standards of living in Quezon City. Out of the eight (8) towers, seven (7) have already been completed; namely, Osmeña West, Quezon North, Roxas East, Osmeña East, Roxas West, Quirino West and Quirino East.

Canyon Ranch

Canyon Ranch Phase 1 and Phase 2



The Canyon Ranch development, located in Carmona, Cavite, is a community south of Manila containing single-family detached homes, single attached homes, duplex, and townhomes. This development is a part of the San Lazaro Leisure Park, which includes one (1) of only two (2) operating horse racing tracks in the Philippines. CPGI acquired the right to develop the land and launched the project in May 2007. The project is a joint venture with the Manila Jockey Club. The development targets middle-income customers and is expected to consist of 929 single detached homes situated on 280,300 sq.m. upon completion. The Canyon Ranch development is a 25-minute drive from Makati City and is highly accessible via the South Luzon Expressway or the Alabang Skyway. The project is close to several shopping destinations, including the Alabang Town Center, Festival Mall, SM Dasmariñas, Pavillion Mall, and Robinsons Place Dasmariñas. As of September 30, 2021, 929 houses have already been completed.

Canyon Ranch Moderno (Phase 3)



The Moderno at Canyon Ranch is the expansion and Phase 3 of Canyon Ranch. With 150 homes, it offers an alternative home concept to practical urban families with its uplifting minimalist architecture and green design.

Asian Century Center

The newly-opened office development which is 89% leased out as of September 2021, is CPGI's first venture into the office property segment in Bonifacio Global City. The 21-storey office building, launched in partnership with Asian Carmakers has a GLA of 30,584 sq.m. Asian Century Center is accredited by the PEZA and meets its strict requirements of 100% power backup, provision for high-speed internet and infrastructure, and a building management system.



The tower has been pre-certified for the core and shell rating of LEED, a globally recognized green building and sustainability certification system. Precertification is awarded to projects with achievable sustainable targets that demonstrate the project's commitment to LEED certification. Asian Century Center is working towards a LEED Silver status.

Batulao Artsapes

Batulao Artsapes is Century Properties' first residential tourism community located in Nasugbu, Batangas. Its ArtVenture concept features art and adventure spaces, including a sports park, flavor park, and an art park. As a Livable Art Park, it offers designer homes from Revolution Precrafted. The first nine (9) hectares of the property consist of 500 homes by architect Ed Calma called Polygonal Successions and designer Kenneth Cobonpue's Hedera Home. Batulao Artsapes targets families, weekend adventure seekers, and active retirees with its relatively cool climate, world-class amenities, and proximity to Metro Manila's financial district. It only takes a 1.5 to 2-hour drive from Makati via four (4) access points: through Daang Hari Road towards the scenic Nasugbu-Kaybiang Tunnel, the Star Tollway to Tanauan Exit, the SLEX, and CAVITEX.



Phirst Park Homes

Phirst Park Homes, the First Home Buyer Brand of Century Properties Group and Mitsubishi Corporation unveiled its first development in the municipality of Tanza, Cavite, south of Metro Manila in May 2017. The 26-hectare horizontal community is accessible via Governor's Drive, one of the major highways in Cavite, and is about three (3) minutes away from SM City Trece Martires.

With the success of Phirst Park Homes Tanza, the Company also launched Phirst Park Homes Lipa in May 2018, and Phirst Park Homes San Pablo in March 2019, Phirst Park Homes Pandi in October 2019, Phirst Park Homes Calamba in November 2019, and Phirst Park Homes Batulao in December 2019, and Phirst Park Homes Magalang in November 2020.

The latest Phirst Park Homes projects were launched in July to August 2021. The projects include: Phirst Park Homes General Trias, an 18-hectare project in Cavite; Phirst Park Homes Tayabas, its first project in Quezon Province; and Phirst Park Homes Baliwag, a 15-hectare project in Bulacan which is its second project in the province.

Home seekers can expect the brand's 4Cs in all Phirst Park Homes master-planned developments: Complete and well-provisioned homes with a perimeter fence and gate, Conceptive amenities that promote a healthy and holistic lifestyle, connected living through WiFi zones and a shuttle service, and a Convenient and simplified selling and buying experience.



LAND BANK

The Company has an aggregate land bank with a site area of 1,737,000 sq.m. as of September 30, 2021. CPGI believes that its disciplined land acquisition, usually through joint ventures or installment sales, allows the Company to maintain a higher return on its equity compared to its peers and to have sufficient developable inventory for the next several years.

Below is a table of the Company's current land bank:

Location	Land size (in sq. m.)	Product Class
Mandaluyong	14,271	Mixed-Use with Mid Rise Condo and Leasing Assets
Katipunan, Quezon City	3,064	Mixed-Use with Mid Rise Condo and Leasing Assets
Novaliches, Quezon City	573,623	Mixed-Use with Mid Rise Condo and Leasing Assets
San Fernando, Pampanga	39,062	Mixed-Use with Mid Rise Condo and Leasing Assets
Batulao	444,029	Leisure / Tourism
Palawan	564,169	Leisure / Tourism
Lipa Expansion	98,782	Horizontal Affordable Housing
Total	1,737,000	

Employees

CPGI and its Subsidiaries have 1,191 employees as of September 30, 2021 and 1,306 employees as of December 31, 2020. The Company has no newly hired officers from January to September 2021. PPHI, the Company's affordable housing segment, intends to hire an additional one (1) rank and file employee, within the year.

Its employees are primarily engaged in development operations, construction, property management, as well as sales and marketing. CPGI and its Subsidiaries' local and international marketing and distribution network consist of 1,847 agents as of September 30, 2021 and 642 agents as of December 31, 2020. CPGI and its Subsidiaries have entered into

an Expense Allocation Agreement to pay the costs of such services and record such costs in general, administrative and selling expenses.

The following table shows the distribution of the Company and its Subsidiaries' employees across its core function areas.

	<u>As of</u> <u>September 30, 2021</u>	<u>As of</u> <u>December 31, 2020</u>
Development operations.....	389	388
Sales and marketing.....	35	15
Construction.....	249	294
Property management.....	518	609
Total.....	1,191	1,306
Agents		
Subsidized (In – house)	387	130
Commissioned (Including Brokers)	1,460	512
Total.....	1,847	642

In order to fulfill the manpower requirements, the Company subscribes to local and international job portals, job fairs, executive search and advertise job postings in leading newspapers and internet sites. The Company practices equal opportunity employment to all qualified talents in terms of hiring, salary job offers and promotion to hired employees.

CPGI employees are being empowered to take proactive roles with active learning and development plans, regular training opportunities and real career progression to ensure the continuity of the Company's vision.

Managers and staff are also routinely given feedback on their job performance and CPGI takes other steps to ensure the continuous development of its employees.

The total employee remuneration program provided by the Company has been designed to help compete in the marketplace for quality employees and the Company believes that these packages are in line with the industry standard in the Philippines. CPGI shall provide and enhance long-term incentive programs such as housing program, employees stock option plan and retirement program. The Company conducts annual performance reviews and rewards employees with annual salary increases if merited. The Company's goal is to position itself as an employer of choice in the Philippines.

The employees are not covered by a collective bargaining agreement and no employee belongs to a labor union. There has been no loss of work due to any labor disputes.

Land Acquisition

The Company sources land for development through joint venture agreements with landowners, or through direct purchases. Direct purchases can either be paid for in cash or on installment basis. The land acquisition process consists of three (3) main steps: identifying, assessing, and executing.

Project Design

The project design process involves the planning of the potential project, including determination as to the suitable market segment, master planning, design of property and

landscape design. Development timetables vary from project to project, as each project differs in scale and design. Typically, project planning begins after land acquisition and takes at least nine (9) months, during which time CPGI prepares both the master plan for the entire project (which can take several months and may be revised over the course of the project) and detailed plans for each project phase.

Project Development and Construction

Project development and construction involves obtaining the required Government regulatory approvals and executing the Company's plans. Typically, once the Company has completed the project planning phase, it obtains the necessary Government approvals and permits to conduct pre-marketing activities. For residential projects, once the project has received a development permit from the relevant LGU or HLURB, as the case may be, and a permit to sell from the latter, pre-sales of the residential unit can, and initial development work on the project site may commence. Before the site development process can begin, the Company must also obtain clearances from various Government departments, principally the DENR and the DAR, as well as the relevant LGU.

Below is the summary of amount spent on development activities, and its percentage to revenues during the last three (3) fiscal years:

	2018 (in Php, in Mn)	2019 (in Php, in Mn)	2020 (in Php, in Mn)	9M 2021 (in Php, in Mn)
Construction cost incurred	5,961	5,301	4,628	4,162
Real Estate Revenue	9,577	12,685	9,483	5,337
% to Real Estate Revenue	62.2%	41.8%	48.8%	78.0%

Marketing and Sales

The Company utilizes its local and international marketing network and believes it is one of the most active industry players when it comes to sales and marketing. The local and international marketing and distribution network consists of 137 exclusive agents who receive monthly allowances and commissions, and 1,460 external agents which include 1,349 commission-based agents and 111 brokers as of September 30, 2021.

The Company's advertising and promotional campaigns include the use of show rooms, print and outdoor advertising, fliers, leaflets and brochures designed specifically for the particular target market. The advertising and promotional campaigns are carefully conceptualized and managed by the Company's Corporate Communications Department.

Sales and Customer Financing

The Company normally conducts pre-selling of its property units prior to both construction and project completion. Customers generally start with the payment of non-refundable, non-transferable pre-sale fee that is valid for 30 calendar days from the date of payment. Within this period, the customer is required to submit the complete post-dated checks covering the monthly amortizations and the final turnover balance.

Notwithstanding certain buyers who opt to pay the purchase price in full and in cash, the Company requires 20% to 50% of the total purchase price to be paid during the construction stage, which is between three (3) to five (5) years. On the turnover date, the buyers would have fully paid the required 20% to 50% of the total purchase price, and would be required to either pay the balance in cash or apply for a bank-financed loan. The Company assists qualified homebuyers in obtaining mortgage financing from government-sponsored mortgage lenders and from commercial banks.

Sales Cancellations

Default and cancellations are subject to a variety of circumstances beyond the Company's control, such as adverse economic and market conditions as well as increase in interest rates.

After-Sales Services

The Company provides maintenance services through its subsidiary CPMI on projects that are fully turned over to the owners. The Company believes that CPMI's management of the completed projects increases their asset value.

The Company obtains feedback from the unit owners in order to provide quality home dwelling units in the future and to enhance long-term relationships with them. Finally, the Company has an in-house leasing department to handle the leasing and re-sale needs of its clients.

Insurance

The Company believes that it has sufficient insurance coverage that is required by Philippine regulations for real and personal property. Subject to customary deductibles and exclusions, the Company's insurance policies include coverage for, among other things, building and improvements, machinery and equipment, furniture, fixtures and fittings against damage from fire and natural perils, machinery breakdown, third-party liability to the public and construction works. The Company is not covered by business interruption insurance.

Competition

The Philippine real estate development industry is highly competitive. CPGI's primary competitors are real estate companies that also focus on developing residential and commercial buildings in the Philippines. The Company believes that customers choose among competing real estate companies based on design, amenities, price, location, developer reputation, quality of finishes, after-sales support services, unit sizes, monthly amortization and financing terms. Century's competitors vary depending on the target market. The main competitors are Ayala Land, Inc., DMCI Homes, Filinvest Land Inc., Megaworld Corp., Robinson Land Corp., Rockwell Land Corporation, and Vista Land & Lifescapes, Inc.

The Company believes that it can effectively compete with other companies in its industry through innovative branding strategies to effectively enhance brand visibility and product appeal while attempting to reinforce credibility as a leading developer in the Philippines. The Company is also developing properties in partnership with global brand names and setting up various marketing offices abroad to cater to foreign customers, Filipinos based abroad and OFW's.

Suppliers

The Company has a broad base of suppliers both local and international. The Company is not dependent on one or limited number of suppliers.

Customers

The Company has a broad market base including local and foreign individual and institutional clients, and the business of the Company is not dependent upon a single customer or a few customers.

Related Party Transactions

The Company, in its regular conduct of business, enters into transactions with related parties principally consisting of advances and reimbursement of expenses, development, management, marketing, leasing and administrative service agreements and purchases which are made based on terms agreed upon by the parties.

As of September 30, 2021 and December 31, 2020, the amounts due from related parties are ₱584.59 million and ₱464.42 million, respectively.

The amounts due to related parties of the Company amounted to ₱338.68 million and ₱270.01 million, as of September 30, 2021 and December 31, 2020, respectively.

Related party transactions are disclosed in the Company's reviewed consolidated financial statements as of September 30, 2021 and audited consolidated financial statements as of December 31, 2020, 2019, and 2018 under "Related Party Transactions".

Intellectual Property

The Company through its Subsidiaries has several trademarks/trade name and logos registered with the Intellectual Property Office of the Philippines. These trademarks have registration licenses and the same are continuously maintained and renewed after such registration anniversary for exclusive use of trademarks, names and logos.

The following are significant trademarks and logos of the Company's Subsidiaries registered which the management protects and secures licenses in updating its rights to use exclusively for its operations:

Century City Development Corporation

Trademark Title	Registration No.	Registration Date	Status
The Knightsbridge Residences at Century	4-2008-002251	07/07/2009	Active
The Gramercy Residences	4-2007-003346	08/13/2007	Awaiting Notice of Issuance
Century City Development Corporation	4-2007-003034	08/13/2007	Awaiting Notice of Issuance
The Gramercy Residences at Century City	4-2007-003343	08/13/2007	Awaiting Notice of Issuance
MOMA the Modern Makati	4-2007-004279	10/29/2007	Awaiting Notice of Issuance
Century City	4-2007-003035	08/13/2007	Awaiting Notice of Issuance
Century City Mall	4-2013-001793	02/18/2013	Active
Century City Mall	4-2013-001794	07/25/2013	Active

Century Limitless Corporation

Trademark Title	Registration No.	Registration Date	Status
The Sanctuary Cove	4-2009-006601	05/20/2010	Active
Sanctuary Cove (Stylized)	4-2009-006622	05/20/2010	Active
Acqua Private Residences	4-2010-009211	09/15/2011	Active
Acqua Private Residences and Design	4-2010-009212	09/15/2011	Active
The Pebble	4-2011-003766	09/15/2011	Active
Niagara Tower	4-2011-003771	09/15/2011	Active
Sutherland Tower	4-2011-003772	09/15/2011	Active
Dettifoss Tower	4-2011-003770	09/15/2011	Active
Yosemite Tower	4-2011-003767	09/15/2011	Active
Acqua Victoria Tower	4-2011-003768	09/15/2011	Active
Iguazu Tower	4-2011-003769	09/15/2011	Active
The Atlantis Residences	4-2009-004741	11/19/2009	Active
The Atlantis	4-2009-004742	11/19/2009	Active
Azure Urban Resort Residences	4-2009-010680	05/20/2010	Active
Azure Urban Resort Residences with a Rectangle	4-2009-010681	05/20/2010	Active
Azure Urban Resort Residences with a Rectangle Active	4-2009-010682	05/20/2010	Active
Acqua Iguazu Yoo Inspired by Starck	4-2011-014335	12/01/2011	Active
The Residences at Commonwealth by Century and Logo	4-2012-009282	07/27/2012	Active
Nova by Century	4-2013-00009720	08/14/2013	Active
Novacity by Century	4-2013-00009728	08/14/2013	Active
Azure	4-2017-009341	12/08/2019	Active
Miami	4-2017-009350	06/16/2017	Ongoing review of application
Azure North	4-2017-009355	11/18/2017	Active
St. Tropez	4-2017-009344	11/18/2017	Active
Rio at the Azure	4-2017-009343	08/04/2019	Active
The St. Tropez at the Azure	4-2017-009345	07/25/2019	Active
The Santorini at the Azure	4-2017-009346	11/18/2017	Active
Positano at the Azure	4-2017-009347	07/25/2019	Active
Maui	4-2017-009348	11/18/2017	Active
Maui at the Azure	4-2017-009349	07/25/2019	Active
The Miami at the Azure	4-2017-009351	02/29/2020	Active
The Maldives at the Azure	4-2017-009352	02/29/2020	Active
Bahamas at the Azure	4-2017-009353	03/31/2019	Active
Boracay at the Azure	4-2017-009354	03/31/2019	Active
Barbados at Azure North	4-2017-009356	03/31/2019	Active

Trademark Title	Registration No.	Registration Date	Status
Monaco at Azure North	4-2017-009357	03/31/2019	Active
Bali at Azure North	4-2017-009358	03/31/2019	Active
Batulao Artscapes	4-2017-009367	11/09/2017	Active
Batulao Artscapes	4-2017-009368	06/16/2017	Active
Artventure	4-2017-011921	07/28/2017	Active
Artscapes	4-2017-011920	07/28/2017	Ongoing review of application
Co. Dorms	4-2018-002012	02/02/2018	Ongoing review of application
Co. Livingspaces	4-2018-002013	02/02/2018	Ongoing review of application
Co.	4-2018-002014	02/02/2018	Ongoing review of application
Co. Spaces	4-2018-002015	02/02/2018	Ongoing review of application
Prima	4-2018-002016	02/02/2018	Active
Prima Villahome	4-2018-002017	02/02/2018	Active
Prima Townvilla	4-2018-002018	02/02/2018	Active
Prima Resorthome	4-2018-002019	02/02/2018	Active
The TownVillas	4-2019-00010914	06/26/2019	Ongoing review of application
The Co.	4-2019-00010917	06/26/2019	Ongoing review of application
Century Destinations	4-2019-00010918	06/26/2019	Active
Century Enclaves	4-2019-00010920	06/26/2019	Active
Century Prima	4-2019-00010919	06/26/2019	Active
Century Vertical Villas	4-2019-00010916	06/26/2019	Active
Century TownVillas	4-2019-00010913	06/26/2019	Active
Century Co.	4-2019-00010921	06/26/2019	Active
Century City Prima Homes At San Fernando	4-2021-515436	07/01/2021	New
Century Estate Prima Homes At Batulao And Logo	4-2021-515437	07/01/2021	New
Century Prima Residences At Acqua And Logo	4-2021-515446	07/01/2021	New
Century Prima Residences At Katipunan And Logo	4-2021-515440	07/01/2021	New
Century Prima New Generation Living With Aqua Background And Logo	4-2021-515443	07/01/2021	New
Century Prima And Logo	4-2021-515444	07/01/2021	New
Century City Prima Towers At San Fernando And Logo	4-2021-515445	07/01/2021	New
Century Prima New Generation Living	4-2021-515442	07/01/2021	New

Century Communities Corporation

Trademark Title	Registration No.	Registration Date	Status
Century Communities and Device	4-2007-003036	08/13/2007	Awaiting Notice of Issuance
Mt. Batulao by Century	4-2015-001992	11/05/2015	Active

Century Destinations and Lifestyle Corp.

Trademark Title	Registration No.	Registration Date	Status
Narra Hotels & Resorts and Logo	4-2014-006411	05/21/2014	Active
Crib by Narra and Design	4-2014-006413	05/21/2014	Active
Crib Hotels	4-2014-006412	05/21/2014	Active
The Cove at San Vicente Lifestyle Resort & Private Residences	4-2018-00016429	04/25/2019	Active
The Viu at Batulao Artsapes	4-2018-00016432	04/25/2019	Active
The Viu at Batulao Artsapes	4-2018-00016433	04/25/2019	Active
Destinations by Century Properties	4-2018-00011086	07/14/2019	Active
Canvas Artpartments	4-2018-00016430	09/18/2018	Ongoing review of application
Canvas Artpartments	4-2018-00016431	09/18/2018	Ongoing review of application
CDLC	4-2018-00011085	10/25/2018	Active

Century Properties Group Inc.

Trademark Title	Registration No.	Registration Date	Status
Cape San Vicente	4-2015-001994	02/24/2015	Active
A Censo Homes	4-2015-001995	02/24/2015	Active
Censo Homes	4-2015-001993	02/24/2015	Active

Government Approvals/Regulations

The Company secures various Government approvals such as the ECC, development permits, licenses to sell, etc. as part of the normal course of its business.

The Company has no principal product that has pending government approval as of September 30, 2021.

As of September 30, 2021, the Company is not aware of any existing or probable Governmental regulations that will have an impact on the Company's operations.

All government approvals and permits issued by the appropriate government agencies or bodies which are material and necessary to conduct the business and operations of the Company, were obtained by the Company and are in full force and effect.

Based on the legal opinion dated January 21, 2022 issued by SL Law, and unless otherwise indicated below, the material permits and licenses required for the Company's operations are valid and subsisting.

The list of the material permits and licenses of the Company and its Subsidiaries are set out below:

Issuing Agency	Title of Permit /License	Date of Issuance	Validity/ Expiration Date	Status/Remarks
<i>For Century Properties Group Inc.</i>				
SEC	Certificate of Incorporation	March 13, 1975	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	February 05, 2021	December 31, 2021	For renewal.
BIR	Certificate of Registration	January 01, 1997	N.A.	Valid and subsisting.
<i>For Century City Development Corporation</i>				
SEC	Certificate of Incorporation	December 19, 2006	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	February 05, 2021	December 31, 2021	For renewal.
LGU of Makati City	Business Permit-Lessor CC Mall	February 05, 2021	December 31, 2021	For renewal.
LGU of Taguig City	Business Permit-Lessor (Asian Century Center)	February 08, 2021	December 31, 2021	For renewal.
BIR	Certificate of Registration	December 20, 2006	N.A.	Valid and subsisting.
<i>For Century Communities Corporation</i>				
SEC	Certificate of Incorporation	March 15, 1994	N.A.	Valid and subsisting.
LGU of Municipality of Carmona, Province of Cavite	Business Permit	January 29, 2021	December 31, 2021	For renewal.
BIR	Certificate of Registration	June 20, 1994	N.A.	Valid and subsisting.
<i>For Century Limitless Corporation</i>				
SEC	Certificate of Incorporation	July 19, 2008	N.A.	Valid and subsisting.
LGU of Mandaluyong City	Business Permit	February 02, 2021	December 31, 2021	For renewal.
LGU of Parañaque City	Business Permit	January 29, 2021	December 31, 2021	For renewal.
LGU of Quezon City	Business Permit	January 29, 2021	December 31, 2021	For renewal.
LGU of San Fernando, Pampanga	Business Permit	February 01, 2021	December 31, 2021	For renewal.

Issuing Agency	Title of Permit /License	Date of Issuance	Validity/ Expiration Date	Status/Remarks
LGU of Batulao, Batangas	Business Permit	February 17, 2021	December 31, 2021	For renewal.
BIR	Certificate of Registration	July 09, 2008	N.A.	Valid and subsisting.
<i>For Century Properties Management, Inc.</i>				
SEC	Certificate of Incorporation	March 17, 1989	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	February 02, 2021	December 31, 2021	For renewal.
BIR	Certificate of Registration	January 01, 1996	N.A.	Valid and subsisting.
<i>For Century Destinations and Lifestyle Corp. (formerly CENTURY PROPERTIES HOTEL AND LEISURE, INC.)</i>				
SEC	Certificate of Incorporation	March 27, 2014	N.A.	Valid and subsisting.
LGU of Makati City	Business Permit	February 05, 2021	December 31, 2021	For renewal.
BIR	Certificate of Registration	April 08, 2014	N.A.	Valid and subsisting.

MATERIAL AGREEMENTS

The Company and its Subsidiaries, in the ordinary course of its trade and business, have executed material agreements for land acquisition, service agreements and licensing agreements with global brands it has partnered with, and insurance contracts.

Likewise, the Company and its Subsidiaries execute standard CTS for the sale of its condominium units, which is the repository of the provisions that govern the relationship and the rights and obligations of the parties until the execution of the deed of absolute sale. A standard deed of absolute sale ("DOAS") for the sale of the condominium units is executed upon full payment of all installments due for the purchase of the unit.

Other than the agreements related to its ordinary course of business, the Company has not signed any material agreements.

DESCRIPTION OF PROPERTIES

The following is a list of properties owned by the Company and its Subsidiaries as of September 30, 2021. The list excludes condominium titles under the development projects which have been completed although titles are still under the Subsidiaries' names as payments thereof have not yet been completed by the buyers. The list likewise excludes properties which are covered by joint venture agreements and properties still subject to contracts to sell, the titles of which have not been transferred in the name of the Company or Subsidiary upon full payment of the contract price. In pursuit of its trade and business, the Company and its Subsidiaries have entered into various mortgage agreements covering its properties in favor of financial institutions for the purposes of securing development loans. The Company intends to acquire properties within 12 months and the same will be disclosed to the SEC once finalized.

The Company and its Subsidiaries do not lease any land for development. The Company and its Subsidiaries lease office spaces of 4,497.5 sq. m. at Pacific Star Building and 1,959.5 sq. m at Century Diamond Tower, both of which are located in Makati City.

CENTURY CITY	OWNER'S NAME	(TCT NOS.)	ADDRESS	DESCRIPTION AND USE
DIAMOND (FORBES)	CENTURY CITY DEVELOPMENT II CORP.	TCT NO. 224334	B. Valdez St., Makati City	Retail / Office
SPIRE	CENTURY CITY DEVELOPMENT CORP.	TCT NO. 006-2014000691	Gen. Luna St., Makati City	Retail / Residential / Office
CENTURY CITY MALL	CENTURY CITY DEVELOPMENT CORP.	TCT NO. 006-2011000940	Kalayaan Ave., Makati City	Commercial / Retail
CLC – ACQUA	OWNER'S NAME	(TCT NOS.)	ADDRESS	DESCRIPTION AND USE
YOSEMITE	CENTURY LIMITLESS CORPORATION	TCT NO. 008-2011000715	Brgy. Hulo, Mandaluyong	Hotel / Residential
CLC – AZURE	OWNER'S NAME	(TCT NOS.)	ADDRESS	DESCRIPTION AND USE
CLC – AZURE NORTH	OWNER'S NAME	(TCT NOS.)	ADDRESS	DESCRIPTION AND USE
MONACO	CENTURY LIMITLESS CORPORATION	TCT NO. 042-2018009772	Brgy. San Jose, San Fernando City, Pampanga	Retail / Residential
BALI	CENTURY LIMITLESS CORPORATION	TCT NO. 042-2018009773	Brgy. San Jose, San Fernando City, Pampanga	Retail / Residential
BARBADOS	CENTURY LIMITLESS CORPORATION	TCT NO. 042-2019002870	Brgy. San Jose, San Fernando City, Pampanga	Residential
CLC – ACQUA	OWNER'S NAME	(TCT NOS.)	ADDRESS	DESCRIPTION AND USE
QUEZON SOUTH	CENTURY LIMITLESS CORPORATION	TCT NO. 004-2017010838	Matandang Balara, Quezon City	Residential

The cost value of office, computers, furniture and fixture, transportation, and other equipment is ₱2,081.42 million, with a net book value of ₱1,796.91 million as of September 30, 2021. The cost value of construction equipment is ₱251.50 million and were fully depreciated

as of September 30, 2021. The total cost value of equipment owned by the Company and its Subsidiaries as of September 30, 2021 is ₱2,332.92 million, with a net book value of ₱1,796.91 million as of September 30, 2021.

The following is a schedule of equipment owned by the Company and its Subsidiaries as of September 30 2021.

Company (in Million Pesos)	Construction Equipment		Office & Other Equipment		Consolidated	
	Cost	Net Book Value	Cost	Net Book Value	Cost	Net Book Value
Century City Development Corporation	₱127.44	₱0.00	₱84.66	₱8.02	₱212.10	₱8.02
Century Limitless Corporation	119.00	0.00	1,811.08	1,741.77	1,930.08	1,741.77
Milano Development Corporation	0.00	0.00	0.00	0.00	0.00	0.00
Centuria Medical Development Corporation	5.06	0.00	4.50	0.11	9.56	0.11
Century Communities Corp	0.00	0.00	12.24	0.00	12.24	0.00
Century Properties Management Inc.	0.00	0.00	14.55	3.04	14.55	3.04
Century Properties Group Inc.	0.00	0.00	38.40	0.00	38.40	0.00
Century Acqua Lifestyle, Inc	0.00	0.00	0.39	0.30	0.39	0.30
Siglo Suites, Inc.	0.00	0.00	22.13	5.39	22.13	5.39
Tanza Properties, Inc.	0.00	0.00	29.16	4.61	29.16	4.61
Phirst Park Homes, Inc.	0.00	0.00	64.31	33.67	64.31	33.67
Total	₱251.50	₱0.00	₱2,081.42	₱1,796.91	₱2,332.92	₱1,796.91

REGULATORY AND ENVIRONMENTAL MATTERS

LAW ON HOUSING AND LAND PROJECTS

Presidential Decree No. 957: The Subdivision and Condominium Buyer's Protective Decree

Presidential Decree No. 957 is the principal statute which regulates the development and sale of real property as part of a condominium project. It was enacted pursuant to the policy of the state to ensure that real estate subdivision owners, developers, operators, and/or sellers provide and properly maintain roads, drainage, sewerage, water systems, lighting systems, and other similar basic requirements in order to guarantee the health and safety of home and lot buyers.

Batas Pambansa Blg. 220: An Act Authorizing the Ministry of Human Settlements to Establish and Promulgate Different Levels of Standards and Technical Requirements for Economic and Socialized Housing Projects in Urban and Rural Areas from those Provided under Presidential Decrees Numbered Nine Hundred Fifty-Seven, Twelve Hundred Sixteen, Ten Hundred Ninety-Six, and Eleven Hundred Eighty-Five

BP 220 and its Implementing Rules and Regulations apply to the development of economic and socialized housing projects in urban and rural areas. Likewise, they apply to the development of either a house and lot or a house or lot only.

Executive Order No. 71, Series of 1993: Devolving the Powers of the Housing and Land Use Regulatory Board to Approve Subdivision Plans to Cities and Municipalities Pursuant to R.A. No. 7160, Otherwise Known as the Local Government Code of 1991

Under *Executive Order No. 71, Series of 1993*, cities and municipalities assume the powers of the HLURB over the following:

- a) Approval of preliminary as well as final subdivision schemes and development plans of all subdivisions, residential, commercial, industrial, and for other purposes;
- b) Approval of preliminary as well as final subdivision schemes and development plans of all economic and socialized housing projects;
- c) Evaluation and resolution of opposition against issuance of development permits for any of said projects; and,
- d) Monitoring the nature and progress of its approved land development projects to ensure their faithfulness to the approved plans and specifications.

Republic Act No. 7279: Urban Development and Housing Act of 1992

RA 7279 or the Urban Development and Housing Act of 1992, as amended recently by RA 10884 or the Balanced Housing Development Program Amendments, requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 15% of the total subdivision area or total subdivision project cost, and at least 5% of condominium area or project cost, at the option of the developer, within the same city or municipality whenever feasible, and in accordance with the standards set by HLURB and other existing laws. Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies or enter into joint venture arrangements with other developers engaged in socialized housing development.

Republic Act No. 9646: Real Estate Service Act of the Philippines

Real estate dealers, brokers, and salesmen are also required to register with HLURB before they can sell lots or units in a registered subdivision or condominium project. Furthermore, no person shall practice or offer to practice real estate service in the Philippines unless he/she has satisfactorily passed the licensure examination given by the Professional Regulatory Board of Real Estate Service.

Republic Act No. 4726: The Condominium Act

RA 4726, otherwise known as “The Condominium Act”, regulates the development and sale of condominium projects.

RA No. 4726 requires the annotation of the master deed or the declaration of restrictions on the title of the land on which the condominium project shall be located. The master deed contains, among other things, the description of the land, building/s, common areas, and facilities of the condominium project. The declaration of restrictions shall constitute a lien upon each condominium unit in the project, and shall insure to and bind all condominium owners in the project. Such liens, unless otherwise provided, may be enforced by any condominium owner in the project or by the management body of such project.

Republic Act No. 11201: Department of Human Settlements and Urban Development Act

RA 11201, otherwise known as “Department of Human Settlements and Urban Development Act” was signed by the President on February 14, 2019. The Implementing Rules and Regulations of the Act was approved on July 19, 2019. This Act created DHSUD through the consolidation of HUDCC and HLURB, simultaneously with the reconstitution of HLURB into Human Settlement Adjudication Commission (“HSAC”). The functions of the HUDCC and the planning and regulatory functions of HLURB shall be transferred to and consolidated in the DHSUD, while the HSAC shall assume and continue to perform the adjudication functions of HLURB.

The DHSUD shall:

1. Act as the primary national government entity responsible for the management of housing, human settlement and urban development;
2. Be the sole and main planning and policy-making, regulatory, program, coordination, and performance monitoring entity for all housing, human settlement and urban development concerns, primarily focusing on the access to an affordability of basic human needs. The following functions of HLURB are transferred to DHSUD:
 - a. The land use planning and monitoring function, including the imposition of penalties for noncompliance to ensure that LGUs will follow the planning guidelines and implement their Comprehensive Land Use Plans and zoning ordinances;
 - b. The regulatory function, including the formulation, promulgation, and enforcement of rules, standards and guidelines over subdivisions, condominiums and similar real estate developments, and imposition of fines and other administrative sanctions for violations, pursuant to P.D. 957, as amended, BP 220 and other related laws; and
 - c. The registration, regulation and supervision of Homeowners Associations, including the imposition of fines for violations, pursuant to Republic Act No. 9904 or the “Magna Carta for Homeowners and Homeowners’ Associations”,

Section 26 of Republic Act No. 8763 or the “Home Guaranty Corporation Act of 2000” in relation to Executive Order No. 535, series of 1979, and other related laws.

3. Develop and adopt a national strategy to immediately address the provision of adequate and affordable housing to all Filipinos, and ensure the alignment of the policies, programs, and projects of all its attached agencies to facilitate the achievement of this objective.

All existing policies and rules and regulations of the HUDCC and the HLURB shall continue to remain in full force and effect unless subsequently revoked, modified, or amended by the DHSUD or the HSAC, as the case may be.

All applications for permits, licenses, and other issuances pending upon the effectivity of the Act and filed during the transition period shall continue to be acted upon by the incumbents until transition shall have been completed.

All cases and appeals pending with the HLURB shall continue to be acted upon by the HLURB Arbiters and the Board of Commissioners, respectively, until transition shall have been completed and the Commission’s operations are in place. Thereafter, the Regional Adjudicators and the Commission shall correspondingly assume jurisdiction over those cases and appeals. All decisions of the Commission shall thenceforth be appealable to the Court of Appeals under Rule 43 of the Rules of Court.

The transition period shall commence upon the effectivity of the Implementing Rules and Regulations and ended on December 31, 2019. Thereafter, the Act shall be in full force and effect.

Republic Act No. 9160: Anti-Money Laundering Act, as amended

On January 29, 2021, Republic Act No. 11521 was enacted, amending certain provisions of Republic Act No. 9160, otherwise known as the Anti-Money Laundering Act of 2001 (“AMLA”). The necessary changes were likewise incorporated in the 2018 Implementing Rules and Regulations through the Anti-Money Laundering Council’s (“AMLC”) Regulatory Issuance A, B, and C No.1 Series of 2021 which took effect on January 31, 2021. In particular, RA 11521 revised the list of “Covered Persons” under the AMLA to include real estate brokers and developers. As such, real estate brokers and developers are now required to submit a covered transaction report involving any single cash transaction exceeding ₱7,500,000 or its equivalent in any other currency.

Further, RA11521 provides the following suspicious transactions with Covered Persons, regardless of the amounts involved, where any of the following circumstances exist:

1. There is no underlying legal or trade obligation, purpose or economic justification;
2. The client is not properly identified;
3. The amount involved is not commensurate with the business or financial capacity of the client;
4. Taking into account all known circumstances, it may be perceived that the client’s transaction is structured in order to avoid being the subject of reporting requirements under the Act;

5. Any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person;
6. The transaction is in any way related to an unlawful activity or offense under this Act that is about to be, is being or has been committed; or
7. Any transaction that is similar or analogous to any of the foregoing.

Under the AMLA, Covered Persons shall report covered transactions and suspicious transactions to the AMLC, and shall identify and record the true identity of their customers, whether permanent or occasional, and whether natural or juridical persons, or legal arrangements based on official documents. To comply with this, such Covered Persons are obligated to implement appropriate systems of collecting and recording identification information and identification documents, and shall implement and maintain a system of verifying the true identity of their clients, including validating the truthfulness of the information and confirming the authenticity of the identification documents presented, submitted, and provided by the customer, using reliable and independent sources, documents, data, or information. All records of transactions and records of closed accounts are required to be maintained and stored for five (5) years from the date of a transaction or after their closure, respectively.

As a developer, the Company is obligated to comply with the provisions of the AMLA, as amended. Failing to report to the AMLC all covered and suspicious transactions within the prescribed periods may expose real estate developers to penalties.

BUILDING PERMITS

Presidential Decree No. 1096: National Building Code of the Philippines

Under the National Building Code, in order for a person or corporation to erect, construct, alter, repair, move, convert, or demolish any building or structure, a building permit must first be secured from the Building Official assigned at the place where the building work is to be done. A building permit is a written authorization granted by the building official to an applicant allowing him to proceed with the construction of a building after plans, specifications, and other pertinent documents required for the construction of the structure have been found to be in conformity with the Building Code.

BUSINESS PERMITS

Before any company may commence operations in the territory of an LGU, it must secure the permits, clearances, and licenses from such LGU. Usually, it is assumed that a corporation has complied with all of the permitting requirements of the LGU if it is issued a business permit (also referred to as a mayor's permit in certain jurisdictions). These permits, clearances, and licenses must be renewed on an annual basis.

Without these permits, clearances, or licenses, the LGU may shut down the operations of a business establishment until these are obtained and the corresponding fees and penalties are settled.

ZONING AND LAND USE

Republic Act No. 7160: Local Government Code of the Philippines of 1991

A city or municipality may, through an ordinance passed by the *Sanggunian*, after conducting public hearings for the purpose, authorize the reclassification of agricultural lands and provide for the manner of their utilization or disposition in the following cases: (i) when the land ceases to be economically feasible and sound for agriculture; or, (ii) where the land shall have substantially greater economic value for residential, commercial or industrial purposes, as determined by the *Sanggunian* concerned; provided that such reclassification shall be limited to the following percentage of total agricultural land area at the time of the passage of the ordinance:

1. For Highly Urbanized and Independent Component Cities, 15%;
2. For Component Cities and First to Third Class Municipalities, 10%; or,
3. For Fourth to Sixth Class Municipalities, 5%.

Land use may be also limited by zoning ordinances enacted by LGUs. Once enacted, land use may be restricted in accordance with a comprehensive land use plan approved by the relevant LGU. Lands may be classified under zoning ordinances as commercial, industrial, residential, or agricultural. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

Republic Act No. 6657: Comprehensive Agrarian Reform Law of 1988

Under the Comprehensive Agrarian Reform Law currently in effect in the Philippines and the regulations issued thereunder by the DAR, land classified for agricultural purposes as of or after June 15, 1988 cannot be converted to non-agricultural use without the prior approval of DAR.

ENVIRONMENTAL LAWS

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an ECC prior to commencement. The DENR, through its regional offices or through the Environmental Management Bureau (“EMB”), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the Issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement (“EIS”) to the EMB while a project in an environmentally critical area are generally required to submit an Initial Environmental Examination to the proper DENR regional office. In case of an environmentally critical project within an environmentally critical area, an EIS is required. The construction of major roads and bridges are considered environmentally critical projects for which EISs and ECCs are mandated.

The EIS refers to both the document and the study of a project’s environmental impact, including a discussion of the scoping agreement identifying critical issues and concerns as validated by the EMB, environmental risk assessment if determined necessary by EMB during the scoping, environmental management program, direct and indirect consequences to human welfare, and ecological as well as environmental integrity. The Initial Environmental Examination (“IEE”) refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the EIS or an IEE may vary from project to project, as a minimum, it contains all relevant information regarding the projects’ environmental effects. The entire process of organization, administration, and assessment of the effects of any project on the quality of the physical,

biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS System. The EIS System successfully culminates in the issuance of an ECC. The ECC is a Government certification, which provides that based on the representations of the proponent, the proposed project or undertaking will not cause a significant negative environmental impact; that the proponent has complied with all the requirements of the EIS System; and, that the proponent is committed to implement its approved Environmental Management Plan in the EIS or, if an IEE was required, that it shall comply with the mitigation measures provided therein before or during the operations of the project and in some cases, during the project's abandonment phase. The ECC also provides for other terms and conditions, any violation of which would result in a fine or the cancellation of the ECC.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("EGF") when the ECC is issued to projects determined by the DENR to pose a significant public risk to life, health, property and the environment. The EGF is intended to answer for damages caused by such a project as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are mandated to include a commitment to establish an Environmental Monitoring Fund ("EMF") when an ECC is eventually issued. The EMF shall be used to support the activities of a multi-partite monitoring team which will be organized to monitor compliance with the ECC and applicable laws, rules and regulations.

While a development project may not fall under the categories wherein an ECC is required, it is still required to obtain a Certificate of Non-Coverage ("CNC") from the EMB or the DENR Regional Office. The applicant must submit a Project Description to the EMB, which will then evaluate whether or not an ECC is required for the project. If an ECC is not required, then the EMB will issue a CNC to be submitted to HLURB.

Aside from the EIS and IEE, engineering, geological and geo-hazard assessments are also required for ECC applications covering subdivisions, housing and other land development and infrastructure projects.

All buildings or structures as well as accessory facilities thereto shall conform in all respects to the principles of safe construction under the National Building Code. Aside from the building permit under the Building Code, an applicant in specific instances may be required to secure a Height Clearance Permit from the Civil Aviation Authority of the Philippines.

PROPERTY REGISTRATION AND NATIONALITY RESTRICTIONS

Presidential Decree No. 1529: Property Registration Decree

The Philippines has adopted a system of land registration which conclusively confirms land ownership which is binding on all persons, including the Government. Once registered, title to registered land can no longer be challenged except with respect to claims noted on the certificate of title. Title to registered lands cannot be lost through adverse possession or prescription. PD 1529, as amended, codified the laws relative to land registration and is based on the generally accepted principles underlying the Torrens System.

NATIONALITY RESTRICTIONS

The Constitution limits ownership of land in the Philippines to Filipino citizens or to corporations the outstanding capital stock of which is at least 60% owned by Philippine nationals. While the Constitution prescribes nationality restrictions on land ownership, there is generally no prohibition against foreigners owning building and other permanent structures. However, with respect to condominium developments, the foreign ownership of units in such developments is limited to 40%.

Republic Act No. 7042, as amended, otherwise known as the Foreign Investments Act of 1991, and Executive Order No. 65 on the Eleventh Regular Foreign Investment Negative List, provide that certain activities are nationalized or partly-nationalized, such that the operation and/or ownership thereof are wholly or partially reserved for Filipinos. Under these regulations, and in accordance with the Constitution, ownership of private lands is partly nationalized and thus, landholding companies may only have a maximum of 40% foreign equity.

REAL PROPERTY TAXATION

Republic Act No. 7160: Local Government Code of the Philippines of 1991

Real property taxes are payable annually based on the property's assessed value. The assessed value of property and improvements vary depending on the location, use and the nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed at up to 80% of their fair market value; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. An additional special education fund tax of 1% of the assessed value of the property is also levied annually.

REAL ESTATE SALES ON INSTALLMENTS

Republic Act No. 6552: Realty Installment Buyer Act

The Realty Installment Act, more popularly known as "Maceda Law", applies to all transactions or contracts involving the sale or financing of real estate on installment payments (including residential condominium units, but excluding industrial lots, commercial buildings, and sales under the agrarian reform laws).

Under the Maceda Law, where a buyer of real estate has paid at least two (2) years of installments, the buyer is entitled to the following rights in case he/she defaults in the payment of succeeding installments: (a) To pay, without additional interest, the unpaid installments due within the total grace period earned by him, which is fixed at the rate of one (1) month for every one (1) year of installment payments made. However, the buyer may exercise this right only once every five (5) years during the term of the contract and its extensions, if any; (b) if the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to 50% of the total payments made, and in cases where five (5) years of installments have been paid, an additional five percent (5%) every year (but with a total not to exceed 90% of the total payments); or, (c) buyers who have paid less than two (2) years of installments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund. If a buyer fails to pay the installments due at the expiration of the grace period, the seller may cancel the contract after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act from the seller.

CONSTRUCTION LICENSE

A regular contractor's license is required to be obtained from the Philippine Contractors Accreditation Board ("PCAB"). In applying for and granting such license, PCAB takes into consideration the applicant-contractor's qualifications and compliance with certain minimum requirements in the following criteria: (i) financial capacity; (ii) equipment capacity; (iii) experience of the firm; and, (iv) experience of technical personnel. Philippine laws also require a contractor to secure construction permits and environmental clearances from appropriate government agencies prior to actually undertaking each project.

The Supreme Court, in the case of *Philippine Contractors Accreditation Board v. Manila Water Co., Inc.* (G.R. No. 217590, March 10, 2020) has recently ruled that foreigners can obtain regular licenses from the PCAB. It ruled that the construction industry is not one which the Constitution has reserved exclusively for Filipinos. There is also no prohibition in the law for foreigners to enter into the same projects as Filipinos in the field of construction. "Private domestic construction contracts" has also been removed from the Foreign Investments Negative List since 1998. Thus, the provision, requiring foreigners to obtain a special license has been declared null and void, along with the provision limiting the regular license to construction firms at least 60% of which is owned by Filipinos. In light of this ruling, foreigners can now obtain regular licenses from the PCAB.

BOARD OF INVESTMENTS

The Board of Investments ("BOI"), an agency attached to the Department of Trade and Industry, was created under the Omnibus Investment Code of 1987 (Executive Order No. 226, as amended). The BOI is responsible for promoting and assisting local and foreign investors to venture in desirable areas of business or economic activities.

Under the Omnibus Investment Code, preferred areas of activities or projects specified by the BOI in the Investment Priorities Plan enjoy tax exemption and other benefits to enterprises which venture into such projects. Generally, these incentives include the grant of income tax holiday ("ITH"), the duty-free importation of capital goods, exemption from wharfage dues and export tax, and other non-fiscal incentives such as the employment of foreign nationals, streamlined customs procedures, and the importation of consigned equipment.

Depending on whether the activity is classified as a pioneer or a non-pioneer project and provided the registered enterprise meets the project targets, the ITH incentive may be granted for a period of four (4) years to a maximum of six (6) years. However, for eligible mass housing projects in the National Capital Region, Metro Cebu and Metro Davao region, the BOI limits the ITH incentive granted to such registered project to three (3) years.

Based on the latest BOI guidelines, economic and low-cost housing projects must meet the following criteria to qualify for registration: (a) the selling price of each housing unit shall be more than ₱450,000 but not exceeding ₱3,000,000; (b) the project must have a minimum of 20 livable dwelling units in a single site or building; (c) the project must be new or expanding economic/low-cost housing project; and, (d) for vertical housing projects, at least 51% of the total floor area, excluding common facilities and parking areas, must be devoted to housing units.

All economic/low-cost housing projects are required to comply with socialized housing requirement by building socialized housing units in an area equivalent to at least 20% of the total registered project area or total BOI registered project cost for horizontal housing and 20% of the total floor area of qualified saleable housing units for vertical housing projects.

SPECIAL ECONOMIC ZONE

The PEZA is the government agency that operates, administers, and manages designated special economic zones. An Ecozone is a comprehensive land use plan generally created by proclamation of the President of the Philippines. These are areas earmarked by the Government for development into balanced agricultural, industrial, commercial, and tourist/recreational regions.

An Ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centers. PEZA-registered enterprises located

in an Ecozone are entitled to fiscal and non-fiscal incentives such as ITH and duty-free importation of equipment, machinery, and raw materials.

Enterprises offering IT services (such as call centers and other Business Process Outsourcing firms using electronic commerce) are entitled to fiscal and non-fiscal incentives if they are PEZA-registered locators in a PEZA-registered IT Park, IT Building, or Ecozone. An IT Park is an area which has been developed into a complex capable of providing infrastructure and support facilities required by IT enterprises, as well as amenities required by professionals and workers involved in IT enterprises, or easy access to such amenities. An IT Building is an edifice, a portion or the whole of which, provides such infrastructure, facilities and amenities.

PEZA requirements for the registration of an IT Park or IT Building differ depending on whether it is located in or outside of Metro Manila. These PEZA requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board, and the DENR.

Certain properties of the Company are proclaimed Ecozones. Tenants in those properties may register with PEZA to avail of significant benefits under Republic Act No. 7916 or “The Special Economic Zone Act of 1995” (“PEZA Law”) and its Implementing Rules and Regulations. They can, for example, take advantage of income tax incentives such as ITH or 5% gross income taxation, thereby making tenancy in our buildings located in Ecozones potentially more attractive.

On 26 March 2021, the CREATE Law was promulgated. The CREATE Law repeals several provisions of the Omnibus Investments Code, as amended; PEZA Law, as amended; and the various statutes creating the special economic zones, e.g., Clark and Subic and provide the pertinent fiscal incentives of registered business enterprises. Further, it provided the following sunset provisions for corporations / enterprises currently registered with these investment promotion agencies:

- a) Those enjoying the ITH are allowed to continue the available incentive for the remaining period of the ITH as specified in the terms of their registration.
- b) Those granted ITH but have not yet availed of the incentive may use the ITH for the period as specified in the terms of their registration;
- c) Those granted ITH and are entitled to the 5% tax on gross income earned may be allowed to avail of the 5% tax provided the 5% tax shall be allowed only for 10 years; and
- d) Those availing of the 5% tax on gross income earned shall be allowed to continue to avail of the incentive for 10 years.

COMPETITION

Republic Act No. 10667: Philippine Competition Act

Republic Act No. 10667 or the Philippine Competition Act (“PCA”), with its implementing rules and regulations, is the primary competition policy of the Philippines. It aims to enhance economic efficiency and promote free and fair competition in trade, industry, and all commercial economic activities.

Recognizing that joint ventures can result in business efficiencies, the PCC issued Guidelines on Notification of Joint Ventures (“JV Guidelines”) on September 9, 2018 as joint venture agreements may pose competition concerns as these may result in a substantial lessening of competition in a relevant market. Under the JV Guidelines, joint ventures may be formed by any of the following: (i) incorporating a joint venture company; (ii) entering into a contractual joint venture; or, (iii) acquiring shares in an existing corporation. In determining whether the

transaction is subject to PCC notification, it must be examined if joint control will exist between or among the joint venture partners. In the absence of joint control, the relevant thresholds for acquisition of shares shall be applied.

DATA PRIVACY LAWS

Republic Act No. 10173: Data Privacy Act of 2012

The Philippine government enacted legislation with the aim to protect the fundamental human right to privacy while ensuring the free flow of information. Republic Act No. 10173, or the “Data Privacy Act of 2012,” applies to processing of all types of information, whether that be of individuals or legal entities, except for publicly available information, or those required for public functions. The law provides that when an entity collects personal data, the purpose and extent of processing of such information collected must be legitimate and declared specifically to the owner of the personal information (i.e. whether such information will be used for marketing, data-sharing and the like), and that consent must be obtained from the owner. This requirement applies to all data collectors and data processors. The term data collectors refers to a natural or juridical person who controls or supervises the person collecting, storing, or processing the relevant personal information, while the term data processors refers to a natural or juridical person who processes the information, whether or not outsourced by the data collector.

Personal information that is collected must be retained only for a reasonable period of time. Such a reasonable period of time is the reasonable amount of time the collector needs the information for its purposes, and the collector must notify the owner of the personal information of that duration. The data collector must implement appropriate measures for the storage and protection of the collected personal information from accidental alteration, destruction, disclosure, and unlawful processing. Furthermore, the data controller must assign compliance officer(s) to ensure compliance with the provisions of the data privacy law and its accompanying implementing rules and regulations.

LEGAL PROCEEDINGS

From time to time, the Company and its Subsidiaries, its Board of Directors, and Key Officers are subject to various civil, criminal, and administrative lawsuits and other legal actions arising in the ordinary course of its business. Typical cases include adverse claims over title to land, claims for recovery of money and damages, and claims for cancellations of sales agreements and refund of deposits. In the opinion of the Company's management, as of the date of this Prospectus, none of the lawsuits or legal actions to which it is currently subject will materially affect the daily operations of its business nor will they have a material adverse effect on the Company's consolidated financial position and results of operations.

List of Cases as of October 25, 2021:

CLC

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Department of Justice ("DOJ") / Office of the City Prosecutor			
Larry Mallari vs. Domie Eduvane and Charibelle Cayaban	DOJ-Manila	Falsification of Public Documents	<p>This is a criminal complaint filed by a buyer of a condominium unit in Gramercy Residences against CCDC officers, alleging that CTS was notarized without the presence of the buyer signatory. The Complaint was dismissed. The Complainant elevated the case to the DOJ. The case has been submitted for resolution.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Courts			
Jose EB. Antonio vs. Marinela Trinidad	Makati City-RTC, Branch 130	BP22 and Estafa	<p>This is a criminal case for Estafa and BP 22 against Marinela Trinidad, as Vice President and Treasurer of TCG Holdings, Inc. and Champ Centre for Hospitality Arts and Management Phil. Inc. The case is now submitted for Resolution.</p> <p>Trinidad has been arraigned and is scheduled for pre-trial on 12 November 2021. In the meantime, the parties are undergoing mandatory Mediation through the Philippine Mediation Center.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
TCG Holdings, Inc. vs. Hon. Presiding Judge Balansay-Tapia and Jose E.B. Antonio	Makati City-RTC, Branch 234	Petition for Certiorari with Application for TRO and WPI	<p>This petition seeks to prevent RTC Makati Branch 130 from continuing with the proceedings for the Estafa and BP 22 case against Marinela Trinidad, and to allow the intervention of TCG Holdings, Inc. as an indispensable party to the criminal case.</p> <p>On 30 July 2021, Amb. Jose E.B. Antonio, through counsel, filed a comment to this Petition.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			This case has no material adverse effect on the Company's consolidated financial position and results of operations.
In Re: Ex-Parte Petition for Issuance of Writ of Possession of Real Property / CLC – Petitioner	Quezon City-RTC, Branch 96	Writ of Possession	<p>The subject property in this petition (covered by TCT No. 004-2010010602) was extrajudicially foreclosed in favor of CLC as the highest bidder in the public auction held for such purpose. After registering the Certificate of Sale and after consolidating its Title, CLC now filed this Ex-Parte Petition for Issuance of Writ of Possession to obtain physical possession over the property.</p> <p>The Court issued the Writ of Possession and implemented the same on February 2021. Oppositor AGDC filed an appeal.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
In Re: Ex-Parte Petition for Issuance of Writ of Possession of Real Property (CLC as petitioner)	Quezon City-RTC, Branch 76	Writ of Possession	<p>The subject property in this petition (covered by TCT No. (RT-8135) (365637 PR-17007) 004-2018001312) was extrajudicially foreclosed in favor of CLC as the highest bidder in the public auction held for such purpose. After registering the Certificate of Sale and after consolidating its Title, CLC now filed this Ex-Parte Petition for Issuance of Writ of Possession to obtain physical possession over the property.</p> <p>CLC made a manifestation with the court that the title has been cancelled by the Register of Deeds of Quezon City and the property covered thereunder had been transferred to CLC under the registered TCT No. 004-2020009939 as of 16 December 2020.</p> <p>Petition was originally assigned to Branch 221, but, after the presiding judge's voluntary inhibition, the case was re-raffled to Branch 76. After all oppositions were denied due to lack of merit, CLC filed an Urgent Motion with a prayer to proceed with the presentation of evidence ex parte. The Court has yet to act on our Urgent Motion.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
TCG Holdings, Inc. vs. CLC	Quezon City-RTC, Branch 216	Petition for Declaratory Relief and Reformation of Instruments and/or Annulment of Contract under Article 1359 of the Civil Code	TCG Holdings, Inc. filed to Petition to obtain either a judicial interpretation, reformation or annulment of the Memorandum of Understanding and Memorandum of Agreement that it entered into with CLC. Based on the complaint, its main reason for initiating the action was to forestall the construction that the subject contracts

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			<p>would allow the extrajudicial foreclosure of the properties owned by mortgagors © Culinary Services Inc. and A. Guerrero Development Corp. This is despite the fact that a valid real estate mortgage was constituted over the subject lands and the contracts consistently provided for the possibility of having to resort to extrajudicial foreclosure of the mortgaged lands should TCG Holdings, Inc. fail to comply with its obligations.</p> <p>TCG Holdings, Inc. concluded the presentation of its evidence, to which CLC filed a Demurrer to Evidence.</p> <p>Meanwhile, CLC awaits the court's notice on schedule of the next hearing date.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
<p>TCG Holdings, Inc. vs. Marinela G. Trinidad vs. CLC, Jose Marco Antonio, Jose Carlo Antonio, Rafael G. Yaptinchay and Isabelita Ching-Sales</p>	<p>Makati City-RTC, Branch 147</p>	<p>Annulment of Deeds of Revocation of Trust, Reversion of Shares and Inclusion/Reinstatement of President and Board Director</p>	<p>The complaint prays that judgment be rendered: (1) Granting the motion to consolidate this case with the RTC of QC Branch 216 case and thereafter, (2) DECLARE the Deeds of Revocation of Trust with Reversion of Shares dated 17 January 2020 as NULL and VOID; (3) REVERT the thirty-nine thousand nine hundred ninety-eight (39,998) common shares of stock and two (2) shares of stock in Katipunan Prime Development Corporation to the plaintiffs, TCG Holdings, Inc. and Marinela G. Trinidad (for and in behalf of TCG Holdings, Inc.) respectively; (4) reinstate the plaintiffs, TCG Holdings, Inc. and Marinela G. Trinidad as the stockholders-of-record of Katipunan Prime Development Corporation; (5) Reinstate the plaintiff Marinela G. Trinidad (for and in behalf of TCG holdings, Inc.) as the President and Board Director of Katipunan Prime Development Corporation and; (6) DIRECT the defendants Century Limitless Corporation, Jose Marco R. Antonion as Director of CLC, and the Majority Board of Directors of Katipunan Prime Development Corporation, namely: Jose Marco R. Antonio as Director; Jose Carlo R. Antonio, as Director; Rafael G. Yaptinchay as Treasurer and Director; Isabelita C. Sales as Corporate Secretary and Director, to pay the plaintiffs, TCG holdings, Inc. and Marinela G. Trinidad for Attorney's Fees in the amount of ₱250,000 in addition to litigation expenses and costs of suit.</p> <p>Pre-trial is scheduled on 28 January 2022.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
CLC vs. Lorenza Caparino	Parañaque-Regional Trial Court, Branch 195	Injunction	<p>CLC filed an injunction case against Lorenza Caparino praying for her to enjoin from causing annotations on the titles duly registered in the name of CLC covering the Azure Urban Resort Residences.</p> <p>Upon motion of CLC, the court terminated the complaint and dismissed the permissive counterclaim. The court denied the Motion for reconsideration and Caparino filed a Petition for Review under Rule 45 of the Rules of Court with the Supreme Court. Meanwhile, CLC filed motion to resolve the previous motion for cancellation of NLP.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
In re-amendment of Notice of Lis Pendens	Parañaque - RTC, Branch 274	Amendment of Notice of Lis Pendens	<p>Lorenza Caparino filed a case for the amendment of the Notice of Lis Pendens annotated on the titles of properties under which the Azure Urban Resort Residences is developed to reflect the existence of a counterclaim filed by her. The case is terminated upon motion of the petitioner.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Avelino Amores vs. Generoso Bautista, et al.	Quezon City-RTC, Branch 220	Turnover of TCT, Deletion of name from Titles, and WPO/TRO	<p>The Motion for Lifting of Notice of Lis Pendens granted. There is no movement in the case. The Motion to refer the case to the Philippine Mediation Center and Motion for Reconsideration filed by complainants are now submitted for resolution.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Stephen Valencia vs. Priscilla Gregorio Alix and CLC	Paranaque-RTC, Branch 257 (re-raffled to Branch 258)	Annulment of DOAS and Reconveyance of Title	<p>Plaintiff claims that he is a co-owner of the subject unit, having purchased the same with his then girlfriend, Priscilla Gregorio Alix. The latter, however, allegedly removed his name in the CTS and DOAS without his knowledge and consent. The Complaint was dismissed against CLC.</p> <p>Plaintiff filed an appeal, but on 15 February 2021, CLC received a Resolution from the Court of Appeals granting the Plaintiff's withdrawal of his appeal.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
CLC vs. Laurasia Realty Corporation	Makati – RTC, Branch 66	Judicial Confirmation of Extrajudicial Rescission, Restitution and Damages	<p>The parties entered into several agreements in connection with the development of Kagitigan Heights as CLC's compliance project in compliance with RA 7279, Section 18, as amended by RA 10884. While CLC complied with its commitments thereunder by paying its contributions to Laurasia Realty Corporation, the latter failed to comply with its undertaking to secure the requisite accreditation from the Department of Human Settlements and Urban Development ("DHSUD"; formerly Housing and Land Use Regulatory Board). With this, CLC was constrained to extrajudicially rescind the agreements and prays before the court for the return of its payments from Laurasia Realty Corporation in the amount of ₱18,332,000, plus damages.</p> <p>The case is at the pre-trial stage. Laurasia Realty Corporation filed a permissive counterclaim but failed to pay the filing fees. Thus, the defendant filed a motion to withdraw its counterclaim as against the other party to the agreements, Tanza Properties, Inc. (not a party to the case), and in the same motion it claims that the counterclaim is compulsory in nature as against CLC and no longer requires payment of filing fees. CLC will file its opposition.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Lorenza Caparino vs. Register of Deeds Parañaque (CLC as oppositor)	Court of Appeals	Adverse Claim	<p>Lorenza Caparino filed an adverse claim with the Registry of Deeds which was denied. The denial was affirmed by the Land Registration Authority, which led to the filing of a Petition for Review with the Court of Appeals. CLC, as oppositor, filed its Memorandum on 6 June 2018.</p> <p>The Court of Appeals issued a Decision on 28 January 2020 denying the Petition and affirming the orders of the Registry of Deeds and LRA. The Decision has attained finality on 26 February 2020.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Ar. Froilan Hong vs. CLC	Court of Appeals	Rescission and Refund	<p>This an appeal by CLC of the arbiter's decision (affirmed on appeal by the HLURB – Board of Commissioners (“BOC”)) in favor of Ar. Hong ordering the refund of ₱872,000 by CLC on the ground of the unjust treatment by CLC in refusing to allow him to inspect the unit prior to settlement of the turnover balance.</p> <p>Under the new rules of procedure, CLC filed a Petition for Review with the Court of Appeals to seek reversal of the decision.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
TCG Holdings, Inc., A. Guerrero Development Corporation and © Culinary Services, Inc. v. Hon. Cecilyn Burgos-Villavert, in her capacity as the Executive Judge of the Regional Trial Court of Quezon City, Atty. Gregorio Tallud, in his capacity as the Clerk of Court of the Regional Trial Court of Quezon City and the Ex-Officio Sheriff of Quezon City and Cecilia S. Banez, in her capacity as Sheriff IV of the Office of the Sheriff of Quezon City, and CLC	Court of Appeals	Petition for Certiorari	<p>The petition seeks to annul and set aside the Certificate of Sale dated 23 September 2020 issued by the Public Respondent Executive Judge Burgos-Villavert, proceeding from the public auction sale conducted on 10 March 2020 by Public Respondents Atty. Tallud and Ms. Banez in relation to the properties covered under TCT Nos. (RT-8135) (365637 PR-17007) 004-2018001312 and 004-2010010602 for having been conducted with grave abuse of discretion amounting to lack or excess of jurisdiction.</p> <p>Before taking action on the Petition, the Court of Appeals ordered the petitioners to submit certified true copies of the RTC Decision/Order dated 23 September 2020, the actual date of receipt of the order and legible copies of the promissory note, TCT and memorandum of encumbrance. For the petitioners' failure to comply, the Court issued a show-cause order requiring them to explain their failure to submit requested documents. TCG filed a compliance showing that it has acceded to the order to submit the documents. CLC is waiting for the Court's order to file its comment to the Petition for Certiorari.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
A. Guerrero Development Corporation, CAN Culinary Services, Inc. (CCA Manila) as represented by Atty. Frederick Jonathan A. Trinidad v. Hon. Joel Socrates Lopena, in his capacity as	Court of Appeals	Petition for Certiorari <i>ad Cautelam</i>	<p>The petition seeks to reverse the ruling in RTC QC Branch 80 which dismissed the Petition filed by AGDC and CCA Manila.</p> <p>On 17 May 2021, the case records were transmitted from RTC-QC Branch 80 to the Clerk of Court of the Court of Appeals.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Presiding Judge of RTC Branch 80, Atty. Myra Roby Puruganan, in her capacity as the Deputy Register of Deeds in QC, RD QC, and CLC and Eric Ganaden			
HLURB			
Ruther and Joan Esconde vs. CLC	BOC	Rescission, Refund and Damages	<p>The complainants claim that the cancellation of the purchase of their condominium unit in Azure Urban Resort Residences and the forfeiture of their payments were unlawful and prayed for the nullification of said forfeiture, as well as for CLC to assist them in securing a loan to pay the balance of the purchase price.</p> <p>The HLURB Arbiter dismissed the Complaint for lack of merit. The case is pending with the BOC. A Counter-Memorandum was filed on September 11, 2020.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Bernard Carillo vs. CLC	BOC	Specific Performance and Damages	<p>This is a case for specific performance and damages on the basis of alleged violation of Sections 9 and 23 of PD 957. The arbiter decided in favor of the complainant-buyer, but was reversed on appeal with the Commission, with a modification and ordered CLC to liquidate the government mandated taxes and other expenses paid by the complainant-buyer in the amount of ₱381,850.00. CLC filed a motion for reconsideration questioning the order of liquidation, to which the Commission granted in its Resolution dated 30 July 2021 and ordered to delete the liquidation order in its resolution.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Jimmy Go vs. CLC, CPI, UCPB, SCB	BOC	Cease and Desist Order	<p>This is a complaint with application for a cease and desist order filed against CLC, among others, alleging that the development of the condominium project Acqua Private Residences was done in violation of law and his supposed rights as owner of the land on which it stands. Arbiter Decision in favor of CLC. The case was appealed to the Court of Appeals. A Counter Memorandum was filed by CLC on 5 March 2018.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			This case has no material adverse effect on the Company's consolidated financial position and results of operations.
Armin Esguerra vs. CLC	BOC	Refund, Cancellation of License to Sell, Damages	<p>The complainant prays for the revocation of CLC's License to Sell on the Azure Urban Resort Residences project, refund of total payments made in the amount of ₱2,249,457.28 plus interest, award of ₱200,000 moral damages and ₱100,000 exemplary damages, and attorney's fees equivalent to 10% of the total monetary award, on the ground of unsound real estate practices and fraudulent acts, particularly on engaging in real estate practices prior to the issuance of a License to Sell, imposition of penalty at a rate of 36% per annum, early turnover of the unit, delay in completion of her unit, and forfeiture of her payments upon the cancellation of her account. CLC, in its defense, claims that it is compliant with the pertinent laws on engaging in real estate practices, which renders the claim for revocation of any license baseless, and that it is not in breach of the CTS in terms of the delivery of the unit and imposition of penalties. The arbiter decided in favor of the complainant and ordered the full refund of payments made as prayed for with 6% interest per annum, as well as the award of ₱50,000 moral damages, ₱50,000 exemplary damages, ₱50,000 attorney's fees and ₱20,357.65 representing costs of suit in the form of filing fees.</p> <p>CLC's appeal with the Commission was denied. CLC will file its Petition for Review with the Court of Appeals within the period allowed by the rules.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Baby Calope vs. CLC	BOC	Reinstatement of Account and Damages	<p>The complainant prays for the reinstatement of the Reservation Agreement in relation to her purchased unit in Commonwealth by Century and ordering CLC to allow her to update her account, and an award of moral and exemplary damages and attorney's fees, on the ground that her account was unilaterally terminated without notice. On the contrary, CLC alleges that complainant was able to receive a copy of the Notarial Notice of Cancellation, thus rendering the cancellation of her account in full effect. The Arbiter dismissed the complaint for lack of merit, to which the complainant-buyer elevated on appeal with the Commission.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Beatrix Alicia Arcega Pinar vs. CLC	BOC	Refund with Interest	<p>The complainant prays for the full refund of her payments amounting to ₱1,267,996.48 with interest at legal rate, an award of actual damages of ₱80,000 representing unnecessary rental fees paid after September 2018, ₱50,000 attorney's fees, and exemplary damages of ₱100,000, on the ground of delay in delivery of the unit. In its defense, CLC alleges that the complainant was in fact delinquent in her payments, which led to the cancellation of her account, and is thus not entitled to a full refund. The Arbiter found for complainant-buyer and ordered the refund of ₱1,267,996.48 with legal interest computed from the filing of the case until fully paid, exemplary damages of ₱10,000, attorney's fees of ₱10,000, and costs of suit.</p> <p>The Commission, on appeal by CLC, affirmed the arbiter's decision. CLC will file a Petition for Review with the Court of Appeals within the period allowed by the rules.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Co, Cosme and Manalo vs. CLC	HLURB-Pampanga	Refund and Damages	<p>The complainants filed a case for full refund in the aggregate amount of ₱1,524,255.90 against CLC on the allegation that their purchased condominium units in the Azure North project in Pampanga will not be completed by the scheduled turnover date. The BOC affirmed the Arbiter Decision, with condition that buyers entitled to refund if CLC fails to complete the project by June 30, 2019. Complainants filed a Motion to Withdraw on 28 December 2020.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Co, Cosme and Manalo vs. CLC (2 nd case)	HLURB-Pampanga	Specific Performance and Damages	<p>The complainants pray for the cancellation of their accounts by CLC to be declared null and void on the allegations that they are not in default of their amortization payments and have the right to seek suspension of said payments.</p> <p>The Arbiter resolved in favor of the Complainants. CLC filed an Appeal Memorandum before the HLURB Board of Commissioners on 23 September 2019.</p> <p>Parties have amicably settled and signed the Compromise Agreement on 22 December 2020, and filed a Motion to Withdraw Appeal on 23 December 2020.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			<p>CLC filed a Motion to Release Cash bond on 10 March 2021 pursuant to compromise agreement.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Dionysius "Denis" Tanti vs. CLC	HLURB-NCR	Specific Performance and Damages	<p>The complainant prays for the delivery of his purchased condominium unit in Acqua Private Residences with the corresponding title, as well as payment of damages, including expenses for airfare to and from the Philippines. The Arbiter rendered a decision in favor of the buyer. Upon appeal by CLC, the Commission overturned the award for actual damages for loss of income. Thereafter the case was raised for further appeal by both parties with the Office of the President.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Bobby Libor vs. CLC	HLURB-NCR	Refund	<p>The complainant prays for the payment of the refund over the cancellation of his purchase of a condominium unit in Azure Urban Residences Resort received by his authorized representative, who allegedly did not remit said amount to him. CLC argues that HLURB has no jurisdiction to hear the complaint. The Arbiter dismissed the complaint and ordered the Complainant to accept the payment made by his authorized representative.</p> <p>Complainant elevated the case to the Commission by way of an appeal memorandum, to which CLC filed its Counter-memorandum on 12 March 2021.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Sps. Bernadette & Brazzi Yanson vs. CLC	HLURB-NCR	Rescission and Damages	<p>The complainants allege bad faith on the part of CLC in the sale of a condominium unit in Azure Urban Resort Residences and sought full refund of payments in the amount of ₱1,085,965.48. In its defense, CLC claims that it lawfully caused the cancellation of the CTS upon declaring the buyer-complainants in default, and the refund of half of the payments made was rejected.</p> <p>The case was dismissed by the HLURB on the ground of buyer's lack of interest to pursue the complaint.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			This case has no material adverse effect on the Company's consolidated financial position and results of operations.
Desiree May Diangson vs. CLC, et al.	HLURB-NCR	Refund	<p>The complainant claimed that CLC committed fraud in preventing her from securing a housing loan to enable her to fully pay her turnover balance in a timely manner, resulting in imposition of accumulating penalties and interest. She prayed for: (1) the inspection of her unit prior to settlement of the turnover balance; (2) to present proof that her unit is ready for turnover; (3) to re-issue a statement of account with the corrected outstanding balance of ₱3,814,881.97 and to prevent further imposition of penalties; (4) to pay damages and attorney's fees; or, in the alternative, (5) if unit is transferred to third party, to refund the sum of ₱2,955,974.93 representing paid amortizations, bank processing fees to Banco de Oro for the loan application, attorney's fees and damages.</p> <p>Mediation proceedings are ongoing.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Kenneth Ian T. Moyes vs. CLC	HLURB-NCR	Refund	<p>The complainant alleged bad faith on the part of CLC in the sale of a condominium unit in Acqua Private Residences, Iguazu Tower, and sought payment in the amount of ₱1,801,156.56, constituting the loan he has to pay to Banco de Oro from July 2018 to July 2019 without the unit being turned over to him. Complainant further claims that he made an overpayment amounting to ₱1,637,584.05, which must be returned to him. Finally, he prays for the replacement of The unit delivered to him with a unit of the same size and area located at the topmost floor of the building. CLC argues that the Complainant is not entitled to the reliefs prayed for and that the case must be dismissed for failure to state cause of action.</p> <p>The arbiter dismissed the complaint in the Decision dated 12 August 2020. Complainant filed an appeal to the BOC, which was granted in its Decision dated 25 July 2021 and ordered CLC to refund the overpayment amounting to ₱552,900 with interest.</p> <p>CLC filed a Motion for Reconsideration to reverse the Decision of the BOC and uphold the arbiter's Decision.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Sps. Yosef Zahavi and Letty B. Zahavi vs. Century Limitless, Century Properties, Inc. et al.	HLURB-NCR	Full Refund with interest	<p>The complainant claims misrepresentation in that their reservation over Unit 2806 – Niagara Tower of the Acqua Private Residences should not have been cancelled and demand refund. However, the Arbiter found that the presentation of evidence showing the valid cancellation of said unit and a second reservation by the same buyers of a different unit in the same project shows that they are not entitled to a refund. The dismissal by the Arbiter is affirmed by the Commission.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Peddy Salacsacan vs. CLC	HLURB-NCR	Refund, Cancellation of License to Sell, Claim for Damages	<p>The complainant prays for the refund of ₱66,000 representing his total payments to CLC and revocation of License to Sell over the project Azure Urban Resort Residences, on the ground that CLC refused to return his payments after he voluntarily cancelled his purchase. In its defense, CLC alleges that the complainant defaulted in his payments which led to the issuance of the Notarial Notice of Cancellation, and, in effect, forfeiting his payments pursuant to the signed Reservation Agreement. On 2 June 2021, CLC received the arbiter's Decision issued in favor of the complainant-buyer, ordering CLC to refund the payment made amounting to ₱66,000.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Lordelyn B. Buendia vs. CLC	HLURB-NCR	Refund with Interest and Damages	<p>The complainant prays for the refund of her payments amounting to ₱662,246.05 with legal interest, an award of ₱100,000 moral damages and attorney's fees equivalent to 25% of total claims due, as well as costs of suit, on the ground of engaging in real estate practices prior to the issuance of the License to Sell and delay in the completion and delivery of her unit. On the contrary, CLC alleges that it is compliant with the HLURB rules on selling real estate with the required license to sell. Further, complainant was the one in breach of the CTS by defaulting in her payments, which led to the cancellation of her account. Both parties submitted their</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			<p>respective Position Papers and the case is deemed submitted for resolution.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Sps. Charlton and Caroline Lim v. CLC	HLURB-NCR	Refund	<p>Complainant prays for the refund of their payments amounting to ₱4,818,288.50 with legal interest, an award of ₱1,000,000 moral damages and attorney's fees equivalent to 25% of total claims due, as well as costs of suit, on the ground of engaging in real estate practices prior to the issuance of the License to Sell and delay in the completion and delivery of her unit. CLC alleges that it is compliant with the HLURB rules on selling real estate with the required license to sell. On the contrary, complainants were in breach of the CTS by defaulting in their payments, resulting in the cancellation of their account.</p> <p>The parties failed to reach an amicable settlement during mediation proceedings and are scheduled to file their respective position papers on 27 October 2021.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Ronalyn J. Jarlego vs. CLC	HLURB-NCR	Refund	<p>The complainant prayed for the payment of refund in view of the cancellation of her purchase of a condominium unit in Aqua Private Residences. CPPI argued that it is not a party-in-interest and the acts of the developer, CLC, cannot be attributed to it. The Position Paper was filed on 2 March 2020. The case has been submitted for Resolution.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Reynelda Denolan vs. CLC	HLURB-NCR	Refund with Damages	<p>The complainant prayed that her total payment for purchasing a condominium unit at the Azure Urban Resort Residences amounting to ₱4,620,000 be refunded due to the fact that there was no effective cancellation of CTS before the Unit was sold to a third person. In its defense, CLC claims that Complainant is not entitled to full refund as she voluntarily cancelled her account and refused to pay the remaining monthly amortization and turnover balance of the total contract price.</p> <p>CLC filed its Answer on 2 March 2020, and subsequently its Position Paper on 9 September 2021.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			This case has no material adverse effect on the Company's consolidated financial position and results of operations.
Abegail Pondoc vs. CLC / CPI	HLURB-NCR	Refund	<p>The complainant alleged that the cancellation of the purchase of her condominium unit in Commonwealth by Century was unlawful and seeks for full refund in the amount of ₱574,653.00. CLC maintained that the cancellation was valid as it was the Complainant who voluntarily cancelled her purchase and refused to pay the monthly amortizations and turnover balance of the total contract price.</p> <p>Parties have amicably settled during mediation, and filed a Joint Manifestation and Motion to Dismiss on 21 April 2021.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Jayford Anthony Pelaez vs. CLC	HLURB-NCR	Rescission of Contract and Damages	<p>Complainant sought for the rescission of the CTS and refund of all payments made in view of the alleged delay in the turnover of his unit.</p> <p>On 24 August 2021, the parties have amicably settled during mediation.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Michelle Raagas Villanueva vs. CLC	HLURB-NCR	Refund, Rescission of Contract and Damages	<p>The buyer-complainant sought for the rescission of the CTS and refund of all payments made in view of the alleged delay in the turnover of her unit. She also questioned the issuance of NNC sans the payment of Cash Surrender Value as mandated by Maceda Law. CLC filed its Position Paper on 19 March 2021.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Gemma Cirili Garcia vs. Century Limitless Corp.	HLURB-NCR	For Refund, Damages, and Attorney's Fees	<p>Buyer prayed for full refund on the basis of unilateral change in plans and corresponding substantial increase in contract price, which she claims are acts of contractual breach by developer. The Arbiter dismissed the complaint insofar as to her prayer for full refund but found her to be in default and entitled to a refund of her payments pursuant to Maceda Law. CLC is scheduled to file its appeal to the BOC on 4 December 2020.</p>

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
			This case has no material adverse effect on the Company's consolidated financial position and results of operations.

CCDC

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
DOJ			
CCDC vs. Grace Tiano Marasigan	DOJ-Manila	BP 22 and Estafa	<p>The case involves the former tenant of Century City Mall who, through fraud and deceitful means, avoided payment of outstanding rental dues, utility fees and penalties. The City Prosecutor dismissed the case for lack of probable cause. CCDC filed a Petition for Review to DOJ to question such resolution.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Courts			
CCDC vs. Joannie Lumacang	Makati-RTC, Branch 148	Reconveyance of Title	<p>CCDC filed a case to compel the Registry of Deeds to re-issue the condominium certificate of title in the name of the developer CCDC after it had successfully evicted the buyer, Ms. Joannie Lumacang, from the unit. The court decided in favor of CCDC and will order the enforcement thereof after attaining finality.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Yejin Zhu vs. Camille Cortez and Jinrina Chung, et al.	Makati-Municipal Trial Court, Branch 66	Forcible Entry	<p>Judgment was rendered based on the Compromise Agreement submitted by the parties. The complaint prays for the restitution of a condominium unit in the Milano Residences in favor of plaintiff and award of damages on the allegation that the defendants conspired to unlawfully dispossess the former from the said unit through force, stealth and strategy. Parties are still exploring the possibility of settlement and are scheduled to appear for preliminary conference.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Shirley Macayda Cheng vs. CCDC	Makati City-RTC, Branch 235	Nullification of Notarial Rescission, Injunction and Damages	<p>The complaint involves the purchase of a condominium unit in The Gramercy Residences, a project of CCDC, and its eventual cancellation due to complainant-buyer's default with the bank where they secured a loan. They pray for the following: (a) to nullify the Notarial Cancellation Notice with Final Demand to Pay and Vacate issued by CCDC; (b) to enjoin CCDC from collecting the outstanding balance; (c) to enjoin</p>

			<p>CCDC from evicting the complainant-buyers from the unit; and (d) to order CCDC to pay damages and attorney's fees.</p> <p>CCDC received the summons with order to file its answer and counterclaims, if any, on 11 October 2021. CCDC will file its answer on or before 10 November 2021.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
HLURB			
Sps. Cao Xue and Lyu Kai vs. MDC/CCDC/CPI	HLURB-NCR	Specific performance and damages	<p>This is a Complaint with application for a temporary restraining order and/or writ of preliminary injunction filed against CCDC and MDC, among others, alleging that the cancellation of his purchase of a condominium unit in Milano Residences was done in violation of law. The complainant also alleged he already paid the total purchase price of the subject unit in full through his sales agent.</p> <p>CCDC filed its Comment on Complainant's application for temporary restraining order and/or writ of preliminary injunction on February 19, 2020 and the same is now deemed submitted for resolution. CCDC filed its Answer with Compulsory Counterclaim on February 24, 2020. Pending an order from the court for the submission of Position Papers.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>

CCC

CASE TITLE	COURT / AGENCY	NATURE	BACKGROUND OF THE CASE
Courts			
Rep. of the Phils. Represented by the Department of Transportation ("DOTr") vs. Century Communities Corp, et al.	RTC-Quezon City, Branch 98	Expropriation	<p>DOTr is spearheading the construction of the Metro Rail Transit ("MRT") – 7 Project which will traverse from San Jose Del Monte, Bulacan to MRT 3 North Avenue, Quezon City. Under the NEDA-approved plan for the MRT-7 Project, the railway will run in front of the properties covered by TCT Nos. 004-2018009491 and 004-2014010377 and registered under Century's name, but without traversing the same.</p> <p>However, Century was surprised when it received letters-offer from the DOTr expressing its intention to acquire portions of the subject properties to be used for the construction of the MRT-7 Project. Century subsequently rejected these letters-offer on the following grounds: (a) the price offered by the DOTr is grossly inadequate vis-à-vis the subject properties' actual market value; and (b) there is no genuine necessity for DOTr's taking of the subject properties.</p> <p>On November 15, 2019, the Republic of the Philippines, through the Department of Transportation, filed a Complaint for Expropriation against Century Communities Corporation, seeking to expropriate portions of the parcels of land covered by TCT Nos. 004-2018009491 and 004-2014010377 registered in the name of the Corporation consisting of 217,623 sq.m.</p> <p>The expropriation case was filed after the Corporation rejected the offer of DOTr to purchase the property at 3,600 per sqm. On November 22, 2019, after DOTr deposited the amount of ₱649,978,000 allegedly representing 100% of the value of the properties based on the BIR zonal value of similar lands within its vicinity (at ₱7,000 per sq.m.), the RTC of Quezon City, Branch 98, issued a Writ of Possession against the Corporation. The same was served and enforced on November 26, 2019. On the same date, the Corporation filed a Motion to Dismiss with an Alternative Prayer to Suspend Proceedings.</p> <p>The Corporation also filed a Motion to Quash Writ of Possession.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations. The offered price is higher than the cost of purchase of the property.</p>

Republic of the Philippines, represented by the DOTr v. The 1,411 Awardees of the NWSA Employees Housing Project and the Register of Deeds of Quezon City	RTC-Quezon City, Branch 98	Expropriation	<p>DOTr is spearheading the construction of the MRT – 7 Project which will traverse from San Jose Del Monte, Bulacan to MRT 3 North Avenue, Quezon City. Under the NEDA-approved plan for the MRT-7 Project, the railway will run in front of the property covered by TCT No. 004-2012010116 and registered under names of the Awardees, but without traversing the same. Also, TCT No. 004-2012010116 had already been previously subject of a 2012 Joint Venture Agreement between Century and the Awardees.</p> <p>Thus, the Awardees, along with Century, were surprised when they received letters-offer from the DOTr expressing its intention to acquire portions of the subject property to be used for the construction of the MRT-7 Project. The Awardees subsequently rejected these letters-offer on the following grounds: (a) the price offered by the DOTr is grossly inadequate vis-à-vis the subject property's actual market value; and (b) there is no genuine necessity for DOTr's taking of the subject property.</p> <p>This compelled DOTr to file a Complaint for Expropriation against the Awardees and without impleading Century despite its legal interest over the subject property. According to the Complaint, the subject properties are to be used as the "site of the Depot for the storage and maintenance of train carriages."</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
HLURB			
Herminigilda Macalalad vs. CCC & CBKR – HLURB Reg. IV	HLURB- Calamba	Delivery of Title and Damages	<p>This is a complaint arising from CCC's alleged failure to deliver the title over the subject property.</p> <p>An appeal is pending with the Office of the President. Title and ₱50,000 damages was released to complainant.</p> <p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
Robert Anthony dela Cruz v. CPGI, Fran Sabrina Mangila	HLURB- Calamba	Specific Performance and Damages	<p>This is a complaint involving one commercial unit and one residential lot of Canyon Ranch Subdivision, a project of CCC located in Carmona, Cavite.</p> <p>Complainant prayed for the physical turnover of the commercial unit and the issuance of title for the residential lot, including payment for damages. CPGI filed its Answer on 29 March 2021.</p>

			<p>This case has no material adverse effect on the Company's consolidated financial position and results of operations.</p>
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MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

MARKET INFORMATION

The shares of the Company consist of Common Shares and Preferred Shares, which are presently being traded in the PSE.

The high, low, and close prices for the Common shares of the Company for each quarter within the last four (4) fiscal years are as follows:

<u>(in ₱)</u>	2021			2020			2019			2018		
<u>Quarter</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
First quarter	0.385	0.375	0.380	0.570	0.335	0.370	0.56	0.43	0.53	0.49	0.42	0.44
Second quarter	0.570	0.550	0.570	0.430	0.325	0.370	0.64	0.49	0.61	0.53	0.42	0.44
Third quarter	0.440	0.430	0.440	0.405	0.345	0.360	0.67	0.52	0.55	0.48	0.43	0.45
Fourth quarter	0.470	0.380	0.400	0.495	0.355	0.450	0.63	0.52	0.55	0.45	0.38	0.43

The closing price of the Company's Common Shares of stock as of February 8, 2022 is ₱0.425 per share.

The high, low, and close prices for the Preferred shares of the Company for each quarter within the last 2 fiscal years are as follows:

<u>(in ₱)</u>	2021			2020		
<u>Quarter</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
First quarter	106.0	100.0	102.5	103.0	96.0	100.8
Second quarter	104.4	101.0	103.5	101.0	98.5	101.0
Third quarter	104.0	100.2	103.5	102.7	100.0	102.7
Fourth quarter	105.5	100.0	103.0	110.0	101.0	110.0

The closing price of the Company's Preferred Shares of stock as of February 3, 2022 is ₱102.00 per share.

STOCKHOLDERS

The number of shareholders of the Company of record as of September 30, 2021 was 498. As of September 30, 2021, the Company has 11,699,723,690 issued and outstanding Common Shares, with total paid-up capital of ₱6,200,853,553.

The top 20 stockholders as of September 30, 2021 are as follows:

Name	Number of Shares Held	% to Total
CENTURY PROPERTIES, INC.	5,934,863,419	50.727
PCD NOMINEE CORPORATION (FILIPINO)	4,825,180,085	41.242
RICARDO P. CUERVA	214,995,168	1.838
RICARDO C. CUERVA	214,995,160	1.838
F. YAP SECURITIES, INC.	169,183,755	1.446
PCD NOMINEE CORPORATION (NON-FILIPINO)	147,422,486	1.260
TRIVENTURES CONSTRUCTION & MANAGEMENT CORPORATION	119,441,756	1.021
JAIMIE MARIE C. CUERVA	53,748,790	0.459
QIU NINI	6,800,000	0.058
ERNESTO B. LIM	6,000,000	0.051
PEDRO RIZALDY ALARCON	1,000,000	0.009
GOH WAY SIONG	1,000,000	0.009
ANTONIO A. INDUCTIVO	723,959	0.006
VICTOR S. CHIONGBIAN	688,732	0.006
VICENTE GOQUIOLAY & CO., INC.	395,288	0.003
MAGDALENO B. DELMAR, JR.	361,458	0.003
CRISANTO L. DAPIGRAN	217,000	0.002
REGINA CAPITAL DEV. CORP. 000351	200,000	0.002
ALFRED REITERER	200,000	0.002
PACIFICO B. TACUB	150,661	0.001

Under Article 6 of the Company's Articles of Incorporation, all shareholders have been denied their pre-emptive right to subscribe, purchase, or take any part of any stock of the Company.

FOREIGN EQUITY HOLDERS

As of September 30, 2021, the percentage of the total outstanding capital stock of the Company held by foreigners is 1.3399%.

Class of Shares	Total Outstanding Shares	Local Shares	Foreign Shares
Common Shares	11,599,600,690	11,444,177,903	155,422,787
Percentage Holdings		98.66%	1.3399%

CPGI'S DIVIDENDS AND DIVIDEND POLICY

The Company declares dividends yearly, either through Cash or Stock, to shareholders of record, which are paid from the Company's unrestricted retained earnings.

CPGI intends to maintain an annual cash dividend payment ratio for the issued and outstanding Common Shares of the Company of approximately 10% of its consolidated net income from the preceding fiscal year, subject to the requirements of applicable laws and

regulations, availability of unrestricted retained earnings, and the absence of circumstances which may restrict the payment of such dividends.

Below is the summary of CPGI's dividend declaration for fiscal years 2012 until 2021.

Cash Dividends				
Fiscal Year	Total Amount of Dividends	Amount of dividends per share	Date of Declaration	Date of Payment
2012	184,436,193	₱0.019024	April 15, 2013	May 16, 2013
2013	184,471,576	₱0.0190	April 30, 2014	June 5, 2014
2014	201,158,909	₱0.0173418822	June 15, 2015	July 16, 2015
2015	₱205,022,943	₱0.0177	June 22, 2016	July 20, 2016
2016	₱205,065,834	₱0.0177	May 22, 2017	June 19, 2017
2017	₱199,999,999	₱0.0172	June 8, 2018	July 6, 2018
2018	₱137,919,252	₱0.01189	June 25, 2019	July 23, 2019
2019	₱147,847,020	₱0.0063	August 26, 2020	September 18, 2020
		₱0.0063		November 18, 2020
2020	₱114,923,406	₱0.0050	July 21, 2021	August 18, 2021
		₱0.0050		October 18, 2021

Below is the summary of the Company's stock dividend declaration for Common Shareholders.

Stock Dividends				
Fiscal Year	Total Number of Shares	Dividend Rate	Date of Declaration	Date of Payment
2013	1,999,999,993	20.661985%	October 13, 2014	November 14, 2014

Below is the summary of the Company's cash dividend declaration for holders of Preferred Shares:

Cash Dividends				
Fiscal Year	Total Amount of Dividends	Amount of dividends per share	Record Date	Date of Payment
2020	₱50,382,750	₱1.6794250	April 3, 2020	April 13, 2020
	₱50,382,750	₱1.6794250	July 8, 2020	July 10, 2020
	₱50,382,750	₱1.6794250	October 6, 2020	October 12, 2020
	₱50,382,750	₱1.6794250	January 5, 2021	January 11, 2021
2021	₱50,382,750	₱1.6794250	April 6, 2021	April 12, 2021
	₱50,382,750	₱1.6794250	July 6, 2021	July 12, 2021
	₱50,382,750	₱1.6794250	October 6, 2021	October 11, 2021
	₱50,382,750	₱1.6794250	January 5, 2022	January 10, 2022

CPGI's net income for fiscal year 2015 was ₱1,530.6 million, and it paid dividends of ₱205.0 million to its stockholders in July of 2016. CPGI's net income for fiscal year 2016 was ₱727.1 million, and it paid dividends of ₱205.1 million to its stockholders in June of 2017. CPGI's net income for fiscal year 2017 was ₱650 million, and it paid dividends of ₱200 million to its stockholders in June of 2018. CPGI's net income for fiscal year 2018 was ₱1,118 million, and it paid dividends of ₱138 million to its stockholders in June of 2019. CPGI's net income for fiscal year 2019 was ₱1,479 million, and it paid dividends of ₱148 million to its stockholders in September and November of 2020. CPGI's net income for fiscal year 2020 was ₱1,149 million, and it paid dividends of ₱115 million to its stockholders in August and October of 2021.

The subsidiaries do not have a stated dividend policy. CCDC declared dividends to CPGI of ₱100 million in 2017 and ₱201 million in 2018. CLC declared dividends to CPGI of ₱300 million in 2015 and ₱300 million in 2016, ₱700 million in 2017, ₱700 million in 2018, ₱850 million in 2019 and ₱350 million in 2020. CCDC II declared dividends to CPGI of ₱140 million in 2020. CPML declared dividends to CPGI of ₱49 million in 2020. Each subsidiary ensures that on aggregate, the subsidiaries adhere to CPGI's dividend policy of distributing at least 10% of CPGI's prior year's net income.

RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES, INCLUDING RECENT ISSUANCE OF SECURITIES CONSTITUTING AN EXEMPT TRANSACTION

The Company has no recent sales of unregistered or exempt securities, including recent issuance of securities constituting an exempt transaction, for the past three (3) years.

SELECTED FINANCIAL INFORMATION

The selected financial information set forth in the following tables has been derived from the Company's unaudited interim condensed consolidated financial statements as of and for the nine (9) months ending September 30, 2021 and 2020 and its audited consolidated financial statements as of and for the years ending December 31, 2020, 2019, and 2018. This should be read in conjunction with the unaudited interim condensed consolidated financial statements and audited consolidated financial statements annexed to this Prospectus, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information included herein.

The Company's unaudited interim condensed consolidated financial statements were prepared in compliance with PAS 34, "Interim Financial Reporting", and were reviewed by SGV & Co., in accordance with PSRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." The Company's audited consolidated financial statements were prepared in accordance with the PFRS and were audited by SGV & Co., in accordance with PSA.

The summary financial information set out below does not purport to project the results of operations or financial condition of the Company for any future period or date.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Revenue						
Real estate sales	5,337	7,305	9,483	12,685	9,577	5,346
Leasing revenue	724	587	795	713	407	342
Property management fee and other services	305	256	390	412	395	353
Interest income from real estate sales	116	134	168	504	322	665
Interest and other income	251	246	568	573	569	801
Gain on change in fair value of investment properties	178	465	559	261	377	286
Gain (loss) on change in fair value of derivative asset	-	-	-	(76)	116	(36)
Share in net earnings of joint ventures and associate	5	7	7	11	12	-
Total Revenue and Other Income	6,916	9,000	11,970	15,083	11,775	7,757
Cost and Expenses						
Cost of real estate sales	3,436	4,863	6,083	8,460	5,655	2,806
Cost of leasing	213	127	227	217	228	238
Cost of services	199	193	286	295	277	271
General, administrative and selling expenses	1,750	1,819	2,864	3,235	3,255	2,964
Interest and other financing charges	595	471	948	937	594	403
Unrealized foreign exchange loss (gain)	-	-	(2)	(117)	144	54
Total Cost, General, Administrative, Selling and Other Expenses	6,193	7,473	10,406	13,027	10,153	6,736
Income Before Tax	723	1,527	1,564	2,056	1,622	1,021
Provision for Income Tax	(359)	427	415	577	504	371
Net Income	1,082	1,100	1,149	1,479	1,118	650
Other Comprehensive Income						
Net change in fair value of equity instruments at fair value through OCI	-	-	(1)	0	0	(0)
Remeasurement (Loss) Gain on Defined Benefit Plan	(5)	-	(37)	(15)	(31)	26
Total Comprehensive Income	1,077	1,100	1,111	1,464	1,087	676

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)	For the years ended December 31 (Audited)			
	2021	2020	2019	2018	2017
ASSETS					
Current Assets					
Cash and cash equivalents	3,796	2,474	4,005	1,950	1,400
Short-term investments	1,041	285	-	-	-
Receivables	10,241	11,491	10,967	8,874	7,541
Real estate inventories	15,271	14,651	15,558	17,257	15,846
Due from related parties	585	464	420	394	491
Advances to suppliers and contractors	2,652	2,428	2,007	2,236	1,964
Investment in bonds	-	464	-	-	-
Prepayments and other current assets	1,754	1,810	1,409	1,284	1,009
Total Current Assets	35,340	34,067	34,366	31,995	28,251
Noncurrent Assets					
Real estate receivables - net of current portion	103	125	1,138	1,895	2,442
Investment in bonds	-	-	464	-	-
Investment in and advances to joint venture	271	265	259	248	235
Deposits for purchased land	1,358	1,354	1,079	1,189	1,370
Investment properties	13,944	13,628	12,933	11,382	7,760
Property and equipment	1,797	1,784	1,648	1,274	1,069
Deferred tax assets – net	29	86	42	62	104
Other noncurrent assets	1,988	1,700	1,513	1,321	1,325
Total Noncurrent Assets	19,490	18,942	19,076	17,371	14,305
TOTAL ASSETS	54,830	53,009	53,442	49,366	42,556
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts and other payables	5,487	5,592	5,703	4,990	3,832
Contract liabilities	3,086	1,458	1,784	2,294	-
Customers' deposit	-	-	-	-	2,759
Short-term debt	336	812	1,453	2,207	1,416
Current portion of long-term debt	3,269	5,447	5,462	5,389	3,099
Current portion of bonds payable	2,985	119	1,393	-	-
Current portion of liability for purchased land	67	67	67	67	67
Current portion of lease liability	5	5	22	-	-
Due to related parties	339	270	171	98	48
Income tax payable	68	61	9	5	3
Other current liabilities	331	352	35	-	-
Total Current Liabilities	15,973	14,183	16,099	15,050	11,224
Noncurrent Liabilities					

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)	For the years ended December 31 (Audited)			
	2021	2020	2019	2018	2017
Long-term debt – net of current portion	8,928	9,409	9,881	11,645	10,084
Bonds payable – net of current portion	2,950	2,966	3,060	1,506	1,501
Liability for purchased land – net of current portion	141	208	268	302	381
Lease liability – net of current portion	33	-	40	-	-
Pension liabilities	408	373	307	251	236
Deposit for future stock subscription	-	-	42	-	-
Deferred tax liabilities – net	2,400	2,952	2,708	2,524	2,451
Other noncurrent liabilities	1,865	1,786	1,421	625	423
Total Noncurrent Liabilities	16,725	17,694	17,727	16,853	15,076
Total Liabilities	32,698	31,877	33,826	31,903	26,300
Equity					
Capital stock					
Common Stock	6,201	6,201	6,201	6,201	6,201
Preferred Stock	16	16	-	-	-
Additional paid-in capital	5,525	5,525	2,640	2,640	2,640
Treasury shares	(110)	(110)	(110)	(110)	(110)
Other components of equity	(683)	(683)	99	99	99
Retained earnings	9,759	9,029	8,734	7,590	6,923
Remeasurement Loss on Defined Benefit Plan	(124)	(118)	(81)	(66)	(34)
Total equity attributable to Parent Company	20,584	19,860	17,483	16,354	15,719
Non-controlling interests	1,548	1,272	2,133	1,109	537
Total Equity	22,132	21,132	19,616	17,463	16,256
TOTAL LIABILITIES AND EQUITY	54,830	53,009	53,442	49,366	42,556

SEGMENT REVENUE AND NIAT

September 2021	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	2,805	0	305	1,222	-	2,150	0	6,482
Net Income	696	(6)	33	693	-	368	(702)	1,082

September 2020	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	4,226	650	256	1,345	-	974	(12)	7,439
Net Income	462	93	13	180	-	62	15	825

FY 2020	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	5,095	650	346	1,983	-	1,606	(12)	9,680
Net Income	611	59	18	162	-	221	(835)	236

FY 2019	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	7,698	19	322	4,361	-	844	(362)	13,244
Net Income	1,161	4	10	275	(3)	37	(175)	1,309

FY 2018	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	6,525	15	307	2,110	-	134	(98)	9,091
Net Income	775	(18)	11	953	1	(30)	(18)	1,692

FY 2017	CLC	CCC	CPMI	CCDC	CDLC	PPHI	CPGI & Eliminating Entries	CPGI Consolidated
Revenue	4,299	6	292	1,164	-	-	(228)	5,761
Net Income	692	(12)	8	126	-	-	(344)	814

Note:

- 1) Includes CPGI's separate revenue and net income, aside from that of its subsidiaries. Also, includes intercompany revenue and expense eliminating entries for consolidation.

FINANCIAL RATIOS

Please refer to the section entitled “Selected Financial Information” located on page 212 of this Prospectus for further details.

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Net income attributable to the equity holders of the parent company	845	832	796	1,281	986	630
Dividends declared to preferred shares	-	151	449	-	-	-
	845	681	347	1,281	986	630
Weighted average number of shares	11,600	11,600	11,600	11,600	11,600	11,600
EPS, basic / diluted (₱)	0.073	0.059	0.030	0.11	0.085	0.054
Gross Profit Margin						
Revenue	6,482	8,282	10,836	14,314	10,701	6,706
Gross Profit	2,634	3,099	4,240	5,342	4,541	3,391
Gross Profit Margin (%)	40.6%	37.4%	39.1%	37.3%	42.4%	50.6%
NIAT Margin						
Net income	1,082	832	796	1,281	986	630
Revenue	6,482	8,282	10,836	14,314	10,701	6,706
NIAT Margin (%)	16.7%	10.0%	7.3%	8.9%	9.2%	9.4%
Return on Asset (ROA)						
Total annualized net income after tax	1,443	1,467	1,149	1,479	1,118	650
Total asset current year	54,830	53,906	53,009	53,442	49,366	42,556
Total asset as of beginning of period	53,009	53,442	53,442	49,366	42,556	41,309
Average total asset	53,920	53,674	53,226	51,404	45,961	41,933
ROA (%)	2.7%	2.7%	2.2%	2.9%	2.4%	1.5%
Return on Equity (ROE)						
Total annualized net income after tax	1,443	1,467	1,149	1,479	1,118	650
Total equity current year	22,131	21,321	21,132	19,616	17,463	16,256
Total equity prior year	21,132	19,616	19,616	17,463	16,256	15,346
Average total equity	21,632	20,469	20,374	18,540	16,860	15,801
ROE (%)	6.7%	7.2%	5.6%	8.0%	6.6%	4.1%
Interest coverage ratio						
Total net income after tax	1,082	1,100	1,149	1,479	1,118	650
Add: Provision for income tax	(359)	427	415	577	504	371
Add: Interest expense	526	402	784	748	414	287
EBIT	1,249	1,929	2,348	2,804	2,036	1,308
Interest expense	526	402	784	748	414	287
Interest coverage ratio (x)	2.37	4.80	2.99	3.75	4.92	4.56

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
Debt service coverage ratio						
Total debt service excluding sale of receivables with recourse and refinancing	4,789	5,075	4,538	3,367	4,211	5,141
Add: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Cash Before Debt Service	8,585	9,064	7,012	7,372	6,161	6,541
Divide: Debt service	4,789	5,075	4,538	3,367	4,211	5,141
Debt service coverage ratio (x)	1.79	1.79	1.55	2.19	1.46	1.27
Current ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Current ratio (x)	2.2	2.8	2.4	2.1	2.1	2.5
Quick Ratio						
Current Assets	35,340	32,378	34,067	34,366	31,995	28,251
Inventory	15,271	13,880	14,651	15,558	17,257	15,846
Quick Assets	20,069	18,498	19,416	18,808	14,738	12,405
Current Liabilities	15,973	11,700	14,183	16,099	15,050	11,224
Quick Ratio (x)	1.3	1.6	1.4	1.2	1.0	1.1
Debt to equity ratio						
Short-term debt	336	566	812	1,453	2,207	1,416
Current portion of long-term debt	3,269	2,696	5,447	5,462	5,389	3,099
Current portion of bonds payable	2,985	119	119	1,393	0	0
Long-term debt – net of current Portion	8,928	13,026	9,409	9,881	11,645	10,084
Bonds payable – net of current	2,950	2,960	2,966	3,060	1,506	1,501
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Equity	22,132	21,321	21,132	19,616	17,463	16,256
Debt to equity ratio (x)	0.8	0.9	0.9	1.1	1.2	1.0
Net debt to equity ratio						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
Less: Cash and cash equivalents	3,796	3,989	2,474	4,005	1,950	1,400
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Net debt to equity ratio (x)	0.7	0.7	0.8	0.9	1.1	0.9
EBITDA						
Net income after tax	1,082	1,100	1,149	1,479	1,118	650
Provision for income tax	(359)	427	415	577	504	371
Income before Income Tax	723	1,527	1,564	2,056	1,622	1,021
Interest expense	526	402	784	748	414	287
Depreciation and amortization	42	36	59	57	38	33
EBITDA	1,292	1,965	2,407	2,861	2,074	1,341
Debt						
Debt	18,468	19,367	18,753	21,249	20,747	16,100
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Debt-to-EBITDA (x)	10.7	7.4	7.8	7.4	10.0	12.0
Net Debt	14,672	15,378	16,279	17,244	18,797	14,700

In Million Pesos (₱)	For the nine months ended September 30 (Unaudited)		For the years ended December 31 (Audited)			
	2021	2020	2020	2019	2018	2017
EBITDA (Annualized for Interim)	1,722	2,620	2,407	2,861	2,074	1,341
Net Debt-to-EBITDA	8.5	5.9	6.8	6.0	9.1	11.0
Asset to equity ratio						
Total Assets	54,830	53,906	53,009	53,442	49,366	42,556
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Asset to equity ratio (x)	2.5	2.5	2.5	2.7	2.8	2.6
Total Liabilities / Total Equity						
Total Liabilities	32,697	32,584	31,877	33,826	31,903	26,300
Total Equity	22,132	21,321	21,132	19,616	17,463	16,256
Total Liabilities / Total Equity	1.5	1.5	1.5	1.7	1.8	1.6

Notes:

- 1) These financial ratios are not required by and are not a measure of performance under PFRS. Investors should not consider these financial ratios in isolation or as an alternative to net income as an indicator of the Group's operating performance or to cash flow from operating, investing and financing activities as a measure of liquidity, or any other measures of performance under PFRS. Because there are various calculation methods for these financial ratios, the Group's presentation of these measures may not be comparable to similarly titled measures used by other companies.
- 2) Gross Profit is the Group's Core Revenue (Real estate sales, Leasing revenue, Property management fee and other services, Interest income from accretion) less its Direct Costs (Cost of real estate sales, Cost of Leasing, Cost of services). Gross Profit Margin is computed by dividing the Group's Gross Profit by its Core Revenue.
- 3) NIAT Margin is computed by dividing Net income attributable to the owners of the parent company by its Core Revenue.
- 4) Return on assets is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total equity (beginning plus end of the period divided by two).
- 6) Interest coverage ratio is equal to earnings before interest and taxes ("EBIT") divided by interest expenses.
- 7) Debt service coverage ratio is equal to the sum of the Company's total debt service for period and cash and cash equivalents divided by the total debt service. Debt service means debt principal amortizations, interest payments, financing fees and charges during such period, with the exclusion of payments made for the period pertaining to refinancing activities and rediscounting of receivables transactions sold on a with recourse basis.
- 8) Current ratio is obtained by dividing the Current Assets of the Group by its Current liabilities. This ratio is used as a test of the Group's liquidity.
- 9) Quick ratio is calculated by dividing Quick Assets (Current Assets less Inventory) of the Group by its Current Liabilities. This ratio is used as a test of the Group's liquidity.
- 10) Debt-to-EBITDA is calculated by dividing annualized EBITDA (EBITDA for the nine-month period ended September 30 divided by three multiplied by four) for the period by total interest-bearing debt.
- 11) Debt-to-equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 12) Net debt-to-equity ratio is calculated as total interest-bearing debt minus cash and cash equivalents divided by total equity as of the end of the period.
- 13) Asset-to-equity ratio is total assets over total equity.
- 14) Liabilities-to-equity ratio is total liabilities over total equity.
- 15) EBITDA is computed by adding back provision for income tax, interest expense and depreciation and amortization to the net income for the period.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This should be read in conjunction with the interim consolidated financial statements and audited consolidated financial statements annexed to this Prospectus, as well as the yearly filed 17A and quarterly filed 17Q.

REVIEW OF NINE (9)-MONTH 2021 VS NINE (9)-MONTH 2020

Results of Operations and Material Changes to the Company's Income Statement for the 9-month period ended September 30, 2021 compared to the 9-month period ended September 30, 2020
(In Millions of Pesos)

	2021	2020	Amount	Movement %
REVENUE				
Real estate revenue	P5,336.87	P7,305.18	(P1,968.31)	-26.94%
Leasing revenue	724.10	587.14	136.96	23.33%
Property management fee and other services	304.99	256.15	48.84	19.07%
Interest income from real estate sales	115.79	133.55	(17.76)	-13.30%
	6,481.75	8,282.02	(1,800.27)	-21.74%
COST AND EXPENSES				
Cost of real estate revenue	3,436.14	4,863.00	(1,426.86)	-29.34%
Cost of leasing	213.17	127.68	85.49	66.96%
Cost of services	198.51	192.74	5.77	2.99%
	3,847.82	5,183.42	(1,335.60)	-25.77%
GROSS PROFIT	2,633.93	3,098.60	(464.67)	-15.00%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	1,749.91	1,818.96	(69.05)	-3.80%
OTHER INCOME (EXPENSES)				
Interest and other income	250.98	246.20	4.78	1.94%
Gain from change in fair value of investment property	177.92	465.22	(287.30)	-61.76%
Share in net income	5.00	6.79	(1.79)	-26.40%
Interest and other financing charges	(594.80)	(470.87)	(123.93)	26.32%
	(160.90)	247.34	(408.24)	-165.05%
INCOME BEFORE INCOME TAX	723.12	1,526.98	(803.86)	-52.64%
(BENEFIT FROM) PROVISION FOR INCOME TAX	(358.55)	427.07	(785.62)	-183.96%
NET INCOME	P1,081.67	P1,099.91	(P18.24)	-1.66%

26.94% decrease in real estate revenue

The decrease in real estate revenue is due to slowdown in sales take up, collections, and limited construction activities during the period.

23.33% increase in leasing revenue

The increase was mainly due to the leasing revenues recognized for additional units leased out by Century Diamond Tower, Asian Century Center, and Centuria Medical Makati.

19.07% increase in Property Management Fees

The increase is mainly due to increase in rates during the period.

13.30% decrease in interest income from real estate sales

Interest income from real estate sales represents interest accretion from installment contract receivables and contract asset recognized during the year. Discount subject to accretion arises from the difference between present value of installment contract receivables ("ICR") and contract asset and its nominal value. Income decrease since majority of the projects are already turned over and slowdown in new sales during the nine (9)-month period in 2021.

29.34% decrease in cost of sales

The decrease is mainly due to the decrease in real estate revenue.

66.96% increase in cost of leasing

The increase is due to increase in direct operating expenses for CDT and ACC in the current reporting period.

2.99% increase in cost of services

The increase is directly attributable to the increase of property management fees.

3.80% decrease in general, administrative and selling expenses

The decrease is a result of cost cutting efforts of the management during the period.

1.94% increase in interest and other income

The increase is mainly attributable to the increase in dues billed to tenants of leasing.

26.40% decrease in income from investment in associate

This is due to the decrease in share in net earnings of joint ventures and associate.

61.76% decrease in gain from fair value of investment property

The decrease was mainly due to the decline in fair value gain recognized from Century Diamond Tower building.

26.32% increase in interest and other financing charges

The increase is mostly due to interest and other financing charges from new bond issuance during the period.

183.96% decrease in provision for income tax

The decrease was primarily due to impact on change in tax rate on deferred tax liabilities net of current tax expenses on taxable income.

As a result of the foregoing, net income decreased by 1.66%.

Financial Condition and Material Changes to the Company's Statement of Financial Position for the periods ended September 30, 2021 (Unaudited) and December 31, 2020 (In Millions of Pesos)

	2021	2020	Movement	
			Amount	%
ASSETS				
Cash and cash equivalents	₱3,796.21	₱2,473.56	₱1,322.65	53.47%
Receivables	10,240.87	11,491.05	(1,250.18)	-10.88%
Short-term investments	1,040.82	285.24	755.58	264.89%
Real estate inventories	15,271.29	14,651.33	619.96	4.23%
Due from related parties	584.59	464.42	120.17	25.88%
Advances to suppliers and contractors	2,651.65	2,427.70	223.95	9.22%
Investment in bonds	-	463.75	(463.75)	-100.00%
Other current assets	1,754.67	1,809.89	(55.22)	-3.05%
Total Current Assets	35,340.10	34,066.94	1,273.16	3.74%
Noncurrent portion of installment contract receivables	102.83	124.78	(21.95)	-17.59%
Deposits for purchased land	1,357.92	1,354.24	3.68	0.27%
Investments in and advances to joint ventures and associate	270.56	265.56	5.00	1.88%
Investment properties	13,944.20	13,627.58	316.62	2.32%
Property and equipment	1,796.91	1,783.59	13.32	0.75%
Deferred tax assets - net	28.57	86.28	(57.71)	-66.89%
Other noncurrent assets	1,989.39	1,699.92	289.47	17.03%
Total Noncurrent Assets	19,490.38	18,941.95	548.43	2.90%
TOTAL ASSETS	54,830.48	53,008.89	1,821.59	3.44%
LIABILITIES				
Accounts and other payables	5,486.34	5,591.64	(105.30)	-1.88%
Contract liabilities	3,086.43	1,457.78	1,628.65	111.72%
Short-term debt	335.71	811.95	(476.24)	-58.65%
Current portion of:				
Long-term debt	3,268.73	5,447.30	(2,178.58)	-39.99%
Bonds Payable	2,985.25	118.78	2,866.47	2413.26%
Liability from purchased land	67.20	67.20	-	0.00%
Lease Liability	4.53	4.53	-	0.00%
Due to related parties	338.68	270.01	68.67	25.43%
Income Tax Payable	67.82	61.50	6.32	10.28%
Other current liabilities	330.94	352.65	(21.71)	-6.16%
Total Current Liabilities	15,971.63	14,183.34	1,788.29	12.61%
Noncurrent portion of:				
Long-term debt	8,928.44	9,408.87	(480.43)	-5.11%
Bonds Payable	2,950.26	2,965.98	(15.72)	-0.53%
Liability from purchased land	141.15	208.34	(67.19)	-32.25%
Lease Liability	32.95	-	32.95	100.00%
Pension liabilities	407.86	372.98	34.88	9.35%
Deferred tax liabilities	2,400.20	2,951.53	(551.33)	-18.68%
Other noncurrent liabilities	1,864.99	1,786.57	78.42	4.39%
Total Noncurrent Liabilities	16,725.85	17,694.27	(968.42)	-5.47%
Total Liabilities	32,697.48	31,877.61	819.87	2.57%
EQUITY				
Capital stock				
Common	6,200.85	6,200.85	-	0.00%
Preferred	15.90	15.90	-	0.00%
Additional paid-in capital	5,524.78	5,524.78	-	0.00%
Treasury shares	(109.67)	(109.67)	-	0.00%
Other components of equity	(682.85)	(682.85)	-	0.00%
Retained earnings	9,759.10	9,028.95	730.15	8.09%
Remeasurement loss on defined benefit plan	(123.52)	(118.50)	(5.02)	4.24%
Total Equity Attributable to Equity Holders of the Parent Company	20,584.59	19,859.46	725.13	3.65%
Non-controlling interests	1,548.41	1,271.82	276.59	21.75%
Total Equity	22,133.00	21,131.28	1,001.72	4.74%
TOTAL LIABILITIES AND EQUITY	₱54,830.48	₱53,008.89	₱1,821.59	3.44%

53.47% increase in cash and cash equivalents

The increase is primarily due to higher operating cashflows for the period and proceeds from issuance of the bonds in March 2021.

10.95% decrease in total receivables and noncurrent portion of installment contract receivables

The decrease is primarily due to collections during the period.

264.89% increase in short-term investments

The increase is primarily from additional money market placements with maturity more of than three (3) months during the period.

25.88% increase in due from related parties

The increase is due to additional advances from related parties, which are made at normal market prices, outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

9.22% increase in advances to suppliers

The increase is primarily due to down payments made to contractors and suppliers for newly awarded contracts.

6.67% increase in other current and non-current assets

The increase is primarily mostly due to increase in deferred selling expenses from and input VAT from the affordable housing segment.

100.00% decrease in investment in bonds

The decrease is due to maturity of investment in bonds in January 2021.

111.72% increase in total contract liabilities

The increase is attributable to collections from customers booked as liability pending satisfaction of criteria for revenue recognition.

20.01% decrease in total short-term and long-term debt

The decrease was due to net repayment of loans during the period.

92.41% increase in bonds payable

The increase is due to the newly issued ₱3 billion bond in March 2021.

24.38% decrease in total current and non-current liabilities for purchased land

The decrease is due to payments made during the year.

727.37% increase in total current and non-current lease liability

This pertains to the lease liability accrued from the lease contract entered by the Group as a lessee in accordance with PFRS 16.

25.43% increase in due to related parties

The increase is due to additional purchases from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

18.68% decrease in deferred tax liabilities

This is mostly attributable to the impact of the CREATE Law.

9.35% increase in pension liabilities

This is due to additional retirement expense during the year.

4.74% increase in total stockholders' equity

This is due to the net income recorded for the nine (9)-month period ended September 30, 2021, additional investment from Mitsubishi Corporation interest amounting to ₱200 million net of dividend declaration.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material commitments for capital expenditures.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	30-Sep-21	30-Sep-20
Current Ratios (a)	2.2x	2.8x
Debt to Equity (b)	0.8x	0.9x
Debt to EBITDA (c)	10.7x	7.4x
Return on Assets (d)	2.7%	2.7%
Return on Equity (e)	6.7%	7.2%

Notes:

- 1) Current ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.
- 2) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 3) Debt to EBITDA is calculated by dividing annualized EBITDA (EBITDA for the nine-month period ended September 30 divided by three multiplied by four) for the period by total interest-bearing debt.
- 4) Return on assets is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing annualized net income (net income for the nine-month period ended September 30 divided by three multiplied by four) for the period by average total equity (beginning plus end of the period divided by two).

Current ratio decreased mainly due to the increase in current liabilities, primarily as a result of in maturing of bonds payable and long-term debt.

Debt to equity decreased as a result of the decline in debt from the long-term debt while total equity increased due to the net income during period ended September 30, 2021 and additional investment from minority interest compared to the same period as of September 30, 2020.

Debt to EBITDA increased primarily due to the decline in annualized EBITDA as of September 30, 2021 compared to the same period as of September 30, 2020.

Return on Equity declined due to lower annualized net income recognized during the nine (9)-month period ended September 30, 2021 compared to the same period ended September 30, 2020.

Key Performance Indicators

Selected Financial Indicators September 30, 2021 and September 30, 2020

Financial ratios	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)
Current/Liquidity Ratios		
Current Assets	35,340,088,991	32,377,893,244
Current Liabilities	15,971,636,030	11,700,047,002
Current Ratios	2.2	2.8
Current Assets	35,340,088,991	32,377,893,244
Inventory	15,271,289,483	13,879,985,395
Quick Assets	20,068,799,508	18,497,907,849
Current Liabilities	15,971,636,030	11,700,047,002
Quick Ratios	1.3	1.6
Liabilities and Debt Ratios		
Short-term debt	335,708,389	566,006,056
Long-term debt - Current	3,268,725,181	2,695,914,931
Long-term debt - Non-current	8,928,435,196	13,026,022,155
Bonds payable	5,935,510,211	3,078,437,291
Debt	18,468,378,977	19,366,380,433
Equity	22,132,998,551	21,321,411,792
Debt-to-Equity	0.8	0.9
Debt	18,468,378,977	19,366,380,433
Cash and Cash Equivalents	3,796,205,896	3,988,543,330
Net Debt	14,672,173,081	15,377,837,103
Equity	22,132,998,551	21,321,411,792
Net Debt-to-Equity	0.7	0.7
Debt	18,468,378,977	19,366,380,433
EBITDA (Annualized for Interim)	1,721,577,827	2,620,193,459
Debt-to-EBITDA	10.7	7.2
Income before Income Tax	723,120,252	1,526,968,785
Interest expense	526,002,525	401,677,023
Depreciation and amortization	42,060,593	36,499,286
EBITDA	1,291,183,370	1,965,145,094
Asset to Equity Ratios		
Total Assets	54,830,466,009	53,905,564,147
Total Equity	22,132,998,551	21,321,411,792
Asset to Equity Ratio	2.5	2.5
Liabilities to Equity Ratios		
Total Liabilities	32,697,467,458	32,584,152,355
Total Equity	22,132,998,551	21,321,411,792
Liabilities to Equity Ratio	1.5	1.5

Financial ratios	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)
Profitability ratios		
Revenue	6,481,751,373	8,282,019,623
Gross Profit	2,633,922,428	3,098,600,578
Gross Profit Ratio	41%	37%
Net Income Attributable to Equity holders of the Parent Company	845,078,114	831,487,170
Revenue	6,481,751,373	8,282,019,623
Net Income Margin	13.0%	10.0%
Total Net Income after tax	1,442,228,275	1,466,537,101
Total Asset CY	54,830,466,009	53,905,564,147
Total Asset PY	53,008,903,420	53,441,685,612
Average total asset	53,919,684,715	53,673,624,880
Return on Asset	2.7%	2.7%
Total Net Income after tax	1,442,228,275	1,466,537,101
Total Equity CY	22,132,998,551	21,321,411,792
Total Equity PY	21,131,273,660	19,615,569,488
Average total equity	21,632,136,106	20,468,490,640
Return on Equity	6.7%	7.2%
Net Income	1,081,671,206	1,099,902,826
Revenue	6,481,751,373	8,282,019,623
Net Income Margin	16.7%	13.3%

REVIEW OF YEAR END 2020 VS YEAR END 2019

**Results of Operations and Material Changes to the Company's Income Statement for the year ended December 31, 2020 compared to the year ended December 31, 2019
(In Millions of Pesos)**

	2020	2019	Movement Amount	%
REVENUE				
Real estate revenue	P9,482.62	P12,685.39	(P3,202.77)	-25.25%
Leasing revenue	795.03	713.38	81.65	11.45%
Property management fee and other services	389.72	412.15	(22.43)	-5.44%
Interest income from real estate sales	168.37	504.10	(335.72)	-66.60%
	10,835.74	14,315.02	(3,479.28)	-24.31%
COST AND EXPENSES				
Cost of real estate revenue	6,082.95	8,459.54	(2,376.59)	-28.09%
Cost of leasing	226.53	217.45	9.08	4.18%
Cost of services	285.99	295.24	(9.25)	-3.13%
	6,595.47	8,972.23	(2,376.76)	-26.49%
GROSS PROFIT	4,240.27	5,342.79	(1,102.51)	-20.64%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	2,863.71	3,235.82	(372.11)	-11.50%
OTHER INCOME (EXPENSES)				
Interest and other income	568.07	573.36	(5.29)	-0.92%
Gain from change in fair values of investment properties	558.62	260.93	297.69	114.09%
Income from investment in associate	6.79	11.18	(4.39)	-39.27%
Foreign exchange gain (loss)	2.07	116.33	(114.26)	-98.22%
Gain (loss) from change in fair value of derivatives (Note 9)	-	(76.05)	76.05	-100.00%
Interest and other financing charges	(947.51)	(936.68)	(10.83)	1.16%
	188.04	(50.93)	238.97	-469.21%
INCOME BEFORE INCOME TAX	1,564.60	2,056.03	(491.43)	-23.90%
PROVISION FOR INCOME TAX	415.37	577.56	(162.19)	-28.08%
NET INCOME	P1,149.23	P1,478.47	(P329.24)	-22.27%

The pandemic has slowed down the sales take-up, collections, and construction activities due to quarantine restrictions imposed by the government, resulting to a 25% decline in total real estate sales revenue. However, as affordable housing projects are located outside Metro Manila, the Company was able to resume construction as soon as the restrictions from provincial cities were lifted. The initial recognition of real estate sales revenues from newly launched projects of affordable housing projects in 2020 offsets such decline.

While mall operations declined, the impact on the leasing portfolio is not significant as its contribution is marginal to the total revenue of the Company prior to the COVID-19 pandemic. The increase in leasing revenue is a result of the initial rentals from the recently completed Century Diamond Tower.

25.25% decrease in real estate revenue

Real estate revenue has decreased as a result of the slowdown both in sales conversion and on construction and development activities due to prevailing community quarantine restrictions.

11.45% increase in leasing revenue

The increase was mainly due to the start of lease revenue recognition for initial leased out floor spaces of Century Diamond Tower and Asian Century Center.

5.44% decrease in property management fee and other services

The decrease was mainly due to reduced services rendered for the period due to streamlined building and property operations while NCR is in community quarantine.

66.60% decrease in interest income from real estate sales

Interest income from real estate sales represents interest accretion from ICR and contract asset recognized during the year. Discount subject to accretion arises from the difference between present value of ICR and contract asset and its nominal value. Income decreased since majority of the projects are already turned over, and due to the slowdown in new sales during the nine (9)-month period in 2020.

28.09% decrease in cost of sales

The decrease is mainly due to the decrease in real estate revenue.

3.13% decrease in cost of services

The decrease is directly attributable in the decrease in property management fee and other services.

4.18% increase in cost of leasing

The increase is directly attributable to the increase in leasing revenue.

11.50% decrease in general, administrative and selling expenses

The decrease is a result of cost cutting efforts of the management during the period.

39.27% decrease in general, administrative and selling expenses

The decrease is due to a lower share in income from its associate.

114.09% increase in gain from fair value of investment property

The increase was mainly due to the initial recognition of fair value gain from Century Diamond Tower building.

100.00% decrease in fair value of derivatives and 98.22% decrease in foreign exchange gain (loss)

The decrease was due to absence of similar transactions or instruments during the nine (9)-month period as of December 31, 2020.

28.08% decrease in provision for income tax

The decrease was primarily due to lower taxable income during the period.

As a result of the foregoing, net income decreased by 22.27%.

Financial Condition and Material Changes to the Company's Statement of Financial Position for the year ended December 31, 2020 compared to December 31, 2019
(In Millions of Pesos)

	2020	2019	Movement Amount	%
ASSETS				
Cash and cash equivalents	₱2,473.56	₱4,005.01	(₱1,531.45)	-38.24%
Short-term investments	285.24	-	285.24	100.00%
Receivables	11,491.05	10,967.15	523.90	4.78%
Real estate inventories	14,651.33	15,558.01	(906.68)	-5.83%
Due from related parties	464.42	419.65	44.77	10.67%
Advances to suppliers and contractors	2,427.70	2,006.51	421.19	20.99%
Investment in bonds	463.75	-	463.75	100.00%
Other current assets	1,809.89	1,409.17	400.72	28.44%
Total Current Assets	34,066.94	34,365.50	(298.56)	-0.87%
Noncurrent portion of installment contract receivables	124.78	1,137.66	(1,012.88)	-89.03%
Investment in bonds	-	463.75	(463.75)	-100.00%
Deposits for purchased land	1,354.24	1,079.44	274.80	25.46%
Investments in and advances to joint ventures and associate	265.56	258.77	6.79	2.62%
Investment properties	13,627.59	12,932.53	695.06	5.37%
Property and equipment	1,783.59	1,648.12	135.47	8.22%
Deferred tax assets – net	86.28	42.15	44.13	104.70%
Other noncurrent assets	1,699.92	1,513.77	186.15	12.30%
Total Noncurrent Assets	18,941.96	19,076.19	(134.23)	-0.70%
TOTAL ASSETS	53,008.90	53,441.69	(432.79)	-0.81%
LIABILITIES				
Accounts and other payables	5,591.63	5,703.06	(111.43)	-1.95%
Contract liabilities	1,457.78	1,784.09	(326.31)	-18.29%
Short-term debt	811.95	1,452.69	(640.74)	-44.11%
Current portion of:				
Long-term debt	5,447.30	5,462.17	(14.87)	-0.27%
Bonds Payable	118.78	1,392.65	(1,273.87)	-91.47%
Liability from purchased land	67.20	67.20	-	0.00%
Lease Liability	4.52	21.64	(17.12)	-79.11%
Due to related parties	270.01	171.19	98.82	57.73%
Income Tax Payable	61.50	9.35	52.15	557.75%
Other current liabilities	352.67	35.28	317.39	899.63%
Total Current Liabilities	14,183.34	16,099.32	(1,915.98)	-11.90%
Noncurrent portion of:				
Long-term debt	9,408.87	9,880.55	(471.68)	-4.77%
Bonds Payable	2,965.99	3,060.38	(94.39)	-3.08%
Liability from purchased land	208.33	268.34	(60.01)	-22.36%
Lease Liability	-	39.54	(39.54)	-100.00%
Pension liabilities	372.99	307.40	65.59	21.34%
Deposit for future stock subscription	-	42.48	(42.48)	-100.00%
Deferred tax liabilities	2,951.53	2,708.27	243.26	8.98%
Other noncurrent liabilities	1,786.57	1,419.84	366.73	25.83%
Total Noncurrent Liabilities	17,694.28	17,726.80	(32.52)	-0.18%
Total Liabilities	31,877.62	33,826.12	(1,948.50)	-5.76%
EQUITY				
Capital stock	6,200.85	6,200.85	-	0.00%
Preferred shares	15.90	-	15.90	100.00%
Additional paid-in capital	5,524.78	2,639.74	2,885.04	109.29%
Treasury shares	(109.67)	(109.67)	-	0.00%
Other components of equity	(682.85)	99.39	(782.24)	-787.04%
Retained earnings	9,028.95	8,733.92	295.03	3.38%
Remeasurement loss on defined benefit plan	(118.50)	(81.17)	(37.33)	45.99%
Total Equity Attributable to Equity Holders of the Parent Company	19,859.46	17,483.06	2,376.40	13.59%
Non-controlling interest	1,271.82	2,132.51	(860.69)	-40.36%
Total Equity	21,131.28	19,615.57	1,515.71	7.73%
Total Liabilities and Equity	₱53,008.90	₱53,441.69	(₱432.79)	-0.81%

38.24% decrease in cash and cash equivalents

The decrease is primarily due to repayment of debt during the year.

100.00% increase in short-term investments

The increase is primarily due increase short-term money market placements above three (3) months.

5.83% decrease in real estate inventories

The decrease is primarily due to the recognition of cost of sales for sold units.

10.67% increase in due from related parties

This is due to additional advances from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

20.99% increase in advances to suppliers and contractors

The increase is due to additional down payments to suppliers and contractors to new and ongoing projects.

104.70% increase in deferred tax assets

The increase is due to additional deferred tax assets recognized during the year.

20.08% increase in other current and non-current assets

The increase is primarily due to increase in prepaid selling expenses for pre-sales during the period, and increase in creditable withholding taxes and input taxes.

25.46% increase in deposits for purchased land

The increase is due to additional deposits for land in Novaliches and Katipunan.

5.37% increase in investment property

The increase is mostly attributable to the construction of Century Diamond Tower and recognition of gain in fair value for the period.

8.22% increase in property and equipment

The increase is mostly attributable to additional construction cost for Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences.

18.29% decrease in contract liabilities

The decrease was due to recognition of customers deposits as revenue during the period as the accounts meet the accounting criteria for revenue recognition.

6.71% decrease in total short-term and long-term debt

The decrease was due to net repayment of loans during the period.

30.73% decrease in short-term and long-term bonds payable

The decrease was due to payment of the five (5)-year bond payable in first quarter of 2020.

17.88% decrease in total liabilities from purchased land

This is due to payment made during the period.

92.60% decrease in total lease liability

The decrease is due to retirement of lease liability in relation to office spaces the Group no longer occupies.

57.73% increase in due to related parties

This is due to additional purchases from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

21.34% increase in pension liabilities

This is due to additional retirement expense during the year.

555.75% increase in income tax payable

Due primarily to higher tax payable after the application of creditable withholding taxes for the year.

8.98% increase in deferred tax liability

Due to the additional deferred tax liabilities recognized for the year.

47.01% increase in other and noncurrent liabilities

The increase is due to increase in security and rental deposits from Centuria Diamond Tower tenants and increase in deposit for preferred shares.

100% increase in preferred shares, 109.29% increase in additional paid-in capital and 100% decrease in deposit for future stock subscription

The increase is due to the issuance of 30,000,000 preferred shares with a par value of ₱0.53. Additional paid in capital net of issuance cost was recognized in excess of the par value of preferred shares issued. Deposit for future stock subscription was reclassified as part of aforementioned issuance.

40.36% decrease in non-controlling interest and 787.04% decrease in other components of equity

The decrease is primarily due to acquisition of minority interest in Century City Development II net of the share in net income for PPHI during the period and dividend declared by Tanza I.

3.38% increase in total stockholders' equity

The increase is due to the net income recorded for the year period ended December 31, 2020, preferred shares issued and additional paid in capital from issuance of preferred shares amounting to ₱15.9 million and ₱2,885.03 million, respectively. The increase in stockholders' equity was reduced by the acquisition of minority interest totaling ₱1,900 million resulting to reduction of minority interest and other components equity and common and preferred dividend declaration during the year amounting to ₱596.53 million.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material commitments for capital expenditures.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	31-Dec-20	31-Dec-19
Current Ratios (a)	2.4x	2.1x
Debt to Equity (b)	0.9x	1.1x
Debt to EBITDA (c)	7.8x	7.4x
Return on Assets (d)	2.2%	2.9%
Return on Equity (e)	5.6%	8.0%

Notes:

- 1) Current ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.
- 2) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 3) Debt to EBITDA is calculated by dividing EBITDA for the period by total interest-bearing debt.
- 4) Return on assets is calculated by dividing net income for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing net income for the period by average total equity (beginning plus end of the period divided by two).

Current ratio increased mainly due to the decrease in current liabilities, primarily as a result of decline in current portion of Bonds Payable and Long-term Debt as of December 31, 2020 compared to the same period as of December 31, 2019.

Debt to equity decreased as a result of the decline in debt from the payment of bonds and long-term debt while total equity increased due to the issuance of preferred shares during the period ended December 31, 2020 compared to the same period as of December 31, 2019.

Debt to EBITDA increase primarily due to the decline in EBITDA as of December 31, 2020 compared to the same period as of December 31, 2019.

Return on Asset declined due to lower net income recognized for the year ended December 31, 2020 compared to the same period ended December 31, 2019.

Return on Equity declined due to lower net income recognized during the period and increase in Equity as result of the issuance of preferred shares during the year ended December 31, 2020 compared to the same period ended December 31, 2019.

Key Performance Indicators

Selected Financial Indicators

December 31, 2020 and December 31, 2019

Financial ratios	Dec-20	Dec-19
Current/Liquidity Ratios		
Current Assets	34,066,943,185	34,365,499,239
Current Liabilities	14,183,354,920	16,099,335,229
Current Ratios	2.40	2.13
Current Assets	34,066,943,185	34,365,499,239
Inventory	14,651,328,952	15,558,004,362
Quick Assets	19,415,614,233	18,807,494,877
Current Liabilities	14,183,354,920	16,099,335,229
Quick Ratios	1.37	1.17
Liabilities and Debt Ratios		
Short-term debt	811,948,735	1,452,692,919
Long-term debt - Current	5,447,303,305	5,462,166,897
Long-term debt - Non-current	9,408,872,360	9,880,550,051
Bonds payable	3,084,766,287	4,453,032,166
Debt	18,752,890,687	21,248,442,033
Equity	21,131,273,659	19,615,569,488
Debt-to-Equity	0.89	1.08
Debt	18,752,890,687	21,248,442,033
Cash and Cash Equivalents	2,473,555,750	4,005,009,231
Net Debt	16,279,334,937	17,243,432,802
Equity	21,131,273,659	19,615,569,488
Net Debt-to-Equity	0.77	0.88
Debt	18,752,890,687	21,248,442,033
EBITDA (Annualized for Interim)	2,408,094,097	2,861,187,076
Debt-to-EBITDA	7.79	7.43
Income before Income Tax	1,564,604,767	2,056,032,947
Interest expense	784,022,304	747,608,418
Depreciation and amortization	59,467,026	57,545,711
EBITDA	2,408,094,097	2,861,187,076
Asset to Equity Ratios		
Total Assets	53,008,903,420	53,441,685,612
Total Equity	21,131,273,659	19,615,569,488
Asset to Equity Ratio	2.51	2.72
Liabilities to Equity Ratios		
Total Liabilities	31,877,629,761	33,826,116,124
Total Equity	21,131,273,659	19,615,569,488
Liabilities to Equity Ratio	1.51	1.72

Financial ratios	Dec-20	Dec-19
Profitability ratios		
Revenue	10,835,744,692	14,315,016,268
Gross Profit	4,240,276,075	5,342,782,822
Gross Profit Ratio	39%	37%
Net Income Attributable to Equity holders of the Parent Company	795,555,466	1,281,748,829
Revenue	10,835,744,692	14,315,016,268
Net Income Margin	7.3%	9.0%
Total Net Income after tax	1,149,234,035	1,478,470,199
Total Asset CY	53,008,903,420	53,441,685,612
Total Asset PY	53,441,685,612	49,366,682,829
Average total asset	53,225,294,516	51,404,184,221
Return on Asset	2.2%	2.9%
Total Net Income after tax	1,149,234,035	1,478,470,199
Total Equity CY	21,131,273,659	19,615,569,488
Total Equity PY	19,615,569,488	17,463,466,559
Average total equity	20,373,421,573	18,539,518,024
Return on Equity	5.6%	8.0%
Net Income	1,149,234,035	1,478,470,199
Revenue	10,835,744,692	14,315,016,268
Net Income Margin	10.6%	10.3%

REVIEW OF YEAR END 2019 VS YEAR END 2018

Results of Operations and Material Changes to the Company's Income Statement for the year ended December 31, 2019 compared to December 31, 2018
(In Millions of Pesos)

	2019	2018	Movement	
			Amount	%
REVENUE				
Real estate revenue	P12,685.39	P9,576.67	P3,108.72	32.46%
Leasing revenue	713.38	407.27	306.11	75.16%
Property management fee and other services	412.15	395.46	16.69	4.22%
Interest income from real estate sales	504.09	322.48	181.61	56.32%
	14,315.01	10,701.88	3,613.13	33.76%
COST AND EXPENSES				
Cost of real estate revenue	8,459.54	5,655.40	2,804.14	49.58%
Cost of leasing	217.45	227.75	(10.30)	-4.52%
Cost of services	295.24	276.55	18.69	6.76%
	8,972.23	6,159.70	2,812.53	45.66%
GROSS PROFIT	5,342.78	4,542.18	800.60	17.63%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	3,235.82	3,254.53	(18.71)	-0.57%
OTHER INCOME (EXPENSES)				
Interest and other income	573.36	568.66	4.70	0.83%
Gain from change in fair values of investment properties	260.93	376.90	(115.97)	-30.77%
Income from investment in associate	11.18	12.43	(1.25)	-10.06%
Foreign exchange gain (loss)	116.33	(145.19)	261.52	-180.12%
Gain (loss) from change in fair value of derivatives (Note 9)	(76.05)	115.79	(191.84)	-165.68%
Interest and other financing charges	(936.68)	(594.28)	(342.40)	57.62%
	(50.93)	334.31	(385.24)	-115.23%
INCOME BEFORE INCOME TAX	2,056.03	1,621.96	434.07	26.76%
PROVISION FOR INCOME TAX	577.56	503.77	73.79	14.65%
NET INCOME	P1,478.47	P1,118.19	P360.28	32.22%

32.46% increase in real estate revenue

The increase is due to completion of Bahamas and Roxas West, start of recognition of affordable housing segment and additional substantial progress in construction and sales take up of on-going projects.

Affordable housing segment's contribution to the increase in revenue amounted to P1,741.98 million for the year ended December 31, 2019.

75.16% increase in leasing revenue

The increase was mostly due to full of operation and recognition of revenue of Asian Century Center.

4.22% increase in property management fee and other services

The increase is primarily due to increase in management fee and service rates for property managed.

56.32% increase in interest income from real estate sales

Interest income from real estate sales represents interest accretion from ICR and contract asset recognized during the year. Discount subject to accretion arises from the difference between present value of ICR and contract asset and its nominal value. Income increased due to higher contract assets recognized during the year.

49.58% increase in cost of sales

The increase is mainly due to the increase in real estate revenue.

6.76% increase in cost of services

The increase is directly attributable in the increase in property management fee and other services.

4.52% decrease in cost of leasing

The decrease is mainly due to the Group's implementation cost cutting measures during the year.

30.77% decrease in gain from change in fair value of investment property

The decrease is due to the lower amount of gain from change in fair value recognized from Asian Century Center, Century Mall and Centuria Medical.

10.06% decrease in income from investment in associate

The decrease in share in net earnings of joint ventures and associate.

165.68% decrease in gain (loss) from change in fair value of derivatives

The decrease is due to mark to market loss on non-deliverable foreign currency swap entered into by the Group to hedge its foreign currency denominated debt. Foreign currency denominated debt was fully paid in 2019.

57.62% increase in interest and other financing charges

These interests came from bonds and loans that do not qualify for capitalization as borrowing costs. The increase was primarily due increase interest corresponding to increase in bonds payable and other loans related to completed investment properties.

180.12% decrease in foreign exchange losses

Foreign exchange gains offsets losses in fair value of derivatives arising from hedging of the dollar denominated loans.

14.65% increase in provision for income tax

The increase was primarily due to higher taxable income during the year.

As a result of the foregoing, net income increased by 32.22%.

Financial Condition and Material Changes to the Company's Statement of Financial Position for the year ended December 31, 2019 compared to December 31, 2018 (increase/decrease of 5% or more)
(In Millions of Pesos)

	2019	2018	Amount	Movement %
ASSETS				
Cash and cash equivalents	₱4,005.01	₱1,950.39	₱2,054.62	105.34%
Receivables	10,967.15	8,874.33	2,092.82	23.58%
Real estate inventories	15,558.00	17,257.48	(1,699.48)	-9.85%
Due from related parties	419.65	394.35	25.30	6.42%
Advances to suppliers and contractors	2,006.51	2,236.12	(229.61)	-10.27%
Other current assets	1,409.17	1,284.44	124.73	9.71%
Total Current Assets	34,365.49	31,997.11	2,368.38	7.40%
Noncurrent portion of installment contract receivables	1,137.66	1,894.56	(756.90)	-39.95%
Investment in bonds	463.75	-	463.75	100.00%
Deposits for purchased land	1,079.44	1,189.48	(110.04)	-9.25%
Investments in and advances to joint ventures and associate	258.77	247.58	11.19	4.52%
Investment properties	12,932.52	11,381.64	1,550.88	13.63%
Property and equipment	1,648.12	1,273.79	374.33	29.39%
Deferred tax assets – net	42.15	61.93	(19.78)	-31.94%
Other noncurrent assets	1,513.77	1,320.60	193.17	14.63%
Total Noncurrent Assets	19,076.18	17,369.58	1,706.60	9.83%
TOTAL ASSETS	53,441.67	49,366.69	4,074.98	8.25%
LIABILITIES				
Accounts and other payables	5,703.06	4,989.66	713.40	14.30%
Contract liabilities	1,784.09	2,294.33	(510.24)	-22.24%
Short-term debt	1,452.69	2,206.61	(753.92)	-34.17%
Current portion of:				
Long-term debt	5,462.17	5,389.15	73.02	1.35%
Bonds Payable	1,392.65	-	1,392.65	100.00%
Liability from purchased land	67.20	67.20	-	0.00%
Lease Liability	21.64	-	21.64	100.00%
Due to related parties	171.19	98.58	72.61	73.66%
Income Tax Payable	9.35	4.71	4.64	98.51%
Other current liabilities	35.28	-	35.28	100.00%
Total Current Liabilities	16,099.32	15,050.24	1,049.08	6.97%
Noncurrent portion of:				
Long-term debt	9,880.55	11,645.10	(1,764.55)	-15.15%
Bonds Payable	3,060.38	1,505.89	1,554.49	103.23%
Liability from purchased land	268.34	301.57	(33.23)	-11.02%
Lease Liability	39.54	-	39.54	100.00%
Pension liabilities	307.40	251.10	56.30	22.42%
Deposit for future stock subscription	42.47	-	42.47	100.00%
Deferred tax liabilities	2,708.26	2,524.52	183.74	7.28%
Other noncurrent liabilities	1,419.84	624.80	795.04	127.25%
Total Noncurrent Liabilities	17,726.78	16,852.98	873.80	5.18%
Total Liabilities	33,826.10	31,903.22	1,922.88	6.03%
EQUITY				
Capital stock	6,200.85	6,200.85	-	0.00%
Additional paid-in capital	2,639.74	2,639.74	-	0.00%
Treasury shares	(109.67)	(109.67)	-	0.00%
Other components of equity	99.39	99.23	0.16	0.16%
Retained earnings	8,733.92	7,590.09	1,143.83	15.07%
Remeasurement loss on defined benefit plan	(81.17)	(66.04)	(15.13)	22.91%
Total Equity Attributable to Equity Holders of the Parent Company	17,483.06	16,354.20	1,128.86	6.90%
Non-controlling interest	2,132.51	1,109.27	1,023.24	92.24%
Total Equity	19,615.57	17,463.47	2,152.10	12.32%
Total Liabilities and Equity	₱53,441.67	₱49,366.69	₱4,074.98	8.25%

105.34% increase in cash and cash equivalents

The increase is primarily due to collections from matured accounts and net proceeds from loans during the period.

12.41% increase in total receivables and non-current portion of installment contract receivables

The increase is primarily due to receivables recognized for new projects qualified for revenue recognition.

9.85% decrease in real estate inventories

The decrease is primarily due to the recognition of cost of sales for sold units.

6.42% increase in due from related parties

The increase is due to additional advances from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

10.27% decrease in advances to suppliers and contractors

The decrease is due to recoupment through progress billings from completion of Bahamas and Roxas West.

100.00% increase in investment in bonds

The Group purchased Philippine Peso-denominated, fixed rate bonds. The bonds have a maturity of eighteen (18) months from issue date and interest rate of 5.70% per annum. The bonds are rated "AAA" by Philippine Rating Services Corporation. Investment in bonds is classified and measured as financial assets at amortized cost since the bonds are held to collect contractual cash flows representing solely payments of principal and interest.

9.25% decrease in deposits for purchased land

In 2019, CCC finalized its DOAS for the land acquired in Novaliches, hence the initial deposit for the land purchased amounting to ₱166.00 million was reclassified to inventories.

13.63% increase in investment property

The increase is mostly attributable to the construction of Century Diamond Tower and recognition of gain in fair value for the period.

29.39% increase in property and equipment

The increase is mostly attributable to additional construction cost for Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences.

31.94% decrease in deferred tax assets

The decrease is due to utilization of previous deferred tax assets recognized.

12.20% increase in other current and non-current assets

The increase is primarily due to increase in prepaid selling expenses for pre-sales during the period, and increase in creditable withholding taxes and input taxes.

14.30% increase in accounts and other payables

The increase is primarily due to accruals made at the end of the period and increase in inventory related purchases.

22.24% decrease in contract liabilities

The decrease is due to recognition of customers deposits as revenue during the period as the accounts meet the accounting criteria for revenue recognition.

12.71% decrease in total short-term and long-term debt

The decrease is due to net repayment of loans during the period.

195.71% increase in short-term and long-term bonds payable

On April 15, 2019, the Group issued a three (3)-year bonds listed at the PDEx amounting to ₱3,000 million.

9.01% decrease in liabilities from purchased land

The decrease is due to payment made during the period.

100.00% increase in lease liability

This pertains to the lease liability accrued from the lease contract entered by the Group as a lessee in accordance with PFRS 16.

73.66% increase in due to related parties

The increase is due to additional purchases from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

22.42% increase in pension liabilities

The increase is due to additional retirement expense during the year.

98.51% increase in income tax payable

The increase is due primarily to higher tax payable after the application of creditable withholding taxes for the year.

7.28% increase in deferred tax liability

The increase is due to the additional deferred tax liabilities recognized for the year.

100.00% increase in deposit for future stock subscription

In 2019, the Group received deposits amounting to ₱42.48 million from stockholders with the purpose of applying the same as payment for future issuance of shares of stock. These were classified as a liability since its application of the increase in authorized capital stock is not yet filed with SEC and as of December 31, 2019.

132.89% increase in other current and non-current liabilities

The increase is due to the collection of its subscription of preferred shares. Further, in 2019, the Group received security deposits and advance rentals amounting to ₱35.28 million and ₱382.84 million classified as "Other current liabilities" and "Other noncurrent liabilities", respectively for its lease contracts from its project, Century Diamond Tower, which is forecasted to finish construction and start full commercial operation in 2020.

12.32% increase in stockholder's equity

The increase was due to the net income recorded for the year ended December 31, 2019, collection of subscription receivable from minority interest amounting to ₱226.52 million and additional investment from minority interest amounting to ₱600.00 million from PPHI.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material commitments for capital expenditures.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	Dec-19	Dec-18
Current Ratios (a)	2.1x	2.1x
Debt to Equity (b)	1.1x	1.2x
Debt to EBITDA (c)	7.4x	10.0x
Return on Asset (d)	2.9%	2.4%
Return on Equity (e)	8.0%	6.6%

Notes:

- 1) Current ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.
- 2) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 3) Debt to EBITDA is calculated by dividing EBITDA for the period by total interest-bearing debt.
- 4) Return on assets is calculated by dividing net income for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing net income for the period by average total equity (beginning plus end of the period divided by two).

Current ratio was maintained at 2.1x for the period ended December 31, 2019 and 2018.

Debt to equity decreased primarily as a result of an increase in total equity from net income for the period ended December 31, 2019 and additional investment from minority interest.

Debt to EBITDA decreased primarily due to improvement in the EBITDA as of December 31, 2019 compared to the same period ended December 31, 2018.

Return on Asset improved due to higher net income recognized the year ended December 31, 2019 compared to the same period ended December 31, 2018.

Return on Equity improved due to higher net income during the year.

Key Performance Indicators

Selected Financial Indicators

December 31, 2019 and December 31, 2018

Financial ratios	Dec-19	Dec-18
Current/Liquidity Ratios		
Current Assets	34,365,499,239	31,997,110,107
Current Liabilities	16,099,335,229	15,050,236,472
Current Ratios	2.1	2.1
Current Assets	34,365,499,239	31,997,110,107
Inventory	15,558,004,362	17,257,481,436
Quick Assets	18,807,494,877	14,739,628,671
Current Liabilities	16,099,335,229	15,050,236,472
Quick Ratios	1.2	1.0
Liabilities and Debt Ratios		
Short-term debt	1,452,692,919	2,206,610,954
Long-term debt - Current	5,462,166,897	5,389,150,881
Long-term debt - Non-current	9,880,550,051	11,645,097,504
Bonds payable	4,453,032,166	1,505,894,698
Debt	21,248,442,033	20,746,754,037
Equity	19,615,569,488	17,463,466,559
Debt-to-Equity	1.1	1.2
Debt	21,248,442,033	20,746,754,037
Cash and Cash Equivalents	4,005,009,231	1,950,389,193
Net Debt	17,243,432,802	18,796,364,844
Equity	19,615,569,488	17,463,466,559
Net Debt-to-Equity	0.9	1.1
Debt	21,248,442,033	20,746,754,037
EBITDA (Annualized for Interim)	2,861,187,076	2,073,929,849
Debt-to-EBITDA	7.43	10.00
Income before Income Tax	2,056,032,947	1,621,956,880
Interest expense	747,608,418	414,117,993
Depreciation and amortization	57,545,711	37,854,976
EBITDA	2,861,187,076	2,073,929,849
Asset to Equity Ratios		
Total Assets	53,441,685,612	49,366,682,829
Total Equity	19,615,569,488	17,463,466,559
Asset to Equity Ratio	2.7	2.8
Liabilities to Equity Ratios		
Total Liabilities	33,826,116,124	31,903,216,270
Total Equity	19,615,569,488	17,463,466,559
Liabilities to Equity Ratio	1.7	1.8

Financial ratios	Dec-19	Dec-18
Profitability ratios		
Revenue	14,315,016,268	10,701,878,291
Gross Profit	5,342,782,822	4,542,174,431
Gross Profit Ratio	37.3%	42.4%
Net Income Attributable to Equity holders of the Parent Com	1,281,748,829	985,915,365
Revenue	14,315,016,268	10,701,878,291
Net Income Margin	9.0%	9.2%
Total Net Income after tax (Annualized)	1,478,470,199	1,118,186,619
Total Asset CY	53,441,685,612	49,366,682,829
Total Asset PY	49,366,682,829	42,555,650,621
Average total asset	51,404,184,221	45,961,166,725
Return on Asset	2.9%	2.4%
Total Net Income after tax (Annualized)	1,478,470,199	1,118,186,619
Total Equity CY	19,615,569,488	17,463,466,559
Total Equity PY	17,463,466,559	16,255,621,463
Average total equity	18,539,518,024	16,859,544,011
Return on Equity	8.0%	6.6%
Net Income	1,478,470,199	1,118,186,619
Revenue	14,315,016,268	10,701,878,291
Net Income Margin	10.3%	10.4%

REVIEW OF YEAR END 2018 VS YEAR END 2017

Results of Operations and Material Changes to the Company's Income Statement for the year ended December 31, 2018 compared to December 31, 2017 (In Millions of Pesos)

	2018	2017	Movement	
			Amount	%
REVENUE				
Real estate revenue	P9,577	P5,346	P4,231	79.14%
Leasing revenue	407	342	65	19.01%
Property management fee and other services	395	353	42	11.90%
Interest income from real estate sales	322	665	(343)	-51.58%
	10,701	6,706	3,995	59.57%
COST AND EXPENSES				
Cost of real estate revenue	5,655	2,806	2,849	101.53%
Cost of leasing	228	238	(10)	-4.20%
Cost of services	277	271	6	2.21%
	6,160	3,315	2,845	85.82%
GROSS PROFIT	4,541	3,391	1,150	33.91%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	3,255	2,964	291	9.82%
OTHER INCOME (EXPENSES)				
Interest and other income	569	801	(232)	-28.96%
Gain from change in fair values of investment properties	377	286	91	31.82%
Gain (loss) from change in fair value of derivatives (Note 9)	116	(36)	152	422.22%
Income from investment in associate	12	-	12	100.00%
Unrealized foreign exchange loss	(144)	(54)	(90)	166.67%
Interest and other financing charges	(594)	(403)	(191)	47.39%
	336	594	(258)	-43.43%
INCOME BEFORE INCOME TAX	1,622	1,021	601	58.86%
PROVISION FOR INCOME TAX	504	371	133	35.85%
NET INCOME	P1,118	P650	P468	72.00%

79.14% increase in real estate revenue

The increase is due to completion of Boracay, Osmeña East and Iguazu towers, start of recognition of affordable housing segment and additional substantial progress in construction and sales take up of on-going projects.

Affordable housing segment's contribution to the increase in revenue amounted to P1,170.91 million for the year ended December 31, 2018.

19.01% increase in leasing revenue

The increase was due to higher occupancy rate for Century City Mall and Centuria Medical.

11.90% increase in property management fee and other services

The increase was significantly due to additional properties being managed, specifically three (3) more BPI buildings and the newly completed Century properties.

51.58% decrease in interest income from real estate sales

Interest income from real estate sales represents interest accretion from installment contract receivables ("ICR") recognized during the year. Discount subject to accretion arises from the difference between present value of ICR and its nominal value. Income decreased since

majority of the projects are already turned over and new sales fair value upon initial recognition approximates its nominal value.

28.96% decrease in interest and other income

The decrease is mostly attributable to lower forfeited collections in 2018.

31.82% increase in gain from change in fair value of investment property

The increase is mostly attributable to initial recognition of gain from change in fair value of investment property of Asian Century Center amounting to P245.80 million.

422.22% increase in gain (loss) from change in fair value of derivatives

The increase is due to market gain on non-deliverable foreign currency swap entered into by the Group to hedge its foreign currency denominated debt.

100% increase in income from investment in associate

Income from investment in associate in 2018 amounting to P12.43 million pertains to share in net earnings of joint ventures and associate.

101.53% increase in cost of sales

The increase is mainly due to the increase in real estate revenue and impact of adoption of PFRS 15.

2.21% increase in cost of services

This is due to the increase of properties managed by CPML.

4.20% decrease in cost of leasing

The decrease is mainly due to the Group's implementation cost cutting measures during the year.

9.82% increase in general, administrative and selling expenses

The increase in operational expenses during the period is primarily due to the increase in commission and salaries related to the newly launched projects and amortization of commission.

47.39% increase in interest and other financing charges

This was primarily due to bank fees and other financing charges paid other than capitalized borrowing costs during the year. These interests came from loans that do not qualify for capitalization as borrowing costs.

166.67% increase in unrealized foreign exchange losses

These losses are offset by the gain in fair value of derivatives arising from hedging of these new dollar denominated loans during the year.

35.85% increase in provision for income tax

The increase was primarily due to higher taxable income during the year.

As a result of the foregoing, net income increased by 72.00%.

Financial Condition and Material Changes to the Company's Income Statement for the year ended December 31, 2018 compared to December 31, 2017
(In Millions of Pesos)

	2018	2017	Amount	Movement %
ASSETS				
Cash and cash equivalents	P1,950	P1,400	P550	39.29%
Receivables	2,047	7,541	(5,494)	-72.86%
Contract assets	6,827	-	6,827	100.00%
Real estate inventories	17,257	15,846	1,411	8.90%
Due from related parties	394	491	(97)	-19.76%
Advances to suppliers and contractors	2,236	1,964	272	13.85%
Other current assets	1,284	1,009	275	27.25%
Total Current Assets	31,995	28,251	3,744	13.25%
Noncurrent portion of installment contract receivables	-	2,442	(2,442)	-100.00%
Non-current portion of contract assets	1,895	-	1,895	100.00%
Deposits for purchased land	1,189	1,370	(181)	-13.21%
Investments in and advances to joint ventures and associate	248	235	13	5.53%
Investment properties	11,382	7,760	3,622	46.68%
Property and equipment	1,274	1,069	205	19.18%
Deferred tax assets – net	62	104	(42)	-40.38%
Other noncurrent assets	1,321	1,325	(4)	-0.30%
Total Noncurrent Assets	17,371	14,305	3,066	21.43%
TOTAL ASSETS	49,366	42,556	6,810	16.00%
LIABILITIES				
Accounts and other payables	4,990	3,832	1,158	30.22%
Contract liabilities	2,294	-	2,294	100.00%
Customers' deposits	-	2,759	(2,759)	-100.00%
Short-term debt	2,207	1,416	791	55.86%
Current portion of:				
Long-term debt	5,389	3,099	2,290	73.89%
Liability from purchased land	67	67	-	0.00%
Due to related parties	98	48	50	104.17%
Income Tax Payable	5	3	2	66.67%
Total Current Liabilities	15,050	11,224	3,826	34.09%
Noncurrent portion of long-term debt	11,645	10,084	1,561	15.48%
Bonds Payable	1,506	1,501	5	0.33%
Noncurrent portion of liability from purchased land	302	381	(79)	-20.73%
Pension liabilities	251	236	15	6.36%
Deferred tax liabilities	2,524	2,451	73	2.98%
Other noncurrent liabilities	625	423	202	47.75%
Total Noncurrent Liabilities	16,853	15,076	1,777	11.79%
Total Liabilities	31,903	26,300	5,603	21.30%
EQUITY				
Capital stock	6,201	6,201	-	0.00%
Additional paid-in capital	2,640	2,640	-	0.00%
Treasury shares	(110)	(110)	-	0.00%
Other components of equity	99	99	-	0.00%
Retained earnings	7,590	6,923	667	9.63%
Remeasurement loss on defined benefit plan	(66)	(34)	(32)	94.12%
Total Equity Attributable to Equity Holders of the Parent Company	16,354	15,719	635	4.04%
Non-controlling interest	1,109	537	572	106.52%
Total Equity	17,463	16,256	1,207	7.42%
Total Liabilities and Equity	P 49,366	P42,556	P6,810	16.00%

39.29% increase in cash and cash equivalents

The increase is primarily due to collections from matured accounts and net proceeds from loans during the period.

7.87% increase in total receivables and contract assets

The increase is due to new sales booked during the year

8.90% increase in real estate inventories

The increase is due to the substantial increase in construction and development of various ongoing projects and payment of land during the period net of the cost of real estate sales recognized and transfers of cost of leasing assets to investment properties.

In addition, the adoption of PFRS 15 affected the Group's recognition of cost of real estate sales. In compliance with PFRS 15, costs that relate to satisfied (or partially satisfied) performance obligations should be expensed as incurred. These costs are allocated to the saleable units, with the portion allocable to the sold units being recognized as costs of sales while the portion allocable to the unsold units being recognized as part of real estate inventories. The adoption of PFRS 15 decreased the Group's retained earnings P118.81 million, decreased the inventory by P154.75 million and decreased deferred tax liabilities by P 54.46 million as of January 1, 2018.

19.76% decrease in due from related parties

The decrease is due to settlement of advances and outstanding balance due to purchases from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

13.85% increase in advances to suppliers and contractors

The increase is due to down payments made to suppliers during the period which are subject to recoupment through progress billings.

13.21% decrease in deposits for purchased land

In 2018, land acquired in Quezon City was fully paid resulting to transfer of deposits for purchased land made in prior years to inventories amounting to P522.26 million. Also, in 2018, the Group made additional deposits for land in Novaliches amounting to P342.17 million. These transactions resulted to a net decrease in deposits for purchased land.

5.53% increase in Investment in and advances in to joint venture and associate

The increase is due to additional income from Investment in associates.

46.68% increase in investment property

The increase is primarily due to costs incurred for Century Diamond Tower and Asian Century Center. Also the recognition of fair value appreciation mainly for ACC amounted to P369.22 million contributed to the increase in investment property.

19.18% increase in property and equipment

The increase is mostly attributable to additional construction cost for Novotel Suites Manila at Acqua 6 Tower of Acqua Private Residences amounting to P199.64 million.

40.38% decrease in deferred tax assets

The decrease is due to utilization of previous deferred tax assets recognized.

11.61% increase in other current and non-current assets

The increase is primarily due to increase in prepaid selling expenses for pre-sales during the period, increase in creditable withholding taxes and input taxes.

30.22% increase in accounts and other payables

The increase is primarily due to accruals made at the end of the period.

16.85% decrease in total customers deposits and contract liabilities

The decrease was due to recognition of customers deposits as revenue during the period as the accounts meet the accounting criteria for revenue recognition.

31.80% increase in total short-term and long-term debt

The increase is due to increased net availments from existing and new lines during the period. The increase in debt was partially used to fund operations, investment properties, land payments and to refinance debt.

104.17% increase in due to related parties

The increase is due to additional purchases from related parties, which are made at normal market prices. Outstanding balances at year-end are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand.

6.36% increase in pension liabilities

The increase is due to additional retirement expense during the year.

17.63% decrease in total liabilities for purchased land

The decrease is due to payments made during the year.

66.67% increase in Income tax payable

The increase is due primarily to higher tax payable after the application of creditable withholding taxes for the year.

47.75% increase in other non-current liabilities

The increase is due to the collection of its subscription of preferred shares.

7.42% increase in stockholder's equity

The increase is due to the net income recorded for the year ended December 31, 2018, collection of subscription receivable from minority interest amounting to ₱212.34 million, and additional investment from minority interest amounting to ₱205.00 million from PPHI and ₱4.00 million from KPDC, respectively.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material commitments for capital expenditures.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

The top five (5) key performance indicators of the Company are shown below:

Key Performance Indicators	Dec-18	Dec-17
Current Ratios (a)	2.1x	2.5x
Debt to Equity (b)	1.2x	1.0x
Debt to EBITDA (c)	10.0x	12.0x
Return on Asset (d)	2.4%	1.6%
Return on Equity (e)	6.6%	4.1%

Notes:

- 1) Current ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.
- 2) Debt to Equity ratio computed by dividing total interest-bearing debt (includes short-term and long-term debts and bonds payable) by total equity.
- 3) Debt to EBITDA is calculated by dividing EBITDA for the period by total interest-bearing debt.
- 4) Return on assets is calculated by dividing net income for the period by average total assets (beginning plus end of the period divided by two).
- 5) Return on equity is calculated by dividing net income for the period by average total equity (beginning plus end of the period divided by two).

Current ratio decreased primarily due to the increase in current liabilities. The increase in current liabilities mainly came from an increase in the accounts and other payables and interest-bearing debt as of December 31, 2018 compared to December 31, 2017.

Debt to equity increased primarily as a result of the increase in total interest-bearing debt as of December 31, 2018 compared to the same period as of December 31, 2017.

Debt to EBITDA decreased primarily due to the improvement in EBITDA as of December 31, 2018 compared to the same period ended December 31, 2017.

Return on Asset improved due to higher net income recognized for the year ended December 31, 2018 compared to the same period ended December 31, 2017.

Return on Equity improved due to higher net income during the year.

Key Performance Indicators

Selected Financial Indicators

December 31, 2018, December 31, 2017 and December 31, 2016

	As of December 31		
	2018	2017	2016
Current Ratio	2.1x	2.5x	3.0x
Debt to Equity Ratio	1.2x	1.0x	1.0x
Asset to Equity Ratio	2.8x	2.6x	2.7x
	For The Year Ended December 31		
	2018	2017	2016
Return on Assets	2.4%	1.5%	1.8%
Return on Equity	6.6%	4.1%	4.8%
EBIT	2,036.1	1,308.2	1,081.5
EBITDA	2,073.9	1,341.4	1,110.1
Total Debt	20,746.8	16,099.7	15,676.0
Net Debt	18,796.4	14,699.3	12,332.9
Gross Profit from Real Estate Sales Margin	42.9%	53.3%	48.4%
Net Income Margin	9.5%	8.3%	9.8%
Net debt-to-equity ratio	1.1x	0.9x	0.8x
Debt-to-EBITDA ratio	10.0x	12.0x	14.1x
Net debt-to-EBITDA ratio	9.1x	11.0x	11.1x

Notes:

- 1) Return on assets is calculated by dividing net income for the period by average total assets (beginning plus end of the period divided by two).
- 2) Return on equity is calculated by dividing net income for the period by average total equity (beginning plus end of the period divided by two).
- 3) EBIT is calculated as net income after adding back interest expense and provision for income tax. EBITDA is calculated as net income after adding back interest expense, depreciation and amortization and provision for income tax.
- 4) Net debt is calculated as total short term and long-term debt including bonds payable less cash and cash equivalents as of the end of the period.
- 5) Gross profit from real estate sales margin is calculated as the sum of real estate sales and accretion of unamortized discount (which we record under interest and other income), less the cost of real estate sales, as a percentage of the sum of real estate sales and accretion of unamortized discount, for the period. We believe that including accretion of unamortized discount in this calculation is a useful measure of the profitability of our real estate operations because such unamortized discount forms part of the original contract price of the sales contracts.
- 6) Net margin is calculated as net income as a percentage of revenue for the period. Total Revenue includes, Real Estate Sales, Leasing Revenue, Property Management fee and other services, interest and other income, and Gain from change in Fair Value.
- 7) Net debt-to-equity ratio is calculated as net debt divided by total equity as of the end of the period.
- 8) Debt-to-EBITDA ratio is calculated as total debt as of the end of the period divided by EBITDA for the year.
- 9) Net debt to EBITDA ratio is calculated as net debt as of the end of the period divided by EBITDA for the year.
- 10) This ratio is obtained by dividing the Current Assets of the Group by its Current liabilities. This ratio is used as a test of the Group's liquidity.

CAPITAL EXPENDITURES

The table below sets out our actual capital expenditures in 2018, 2019, 2020 and for the nine (9)-month period ending September 30, 2021.

	Expenditure (in ₱ millions)
2018	6,680.2
2019	7,646.2
2020	6,231.6
September 30, 2021	4,568.2

The Group has historically sourced funding for capital expenditures through internally-generated funds and credit facilities from commercial banks.

The Company expects to fund budgeted capital expenditures principally through the existing cash and cash from operations, through borrowings and through the Offer. The Company's capital expenditure plans are based on management's estimates, and are subject to a number of variables, including: possible cost overruns; construction and development delays; the receipt of Government approvals; availability of financing on acceptable terms; changes in management's views of the desirability of current plans; the identification of new projects and potential acquisitions; and, macroeconomic factors such as the Philippines' economic performance and interest rates. Accordingly, we might not execute our capital expenditure plans as contemplated at or below estimated cost.

DIRECTORS, EXECUTIVE OFFICERS, AND CONTROL PERSONS

Directors and Executive Officers

The directors of the Company are elected at the regular annual stockholders' meeting. They hold office for a term of one (1) year until the next succeeding annual meeting and until their respective successors have been elected and qualified. The executive officers hold office until their respective successors have been elected and qualified.

The directors and executive officers of the Company as of September 30, 2021 are as follows:

Name	Position	Age	Citizenship
JOSE E.B. ANTONIO	Executive Chairman	75	Filipino
JOHN VICTOR R. ANTONIO	Vice Chairman	49	Filipino
JOSE MARCO R. ANTONIO	President & CEO	47	Filipino
JOSE CARLO R. ANTONIO	Director	38	Filipino
HILDA R. ANTONIO	Director	74	Filipino
STEPHEN T. CUUNJIENG	Independent Director	62	Filipino
CARLOS C. EJERCITO	Independent Director	76	Filipino
JOSE L. CUISIA, JR.	Independent Director	77	Filipino
AILEEN CHRISTEL U. ONGKAUKO	Independent Director	53	Filipino
MR. DAVID L. ALMIROL, JR.	Independent Director	41	Filipino
RAFAEL G. YAPTINCHAY	Director	71	Filipino
RICARDO P. CUERVA	Director	77	Filipino
DANNY E. BUNYI	Corporate Secretary	56	Filipino
CARLOS BENEDICT K. RIVILLA, IV	Assistant Corporate Secretary/Vice-President for Corporate Affairs	50	Filipino
MARIA THERESA FUCANAN-YU*	Group Head for Corporate Communications	42	Filipino
JULIENNE CRUZ**	Group Head for Corporate Communications	38	Filipino
ATTY. ISABELITA CHING SALES	Group Head for Legal Services and Corporate Affairs, Chief Information and Chief Compliance Officer	42	Filipino
RITCHELLE T. CORDERO	Group Head for Human Resources and Administration	41	Filipino
PONCIANO S. CARREON JR.	Chief Financial Officer / Corporate Treasurer/ Investor Relations Officer	47	Filipino

*Retired effective October 31, 2021

**Appointed on November 1, 2021

Amb. Jose E.B. Antonio, 75 years old, Filipino, is one of the founders and Executive Chairman of the Board of the Company and its subsidiaries. He graduated cum laude from San Beda College, Manila in 1966 with a Bachelor's Degree in Commercial Science (major in Marketing) and received a Master's Degree in Business Management in 1968 from Ateneo de Manila's Graduate School of Business. Chairman Antonio also graduated from Harvard University's Owner/President Management Program in 2003. Chairman Antonio served as the Philippines Special Envoy for Trade and Economics to the People's Republic of China in 2005 and is currently the Chairman of Century Asia Corporation, Prestige Cars, Inc. and Philtranco Service Enterprises. He is also the founder and Chairman of the Philippine-China Business Council Inc. In addition, he serves as the Vice Chairman of Penta Pacific Realty Corporation and Subic Air Charter, Inc. Mr. Antonio has also been duly appointed by President Rodrigo R. Duterte as *the* Philippines' special envoy to the United States, effective October 28, 2016. His mission is to enhance business ties and strengthen the economic affairs between the two countries.

Mr. John Victor R. Antonio, 49 years old, Filipino, is Vice-Chairman of the Company. He has been with the Company for 17 years and is involved in managing projects in the Company's middle income and affordable product lines, including Gramercy Residences and Azure Urban Residences. He graduated magna cum laude with a Bachelor's Degree in Economics (major in Marketing) from the University of Pennsylvania's Wharton School in 1993 and received his Master's Degree in Business Administration from the Wharton School in 2003.

Mr. Jose Marco R. Antonio, 47 years old, Filipino, is President and Chief Executive Officer of the Company. Prior to joining us, he worked at Blackstone Real Estate Partners as a financial analyst. He has been with the Company for 16 years and is involved in managing projects in the Company's middle income and affordable product lines, including Canyon Ranch, Knightsbridge Residences and Acqua Private Residences. He graduated summa cum laude with a Bachelor's Degree in Economics (dual major in Finance and Entrepreneurial Management) from the University of Pennsylvania's Wharton School in 1995 and received his Master's Degree in Business Administration from the Wharton School in 2004.

Mr. Jose Carlo R. Antonio, 38 years old, Filipino, is a Director of the Company and a member of our Board. Prior to joining the Company in 2007, he worked in the investment banking groups of Citigroup and Goldman Sachs. He graduated magna cum laude with a Bachelor's Degree in Economics (major in Finance) from the University of Pennsylvania's Wharton School in 2005.

Ms. Hilda R. Antonio, 74 years old, Filipino, is a Director of the Company and a member of our Board. She is the wife of the Chairman Amb. Jose E.B. Antonio. She is a Philanthropist. She is a member of the Board of Directors of CPI, Museum Properties, Inc. Heirloom Properties Inc and Sovereign Property Holdings. She graduated from Assumption College of Manila with a degree in Economics.

Mr. Ricardo P. Cuerva, 77 years old, Filipino, is a Director of the Company and a member of our Board. Mr. Cuerva was a co-founder of Meridien and served as Meridien's president from 1988 to 1996. He also currently serves as a member of the Rotary Club of Makati City. Mr. Cuerva graduated from San Beda College in 1961 with a Bachelor of Science Degree in Business Administration and obtained his Master's Degree in Business Administration from Ateneo De Manila in 1971. Mr. Cuerva is the President and owner of Century Project Management and Construction Corporation, which oversees the construction of our vertical developments.

Mr. Rafael G. Yaptinchay, 71 years old, Filipino, is a Director of the Company and a member of our Board. Mr. Yaptinchay was a co-founder of Meridien and served as Meridien's president

from 1996 to 2009. He has previously served as the Assistant Treasurer and Head of Business Development/Corporate Planning of Philippine National Construction Corporation. Mr. Yaptinchay is a member of the Rotary Club of Ortigas and the Association of Asian Manager, Inc. Mr. Yaptinchay graduated from Ateneo de Manila University in 1971 with a Bachelor's Degree (major Economics) and received his Master's Degree in Business Administration from Asian Institute of Management in 1974.

Amb. Jose L. Cuisia Jr., 77 years old, Filipino citizen, is the former Ambassador Extraordinary and Plenipotentiary of the Republic of the Philippines to the United States. Ambassador Cuisia is also well-respected figure in Philippine business, with over 32 years in financial services, most recently as the President & CEO of the largest and most profitable non-bank financial institution on the Philippines. He serves on the boards of many of the Philippines' most important private and listed companies, and has shared his expertise as Trustee on various academic institutions and non-government organizations espousing good governance and corporate social responsibility, including the Asian Institute of Management. Ambassador Cuisia has over 10 years of experience in public service, having served Filipinos as the Governor of the Central Bank of the Philippines and Chairman of its Monetary Board as well as President and CEO of the Philippine Social Security System in the 1980s and 1990s. At the Central Bank, Ambassador Cuisia oversaw the liberalization of foreign exchange controls, resulting in, among others, the entry of more substantial foreign direct investment that strengthened the Philippine Peso and the country's foreign exchange reserves. The Ambassador also led the efforts in establishing what is now the Bangko Sentral ng Pilipinas, allowing it to become a more effective guardian of monetary policy and ensuring the stability of the banking system. Amb. Cuisia also serves as Director to various companies namely: Investment & Capital Corporation of the Philippines, Asian Institute of Management, Phinma Corporation, SM Prime Holdings Inc., Philippine Investment Management, Inc.. He likewise serves as an Independent Director of Manila Water Company, Inc.

Mr. Stephen T. CuUnjieng, 62 years old, Filipino citizen, is a prominent investment banker, and currently serves as an Independent Director, Aboitiz Equity Ventures, Inc. He has a long and extensive experience in investment banking with several major financial institutions including HFS Capital LLC and Evercore Partners, Inc. is the Chairman of Evercore Asia Limited. He is an advisor to a number of Asia's most prominent companies like San Miguel Corporation, Samsung Electronics, Tiger Airways, among others. He finished his undergraduate and law degree from Ateneo De Manila University and later on, earned his MBA degree from the Wharton School of Business at the University of Pennsylvania.

Mr. Carlos C. Ejercito, 76 years old, Filipino, is the former Chairman of the United Coconut Planters Bank and currently the Chairman and CEO of Northern Access Mining, Inc, Forum Cebu Coal Corporation and Kaipara Mining and Development Corporation. He graduated Cum Laude from the University of the East where he finished his Bachelor's Degree in Business Administration. He became a Certified Public Accountant in 1966. He received his Master's Degree in Business Administration at the Ateneo Graduate School of Business in 1976 and graduated from his Management Development Program in 1983 at the Harvard Business School. As of date, he serves as an Independent Director at Aboitiz Power Corporation, Bloomberry Resorts Corporation and Monte Oro Resources and Energy Corporation.

Ms. Aileen Christel U. Ongkauko, 53 years old, Filipino citizen, is concurrently the Group President and Chief Executive Officer of La Filipina Uy Gongco Corporation & Subsidiaries, a highly diversified agribusiness, livestock and food company established more than a century ago. She is also a Director of South Balibago Resources Inc. and Ateneo Family Business Development Center. Ms. Ongkauko was also former director of Aboitiz Equity Ventures International, Aboitiz Power International, Pilmico International, and Advisor to the Board for

Weather Philippines, Inc. She graduated *magna cum laude* and was a Departmental Awardee from Ateneo de Manila University, where she earned her degree in Bachelor of Arts in Management Economics

Mr. David L. Almirol, Jr., 41 years old, Filipino citizen, is a full-time technopreneur and a full-stack programmer by heart. He founded Multisys Technologies Corporation, the leading software solutions company in the Philippines. It is considered as the country's most important technology provider with its platforms being used by more than 2,500 entities from the public and private sectors. Earlier this year, Mr. Almirol has been named one of the seven The Outstanding Young Men ("TOYM") honorees for 2020. TOYM recognizes exemplary individuals who have brought service to others and are true models of exceptional young Filipinos worth emulating by the young generation and the nation in general. He earned his Bachelor of Science major in Computer Science at the University of the Cordilleras. He is currently the President and CEO of Multisys Technologies Corporation, Multipay Corporation, Multifresh Corporation, Multiparts and Services Center Corporation and a Director of CIS Bayad Center, Inc.

Atty. Danny E. Bunyi, 56 years old, Filipino, is the Corporate Secretary of the Company. He is likewise a Senior Partner at Divina Law Offices and a lecturer at John Gokongwei School of Management in Ateneo de Manila University, and at the Trust Institute Foundation of the Philippines. He was the Senior Vice President and Corporate Secretary of the Development Bank of the Philippines and the Chief Compliance Officer and Legal Services Group Head of Robinsons Bank. He was also the Legal Counsel for Consumer Banking of Standard Chartered Bank (Manila Office) and the Head of the Legal Advisory Division of the Philippine Commercial International Bank. He completed the Finance for Senior Executives Program in the Asian Institute of Management as well as the course on Trust Operations and Investment Management conducted by the Trust Institute Foundation of the Philippines. He obtained his law degree at the Ateneo de Manila University, with a Bachelor's degree in Business Management, major in Legal Management from the same university. Atty. Bunyi has extensive work experience in the field of banking and finance, trust banking and investment management, and corporate and special projects.

Mr. Carlos Benedict K. Rivilla IV, 50 years old, Filipino, is the Assistant Corporate Secretary and Vice-President for Corporate Affairs of the Company. As part of his experience in the business sector, he served as Corporate Compliance Officer and Vice-President for Finance in a corporation engaged in mass media for four (4) years in Cebu City and also previously handled Corporate Affairs for the Company and served as Director and Corporate Secretary of various businesses in Makati City. He joined the Company in 2007. Mr. Rivilla is a graduate of University of San Jose Recoletos. Mr. Rivilla was appointed Assistant Corporate Secretary on August 17, 2011.

Mr. Ponciano S. Carreon, Jr., 47 years old, Filipino, is the Chief Financial Officer, Corporate Treasurer and Head for Investor Relations. Prior to joining CPGI, he served as Chief Finance Officer of Landco Pacific Corporation, Chief Finance Officer of Arthaland Corporation, Assistant Vice President of Controllershship at SM Development Corporation and Controller of Crown Asia Properties, Inc., a Vista Land subsidiary, and as member of the Board of Directors of Club Punta Fuego Inc., Fuego Land Corporation, and Fuego Development Corporation. He also brings with him solid banking experience having served as a bank controller, audit head and examiner. He is an Ateneo-BAP Certified Treasury Professional, a *cum laude* graduate of BS Accountancy degree at San Beda College and a CPA board topnotcher.

Ms. Maria Theresa Fucanan-Yu, 42 years old, Filipino, is the Group Head for Corporate Communications of the Company until her retirement on October 31, 2021. As part of her corporate background, she served as Assistant Vice-President and Public Relations Manager of the Company. Prior to joining the Company in 2007, she served as an editor and reporter

for various sections of The Manila Times. Ms. Fucanan graduated *cum laude* with a Bachelor's Degree in Journalism from the University of Santo Tomas in 2001.

Ms. Julliene Cruz, 38 years old, Filipino, is the new Group Head for Corporate Communications of the Company effective November 1, 2021. Prior to joining the Company in 2007, she served as a Public Relations Associate in Grupo Agatep (formerly Agatep Associates) and a television production member of various motoring media shows. As part of her corporate background, she served as PR Associate, Advertising Manager, Marketing Communications Manager, and Assistant Vice President for Communications of the Company until 2020. She graduated with a Bachelor's Degree in Communication Arts from Miriam College Quezon City in 2005. Ms. Cruz is taking her Master of Business Administration degree through the Regis program of the Ateneo Graduate School of Business in Makati.

Atty. Isabelita Ching-Sales, 42 years old, Filipino, serves as the Company's Group Head for Legal Services and Corporate Affairs, Chief Information Officer and Chief Compliance Officer. Prior to joining Century Properties, Atty. Ching-Sales was the Chief Legal Counsel and Chief Information Officer of Asiatruster Development Bank, also a publicly-listed company. Having undergone extensive training and experience on loans, credit and branch banking operations, she was also appointed Head for Credit Support Department, and still is the Corporate Secretary of Asiatruster Development Bank, now NextGenesis Corporation. Atty Ching-Sales also worked as Head for Operations of China Banking Corporation's Acquired Assets Division. She graduated from the University of Sto. Tomas with a Bachelor's Degree in Legal Management and obtained her degree in Bachelor of Laws and Juris Doctor degree at San Beda College of Law and San Sebastian College Recoletos Manila, Institute of Law.

Mr. Ritchelle T. Cordero, 41 years old, Filipino, is the Group Head for Human Resources and Administration of the Company. He graduated with academic distinction from San Beda College, Manila in 2002 with the degree of Bachelor of Arts in Philosophy and Human Resources Development. He has completed the Executive MBA degree program at the Asian Institute of Management in 2017. Prior joining the Company, he was the HR Manager of Ayala Property Management Corporation, a subsidiary of Ayala Land Inc. He also worked as the HR Officer of DMCI Project Developers, Inc. He also served as the HR & Quality Management Officer of Asiatic Development Corporation.

All the directors and members of the senior management of the Company possess a high degree of integrity and character and are fully capable and able to perform their duties as directors and members of senior management, respectively. The Company does not believe that its business is dependent on the services of any particular employee.

As of the date of this Prospectus, the directors and key officers of the Company have no material pending civil or criminal cases filed by or against them.

From time to time, the Company and its Subsidiaries, its Board of Directors, and Key Officers are subject to various civil, criminal, and administrative lawsuits and other legal actions arising in the ordinary course of our business. Typical cases include adverse claims over title to land, claims for recovery of money and damages, and claims for cancellations of sales agreements and refund of deposits. In the opinion of the Company's management, none of the lawsuits or legal actions to which it is currently subject will materially affect the daily operations of its business nor will they have a material adverse effect on the Company's consolidated financial position and results of operations.

Significant Employee

The Issuer has no employee and non-executive officer who is expected to make, individually on his own, a significant contribution to the business.

COMPENSATION AND BENEFITS OF KEY MANAGEMENT PERSONNEL

Information as to the aggregate compensation paid or accrued during the last two (2) fiscal years and to be paid in the ensuing fiscal year to the executive officers and senior management follows:

Name and Principal Position	Year	Salary	Bonus	Other Annual Compensation
Aggregate executive compensation for CEO and top 4 Most Highly Compensated Officers/ Directors*	Projected 2022	71,124,526.73	5,531,446.58	0
	Actual 2021 (as of Sept)	46,455,023.16	0.00	0
	Actual 2020	87,924,262.74	4,374,212.98	0
	Actual 2019	89,054,119.84	17,673,652.80	0
Aggregate executive compensation all other officers unnamed	Projected 2022	29,158,556.02	1,968,822.72	0
	Actual 2021 (as of Sept)	19,942,178.94	0.00	0
	Actual 2020	38,397,094.26	745,177.33	0
	Actual 2019	50,659,101.57	3,347,283.28	0

*These include Jose Marco Antonio (President and Chief Executive Officer), Jose Eduardo Antonio, Jose Carlo Antonio, John Victor Antonio, and Rafael Yaptinchay.

The Company does not have any standard arrangement or other arrangements with its executive directors and, as previously mentioned, the executive directors of the Company do not receive any compensation for acting in such capacity, except for the independent directors who receives a monthly fee of ₱100,000 for board meetings, special meetings and board committee meetings. With regard to the employment contracts between the Company and the executive officers, the Company employs the same standard employment contract applicable to all its officers and employees. The Company has not issued and/or granted stock warrants or options in favor of its officers and employees.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN RECORD AND BENEFICIAL OWNERS

Security Ownership of Certain Record and Beneficial Owners

As of September 30, 2021, the Company is aware of only two (2) stockholders owning in excess of five percent (5%) of the Company's common stock other than those set forth in the table below.

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	Century Properties Inc. (21 st Floor, Pacific Star Building, Sen Gil Puyat corner Makati Avenue Makati City) (relationship with issuer – Majority shareholder controlled by Antonio family)	-CPI- ¹ Carlos Benedict K. Rivilla, IV Duly authorized representative	Filipino	5,934,863,419	50.72%
Common	PCD Nominee Corporation (Filipino) (G/F Phil Stock Exchange Bldg., Makati) (relationship with issuer – None)	Majority	Filipino	4,825,180.085	41.24%

As advised to the Company, BDO Securities Corporation and F. Yap Securities, Inc. own more than five percent (5%) of the Company's common shares under the PCD Nominee Corporation.

¹ The total shareholdings of CPI consist of directly-issued shares for 5,934,863,419 (certificated), and 1,602,096,368 (scripless).

SECURITY OWNERSHIP OF MANAGEMENT

The amount and nature of the ownership of the Company's shares by the Company's directors and officers, as of September 30, 2021, are set forth in the table below.

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	% of Class
Common	Jose E.B. Antonio	79,530,001 - Direct	Filipino	0.69
Common	John Victor R. Antonio	1 Direct	Filipino	0.00
Common	Jose Marco R. Antonio	1 Direct	Filipino	0.00
Common	Jose Carlo R. Antonio	1 Direct	Filipino	0.00
Common	Hilda R. Antonio	1 Direct	Filipino	0.00
Common	Rafael G. Yaptinchay	1 Direct	Filipino	0.00
Common	Ricardo P. Cuerva	214,995,169 - Direct	Filipino	1.85
Common	Jose L. Cuisia, Jr	1 Direct	Filipino	0.00
Common	Stephen T. CuUnjieng	1 Direct	Filipino	0.00
Common	Carlos C. Ejercito	1 Direct	Filipino	0.00
Common	Aileen Christel U. Ongkauko	1 Direct	Filipino	0.00
Common	David L. Almirol, Jr.	1 Direct	Filipino	0.00
-	Atty. Danny E. Bunyi	-	Filipino	-
-	Carlos Benedict K. Rivilla, IV	-	Filipino	-
-	Isabelita Ching Sales	-	Filipino	-
-	Ponciano S. Carreon	-	Filipino	-
-	Ritchelle T. Cordero	-	Filipino	-
Common	Aggregate Amount of Ownership of all Directors and Officers as a Group	294,525,180		2.52

VOTING TRUST HOLDERS OF 5.0% OR MORE

As of September 30, 2021, the Company does not know of any person who holds more than five percent (5%) of its Common Shares under a voting trust or similar agreement.

CHANGES IN CONTROL

As of the date of this Prospectus, there are no arrangements, which may result in a change in control of the Company.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company, in its regular conduct of business, enters into transactions with related parties principally consisting of advances and reimbursement of expenses, development, management, marketing, leasing and administrative service agreements and purchases, which are made based on terms agreed upon by the parties.

As of September 30, 2021 and December 31, 2020, the amounts due from related parties are ₱584.59 million and ₱464.42 million, respectively.

The amounts due to related parties of the Company amounted to ₱338.68 million and ₱270.01 million, as of September 30, 2021 and December 31, 2020, respectively.

Related party transactions are disclosed in the Company's reviewed consolidated financial statements as of September 30, 2021 and audited consolidated financial statements as of December 31, 2020, 2019, and 2018 under "Related Party Transactions".

Other than the above and those disclosed in this annual report and in the consolidated financial statements, there are no other transaction entered into by the Company on one hand, with any of its directors, officers or stockholders on the other.

FAMILY RELATIONSHIPS

Except for Messrs. Jose E.B. Antonio, John Victor R. Antonio, Jose Marco R. Antonio, Jose Carlo R. Antonio and Ms. Hilda R. Antonio, none of the above indicated Directors and Senior Officers are bound by any familial relationships with one another up to the fourth civil degree, either by consanguinity or affinity.

Messrs. John Victor R. Antonio, Jose Marco R. Antonio, and Jose Carlo R. Antonio are brothers while Ms. Hilda R. Antonio is their mother and Mr. Jose E.B. Antonio is their father.

A complete description and the balances of the related party transactions are outlined in notes of the accompanying consolidated financial statements.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

The Company is not aware of any of the following events having occurred during the past five (5) years up to the date of this Prospectus that are material to an evaluation of the ability or integrity of any director, nominee for election as Director, executive officer, underwriter or controlling person of the Company:

- (a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;

- (b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- (c) Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and,
- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.

DESCRIPTION OF DEBT

As of September 30, 2021, CPGI had the equivalent of ₱29.39 billion of approved credit facilities, of which ₱18.65 billion is outstanding.

The following table describes the consolidated outstanding long and short-term debt of CPGI and its subsidiaries as of September 30, 2021.

Description of Indebtedness	Borrower	Lender	Original Principal Amount (In ₱ Million)	Maturity / Due Date	Amount Outstanding as of 9/30/2021 (In ₱ Million)
Term Loan					
Term Loan	CLC	AIB	600	Various (May 2022 to Sep 2022)	593
Term Loan	CCDC	Banco de Oro	4,200	Sep. 2024	3,378
Term Loan	PPHI	BPI	850	Various (Jul 2025 to Sep 2025)	320
Term Loan	CCDC II	Chinabank	1,600	Jul. 2025	1,456
Term Loan	CPGI	Chinabank	2,400	Various (Aug 2022 to Sep 2022)	2,248
Term Loan	CLC	Chinabank	500	Dec. 2021	3
Term Loan	CLC	DBP	750	Oct. 2021	161
Term Loan	PPHI	SBC	450	May 2025	450
Term Loan	CLC	UCPB	1,000	Sep. 2024	775
Sub-total			12,350		9,385
Contract-To-Sell Financing					
Contract-To-Sell Financing	CCDC	Banco de Oro	4,000	Various (Oct 2021 to Oct 2023)	229
Contract-To-Sell Financing	CLC	Banco de Oro		Various (Dec 2021 to Sep 2026)	1,424
Contract-To-Sell Financing	MDC	Banco de Oro		Various (Nov 2021 to Apr 2024)	155
Contract-To-Sell Financing	TPI I	Banco de Oro	500	Various (Nov 2021 to Sep 2026)	54
Contract-To-Sell Financing	TPI II	Banco de Oro		Various (Sep 2023 to Sep 2026)	147
Contract-To-Sell Financing	TPI III	Banco de Oro		Various (May 2023 to Sep 2026)	59

Description of Indebtedness	Borrower	Lender	Original Principal Amount (In ₱ Million)	Maturity / Due Date	Amount Outstanding as of 9/30/2021 (In ₱ Million)
Contract-To-Sell Financing	PPHI	Banco de Oro		Various (Jan 2022 to Sep 2026)	115
Contract-To-Sell Financing	CCDC	Chinabank	2,000	Various (Apr 2022 to May 2025)	53
Contract-To-Sell Financing	CLC	Chinabank		Various (Oct 2021 to Sep 2027)	328
Contract-To-Sell Financing	CMDC	Chinabank		Feb. 2026	3
Contract-To-Sell Financing	MDC	Chinabank		May 2022	3
Contract-To-Sell Financing	CLC	Chinabank Savings	350	Oct. 2022	7
Contract-To-Sell Financing	CCDC	COCOLIFE	3,000	Various (Oct 2021 to Apr 2024)	188
Contract-To-Sell Financing	CLC	COCOLIFE		Various (Oct 2021 to Feb 2023)	156
Sub-total			9,850		2,921
Letter of Credit / Trust Receipt					
Letter of Credit / Trust Receipt	CCDC	Bank of China	301 ⁽¹⁾	Various (Oct 2021 to Jun 2022)	29
Letter of Credit / Trust Receipt	CLC	Bank of China			
Letter of Credit / Trust Receipt	CCDC	Philippine Business Bank	300	Dec. 2021	4
Letter of Credit / Trust Receipt	CLC	Philippine Business Bank		Dec. 2021	1
Letter of Credit / Trust Receipt	CCDC	Philtrust Bank	540	Various (Nov 2021 to Mar 2022)	186
Letter of Credit / Trust Receipt	CLC	Philtrust Bank		Various (Nov 2021 to Mar 2022)	112
Letter of Credit / Trust Receipt	MDC	Philtrust Bank		Feb 2022	4
Sub-total			1,141		336
Bonds					

Description of Indebtedness	Borrower	Lender	Original Principal Amount (In ₱ Million)	Maturity / Due Date	Amount Outstanding as of 9/30/2021 (In ₱ Million)
Bonds	CPGI	Bonds	3,000	Apr. 2022	3,000
Bonds	CPGI	Bonds	3,000	Mar. 2024	3,000
Sub-total			6,000		6,000
Leasing Facility					
Leasing Facility	CCDC	BDO Leasing and Finance	50	Various (Mar 2022 to Dec 2023)	5 ^[2]
Sub-total			50		5
Grand Total			29,391		18,646

[1] The LCTR facility amounting to \$6 million is converted based on USD to PHP foreign exchange rate of ₱50.14.

[2] The outstanding balance excludes guaranty deposit of ₱5.72 million.

The Company currently avails of four (4) main types of credit facilities namely term loan, Contract-To-Sell Financing, Letter of Credit / Trust Receipt, and Leasing Facility.

The Company's term loan facilities granted by various financial institutions are paid back from profits of the business, according to a fixed amortization schedule. The Company's term loans are secured by real estate mortgage, chattel mortgage, corporate guaranty, and assignment of leasehold rental. The Company has availed of term loans with maturity ranging from more than one (1) year up to five (5) years, for additional working capital, and for the development of certain projects.

Contract-to-Sell financing are credit facilities extended by financial institutions which purchase accounts receivables of the Company covered by Contracts to Sell of buyers of units from various projects, both on with and without recourse basis.

Letter of Credit / Trust Receipts is a type of financing extended by various banks to finance purchases mainly of construction materials for the Company's projects like cement and rebars from various suppliers. The banks essentially pay the Company's suppliers then require the Company to execute trust receipts over the goods purchased.

A bank has also extended a leasing facility to the Company for the purpose of renting equipment and vehicles used in the conduct of business. Under this facility, a lease guarantees the Company (the lessee or renter) the use of various equipment and vehicles and guarantees the bank (the property owner) regular payments from the Company for a specific period.

CORPORATE GOVERNANCE

Evaluation System to Measure or Determine Level of Compliance with the Manual of Corporate Governance

The Company has undertaken constant Self-Rating Assessment and performance evaluation exercises in relations to its corporate governance policies both for the purpose of monitoring compliance and instilling deeper awareness and observance by the Company's Board of Directors and top-level management.

Measures Undertaken to Comply with Leading Practices

The Compliance Officer has been tasked to keep abreast of such developments and to constantly disseminate relevant information in this regard.

Deviations from the Manual on Corporate Governance

No deviation has been noted to date.

Plans to Improve Company's Corporate Governance

Possible improvement in the Company's corporate governance policies and practices are being constantly studied and reviewed. The Company undertakes to comply with all SEC and PSE mandated corporate governance revisions and memorandums.

For 2018, the Company submitted to the SEC the certification of compliance on corporate governance and the Annual Corporate Governance Report. CPGI has also complied with the memorandum circular of the PSE on the submission of the corporate governance Guidelines for listed corporations. Changes were implemented on the company's website to improve its corporate governance section and the monitoring of updates and disclosures pursuant to respective SEC Memorandums.

FINANCIAL STATEMENTS

Annex B: Audited Consolidated Financial Statements as of December 31, 2020, 2019 and 2018 and for the years ended December 31, 2020, 2019, 2018, and 2017 and unaudited Interim Condensed Consolidated Financial Statements as of September 30, 2021, and for the nine (9) months ended September 30, 2021 and 2020.

PARTIES TO THE OFFER

Issuer

Century Properties Group Inc.

Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner

China Bank Capital Corporation

Trustee

China Banking Corporation – Trust and Asset Management Group.

Registrar and Paying Agent

Philippine Depository & Trust Corp.

Legal Counsel to the Issuer and the Corporate Sureties

Sarmiento Loriga Law Office

Legal Counsel to the Sole Issue Manager, Sole Lead Underwriter and Sole Bookrunner

Angara Abello Concepcion Regala & Cruz

Independent Auditors

SGV & Co.



WORKPLACE DISCIPLINE

UNDER GENERAL COMMUNITY QUARANTINE

(For Staff Reporting in HQ/Site)



WORKPLACE DISCIPLINE

UNDER GENERAL COMMUNITY QUARANTINE

(For Staff Reporting in HQ/Site)

GRADUAL RETURN
OF EMPLOYEES
TO THE OFFICES/SITES

OFFICE HOURS

NEW PROTOCOLS

WHAT TO EXPECT
AT THE WORKPLACE

WHAT IS EXPECTED
FROM EACH EMPLOYEE
AT THE WORKPLACE

ADMINISTRATIVE
SUPPORT SERVICES
FOR EMPLOYEES



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Gradual Return of Employees to the Offices/Sites

May 16-June 15: Up to 50% of employees

Notice on the gradual increase of workforce consistent with the **Inter-Agency Task Force Guidelines shall be communicated by the HRAD with considerable lead time.*

REPORTING EMPLOYEES

Department Heads will recommend employees who can report to the office based on:

- Employee's point of origin and restrictions in their locality
- Availability of public transportation
- Employee's ability to multi-task/fill in for workmates who are WFH or on forced leave





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Office Hours

WORK SCHEDULE

Schedule: 40-hour workweek. Saturday work shall be rendered if the 40 hours (balance) are unserved

CPGI: INTERVAL REPORTING

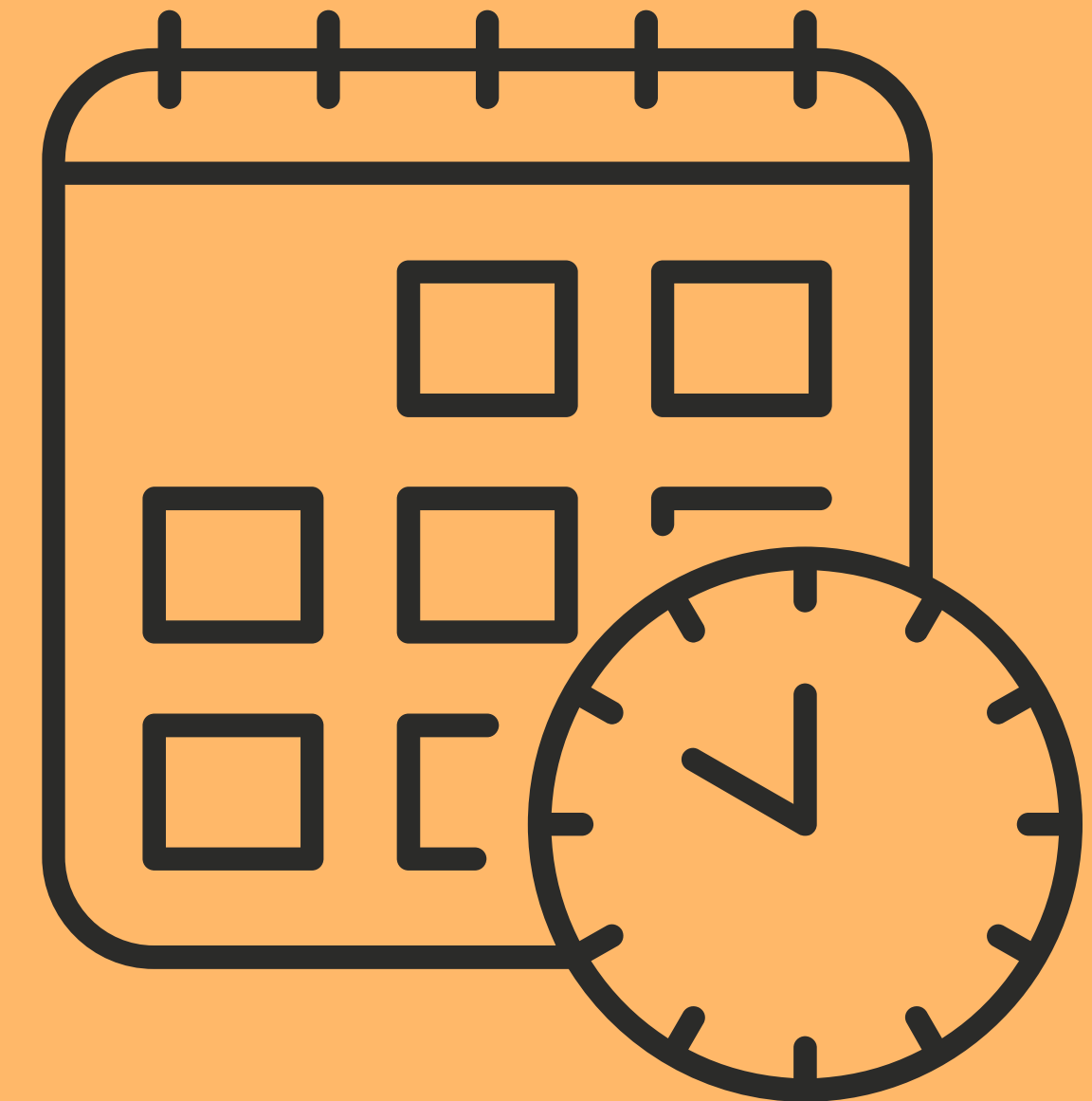
- 8am to 3pm
- 10am to 5pm

PPHI: FLEXIBLE TIME

- May come to office anytime from 7am to 10am
- Should work for not less than 7 hours but should be out of the office by 5pm

LUNCH/BREAK TIME:

- Batch 1: 11am to 12nn
- Batch 2: 12:30 pm to 1:30pm





WORKPLACE DISCIPLINE

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New Protocols

ENTRY & EXIT POINTS

- One point entry/exit (per floor) to manage traffic and filter employees and visitors
- Secondary entry/exit points will be closed
- Everyone will be required to:
 - Undergo thermal scanning
 - Fill-up the Health Monitoring Assessment form

HOLDING AREAS

Each Business Unit office shall have a designated holding area for:

- Visitors
- Suspect/ Probable / Confirmed COVID-19 cases



New Protocols

GENERAL CLEANING SCHEDULE

- Morning: 6:30 am to 8:00 am
- Mid-Day: 11:30 am to 1:00 pm
- Afternoon: 4:30 pm to 5:30 pm

DISINFECTION MISTING OR SMOKING

- Bi-Monthly Schedule (Fridays)

ADMIN SUPPORT SERVICES

- Provide assistance to all employees / visitors who are Suspect/ Probable/ Confirmed Cases under the DOH classifications
- Suspect/ Probable Cases shall be transported to Centuria Medical Makati (Urgent Care or Maxicare)





WORKPLACE DISCIPLINE

UNDER GENERAL COMMUNITY QUARANTINE

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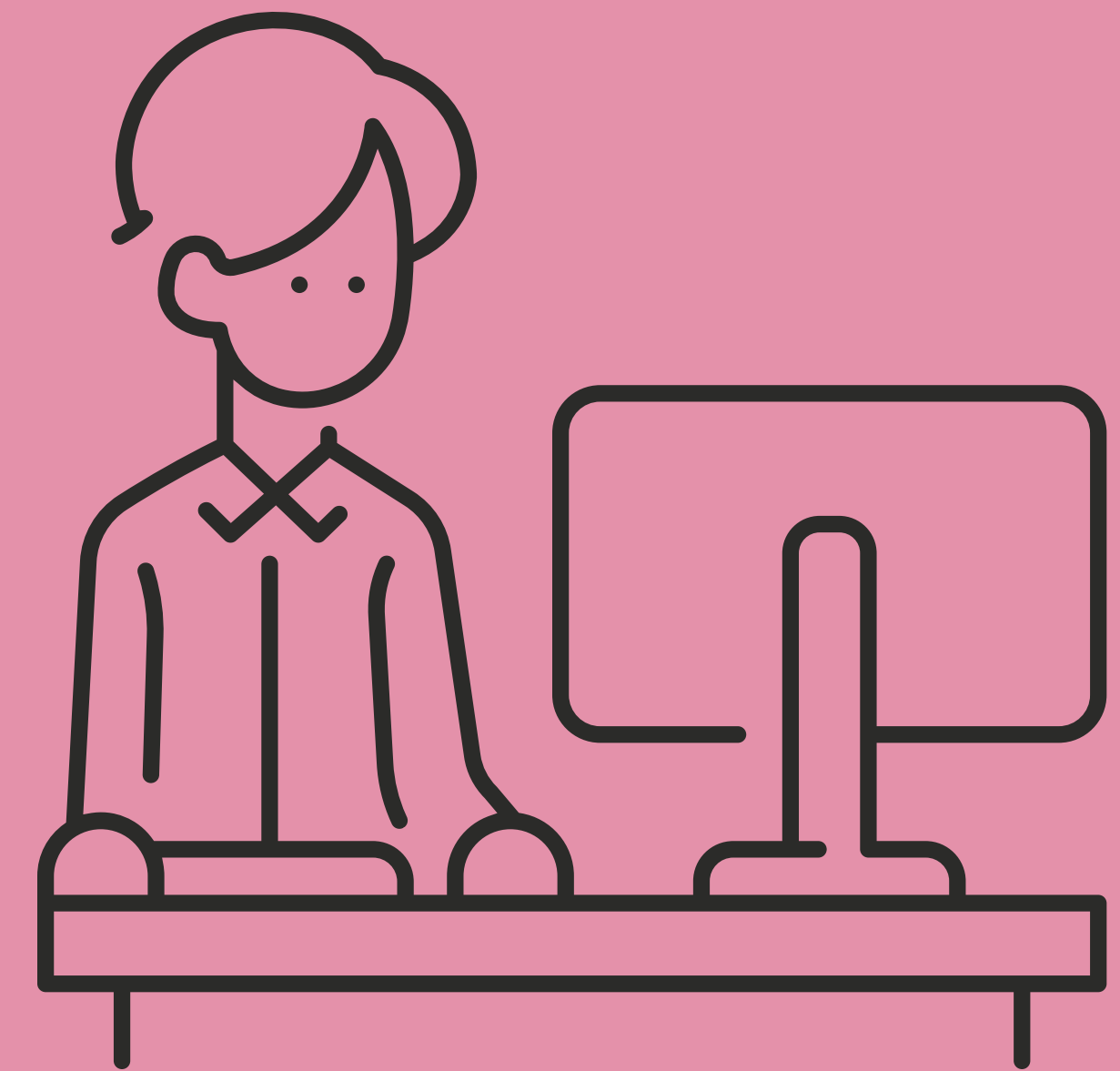
WHAT TO EXPECT
AT THE WORKPLACE

WHAT IS EXPECTED
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AT THE WORKPLACE

ADMINISTRATIVE
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What to Expect at the Workplace

- HRAD will assign a work station to each employee
- Work stations cannot be shared with co-workers
- Conference rooms and meeting rooms will be converted to work stations and/or holding rooms





WORKPLACE DISCIPLINE

UNDER GENERAL COMMUNITY QUARANTINE

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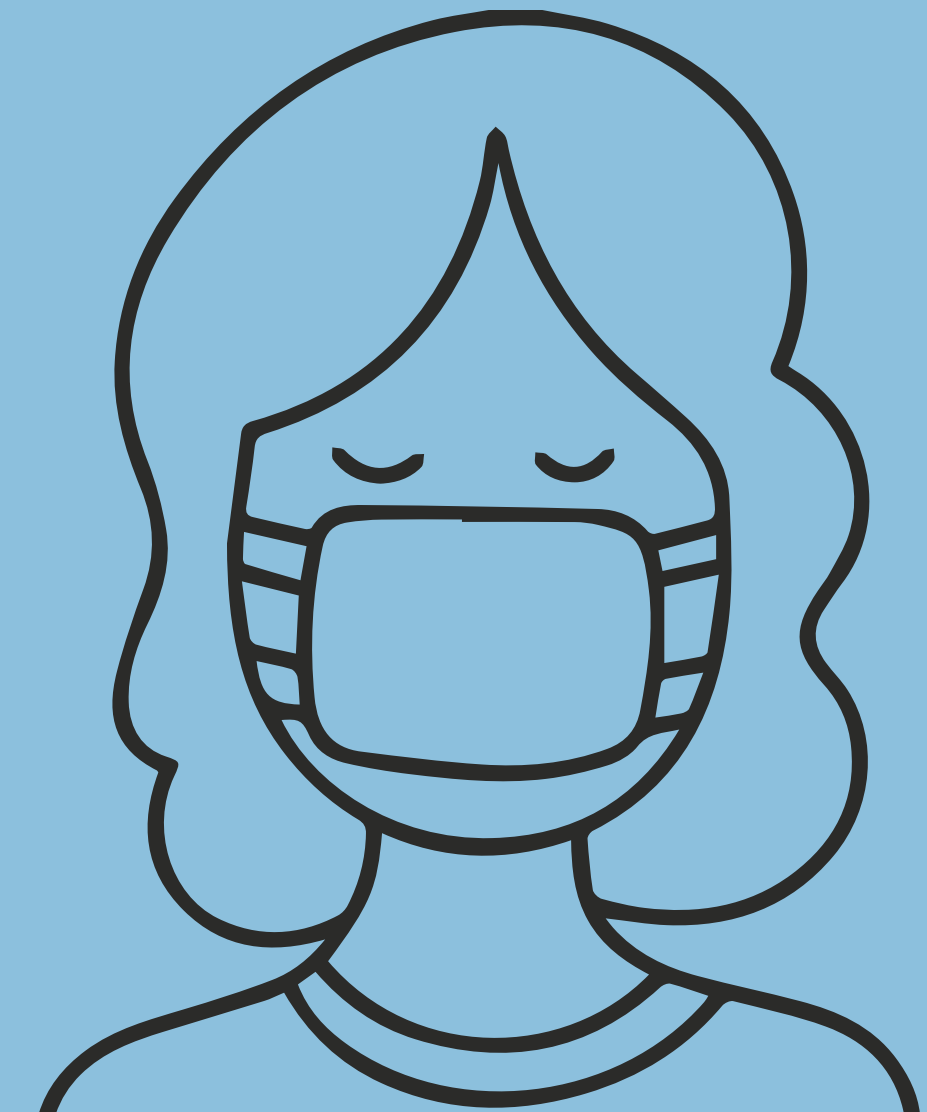
What is Expected from Each Employee at the Workplace

ENTRY AT THE WORKPLACE

- Wearing of face mask is required throughout your work shift
- Answer the Health Monitoring survey upon entry in the office

SELF-CHECK & SELF-REPORT

- If symptoms appear while at work, employees shall be required to call HRAD for assessment & endorsement (Century Medical Makati: Urgent care or Maxicare, or go-home order)
- Medical Clearance shall be required before going back to work



What is Expected from Each Employee at the Workplace

SOCIAL DISTANCING

- 1-2 meter distance shall be considered in the assignment of work stations
- Employees shall observe strict social distancing at all times (1-2 meters from the next person)
- Employees are required to take their meals (lunch/break time) in their own work stations and avoid mingling with others

MEETINGS & DISCUSSIONS

- Physical meetings are prohibited
- Meetings, discussions, and correspondences shall be made by means of Zoom / Facetime / Microsoft Teams / Skype teleconferencing
- Guests will be allowed to use the designated meeting tools or apps in the meeting rooms and holding areas



What is Expected from Each Employee at the Workplace

FREQUENT HANDWASHING

Prescribed handwashing schedule (20 seconds each time):

- Before start of the work
- Before & after break time
- At the end of the work shift

WORKSPACE CLEANLINESS

- Your work space is your responsibility
- No one is allowed to use the work station except the assigned employee
- Employees are required to keep their work station clean and clutter-free at all times



What is Expected from Each Employee at the Workplace

EAT HEALTHY

- Don't skip your meals
- Take healthy meals and avoid junk food
- Take your immune boosters and supplements (Vitamins and Minerals)





WORKPLACE DISCIPLINE

UNDER GENERAL COMMUNITY QUARANTINE

(For Staff Reporting in HQ/Site)

GRADUAL RETURN
OF EMPLOYEES
TO THE OFFICES/SITES

OFFICE HOURS

NEW PROTOCOLS

WHAT TO EXPECT
AT THE WORKPLACE

WHAT IS EXPECTED
FROM EACH EMPLOYEE
AT THE WORKPLACE

ADMINISTRATIVE
SUPPORT SERVICES
FOR EMPLOYEES

Administrative Support Services for Employees

TRANSPORT SERVICES
HOUSEKEEPING SERVICES
MESSENGERIAL SERVICES

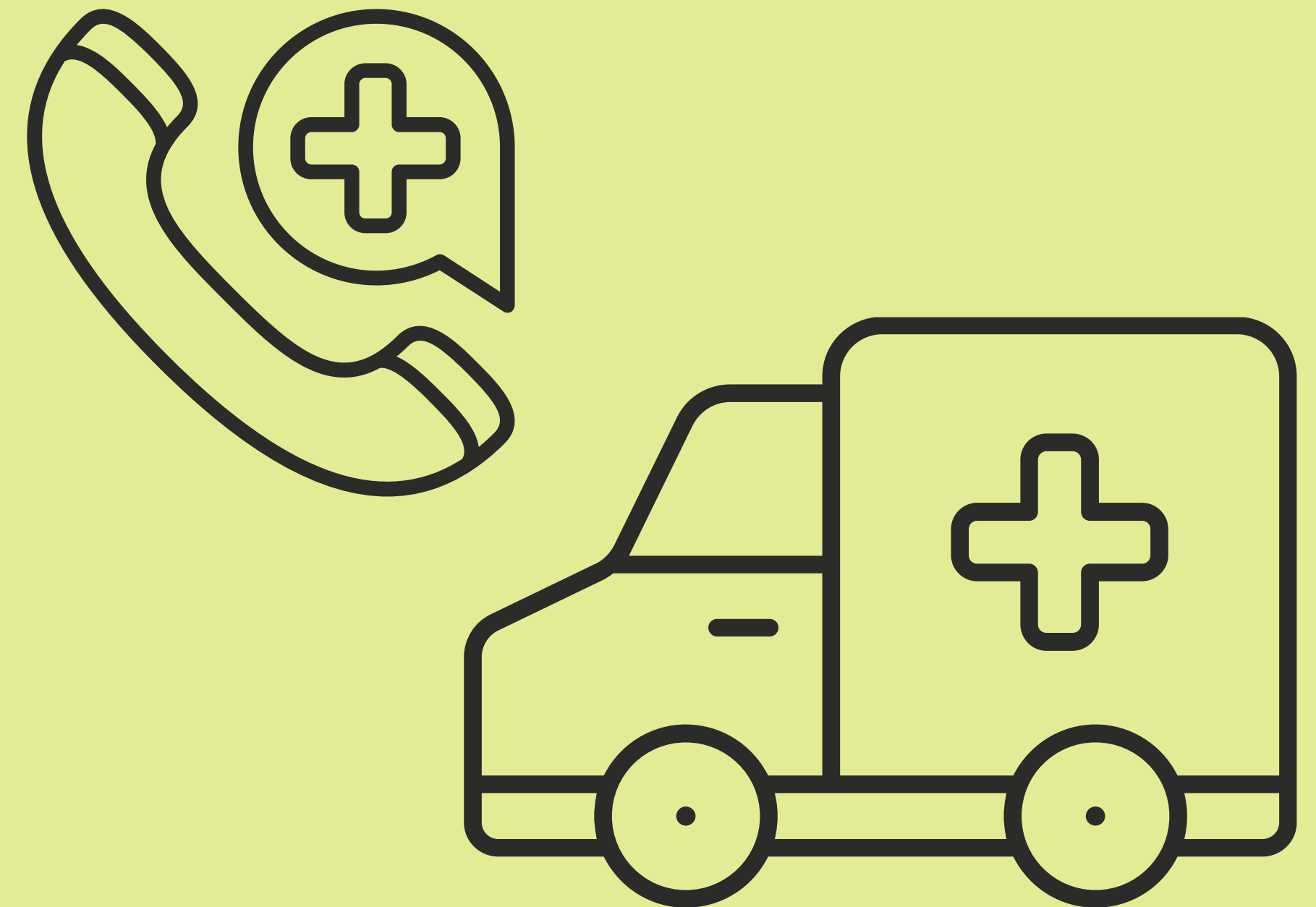
- To ensure the safety of our employees, we encourage you to schedule at least 1 day in advance with HRAD all the transportation, messengerial, and housekeeping requirements of your department or group.
- HRAD will queue all requests on a first-come-first-served basis. Submit your request not later than 12 noon every day.
- We encourage all departments and employees to utilize digital platforms in submitting documents to external parties.



Administrative Support Services for Employees

EMERGENCY ASSISTANCE

- Scheduled Flu Vaccine and/or Booster Drip.
- HRAD will dedicate 1 company vehicle and 1 personnel (with CPMI augmentation) in case of emergency.
- Mild to Moderate medical cases will be endorsed to Centuria Medical Makati (Urgent Care or Maxicare).
- For critical medical cases, patient may be transported to Makati Medical Center or Ospital ng Makati.





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